

# Lufthansa, backed by unions, expands job cuts

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Just days after the chairperson of Verdi, Christine Behle, signalled the union's agreement to far-reaching concessions, describing resistance in the form of strikes as completely inappropriate, Lufthansa CEO Carsten Spohr announced that he would accelerate the company's program of job cuts.

At a press conference in Frankfurt on Thursday, Spohr said the continuation of high losses meant the previously announced elimination of 22,000 full-time jobs had to be carried out faster than originally planned. The company's promise to refrain from compulsory redundancies could not be maintained, he said, under conditions of an intensified crisis in global air traffic.

Investors reacted enthusiastically, driving up Lufthansa's share price by 8 per cent.

It is now clear that the state aid for Lufthansa, amounting to €9 billion, is being used to rationalise the company at the expense of the employees, downsizing in order to increase profits. The coronavirus crisis is being used to push through massive cuts in wages, jobs and social provisions.

In doing so, Lufthansa is working closely with the three unions with which it negotiates: the Independent Flight Attendants Organisation (UFO), the Cockpit Pilots Union (VC) and, of course, Verdi, which has always functioned as Lufthansa's in-house union. All three are represented on the Supervisory Board, with Verdi functionary Behle holding the influential and lucrative position of deputy chair.

The trade unions are significantly involved in all strategic decisions. Many of the savings measures and cutback programmes are designed and developed directly by the trade unions and their economic and social institutes.

This applies to the "ReNew" restructuring programme, which CEO Spohr presented at the press

conference. Based on this programme, it has been possible to push ahead with job cuts. By the end of June, the number of employees had already been reduced worldwide by almost 8,300, to 129,400. However, this is only the beginning. In the next two years, productivity must be increased by 15 percent, Spohr said.

All three unions agreed to the German government's multibillion-euro rescue package and even called rallies to support it. At the same time, they competed with each other in making savings proposals at the expense of the workforce.

UFO signed an agreement with Lufthansa that will save the company half a billion euros by the end of 2023. Applied to the 22,000 cabin employees of the parent company covered by the agreement, this means an average loss of income of €23,000 over three-and-a-half years!

The savings will be realised by suspending wage increases, reducing working hours with a corresponding reduction in wages, reducing management contributions to company pension schemes and cutting jobs. Also, there are "voluntary" measures such as unpaid leave, further reductions in working hours and early retirement. Those affected will thus not only lose a large part of their current income, but also their future pension provision.

By the end of April, Cockpit had already offered annual savings of €350 million at the expense of pilots at Lufthansa, Germanwings, Lufthansa Cargo and Lufthansa Aviation Training. There was talk of foregoing 45 percent of pilots' salary. In the meantime, the pilots' union has negotiated a cuts package totalling €850 million through June 2022.

Verdi was directly involved in the government's negotiations on the Lufthansa rescue package, with

Behle, who has been a member of the Social Democratic Party (SPD) for 27 years, playing a central role. Behle assured the executive board and shareholders that Verdi, too, was prepared to make massive cuts.

In an interview with news weekly *Der Spiegel*, she stated that the union was and remains ready for negotiations and concessions. “Necessary reductions in capacity are economic decisions that must not be considered wrong from the outset.”

The cuts being offered by the unions are so massive that Behle warned they were “difficult to convey to a workforce without concrete compensation.” She declared, “Just imagine: An employee gives up 20 percent of his salary for two years and still gets laid off as a reward. In the end, he even gets less unemployment benefit. That’s not possible.”

In other words, Verdi and Co. are ready for anything. However, they think the company should, at least verbally, continue to rule out compulsory redundancies to be better able to implement the planned cuts.

Verdi and the two other trade unions have always presented Lufthansa’s original announcement that it will not be making any “compulsory redundancies” for the next four years as a major consideration by the corporation. Now, Lufthansa boss Spohr has made it clear what it really amounts to—nothing! It was always just a declaration of intent that would not be maintained if the economic situation for the company became difficult.

It is quite possible that Spohr’s latest announcement is part of a dirty deal and that Verdi will end up renewing lip service to a temporary renunciation of “compulsory redundancies” in order to push through even more extensive wage and social benefit cuts.

But even if Spohr does not renew his already worthless promise and thousands of workers are summarily dismissed overnight, the unions will not lift a finger. When asked by *Der Spiegel* whether there was “any chance at all” of “preventing or even striking against large-scale job cuts” not only at Lufthansa but also at other European airlines, Behle replied, “In such a situation, strikes make no sense.” What was needed was “simply reasonable cooperation.”

Several weeks ago, we wrote on the WSWS: “The events at Lufthansa clearly show the bankruptcy of the trade unions and their perspective.” This has now been

fully confirmed.

For decades, the trade unions have subordinated the workers’ interests to the profit interests of the corporations, within the framework of Germany’s much touted “social partnership.” In Germany and most other countries, there are no mass dismissals and plant closures that do not bear the signature of the trade unions and their works council representatives. At Lufthansa, the unions are now going so far as to offer the destruction of tens of thousands of jobs and massive wage and social cuts in the name of “rescuing the company.”

No job, no social gain, nothing at all can be defended within the framework of these organisations. In terms of their incomes and social status, the trade union officials, works council leaders and so-called “employee representatives” on supervisory boards stand much closer to the executives and major shareholders than to workers labouring on the assembly line or at office computers. Politically, they are vehement defenders of capitalism, whose bankruptcy is becoming clearer every day of the coronavirus pandemic.

The crisis in aviation cannot be solved on a capitalist basis and a national scale. It requires the expropriation of the companies and their transformation into democratically controlled public institutions that serve the needs of society, not private profit.

Workers in the aviation industry must break with the bankrupt trade unions and build independent action committees that network internationally and across company lines so as to organise the struggle to defend jobs and wages. The WSWS will support them in this.



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