

Pension reform is not about pensions - it's about makin...

Published: January 13, 2026, 3:30 am

Peter Wilby hits the nail on the head with regard to public sector pension reform [in the New Stateman today](#):

The [report on public-sector pensions](#) from the former Labour minister John (now Lord) Hutton must be understood as part of a wider agenda.

First, after private-sector recklessness, greed and incompetence plunged us into financial crisis and recession, Tory politicians and right-wing newspapers aimed to deflect popular anger on to public-sector workers. They eagerly pointed out that, while stock-market falls and near-zero interest rates had slashed the value of most private-sector pensions, teachers, nurses, firefighters and local government bureaucrats continued to enjoy the prospect of a "gold-plated" retirement, on up to half their final salaries, with ample protection from inflation.

Government measures, notably changing the inflation index used in calculating payments, have already cut their value by around 25 per cent. But ministers reckon there is mileage in continuing the jihad.

Second, pension obligations are the biggest barrier to more privatising and outsourcing of public-sector services. Public services, we are repeatedly told, are run for the employees, not the public. They are being "reformed" so that they can be run for the benefit of capital.

Precisely so. [As I have often argued](#).

And now we must offer the security in old age of many up to the altar of the greed of a few.

It's all part of the enclosure of public goods for the private benefit of a few that underpins all this government is doing.

And which will require a radical government - a government willing to tear up contracts, to nationalise where need be, and to impose so heavily on those private sector

contractors that remain after that that they run from their obligations in fear - when we get rid of the Tories for a generation at the next general election.