

# **Claimants groups target Reed Employment**

**Direct action from claimants**

Anarchist Communist Federation

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Over the weekend of October 23/5 1998, claimants groups throughout England, Scotland and Wales launched a campaign against Reed Employment UK Ltd, which is administering the New Deal in the Hackney & City area of North-East London. The aim of the campaign is to draw public attention to this systematic exploitation of the unemployed for corporate profit; and to deter other, equally greedy, private agencies from sticking their snouts into the trough so cynically prepared for them by the Labour government, and ultimately to force reed to withdraw from the scheme.

## **The current action**

In towns and cities across the country, claimants & campaigning groups flyposted somewhere between 30 & 50 High Street offices of Reed Employment. These posters were aimed at:

- Reed managers who, over the next few months, will become aware that they cannot exploit the unemployed for their own benefit
- Reed staff, who seem to need reminding that their actions- processing claimants for crap, low-paid jobs- are not without consequences,
- Other employment agencies, who we envisage will receive the same treatment if they follow Reed's lead,
- Ordinary members of the public- who either pass Reed Employment offices every day, or who presently use Reed to find work- unaware of what Reed are up to.

## **This is just the start**

In the past, companies like Reed's (who make huge profits off the backs, and the suffering, of the unemployed and others) have been able to console themselves with the thought that actions against them were just one-offs. Not this time. The flyposting is just the start of the campaign. This will be followed up shortly by a campaign of leafleting and other direct actions are being considered.

## **Your help is needed**

Haringey Solidarity Group & Hackney Claimants are calling this nation-wide campaign against Reed. Claimants & workers in Brighton are also about to launch a campaign against Reed, and we understand the more active members of CPSA (one of the dole workers trade unions) are trying to fight against the continued privatisation of the Employment Service by companies like Reed, from within job centres.

We need to hit Reed regularly and at as many of their offices as possible. If actions are just concentrated in North and East London and Brighton, reed will be able to weather the storm. Their profits are large enough that they can soak up a few offices making a loss.

The campaign needs the support of groups and individuals throughout the country. Groups within the Groundswell claimants movement have already agreed to back this campaign against Reed's, but others are welcome & needed.

A leaflet has been produced explaining Reed's involvement in the exploitation of the unemployed/unwaged. Naturally this leaflet also mentions other unsavoury things about Reed's. We need to get this distributed outside Reed offices-to both passers by, Reed staff, and anybody thinking of using Reed's to find jobs. If you can help, then contact us for copies. Obviously, if groups want to they can produce and distribute their own leaflets- in fact, this may be better. But, if you ain't up to producing your own, contact us for copies of ours.

Our aim is to hit Reed's where it hurts- in their pockets- until they realise the only option is to ditch their involvement in the New Deal. Of course we are not suggesting groups or individuals take illegal action- that would be incitement and we know where that can get us! We would ask that groups take whatever action they feel is appropriate in their local area to a) get people to boycott Reed's and b) force Reed to pull out of the New Deal and any other schemes where they benefit from the suffering of claimants. If there ain't a Reed's near you pick on any of the other employment agencies- they all hope to get in on the act and cream off profits from low waged and claimants' suffering.

## **Background**

Reed Employment is one of the UK's biggest recruitment agencies, with offices on the High Streets of most major towns and cities.

On 16 April 1998, the Daily Telegraph reported that Reed's had posted a 1997 pre-tax profit of £14m, up from £12.3m the previous year, after a 19% rise in turnover to £227m. Chairman Alec Reed described it as a "quietly successful year". According to the 1997 Sunday Times Rich List, the Reed family enjoys a fortune of £50m, making Alec Reed the 360<sup>th</sup> richest person in this country.

Under the insane logic of capitalism, rich is never rich enough. In March 1998, under a contract with the Employment service, red launched a pilot scheme to deliver the New Deal for the Young Unemployed in the Hackney and City area of London. His staff- hiding the fact that they are themselves underpaid behind silly T-shirts and fixed smiles- are levering claimants into jobs at rates as low as the criminally inadequate £3 minimum wage for young people.

Reed is one of almost a dozen private companies that are now contracted to exploit the unemployed in areas throughout the country. Some Employment Service workers regard this as the thin end of the wedge of eventual privatisation. There has been talk of lobbying for strike action

## **Shady goings-on already**

Within weeks of launching their glossy "New Deal Campus" in Hackney, Reed were revealed to be indulging in sharp practice:

1. That Reed's agenda is less to assist claimants than to generate a quick profit became clear when the company tried to undercut existing Employment Service rates for staff administering the New Deal Gateway by £3,000 a year. Reed even advertised posts at these rates

in local jobcentres, until someone put a stop to this cynical attempt to exploit, not only claimants, but also those processing claimants for exploitation.

2. Reed do their best to place “job ready” clients through their existing network of employers, who pay them a fee for every successful placement. This means that they are being double-funded: first through their New deal contract, then by employers!

To some observers, this is merely an indication that monitoring will be advisable. To claimants, it comes as confirmation that the New Deal is rotten root and branch.

Reed are not the only pigs with their snouts in the New Deal trough, but they give off the foulest stench. we are going to hit them where it hurts-in the wallet!

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1999

Retrieved on May 13, 2013 from [web.archive.org](http://web.archive.org)  
Published in *Organise!* Issue 50 – Winter 1998/99.

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