

APRIL 2023



ELA mobilizes against the new Spanish pension reform

The pension reform approved in Spain, after the agreement between the Government and the union majority, contains cuts and consolidates those approved in 2011 by the socialist government of Zapatero.



An agreement with 26% wage increases brings an end to the longest-lasting strike in Europe

The strike committee at Novaltia and ELA have reached an agreement with the company to bring an end to a strike that has lasted three years and 8 months – the longest-lasting strike in Europe. Twenty of the 45 workers from the staff in Bizkaia have seconded the strike since the 22nd of July, 2019, to demand the renewal of the collective bargaining agreement and negotiations for better working conditions. ELA values the agreement positively thanks to the substantial improvements that it will bring to the workers.



On the International Day for the Elimination of Racial Discrimination, ELA is demanding the repeal of the Law on Foreigners

On the 21st of March, the International Day for the Elimination of Racial Discrimination, at ELA we are denouncing that the current Law on Foreigners violates the rights of migrants, condemning them to extreme insecurity. When a permit to gain access to a job is denied by the administration until three years have passed, these people who have decided, or who have been obliged to leave their places of origin, are sentenced to irregularity and to the poverty. This law also violates access to other basic rights, such as access to social benefits, to health care or to education.



The new Spanish pension reform means cutbacks

We are faced with a new offensive against the pension systems in Europe. We can see it in France, where the demonstrations and strikes have not been able to prevent the pension reform and the postponement of retirement age from 62 to 64 years carried out by Macron in an anti-democratic way.

In the case of the Spanish State, the Government has reached an agreement with Brussels (as a condition to unblock the next batch of European funds) regarding a new pension reform. Unlike France, back in 2011, a reform was passed (with the socialist party and the majority unions) which, amongst other steps, postponed retirement age to 67 year and cut back the amount of new pensions by 5% (going from 15 to 25 years for the number of years that had to be taken into account to calculate the aforementioned amount). Now, the Spanish Government has passed a new reform, about which it is subjecting the population to a propaganda campaign, giving a partial version of the reform, arguing that there are no cuts and intentionally forgetting that it consolidates deep setbacks in terms of pensions. The truth is that:

Now, the Spanish Government has passed a new reform, about which it is subjecting the population to a propaganda campaign, giving a partial version of the reform, arguing that there are no cuts and intentionally forgetting that it consolidates deep setbacks in terms of pensions. The truth is that:

1. More years of work will be taken into account **to calculate the amount** of the pension.

- From 2040 the last 29 years of contribution are going to be taken into account to calculate the pension (instead of the current 25 years), which means a cut in pensions of people that are now under the age of 50.

2. The next cuts are assumed, establishing the spending limit:

- A limit is placed on expenditure on pensions (15% of the GDP) and a mechanism to make reductions is set forth.

- From March, 2025 and every 3 years following this, a crucial role is given to the AIREF (an "independent" institute with a marked neoliberal orientation) to evaluate the pension situation and being able to propose adjustment measures.

3. Greater incidence is placed on the relation between pensions and social contributions, ignoring that pensions should be basically funded by taxes.

4. Minimum pensions are increasing very little, and in many cases they continue to be a pittance. For example, the minimum retirement pension for a person aged 65 years or more, without a dependent spouse, or the minimum widow/widower's pension for people over the age of 65 years,

in both cases will go from 783 to 828.5 euros. An increase of 45 euros per month, which will not even start to be applied this year, but rather will be applied progressively over the next four years. The reform also allows non-contributory pensions (525 euros) to be frozen or even decreased.

5. The gender gap has been maintained. Women receive a substantially lower pension than men. However, the steps included under the title of “gender gap” mean hardly any change regarding the current situation.

6. The cuts set forth in the 2011 reform are maintained. A return to the age of 65 years as retirement age is needed; going back to taking into account 15 years of contributions to calculate the pension or eliminating the cuts in early retirement or in hand-over contracts. In addition to not modifying these subjects, a new step has been taken by increasing the retirement pension calculation period from 25 to 29 years.

7. On the 4th of April we are taking to the streets. ELA supported the demonstration organised by the Basque Country’s Pensioners Movement on the 18th of March. ELA is also going to carry out different actions, amongst which are the mobilizations that we are going to perform on the 4th of April in Bilbao and Pamplona to reject this reform and demand a public pension system that guarantees sufficient income to be able to live with dignity.

EXAMPLES OF THE AMOUNT OF SOME MINIMUM PENSIONS. IN EUROS

	2023	2023, IF THE AGREED CRITERIA FOR 2027 ARE APPLIED
Retirement at age 65 without dependent spouse	783,1	828,5
Retirement at age 65 with a non-dependent spouse	743,3	786,4
Retirement under 65 without a spouse	732,6	775,1
Retirement under age 65 with non-dependent spouse	692,5	732,7
Widow/widower with 65 years or disability > 65%	783,1	828,5
Widow/widower 60-64 years	732,6	775,1
Widow/widower under 60 years	593,3	627,7
Non-contributory pension	525	510,8

Source: Prepared by ELA's Studies Office.



The end of the longest-lasting strike in Europe with 26% increases and 9,450 euros for each striker

Novaltía is a cooperative distribution company of pharmaceutical products with registered address in Zaragoza, with two work centres in Bizkaia. 20 workers started an indefinite strike in July, 2019 aimed at reaching an agreement to improve their working conditions and eliminate the low salaries and discriminations being suffered by the most vulnerable group of workers.

After 3 years and 8 months on strike, the strike committee at Novaltía and ELA have reached an agreement with the company's management that has brought an end to the action. The following points are the most relevant contents of the agreement that has brought an end to the longest-lasting strike in Europe:

1. An end of strike agreement is formalised which, for the first time in the company, regulates working conditions that are an improvement to the contents of the State sectorial collective bargaining agreement:

- The Agreement contains application guarantees that prevent the company from modifying the conditions agreed upon.
- Regarding wages, the bonuses received by the Bizkaia workforce that were above the sectorial agreement are maintained and an agreement has been reached to incorporate a set minimum complement for the most vulnerable group of workers and a versatility bonus and another transport bonus for all the workers affected by the agreement.
- These wage raises mean an average increase for the workforce of 26.7%, reaching a 33.7% rise for the lowest wages.

2. An end has been agreed on regarding all the legal proceedings by way of a transactional agreement between the company and the people on strike that means:

- Protection against any possible termination steps regarding the improvements in the possible compensation until the end of 2025.

- The company has undertaken in writing to not carry out any reprisals or disciplinary steps – such as dismissals or sanctions, for any action related directly or indirectly to the strike.
- The possibility of voluntary incentivised redundancies.
- An amount for damages to be paid to each worker on strike that reaches a sum of 9,450 euros per person.
- Novaltia will compensate ELA for a sum of 1345 euros (1 euro for every day of the strike).

ELA considers the agreement to be very positive for the people who decided to organise themselves and fight in 2019. The strike has gone on for much longer than the workforce and the trade union itself wanted. During this time, events have occurred that have meant an extension of the conflict. The terrible action by the Work Inspection, which has been denounced by ELA many times must be taken into account. There have also been sentences of all kinds always related to the infringement of the right to strike, for which Novaltia has been sentenced on 10 different occasions. Additionally, until recent months, the company has shown no willingness to negotiate.

This substantial improvement in the working conditions has been upheld by the strength and commitment of the strikers, with daily demonstrations in front of the cooperative's pharmacies and work centres. ELA would also like to emphasise the essential work by the trade union's strike fund that fed the union members through their union dues. Without the fund and the supportiveness of the trade union members, this agreement which improves wage conditions significantly, would not have been reached.





ELA demands the repeal of the Law on Foreigners

On the 21st of March, due to the International Day for the Elimination of Racial Discrimination, ELA held a rally in Bilbao to request the repeal of the Law on Foreigners that seriously violates the rights of migrants.

Refusing a work permit until three years have passed results in irregularity and insecurity for all the people who decide, or who are obliged to leave their places of origin. Additionally, the reform to the regulation carried out in August to aid the regularisation of migrants in work-related areas only sought to make it easier for recruiting cheap labour, which is an extremely serious factor. ELA demands a real change through the regularisation of migrants and the repeal of the Law on Foreigners.

This Law contributes to stigmatising migrants, condemning them to be second-class citizens, making access to basic rights such as health care and education more difficult.

We are also denouncing that the deaths occurring during the transit of the people who decide to leave their places of origin, or those that occur on the borders at the hands of the Spanish police force form part of the same framework.

Over the week before the 21st of March, ELA carried out a campaign under the slogan “Eskubide guztiak guztiontzat (All the rights for all the people). Law on Foreigners = Insecurity,” in which they gathered testimonies from militants from the trade union who had experienced the impacts and obstacles to which the Law on Foreigners condemns them.

The campaign ended with a rally in front of the Spanish Government Offices in Bilbao, the main body responsible for these policies. Dozens of people from the trade union gathered to denounce the institutional racism that is expressed through the abovementioned legislation.