Lufthansa and Vereinigung Cockpit agree on package of short-term crisis measures through the end of the year

- Pilots’ contributions through December: reduced top-up payments for short-time working compensation benefits, compensation adjustments, and reductions in pension benefits

- In return, redundancies due to business operations (betriebsbedingte Kündigungen) in the second quarter 2021 at the earliest

- Reconciliations of interests and social plans are still being negotiated

- Agreement on long-term contributions by pilots urgently needed to limit the number of necessary redundancies

Lufthansa has concluded a short-term agreement with the pilots’ union Vereinigung Cockpit (VC) for initial measures to manage the coronavirus crisis. The measures apply to the pilots of Lufthansa, Lufthansa Cargo, Lufthansa Aviation Training and some of the Germanwings pilots.

Cost reductions through the end of 2020
The agreement includes cost reduction measures that will apply until the end of the year. Among other things, top-up payments for short-time working compensation benefits and employer contributions to the pension scheme will be reduced from September onwards. Collective wage increases negotiated for 2020 will be postponed until January 2021.

Redundancies due to business operations in the second quarter of 2021 at the earliest
Lufthansa will refrain from implementing redundancies due to business operations for the pilots of Lufthansa, Lufthansa Cargo, Lufthansa Aviation Training and certain of the Germanwings pilots until March 31, 2021. However, the significant overcapacity of pilots will last considerably beyond March 2021. The number of redundancies for operational reasons can therefore only be limited by concluding a long-term crisis agreement. In a long-term crisis package, the costs of the personnel surplus could, for example, be compensated for by a corresponding reduction in working hours and salary for the period of the crisis.
At the same time, Lufthansa has announced that for all German flight operations, it will refrain from hiring new pilots from outside the Group as long as there is an overcapacity of cockpit staff. This will also apply to the cockpit staffing of tourist-oriented flight operations - which will be open to pilots from Sun Express Deutschland and the German base of Brussels Airlines who flew tourist routes during the past few years.

Negotiations on the reconciliation of interests and on social plans will be continued with the respective cockpit staff representatives. This process is furthest along at Germanwings, where flight operations are not set to continue in light of the effects of the coronavirus pandemic.

The package of measures was approved by the Executive Board of Deutsche Lufthansa AG, the Air Transport Employers’ Association (Arbeitgeberverband Luftverkehr) and the VC committees and is effective immediately.