German pilots strike against Lufthansa

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The German pilots' union Cockpit has announced a strike starting Monday affecting Lufthansa, Lufthansa Cargo and German Wings. The 4,500 pilots plan to remain on the ground for four days and it is expected that the operations of Germany's biggest airline, Lufthansa, will largely come to a halt. Some 94 percent of pilots voted in the ballot for the strike action.

The pilots' union is not demanding higher wages. The dispute centers on the protection of current jobs, wages and working conditions. The pilots want to stop Lufthansa from outsourcing more flights to existing or newly created subsidiaries, where pay is 20 to 25 percent lower. They fear that the salaries and jobs of many pilots are at risk in the long run if the airline gets away with this strategy.

Cockpit went so far as to agree to a pay freeze if Lufthansa guaranteed not to outsource any more flights to its subsidiaries—CityLine, German Wings, Austrian Airlines, Lufthansa Italia, Brussels Airlines, Swiss, and British Midland—or give them to third-party operators. But Lufthansa has categorically rejected the offer.

The company does not want any restrictions placed on its ability to carry out a price war on the backs of its employees in the fiercely contested aviation market. It accuses the pilots of limiting its entrepreneurial freedom. "We were just doing what every company is doing, starting a subsidiary in another country and employing staff according to local conditions," said Lufthansa board member Stefan Lauer.

The current dispute has a long history. The focus of the controversy is an agreement in principle dating from 1992, according to which all aircraft with more than 70 seats must be flown by Lufthansa pilots. Lufthansa made this commitment at the time because the unions agreed to drastic salary cuts and additional overtime in order to bail out the ailing company.

The Lufthansa management now regards the commitment it made in 1992 as outdated. The decline in ticket prices means that planes with 50 or 70 seats are no longer profitable, and consequently the company wants to purchase aircraft with 95 and 110 seats from manufacturers Bombardier and Embraer and fly them using lower-paid pilots from Lufthansa subsidiaries.

The pilots' union fears that this will gradually undermine all prevailing collective agreements. The upcoming industrial dispute goes "far beyond the scope of Lufthansa pilots," said Cockpit negotiator Thomas Sturm.

The wage cuts agreed as part of the 1992 restructuring deal have led to a sharp increase in turnover and profits for Lufthansa. The company has paid rich dividends to its shareholders and has increased the salaries of its directors. But Lufthansa refuses to return to the old wage levels. It justifies this by arguing that lower personnel costs are a prerequisite for its newfound competitiveness and cannot be relinquished.

It was against this background that Lufthansa pilots engaged in their biggest strike to date in 2001. Over several weeks they held one-day strikes, calling for a wage increase of 32 percent to compensate for the loss of income over the previous ten years.

Cockpit had previously separated from the DAG white-collar union, with which it had cooperated since 1973. The services and public sector union Verdi, into which the DAG had been absorbed, openly opposed the strike in 2001. Leading officials berated the pilots as "social Darwinists" who were trying to grab "the largest possible slice of the cake" for a single group or workers. Similarly, six years later, Verdi opposed the Deutsche Bahn train drivers when they went on strike for a raise.

Cockpit finally relented and accepted an arbitration ruling that was only slightly above the initial Lufthansa offer. The strike resulted in Verdi's influence at Lufthansa continuing to decline. In addition to the

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pilots, cabin crew is now mostly organized in a separate union called UFO.

In 2008, Verdi found itself forced to declare a strike of Lufthansa ground staff in order to stem the loss of members, with 90 percent of Verdi members supporting the strike vote for a wage increase of 9.8 percent. But the strike, which was conducted by Verdi so as to minimize its impact, ended with a sellout that was accepted in the final ballot by only 51 percent of the members.

In the meantime, Cockpit was seeking a compromise with Lufthansa. In early 2009, the union indicated that it had reached "98 percent agreement" on the controversial issue of regional aircraft. But the members revolted. Several representatives of the negotiating committee protested against the compromise in an open letter directed at the union's executive committee. In the subsequent union elections, those advocating a more aggressive course won a clear majority on the executive.

Since then, Lufthansa has adamantly refused to meet with Cockpit. Although the contract governing pilots' working conditions was cancelled in 2006 and the contract laying down the salary structure has not applied since April 2009, Cockpit negotiator Markus Germann says, "We have to date not received a single offer regarding any of the outstanding agreements."

Lufthansa's decision to remove all of its 50-seater aircraft without any replacements in the timetable demonstrates that "The house contracts of the subsidiaries, which include a lower salary structure, provide no protection against job cuts," said Germann. Hundreds of pilots are losing their jobs.

It is only because Cockpit has broken with DAG and Verdi, which work closely with senior management to stifle any opposition, that the situation has come to a strike. But the limited perspective of Cockpit is utterly inadequate to secure a successful outcome.

Lufthansa is not unique. Across Europe, governments and employers' associations are seeking to shift the cost of the international economic crisis onto working people. Layoffs, cuts in wages and the dismantling of social services are on the agenda everywhere. Under these circumstances, Lufthansa will hardly be prepared to make any concessions to the pilots.

This is shown by the hysterical response to the strike from the media. The *Süddeutsche Zeitung* commented that these "best-paid" pilots could neither expect understanding nor sympathy. They were "completely out of touch," the newspaper declared.

Bild, the right-wing propaganda sheet of the publisher Springer-Verlag, ran the headline: "Germany is Mad. Wave of Anger Against Luxury Strike."

Verdi and the DGB trade union association will, as in 2001, do everything they can to isolate the pilots.

Lufthansa is now planning an emergency timetable, deploying senior staff and using leased aircraft in order to limit the impact of the strike. At the same time, the company is threatening legal action.

The four-day strike could cost Lufthansa about €100 million, and is therefore disproportionate and unlawful, said deputy chairman Christoph Franz. Company lawyers are examining the legal situation and may file claims for damages against the union. Clearly, Lufthansa is seeking to bring the relatively small pilots' union to its knees with claims for high damages.

The pilots must see themselves as part of the wider European working class in order to counter these attacks. They must join with other employees of Lufthansa and its subsidiaries and with workers in the public sector and private industry to oppose all attempts to place the burden of the crisis onto the backs of working people.

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