German Verdi union negotiating further attacks on Schlecker drug store workers

Sven Heymann 12 April 2012

Having already accepted the dismissal of 11,000 Schlecker employees and closure of 2,200 stores, the Verdi union is entering into talks with the liquidator, Arndt Geiwitz, over further concessions. The new discussions concern the working conditions and wages of the remaining 13,500 workers and the future of the insolvent Schlecker Group. Given the role the union has played so far, workers must be prepared for further attacks.

Verdi and the joint works council, which it controls, have worked to place the burden of the bankruptcy on the workforce. They have not only accepted mass layoffs without organising any industrial action, they have taken over the organization of the layoffs and put pressure on the affected workers to refrain from taking legal action to uphold their rights.

During a staff meeting in Mannheim, Verdi functionary Stephen Weis-Will announced that the women who had been sacked would receive no wages until the official termination date of June 30. He explained that according to the "social contract" the union has signed, the staff might be able to claim their entitlements in a few years' time. In general, they could expect a maximum of two-and-a-half months' gross wages.

He recommended that the thousands of affected women, who have had to register as unemployed, seek no redress against this act of thievery, but look instead for new employment as soon as possible so as to sign a termination agreement releasing the company from all obligations.

Weis-Will sought to prepare the remaining employees for new cuts. There would be "considerably less money," he said.

Verdi negotiator Bernard Franke told the *Südwest Presse* that all the remaining staff would have to make

a contribution to the restructuring of the company. The liquidator Geiwitz could, for example, demand that they waive their Christmas and holiday bonuses.

The union was always ready to talk, he said. Verdi was quoted as saying that a guarantee that "operational dismissals are excluded for the period concerned" could be considered in return for wage concessions. As an alternative, Verdi proposed that the workers' financial claims be transformed into equity investments in the company.

This proposal is especially important to make the insolvent company attractive to potential investors. While financial claims are seen as a burden, equity investments are a welcome means to remove this burden without the employees having any real influence over company policy. In the event of a total bankruptcy, the employees would go empty-handed if they followed the proposal of the union.

In order to implement such plans, the union is cynically using as leverage the fact that the remaining workers do not know if they will be paid for the work they have done this month. Insolvency payments are limited to three months and ended in March. Meanwhile, the wealth of the Schlecker family, whose children Lars and Meike are being spoken of as possible investors, remains untouched.

Verdi and the joint works council are clearly aware of the anger of the Schlecker workers. "It is important that the colleagues outside settle down," works council chair Christel Hoffmann stressed, citing forthcoming negotiations. In order to avert lawsuits for compensation, the union has offered special consultations in some cities.

It is obvious that this is directed against affected workers who are increasingly turning away from Verdi. There are indications that the union has acted unlawfully in relation to the layoffs. For example, on schlecker-blog.com, "Anya" writes of the works council's social plan: "just spent a long time on the phone with a friend who can stay on at Schlecker. She told me that in areas without a works council cuts are being made with a lawn mower, without a review of the social issues, because there is not enough time. Quite interesting, isn't it? My solicitor will be happy..."

In response to an article published last week by the World Socialist Web Site (See: "Germany: Union steps up pressure on Schlecker drug store workers") "Martina" writes: "Everyone can believe the content of this article! Verdi and the works council have concealed it the most."

She reports on documents she was able to see as a substitute works council member: "These documents are dated October 7, 2009 and include a 'draft social plan in the event of bankruptcy.' So they knew at that time what we had to expect ... A year later, they were all seated at the table and praised AS [Anton Schlecker] to the skies! How beautiful the cooperation of Verdi, the works council and Anton Schlecker would be... All hypocrisy! ... What have Verdi and the works council done? Nothing but plan the bankruptcy sitting together at the table ..."

WSWS reporters spoke with some of those affected outside the staff meeting in Mannheim. Hardly anyone knew why the meeting had been called. "This is typical, like recent months," a saleswoman said about Verdi's information policy. "We only find out what's happening in the media."

A saleswoman from Heidelberg, who has now been laid off, spoke of her plight. She is 80 percent disabled and has been sacked after 17 years' service.

She had earned good money at Schlecker, she said, but now, at 52 and single, she feared for her existence. Asked about press reports claiming there were many unfilled jobs in retail, she could only shake her head. "I was on the main shopping street in Heidelberg," she said. "They're just low-wage, part-time jobs. You can't find any full-time jobs today." When asked about the actions of Verdi, she said: "I just feel let down, quite honestly."

An employee from Ludwigshafen spoke of the fears of those who have not yet been laid off. She asked: "What happens now? Will Schlecker be sold? What will an investor do with us? Does this firm even have a

future?"

She continued: "After the dismissal of 11,000 colleagues, nothing is safe. Will we be paid for April? We are doing the work right now, but whether we get paid, we don't know. And the psychological pressure is enormous."

She expressed scepticism about a potential investor. "In my opinion, there will be another wave of layoffs," she said.



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