

# Hutton report: Work longer, pay more and retire on less!

fastnews

**T**HE SECOND Hutton Pensions Commission report has confirmed plans to make public sector workers pay more, retire later and get less pension when they do.

**Martin Powell-Davies,**  
member of NUT national executive

Ex-Labour minister John Hutton, now advising the Con-Dem government, had already recommended a massive hike in workers' pension contributions. For example, they want teachers' monthly payments to go up by 50% - that's around a £100 a month pay cut. With a public sector pay freeze and rising inflation, this would be another huge squeeze on incomes.

This is on top of the government's decision to rip off millions of workers and pensioners by switching from the Retail Prices Index to the lower Consumer Price Index for calculating pensions and benefits from April.

Hutton claims that the increases are inevitable to account for rising life expectancy. It's not true. No actuarial analysis has been provided to justify them. In fact Hutton's own figures show that public sector pension scheme costs are already set to fall. So this extra money isn't to help pay for retiring workers. The government just wants to impose an extra tax on public sector workers to plug the hole in their finances. But why should we foot the bill for the bankers' gambling debts?



photo Paul Mattsson

Private sector workers' pension funds have been robbed by employers.

These attacks are part and parcel of the government's privatisation agenda. In order to privatise schools and other public services, businesses don't want to have to pay the costs of decent pensions. Reports suggest that a public sector pension of £20,000 might be cut to just £6,000 in a private scheme.

Hutton's new proposal is that the 'normal pension age' would rise first to 65 for all but then increase further to 68 to track the rising state pension

age. Do they seriously expect a 68 year-old to have to struggle around a classroom? Or for older workers to be forced to work on while the younger generation is unable to find employment?

He has also proposed that existing 'final-salary' schemes should be replaced by 'career-average' pensions. Hutton wants to divide opposition by claiming that this would be 'fairer' to those lower down the pay-scale. But what Hutton intends will

be unfair to all of us.

In principle, a career-average scheme can be constructed in a way that maintains pension levels - but their intention is to cut pension costs. These schemes will be calculated to give us less pension even though we'll be paying in more.

Hutton also wants to divide public sector workers from those in the private sector by saying that we can't expect to carry on with final salary pensions when most private sector workers aren't getting them. But why should we allow ourselves to be ripped-off in the same way as private companies have ripped-off their employees? The best way to defend all workers is for someone to put up a fight - and we are going to!

Hutton's report must be met with a quick response - a coordinated ballot across the public sector for united strike action to defeat the pensions' robbery. It's also yet another reason to be out on the streets of London on 26 March!

The UCU union has already balloted lecturers for action over pensions. The civil servants' PCS, NUT and other teaching unions are discussing balloting for coordinated action starting in June. But this must not just be a token protest; it must be the start of an escalating programme of strike action to defeat these attacks.

A famous victory over pensions would then raise workers' confidence to fight all of the Con-Dems' cuts.

## Wisconsin occupation

On 11 February Scott Walker, US Republican state governor of Wisconsin, proposed the introduction of an anti-trade union bill.

The bill's measures will strip public sector trade unions of their collective bargaining rights over non-wage issues, force unions to win annual votes if they are to retain any status at all in public sector workplaces and to end the payment of union dues from workers' wages. These proposals sparked off an enormous pro-workers movement in Wisconsin and solidarity actions throughout the US.

On 9 March, Walker and the Republican Senate used an illegal manoeuvre to push through his bill, without the return of the 14 Senate Democrats (who, for three weeks, had absented themselves from the legislature to prevent its passage). Workers' resistance has been incredible, with another occupation of the state Capitol building and a mass student walkout on 10 March, in protest at this illegal move. The occupation temporarily prevented the bill from going to the state assembly for a vote.

Socialist Alternative (the Socialist Party's counterpart in the USA) is actively campaigning for urgent preparation for general strikes and other actions to escalate the struggle until Walker backs down.

## Yahya victory

Yahya Al Faifi, exiled Saudi trade unionist and CWI member, and his family, have won the right to indefinite leave to remain in Britain. Yahya's victory has followed a nine-year campaign to win refugee status from the British government, which has won the support of thousands of trade unionists across the country.

Yahya had been forced to flee Saudi Arabia with his family in 2002 following death threats from the Saudi secret police when he publicly campaigned for trade union rights. Despite overwhelming evidence the Home Office denied that his life was under threat and has been attempting to deport Yahya and his family back to Saudi Arabia to face imprisonment, torture or even worse.

The revolutionary movements across the Middle East have undoubtedly had a huge effect in reversing the Home Office's decision. Yahya's return and imprisonment would have embarrassed both governments in a time of enormous instability.

Yahya has made it absolutely clear he will continue to fight for trade union and democratic rights, for social justice and the removal of the repressive regime in Saudi Arabia. He sends his thanks to all those who supported him and helped make the continuation of his struggle possible.

Dave Reid

## Hunger strike

On 9 March, when 300 immigrant workers were on their 44th day of a mass protest hunger strike in Athens and Thessaloniki, an agreement was made between the protesters and the Greek PASOK government. It ensured that the government would meet most of the strikers' demands regarding the obtaining of legal status in Greece. Disgracefully, however, only 24 hours later government ministers appear to have reneged on the deal after making statements disputing parts of the agreement.

## Vote for a socialist alternative

**W**ITH THE Bellingham by-election in Lewisham, south east London, set for 24 March campaigning is stepping up. Over 25 Socialist Party and Lewisham People Before Profit members came out to help canvass and run campaign stalls last weekend.

Chris Newby

We are continuing to get excellent support for our campaign to get former Socialist Party councillor Ian Page the 'no cuts' candidate elected, standing as Socialist Alternative - Lewisham People Before Profit.

Local people are very angry about the Con-Dem government's and Labour council's cuts and are only too willing to sign our petition calling for a campaign against all cuts. Local residents supporting our campaign include a teaching assistant at a local school and a worker on the local play-bus.

A local RMT transport union branch secretary has committed his vote to Ian. He will speak to other members in his branch about the campaign as well as inviting Ian to their next meeting just before the election.

One young person we met on our campaign is fuming about the closure of Sydenham library, recognising the library as a much needed local resource. He is one of many people who are interested in joining or finding out more about the Socialist Party.

To help in the campaign call Chris 07906 591794.

## Huge protests against job insecurity

**O**VER 300,000 people took to the streets in Lisbon and ten other Portuguese cities on Saturday 12 March to protest against unemployment and job insecurity. 200,000 people demonstrated in Lisbon and another 80,000 in Portugal's second city Porto.

27 year-old Joao Labrincha, who is unemployed and one of the organisers, said: "Half of Portugal's active population is either unemployed or precarious [on temporary contracts], which shows that the situation is untenable."

Official unemployment stands at 11%, some 620,000 people, of whom nearly half are under 35 and more than 10% are graduates.

The right-wing PS minority government passed a savage austerity budget last November in order to satisfy the demands of international finance capital

and the EU to reduce the budget deficit. This led to a three million-strong general strike, organised by the trade unions.

Speculation has increased recently that Portugal will follow Greece and Ireland in being forced to accept a bailout by the EU and IMF.

● In Italy, a 24-hour general strike involving public and private sector workers, protesting against job insecurity, poor working conditions and privatisation of public services, took place on Friday 11 March.

Public transport systems in many cities were brought to a halt. In January the unemployment rate reached 8.6% with nearly 30% of unemployed Italians under the age of 24.

See [www.socialistworld.net](http://www.socialistworld.net) for more

## The rich get richer - by another \$1 trillion

**T**HE LATEST rich list produced by the Forbes magazine shows that the collective wealth of the world's 1,210 billionaires has reached a new record high of \$4.5 trillion - up nearly \$1 trillion on last year's total.

At the same time three billion people (around 50% of the world's population) exist on a meagre \$2 a day. In fact only three years ago it was estimated that the world's richest 225 people had combined assets equal to the combined annual income of the world's 2.5 billion poorest people. This glaring gap in wealth has undoubtedly widened since then.

Such inequality, combined with the accompanying huge disparities in health and other life chances between rich and poor, are the products of the profit-driven capitalist system. This system almost went bust two years ago, in part due to the speculative greed of rich financiers. But it was rescued by pro-capitalist governments using trillions of dollars of public funds ie our money.

As Mahatma Gandhi once remarked: "We have enough for everybody's need. But not enough for everybody's greed."

So the next time rich politicians Cameron or Clegg or any other defender of this system parrots "we're all in it together" or, "we can't afford to maintain current levels of spending on public services", etc, then tell them to make the rich pay!



Carlos Slim - the world's richest billionaire, with a personal fortune of \$53.5 billion.