

Union restricts Lufthansa strike to isolated, limited walk-outs

Marcus Salzmann
1 August 2008

Despite a 90 percent vote for strike action by Lufthansa ground personnel last week, Ver.di, the workers' union, is deliberately conducting a partial and limited walk-out designed to minimise the losses for Germany's largest airline.

The current strikes began Monday and were initially restricted to Frankfurt, Munich and Hamburg airports. Only on Tuesday evening did Ver.di expand the strike to Stuttgart and Nuremberg. Around 5,000 maintenance and catering workers have participated in the actions on a daily basis. This represents just one tenth of the union's total membership at Lufthansa.

The first two days of strike affected a small number of German domestic flights, with long-distance flights affected for the first time on Wednesday. Flights from Frankfurt to New York, Calgary and Calcutta were cancelled. In addition, 82 short-distance flights were cancelled—around 4 percent of Lufthansa's total daily volume.

The airport technical departments, responsible for maintenance of the company's planes, have the highest level of union organisation amongst airport ground personnel. According to Ver.di, about 45 percent of technical workers are members of the union.

After years of wage stagnation and rapidly rising prices, against the background of big profits for Lufthansa, Ver.di has demanded a wage rise of 9.8 percent over 12 months for approximately 52,000 of the company's total workforce of 105,000.

Ver.di conceded to such a relatively "high" wage demand because of increasing pressure on the bureaucracy from below. In recent years, the union has lost large numbers of members to rival unions. A majority of Lufthansa pilots have quit Ver.di in favour of the recently formed Cockpit, and around half the on-board personnel are organised in the UFO union. The

latter, whose contract with Lufthansa runs out at the end of the year, termed Ver.di's wage demand too low and is calling for a 15 percent increase for its members.

After four rounds of negotiations between management and union, Lufthansa offered a 6.7 percent increase over 21 months, and Lufthansa chief negotiator Stefan Lauer has already made clear that the company is not prepared to make any substantial change to its offer. The original offer made by the airline following the first round of negotiations was just 3.4 percent for 12 months.

In view of the current inflation rate in Germany—well over three percent—the latest offer by Lufthansa barely amounts to a wage rise and should it increase, as is very likely due to the worsening economic situation, then Ver.di members will end up losing income.

Based on the company's earnings, Lufthansa's latest offer can only be described as a provocation. According to its first-half report, the company's operational profit rose by around 45 percent to 705 million euros, based on a turnover increase of nearly 20 percent (total 12.1 billion euros). The only figure to top the increase in profits for the company last year was the pay rise awarded to the company's chairman—Wolfgang Mayrhofer—and two other top managers who awarded themselves 48 percent salary increases.

Lufthansa's net profit totalled 402 million euros in the first six months of 2008, less than the figures a year earlier. Lufthansa had a bumper year in 2007 with record profits, following the sell-off of its stake in tour operator Thomas Cook and the share buy-back by WAM Acquisition. For the current financial year, the company management has expressed fear of reduced revenue due to the rising price of oil.

Under such conditions the Lufthansa management and shareholders have ruled out any possible "decline

in profits.” Further increases in profits must be assured at the expense of the workforce—in the form of a low-wage contract—and through more cost-saving measures already decided upon by the company.

A total of 250 million euros is to be saved this year in the Lufthansa “Passage” division, which, according to management, is making insufficient profits. At the same time, Lufthansa is increasing financial pressure on its suppliers, which in the longer term will lead to additional cuts and dismissals at these companies. The company has already applied a hiring freeze in the “Passage” division.

The company is planning further savings by transferring labour-intensive services such as its technical departments to foreign countries. According to the *Bild* newspaper, Lufthansa is intent on using the current strike as a dummy run for the shifting of maintenance out of Germany to countries paying lower wages for technical staff—i.e., the company is hoping to use workers from other countries to assist in breaking the current strike. Lufthansa’s technical department is already an international operation employing 25,000 workers at 29 subsidiaries.

Lufthansa worker’s should place no trust in Ver.di. Based on its recent record, it is clear that the only reason the union bureaucracy has not agreed to the offer made by the Lufthansa management is the fear that a quick capitulation would discredit it further. Following years of declining incomes and worsening working conditions, airport ground personnel are determined to resist wage stagnation or worse.

The response of the union is to conduct the Lufthansa strike action on the basis of isolated, small-scale tactics and thereby wear down and demoralise the strikers. At the same time, the union’s tactics allow the media and political circles to encourage a backlash against the strike based on sensationalist headlines and selective interviews with passengers affected by plane delays and cancellations.

Lufthansa strikers should recall the activities of the Ver.di bureaucracy in a number of recent disputes. Last year, following the threat by Deutsche Telekom to shed 50,000 workers by transferring them into a cheap-wage subsidiary, Ver.di responded by organising some toothless protests by a few thousand workers. Although Ver.di members in the country’s postal service were also engaged in a struggle with management, the union

made no attempt to unite the struggles.

In the end, Telekom was able to implement its plans and impose wage cuts of up to 30 percent. At the same time, although 93 percent of postal workers had voted for strike action, Ver.di struck a deal with management at the last minute, which amounted to a real wage cut for already poorly paid postal employees.

This year, the union has also accepted miserable contracts for its members in municipal public service and the Berlin transport system—although in the latter case a large majority of union members voted down the deal accepted by the union. In every situation, the union bureaucracy has sought to isolate those sections of workers involved in conflicts and create the best conditions for companies and management to impose wage-cutting contracts and increased productivity.



To contact the WSWS and the
Socialist Equality Party visit:

wsws.org/contact