

# PSOE, Sumar and Spanish union bureaucracies agree to new attack on pensions

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The pension agreements between the Socialist Party (PSOE)-Sumar government, the Spanish Confederation of Employers' Organizations, and the Sumar-linked Workers Commissions (CCOO) and the social-democratic General Union of Workers (UGT) deepens the attacks on the public pension system, public services and working conditions.

This agreement was signed on July 31, in the depth of the summer holidays, as media attention was focused on the election of the PSOE's candidate as the new Catalan regional premier. None of the parties involved—PSOE, Sumar, the unions, or the employers—have publicised what was agreed upon, preferring to conceal the cuts it entails.

There are three basic aspects in the signed document. First, it aims to strengthen the role of mutual insurance companies at the expense of public healthcare. Mutual insurance companies are private business associations that are funded with public money and collaborate with Social Security in managing work-related accidents and occupational disease.

From now on, workers who have suffered traumatic injuries can be referred to mutual insurance companies for treatment if the public healthcare system exceeds the expected recovery times. This, in itself, is a stark confirmation of the dire state of the Spanish public healthcare system: it has been systematically undermined over decades by the PSOE, the pseudo-left Podemos party, the right-wing Popular Party, and now joined by Sumar, and often fails to treat patients in a timely manner.

In these circumstances, workers may be forced to accept being transferred to private healthcare services through the mutual insurance companies if they conclude the public healthcare system cannot provide them with the necessary care.

PSOE and Sumar are thus strengthening private healthcare while abandoning public healthcare and starving it of funds. Some of these will instead be handed over to private mutual insurance companies, whilst other funds will be diverted to the war machine, police and intelligence services—that is, to the instruments of death not the preservation of life.

The aim of the PSOE-Sumar government, backed by the entire trade union bureaucracy and big business, is to make quality healthcare accessible only through private means, either through a mutual insurance company or by contracting out private health insurance. Moreover, the mutual insurance companies, closely linked to corporations and banks, will have a financial interest in cutting recovery times so that workers return to their jobs, regardless of whether their recovery is complete.

A second aspect, also related to the mutual insurance companies, is the decision to reduce taxes for companies that report a decrease in occupational diseases and workplace accidents. This measure, which was repealed in 2019, is now being reinstated. Fraud in the implementation of this measure was common, as the mutual insurance companies were responsible for recording workplace accidents and often underreporting incidents to hide as many as possible.

This is a clear example of the role of trade unions as tools of big business and its hostility to the working class. Years ago, CCOO and the UGT opposed this measure. In 2015, the UGT stated that “it has neither reduced workplace accidents nor implemented preventive measures to avoid them, and is only serving to finance companies through the reduction of Social Security contributions.”

Now, CCOO and the UGT signed up to this bonus for companies. In fact, the UGT, contradicting its previous

position, has told the media that potential fraud is not a strong enough argument to oppose these changes.

The way mutual insurance companies collaborate with businesses was highlighted in the complaints against the supermarket chain Mercadona, Spain's largest, with over 100,000 employees. Workers have complained that the mutual insurance companies do not grant them sick leave. One worker explained on television that for tendinitis, "I went to the mutual insurance company, and the doctor turned the computer screen towards me, and I could read, "no sick leave is granted for Mercadona [workers]."

A former Spanish Amazon worker also denounced this practice, telling the WSWS that the insurance sent him back to work three times. A doctor later diagnosed him with sacroiliitis, an inflammation of the sacroiliac joints where the lower spine and pelvis connect.

By using these methods, the mutual insurance companies have not hesitated to claim that if they are given control over managing sick leaves, they will reduce their duration by 40 percent, clearly at the expense of workers' health. The current pension agreement is another step towards that.

The third major attack on workers hidden in this agreement is the decision to provide financial incentives to force workers to work beyond the retirement age of 67, either by delaying their retirement or by continuing to work while receiving part of their pension. The objective here is clear: in an increasingly precarious labor market, where workers will receive worse pensions and find it more difficult to live with a minimum level of dignity, the aim is to encourage many of them not to retire and to keep working.

Forty-two percent of Spanish retirees live below the poverty line (€846.95 monthly); this translates to 4.16 million pensioners out of a total of 9.73 million. Up to 56 percent, adding another 1.32 million, earn less than the minimum wage of €1080. This measure targets these workers and pensioners, those with the lowest wages and pensions who often have the hardest and most demanding jobs, which they will have to continue doing. In this way, the state will spend less on pensions, and employers will have access to cheap labor by cutting wages as these workers will also be receiving part of their pension.

This exposes how the unions have abandoned any fight for decent jobs and wages. Their role is to ensure

that capitalists have an abundant and cheap labor force, acting as labor police to suppress any protest or mobilization. The only solution they offer workers is to continue working indefinitely, even until death if necessary.

For its part, Sumar follows in the footsteps of the pseudo-left Podemos, of which it is a split-off. In the previous PSOE-Podemos government (2019-2023), Podemos imposed labor and pension cuts implemented by previous right-wing Popular Party governments, and even expanded them with new attacks.

Alongside the signing of this agreement, the newspaper *El País* acknowledged that over the past two years, under the PSOE-Sumar government and previously the PSOE-Podemos government, Madrid has spent 20 percent more on military expenses than budgeted, a budget that was already significantly expanded during those years. The PSOE-led governments can find €27 billion to ramp up its defence spending to record numbers, whilst providing hundreds of millions for the US-NATO proxy war against Russia and the Israeli-regime in its genocide against Palestinians, but is incapable of providing decent public healthcare.

The objectives of the PSOE and their pseudo-left partners, Podemos and Sumar, are clear: to implement austerity measures at home that workers and pensioners will pay for while benefiting the capitalists, and to divert money for war.

Workers will gain nothing from the negotiations between the PSOE-Sumar government, the unions, and the employers. On the contrary, they must unite around a revolutionary socialist programme to ensure that all the money handed over to capitalism and allocated to military and imperialist expenses is instead used to improve public services and the living conditions of workers and pensioners.



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