



News, Views & Comments from the World of Building Service Contracting

Submit your news for publication to Carol Dean at cdean@wfbsc.org

AUSTRALIA-MELBOURNE

Rick MacKenzie Stepping Down At Year End

After having spent some 23 years on the National Board of BSCAA in various roles and then taking on the role of CEO after the untimely passing of Neil Jackson some 2 years ago, Rick has decided it is time to hand over the reins. Rick wishes to spend more time with his family and take a more active role in running his family businesses, which he has not been able to do since taking on the CEO role. Rick will however not be leaving the industry that he has been involved with for the last 30 years, as he intends to resume the consultancy work he was providing to companies in the industry before stepping into the CEO's role.

BSCAA has appointed Melbourne based Geoff De Lacy to assume the position of CEO. Geoff has worked in senior management for a number of years, both in the public and private sectors and the consulting profession. He has also operated his own business, has been the National President of a professional body, served on boards of a number of industry and professional groups and also has taught corporate governance and other relevant commercial subjects. Geoff has worked both nationally and internationally in the consulting world and as a senior company executive. Geoff came from Victoria, however he was born and raised in Queensland, worked for 15 years in Sydney, now lives in Melbourne and is married to a South Australian. Given his prior experience, BSCAA believes Geoff has the credentials and experience to move the association to the next level.

BELGIUM-BRUSSELS

GHS Could Jeopardize Benefits Of REACH

According to a press release from the international Association for Soaps, Detergents and Maintenance Products, (A.I.S.E.) the European Commission proposal for a draft Regulation on Classification and Labeling (GHS), which is meant to complement REACH, - the European Community regulation on chemicals and their safe use - instead might, without a consistent approach, bring confusion instead of further building consumer confidence. According to A.I.S.E., in essence, under GHS more products will be labeled as corrosive, including some traditionally used cleaning products, and this will have a number of negative consequences especially as a greater number of substances will be more severely classified than is the case at present. This would result in a lack of differentiation between a large variety of products irrespective of their actual risk, thus generating confusion among consumers with regards to product safety. Furthermore, as more dilute formulations would receive less severe classification and Labeling through the GHS, this would run counter to the improved sustainable profile of compacted products. Similarly, in order to prevent inappropriate Labeling, the GHS could trigger an increase in animal testing on product formulations. A.I.S.E. suggests that alternative methods to animal testing should be promoted, along with the use of human data from poison control centers. A.I.S.E. and its members will continue to cooperate with legislators and all relevant stakeholders involved in the legislative process to develop, and ensure that the most relevant information is made available to the end user, thus protecting safety

and minimizing the impact on the environment. The European Commission proposal for a draft Regulation on Classification and Labeling (GHS) is available at: http://ec.europa.eu/enterprise/reach/ghs_en.htm. A.I.S.E., created in 1952, represents 35 National Associations consisting of 900 companies in the soaps, detergents and maintenance products industry across 34 countries in Europe.

BRAZIL-SAO PAULO

Unemployment Rate Falls

Unemployment was 8.7 percent in October down from 9 percent in September and 9.8 percent the year prior and average monthly wages rose to US\$624 in October, up from US\$619 a month earlier. Brazil's economy is expected to expand about 5 percent this year, following 3.7 percent gross domestic product growth last year.

CANADA-ALBERTA

Edmonton Has Highest Economic Ranking

According to CIBC World Markets, for the first time on record, the city of Edmonton has the highest economic momentum in the country as a result of strong population growth, impressive employment gains, low unemployment and below-average personal and corporate insolvency rates. Calgary slipped into second, Saskatoon reached third, Montreal fourth, Toronto, fifth and Vancouver sixth. Among the larger cities, Ottawa-Gatineau had the lowest score.

FRANCE-PARIS

France Blocks 3M Takeover Of Spontex

Claiming a 3M-Spontex merger would dominate the sponge market, Finance Minister, Pierre Bregovoy, and Industry Minister, Roger Fauroux, blocked the proposed sale of \$173 million. According to the ministers, the takeover of Spontex, which makes textile, sponge and synthetic wiping products, by 3M would have cornered 76 percent of the market in scouring goods.

GERMANY-BERLIN

Costs Up, Confidence Down

In a recent publishing by the market firm GfK of the widely regarded consumer confidence index, confidence fell from 4.8 points in October to 4.3 points in November, a two-year low. Inflation rose to 3 percent in November, the highest level since 1994. However, despite consumer fears, the good news is unemployment fell 53,000 in November to 3.6 million.

GERMANY-NUREMBURG

Germany Ranks Tenth In Purchasing Power

The GfK Purchasing Power Europe 2007/2008 study finds that European consumers have a total of around 8,000 billion euros to spend from their household net income or an average purchasing power of around 11,998 euros per capita across the 40 countries surveyed. This figure includes state payments such as unemployment benefit, child support allowance and pensions. Switzerland, Liechtenstein and Luxembourg have the highest purchasing power at an average disposable income of 27,521 euros. Germany, at 18,055 euros ranks 10th behind Austria and France. Ireland, where purchasing power has risen 30 percent since 2003, has the highest growth in disposable income and now ranks fourth.

JAPAN-TOKYO

Unemployment Stable, Women Fare Better

While the overall unemployment rate at 5.4 percent hasn't changed since May, the unemployment rate for men rose 0.1 point, and slipped 0.2 point to 4.9 percent for women. According to the Labor Force Statistics Office, the number of unemployed climbed by 80,000 from a year earlier to 3.65 million, up for the 18th straight month and of the unemployed, 960,000 were the heads of households, up 30,000. The labor minister is proposing Government ministries and agencies consider providing preferential treatment to companies that opt to put emphasis on job security and not favor companies that have recently resorted to job cuts to weather the 12-year economic slowdown.

However, he turned down a request by the Japan Business Federation to allow Japanese employers to pay less mandatory social security contributions into national coffers.

NEW ZEALAND-AUCKLAND

Immigration Minister Hires Illegal Cleaner

Health Minister David Cunliffe, who until very recently was Immigration Minister, is being accused of hiring an illegal worker to clean his house during his time as Immigration Minister. An article in Investigate magazine, states a Mongolian woman on a student visa without a work permit who worked for a cleaning company franchise, cleaned Mr Cunliffe's house. The cleaning franchise owner then called the Minister telling him that his house had been cleaned by illegal workers, and that he wanted help on an immigration matter. Mr Cunliffe reportedly replied that he knew nothing about it and did not know who cleaned the house. The Minister had no reason to know the woman was an illegal worker and cancelled his agreement with the cleaning company soon after he was told.

SOUTH KOREA-SEOUL

Corporations Getting Cash Infusion From Banks

According to the Financial Supervisory Service, the total balance of bank loans to corporations was \$54.4 billion, an increase of 27 percent over the prior year, and loans to small and medium-sized firms rose 17.6 percent. Analysts say this is not necessarily bad as many companies look to raise capital through loans in times when the bond market is poor, allowing for more liquidity. According to the Bank of Korea, corporate lending amounted to 7.2 trillion won through October, with 3 trillion being extended in September/October alone.

TAIWAN-TAIPEI

Government Fueling High-Speed Households

In Taiwan, households with fiber optic connections are predicted to rise to more than 2.5 million and account for approximately 25 percent of total broadband users by 2010. In order to double the coverage of the high-speed fiber optic network to

one million households by the end of 2008, the government is encouraging construction firms to include broadband networks in new projects. By the end of this year, 500,000 families are expected to be able to connect to higher-speed Internet connections on fiber optic cables rather than on existing copper phone lines. Chunghwa Telecom, the only provider that offers broadband services on fiber optic, and which plans to spend NT\$60 billion in five years has 470,000 subscribers as of October.

THE NETHERLANDS-AMSTERDAM

Slower Growth For Security In 2007

Turnover in the first and second quarters of 2007 slowed from the 8 percent growth experienced in the first two quarters of 2005 and 2006. However, in the third quarter turnover increased 6 percent. The increase is the result of general economic growth, price developments and private security companies taking over more and more tasks from the police as public-private cooperation has increased and the security branch has become more professional. The largest part of turnover in the security and investigation branch was in corporate security. This consists mainly of entrance checks, surveillance within company premises and store security in the retail sector.

UK-LONDON

CSSA Update

In September, the CSSA spoke at a Labor Party conference fringe meeting on Rights and Regularization. The CSSA put pressure on the Government to consider an earned regularization program for non-UK workers to resolve the chaos caused by the current unworkable system of document checks for migrant workers. The CSSA has also been active in discussions with the Low Pay Commission on its forthcoming recommendations for the national Minimum Wage in the UK. CSSA members responded in a survey that the effect of successive NMW increases has eroded pay differentials in the cleaning sector making supervisory recruitment hard. According to the survey, the most recent increase in the NMW had cost the contract cleaning industry some 60 million pounds and clients were downgrading their cleaning service requirements as a result. Finally, the CSSA is partici-

pating on the steering group with the TUC Vulnerable Workers Project. A number of CSSA member firms have volunteered to participate in the initial project phases. The CSSA is also working with the TUC to develop an employer specific element to the project.

UK-LONDON

Toilets At The Touch Of A Button

In an effort to stop people from urinating in alleyways, the Westminster City Council, launched "Sat-Lav" – a toilet-finding service for cell phone users. The system, which covers 40 public toilets, pinpoints the location of a caller by measuring the strength of the phone signal and texts the address of the nearest public facility to anyone who texts the word toilet. The texts cost about 50 cents, and most of Westminster toilets are free. The council claims some 10,000 gallons of urine ends up in Westminster streets each year.

UK-LONDON

Two Out Of Three Firms Expect Skills Shortage

According to the latest London Business Survey a majority of firms are recruiting from overseas to fill labor gaps as two out of three firms in London (65 percent) expect to be troubled by skills shortages over the next six months. Contrary to the perception that overseas workers often perform low-skilled jobs, 83 percent are bringing in those with higher, degree-level skills. Currently, most of the low skilled jobs are going to people from Eastern European countries. High-level jobs of middle and top management are being filled in many cases with workers from Asia.

US-WISCONSIN

High School Evacuated

After a custodian was overcome by fumes while trying to unclog a restroom floor drain by pouring bleach in the drain, the fire department was called and students and staff were evacuated from Black River Falls High

School. Chlorine fumes spread into the hallway, and several students reported not feeling well. One was taken to the hospital. The high school remained evacuated until the drain was flushed.

CORPORATE MEMBER NEWS

Ecolab

Douglas M. Baker, Jr., Chairman, President and Chief Executive Officer of Ecolab, was named among the 100 Most Influential People in Business Ethics by Ethisphere Magazine, a global publication dedicated to providing insight regarding the important correlation between ethics and profit. Individuals on the list, which will appear in the fourth quarter issue, were recognized for inspiring change in business ethics. Baker was ranked 58th in a group that included educators, elected officials, representatives from non-government organizations and business, journalists and finance. According to Ethisphere, a panel of ethics experts from major universities including New York University, Pennsylvania State University, University of Delaware, and Arizona State University, submitted nominations and ranked individuals who influenced ethical behavior in global business. Research was done in cooperation with analysis from the Ethisphere Institute; while hundreds of individuals were considered, ultimately only 100 made the list. They are ranked in order from 1 to 100 based upon relative weightings provided by the panelists and analysts. The criteria included business and thought leadership, corporate culture and design and sustainability.

UPCOMING EVENTS

17th Congress of the World Federation of Building Service Contractors

Buenos Aires, Argentina

October 26-29, 2008

Visit the WFBC website at www.wfbc.org for more information.



ALL BUILDING SERVICE CONTRACTING COMPANIES THAT ARE MEMBERS OF ONE OF THE ASSOCIATIONS THAT IS A WFBC MEMBER, ARE AUTOMATICALLY MEMBERS OF THE WFBC.

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