## Lufthansa sets a course for confrontation with pilots

Marianne Arens 16 August 2016

On Saturday morning an announcement came that talks between Lufthansa and the pilots' union Vereinigung Cockpit (VC) had been broken off. VC spokesman Markus Wahl did not give a reaason, noting the parties had "agreed not to disclose anything."

Prior to the breaking off of talks, a scheduled discussion phase through the end of July had been extended twice, each time by a week. There has been no movement in the contract negotiations for nearly a year, ever since the union terminated the last strike in September 2015.

In a statement on the collapse of the talks, which Cockpit sent to the dpa press agency, the pilots' union complained bitterly about Lufthansa backtracking on issues that had previously been agreed upon. The union's negotiating committee said it had come to the conclusion that "we cannot see any sense in further talks. ... Whether the Lufthansa Group will be successful when each area only pursues its own interests, and these are not centrally consolidated, is more than questionable."

At the same time, VC spokesman Markus Wahl gave assurances that the pilots' union was still willing to do its part in order to "improve the competitiveness of Lufthansa".

For four years, some 5,400 pilots at Lufthansa, Lufthansa Cargo and German Wings have been working without a contract. The company is demanding massive concessions, not only in salaries but also in the early retirement scheme and in relation to the "Wings" concept (the budget airlines Euro Wings and German Wings).

In recent years Cockpit has accepted far-reaching attacks on pilots' incomes. By going after the transitional pension arrangements and the development of the low-cost subsidiary Euro Wings, social

achievements are being undermined that are "vital" in the truest sense. These attacks not only endanger the welfare of the pilots, but also air traffic safety.

In February 2013, Lufthansa unilaterally terminated the collectively agreed transitional pension arrangements. Under their terms Lufthansa pilots age 55 could take early retirement, with the company paying them a transitional salary until the beginning of their statutory pension. The reason for transitional pensions is that pilots, under the constant stress and hard work of flying, are only rarely able to perform effectively up to the statutory retirement age.

Lufthansa was required to set aside money to cover these pension payments. Since these investments yielded successively lower amounts on the stock markets, Lufthansa has become ever more aggressive about the conversion of the transitional arrangements and pension system.

Thanks to the collaboration of the public service union Verdi and the flight attendants' union Ufo, ground staff and cabin staff have already suffered painful cuts. Final salary pensions were abolished for these groups, with workers being forced to finance their pensions through an account in the capital markets, which also carries the risk of further market turbulence.

The company has used the existence of low-cost airlines Euro Wings and German Wings to put the pilots under massive pressure. At Euro Wings, wages are around 40 percent lower than at Lufthansa itself. It is headquartered in Vienna and operates under Austrian collective bargaining law, out of the jurisdiction of the nationally operating German unions. Lufthansa is systematically expanding Euro Wings to become Europe's third largest low-cost brand after Ryanair and Easyjet.

From April 2013 to September 2015, the pilots have

been on strike 13 times without having acheived the slightest improvement. In September 2015, the Hesse state labour court ruled that it was illegal to strike against the company's "low-cost concept", against which the union had previously conducted 12 "legal" strikes. VC then broke off the 13th strike.

Since then, the pilots' union has done everything possible to come to an agreement with the company. In December 2015, Cockpit, together with Verdi and Ufo, participated in the "Lufthansa Jobs Summit". In the wake of that meeting it has constantly sought a resumption of contract talks.

Lufthansa has since steadily increased the brutality of its attacks. These are part of a comprehensive campaign to enforce job cuts, wage cuts and worsening social standards in all areas of the company. The company has recently announced mass layoffs in the cargo sector, Lufthansa Technik, and at its catering supply subsidiary.

In this Lufthansa can rely on the backing of the federal and state governments. In May 2015, the German Bundestag (parliament) passed a law on so-called collective bargaining unity, which is aimed directly at the smaller sector unions such as Cockpit. In late July of this year, the Federal Labour Court ruled against the apron controllers at Frankfurt airport, reversing all previous judgments, which had confirmed the legality of their strike in 2011. As a result, the apron controllers had to pay damages running into millions.

The pilots' union has no answer to this offensive by Lufthansa. Moreover, the constant retreat by Cockpit has encouraged management to launch increasingly harsher attacks. Originally formed as a response to the treachery of the mainstream unions, VC has quickly demonstrated that it is based on the same reactionary nationalist and pro-capitalist perspective.

This was clearly shown in the French strikes last May. French airports faced days of strikes, and in late July 2016 Air France went back on strike. In none of these important conflicts did Cockpit lift a finger to support their colleagues in the other countries.

The right-wing corporatist outlook of VC was further confirmed by the remark made by spokesman Markus Wahl that Cockpit was still prepared to contribute to ensuring Lufthansa's competitiveness, under all circumstances. While the pilots have repeatedly demonstrated their willingness to strike, the crucial

question they face is the necessity of forging a new leadership based on a socialist and internationalist perspective.



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