



LUFTHANSA FACES WEEK-LONG STRIKE AMID LOW-COST UNIT'S EXPANSION

News / Airlines



Deutsche Lufthansa faces a week-long strike by cabin crew as part of a long-running dispute with unions related to plans to expand low-cost unit Eurowings.

Flight attendants will walk out Nov. 6 through Nov. 13 unless Lufthansa improves its offer, union head Nicoley Baublies said at a press conference in Moerfelden-Walldorf, Germany. The union set a deadline of Thursday at 5:00 p.m. in Frankfurt for new terms.

The threat came just hours after Lufthansa outlined more long-haul routes for Eurowings, the center of a struggle between the airline's management and its mainline workers who fear losing benefits in Lufthansa's move to respond to the likes of Ryanair Holdings Plc. Eurowings will start serving locations such as Las Vegas, Miami and Muscat next year, Karl Ulrich Garnadt, Lufthansa's head of low-cost operations, said Monday at a press conference in Cologne. The unit may also arrange more tie-ups with outside partners to expand service, he said, without specifying the nature of the partnerships.

Labor leaders have ferociously opposed Cologne-based Lufthansa's efforts to expand its discount

operation. Pilots staged a series of walkouts for more than a year until a German court ordered a halt to the protests in September, saying the workers didn't have the right to intervene in corporate strategy. The UFO flight attendants' union, which has avoided tying any dispute directly to the Eurowings expansion, said it will strike for better retirement benefits after a formal arbitration in the dispute already failed.

"This is not about defending sinecures," said Baublies, who is also a member of Lufthansa's supervisory board. "We are willing to contribute to cost-cutting," but it's up to Lufthansa to make an "acceptable" offer.

Lufthansa regrets the strike threat, as the company proposed benefits that are better than what any other German airline offers, spokesman Helmut Tolksdorf said. The union had threatened in June to stage on-and-off walkouts for almost three months, before negotiations were picked up again.

First Long-Haul Route

"I can in no way comprehend how they would call a strike" after Lufthansa's most recent proposal offered improved wages and job security, Garnadt said at the briefing. "It should be about creating opportunities for growth for Lufthansa."

Garnadt was speaking at an event marking the opening of Eurowings' first long-distance route, a flight to Varadero, Cuba. Bookings for the new service have been better than the company expected, with 85 percent of capacity offered in November already sold, Garnadt said. Lufthansa is in talks with airport operators in Berlin and elsewhere about potentially setting up bases for long-haul aircraft for Eurowings.

"We are entering uncharted territory," he said. "We want to become trend-setters again."

03 NOVEMBER 2015

SOURCE: BLOOMBERG

ARTICLE LINK:

<https://connect.50skyshades.com/news/airlines/lufthansa-faces-week-long-strike-amid-low-cost-units-expansion>