German pilots’ union capitulates to Lufthansa

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Last Friday, the pilots’ union Cockpit published a declaration of surrender in the current labour dispute with Lufthansa, agreeing to almost all the company’s demands. If the aviation group agrees to sit down with the union on this basis, Cockpit will dispense with further strikes.

The union wants to participate in the “Alliance for Growth and Employment” proposed by Lufthansa. “Taking responsibility for jobs, the economic success of the company and the threatened shortage of pilots at Lufthansa”, the union offered to “bring an extensive overall package into this alliance”. This “package” is worth over €400 million and contains numerous mechanisms enabling the lowering of expenditure at the expense of pilots.

For example, completely acceding to the company’s demands, Cockpit is willing to raise the average retirement age of around 5,400 Lufthansa pilots from the current 58 to 60 years. So that newly recruited pilots are included in the transitional supply, Cockpit is offering a “collective waiver of circa 1-2 percent of pilot labour costs.”

The union is prepared to accept cuts to wages across the board. To enable this, it will abandon its demands for a new wage agreement. “And this is despite the fact the last raise was four years ago and that since then real wage losses had to be accepted,” the Cockpit statement reads. Salaries would be renegotiated after “a joint market analysis (benchmark)”. Given the lower salaries at most international airlines, it is clear that the market analysis carried out by Lufthansa and Cockpit will provide the rationale for further salary cuts.

The lower salaries at Lufthansa subsidiaries will be cemented in place. The incomes of Eurowings short-haul pilots are to be lowered to those at the low-cost airline EasyJet. The salaries of Eurowings long-haul pilots would be based on the salary levels of their colleagues at the Condor airline.

The *Süddeutsche Zeitung* writes that depending on length of service, a long-haul pilot currently costs the Lufthansa Group about twice what Condor spends on their most expensive employee. Overall, staff costs at Eurowings are currently set to be 40 percent lower than that of Lufthansa.

With regard to the long-distance outfit “Jump”, with which the airline aims to achieve massive savings on staff, the union is offering to “support the new long-haul approach [with] an additional 20 percent cut in cockpit personnel costs on these routes.”

Under the “Jump” name, Lufthansa will deploy up to 14 leased aircraft, serving destinations to which it would otherwise stop flying. The leased aircraft would be flown by pilots employed by the lessor, at lower rates of pay. In addition, fewer cabin crew members would be employed.

Cockpit also made clear that it is “ready to undertake accompanying, temporary productivity-enhancing measures, in order to facilitate training despite the impending staff shortages.”

“In return for this significant step, the union is calling on the company to guarantee the job prospects for all those pilots in Germany employed by Lufthansa and to immediately halt the preparations for outsourcing pilot jobs,” Cockpit spokesman Markus Wahl said. The union is opposed to the company’s strategy of gradually replacing Lufthansa pilots with their colleagues at the group’s own low-cost subsidiary Eurowings.

Moreover, Cockpit is calling for some 900 junior pilots at the low-cost subsidiaries to be included in the new contract. This is supposed to make the sellout acceptable to Eurowings and Germanwings pilots. They are to be lured by the prospect of someday being able to switch from the low-cost subsidiaries to Lufthansa itself.

Cockpit has said it is ready to take up talks “immediately” in order “to achieve results by 1

September 2015."

Lufthansa has welcomed this admission of defeat and announced that it would consider the proposals; a proposal for meeting dates are to be set, said a company spokesman.

The groveling capitulation of the union is due to its limited national perspective of "social partnership" and was therefore predictable. Although since spring 2014, when over 99 percent of Lufthansa pilots voted for industrial action, the union has called 12 strikes, costing the company €330 million in profits, Cockpit's approach has always been directed towards its demands for "contract partnership".

Cockpit supports the capitalist market orientation of the management. The pilots' union current offer was "a great opportunity for the benefit of passengers, employees and shareholders, to achieve pioneering results that take into account the future and all interests," said union spokesman Wahl.

But it is obvious that the interests of shareholders and the financial markets cannot be reconciled with those of the workers and the passengers. In an internationally predatory competitive struggle, the airlines constantly undercut each other in an endless downward spiral. This price war is carried out through cuts in wages and benefits and increasing workloads for airline employees as well as those employed at the airports. At the same time, passengers are directly affected by cost savings in terms of safety.

The conflict at Lufthansa, which evolved over early retirement rules and the transitional supply of pilots, was escalated because of the plans by Lufthansa CEO Carsten Spohr. He wanted to establish the low-cost subsidiary Eurowings alongside Lufthansa, and gradually extend the working conditions and pay of Eurowings to the employees of the parent group.

Spohr was adamant and offered no compromises in order to make an example of the pilots—supported by a veritable smear campaign by the media and politicians against the pilots.

While the union protested against this blackmail, it had nothing with which to oppose it. It has refused to mobilize workers at all European and international airlines in a common struggle. Although similar disputes are taking place worldwide, the Cockpit leadership has done everything to limit the strikes.

In early July, when conciliation already failed due to Spohr's intransigent attitude, the union's contract negotiating committee met for four days and worked out the current surrender terms.

The impending sellout of the pilots' industrial action is just the latest in a whole series. In recent months, the service sector union Verdi has sold out strikes at the Post Office, Postbank, day care centres and at the Charité Hospital in Berlin. The train drivers' union GDL has also signed a five-year standstill agreement with Deutsche Bahn.

This forms part of the trade unions' policy of "industrial peace". In 1914, the unions ensured the Kaiser could fight World War I while they guaranteed "industrial peace" on the home front. More than 100 years after the First World War and more than 75 years after World War II, imperialist antagonisms between the great powers are breaking out once more.

The German government has announced it will "take on responsibility" in the coming economic and military conflicts, and will "not stand aside", i.e. it will intervene. The Bundeswehr (Armed Forces) have been upgraded. The government is ruthlessly pursuing the interests of a resurgent German imperialism.

This is most evident in Greece. What German tanks could not do—subdue the country—the European banks and corporations (above all German ones) have now accomplished. Finance Minister Wolfgang Schäuble has downgraded this EU member state to the status of a colony. The country is being sucked dry and the population confronts mass unemployment, poverty, hunger and misery.

An example is being made of the Greek working class. Similar attacks are being prepared by all European governments. In Germany, companies put out feelers. The Confederation of German Employers' Associations (BDA) last week called for the abolition of the eight-hour day. As in Greece, all social achievements are now being placed in question throughout Europe.

Cockpit, Verdi and the other unions support the policy of the German government in Greece as well as the military build-up. They therefore want to avoid at all costs a joint struggle by the working class in Germany with workers and youth in Greece and other European countries. To this end, the trade unions sell out labour struggles and send their members back to work.