Lufthansa: Verdi union agrees to 30 percent pay cut for airline workers

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The recent deal struck by Germany's Verdi union with the management of Lufthansa, the largest European airline, goes much farther than previously known. According to *Spiegel Online*, citing internal company documents, union negotiators have approved the setting up of three new low-cost subsidiaries paying up to 30 percent lower wages.

Last week the media reported that Verdi had already secretly agreed to lower wages and overtime payments for the 5,000 employees of the LSG catering group, equivalent to a reduction of income by 10 percent.

According to *Spiegel*, Lufthansa's new subsidiaries will be responsible for administrative work and passenger clearance at all German airports, apart from the major transportation hubs of Frankfurt-Main and Munich.

Working conditions at the new subsidiaries will also be considerably worse than in other areas of the Lufthansa group. The number of vacation days is to be cut, along with payment for holidays and the Christmas break. Hours can be increased from 37.5 to 39 per week without any wage compensation. In two of the three new companies, the regular monthly salaries will be 30 percent lower than the current rate at Lufthansa.

The collusion between Verdi and Lufthansa has exposed the cynical nature of the one-day strike by the airline's ground staff organized by the union at the end of April. Verdi sought to use the strike to give the impression that it was fighting for higher wages.

In reality, Verdi officials had secretly agreed to wage reductions for catering staff and the setting up of the new low-cost subsidiaries some time ago. The union then signed an agreement for the remaining ground staff shortly after the strike, providing for an increase that is less than the rate of inflation and lasts 26 months.

Verdi does not represent the interests of the workforce, but rather those of well-heeled union officials and the company and its big shareholders. It is working closely with Lufthansa executives to implement the company's austerity program, SCORE, which envisages savings of 1.5 billion euros [US$ 1.97 billion] at the expense of the staff over the next three years. In order to impose the SCORE program, the union is working behind the back of the workforce and playing a thoroughly divisive role.