

Lufthansa ground staff agree deal to avoid layoffs

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Ground crew at Germany's beleaguered airline giant Lufthansa have agreed to a 200-million-euro (\$240 million) cut in personnel costs in exchange for avoiding forced redundancies until March 2022, trade union Verdi said Monday.

The agreement covers 35,000 staff in Germany and includes the cancellation of bonuses and a suspension of wage increases, as the air industry confronts an unprecedented slump in travel demand because of the pandemic.

The deal also allows for [early retirement](#) and voluntary redundancies and will protect employees from compulsory layoffs until the end of March 2022.

Germany's powerful Verdi union said 71 percent of members had accepted the deal, calling it a "vote of solidarity among Lufthansa employees".

Lufthansa's human resources chief Michael Niggemann said he was "pleased" about the outcome.

He said work should now start on agreeing

measures from 2022, when the government's short-time work scheme to help firms through the COVID-19 crisis is set to end.

Lufthansa, which received a nine-billion-euro bailout from the German government in June to stay afloat, has previously said it plans to cut around 30,000 jobs by the end of the year.

The group has already agreed a 500-million-euro cost-saving programme with cabin crew.

Pilots' jobs are guaranteed until April 2021, but a longer-term agreement is currently being negotiated that could include forced redundancies.

Lufthansa said last month it was bracing for a "hard and challenging" winter after the pandemic forced it to scale down its flight schedule to levels not seen since the 1970s.

The airline group—which also includes Swiss, Austrian and Brussels Airlines—posted a 5.6 billion euro loss in the first nine months of 2020 and said it expects to burn through 350 million euros in cash per month during the fourth quarter.

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