



News Release

SERVICE EMPLOYEES
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Contact: Elissa Strauss
elissa.strauss@gmail.com

917-463-3075

Wackenhut Workers at Tennessee's Holston Army Ammunition Plant awarded \$2.5 Million in Back Pay: Federal Government Foots the Bill

WASHINGTON DC - Checks, ranging from \$200 to \$50,000, were distributed to 280 employees at the Holston Army Ammunition Plant this week. Two years after plant workers filed a formal complaint, the Department of Labor awarded the Wackenhut Services Inc. fire and security workers \$2.5 million in back pay. According to DOL findings, from 1999 to April 2007 Wackenhut violated the McNamara- O'Hara Service Contract Act, which requires federal contractors to provide pay and benefits commensurable to those found prevailing in the locality.

While the final settlement was less than the workers claim, this is the largest SCA settlement for Wackenhut workers to date – about ten times the previous high. This past June the Army stated, “The money is owed by Wackenhut. Wackenhut should have known all along (the SCA wages applied) based on the original (contract) solicitation.” But, Wackenhut claims that federal acquisition procurement regulations allow it to bill the Army for this back pay.

“It is shocking that a company with such lucrative government contracts like Wackenhut lacks the necessary organization, experience, accounting and operational controls to pay their employees what is due to them according to federal contracting law,” said Valarie Long, SEIU Property Services Division Director. “Now the US Army has to make up for almost a decade of shortchanging the workers.”

Among those who promoted the cause of the shortchanged workers, demanding DOL action, were Senator Edward Kennedy (D-MA) and Congressman George Miller (D-CA). Also, Senator Ron Wyden (D-OR) and Senator Byron Dorgan (D-ND) made public their concerns about security issues at Holston.

Wackenhut is owned by the London-based security conglomerate G4S. G4S, the largest company trading on the London stock exchange, is under fire from international human rights groups and trade unions for the company's practices in southern Africa and elsewhere. This past July, Wackenhut was the subject of a congressional hearing conducted by Edolphus Towns (D-NY), chair of the Subcommittee on Government Management, Organization, and Procurement.

More about Wackenhut Services Inc. and the campaign to improve conditions for security workers can be found on the website www.eyeonwackenhut.org.

SEIU, the fastest-growing union in North America, with 1.9 million members in the United States, Canada, and Puerto Rico, is also the largest union of security officers in the nation.