Why Anti-outsourcing is Back at Sussex University

A shorter version of this is posted as ‘This is why we should fight outsourcing at universities’ on Liberal Conspiracy 1 October 2013

Sussex Uni’s 13,000 students started back last week. So did the campus’ formidable anti-outsourcing campaign.

Private company Chartwells have taken over the university's catering. Sussex management said this was for a better consumer experience. But campus consumers have complained of a reduced service. That’s putting it mildly. And international consumer feedback for Chartwells, owned by Compass, is shocking.

At Miami and DePaul universities in the USA workers’ are in dispute with Chartwells over poverty pay. Sub-living wage employees at Miami work second jobs to make ends meet. They’ve been offered a disrespectful 20 cent pay rise. Chartwells say their hands are tied by the university. The university say wages are up to Chartwells. This is what happens when a university outsources.

It’s rumoured that Interserve may take over Sussex’s estates and facilities. The company were fined £11.6m by the Office of Fair Trading for illegal bid-rigging. They had to cough up £50,000 for exposing MoD workers to asbestos. Dismissed employees discovered holiday pay they were due had been pocketed by the company. BMA workers are fighting Interserve to get the London living wage. The company’s chairman Lord Blackwell spoke in the House of Lords for the outsourcing of NHS services. The bill was passed. Guess who got a contract. Whether Interserve get the Sussex job or not; this is the kind of company that public bodies are outsourcing to.

It won’t end here. At Sussex, IT services, sports and the library could be opened up to for-profit companies. The university plans distance learning where profiteers will be sought to provide IT and student services. The reason – it will be cheaper. How? Low wages and poorer pensions and conditions for the employees. The university is forging ahead despite widespread staff and student opposition, and no consultation with them about whether to outsource.

Outsourcing to for-profits is expanding to academic areas. The government are allowing in controversial for-profit universities. Last year we had none in Britain. Now we have two, and companies like Pearson finding a platform to gain access, not because of their educational values, but for a cut of the money to be made.

In the USA, for-profit colleges spend 24% of their revenue on marketing. That could be devoted to students and staff, but marketisation means it isn’t. At the University of Phoenix, the priority is to get fee-payers enrolled. What happens next is less well resourced. 16% of students graduate. 95% of its tutors are part-time, with little time to research on what they teach.

It’s what happens when higher education outsources. The companies that take over, pay poverty wages. They’re accused of corruption and fraud, and a shocking record with consumers and students. The Sussex anti-outsourcing campaign is back. This is the reason why.

Luke Martell