

Norwegian Air to lay off half of staff over virus, travel ban

March 12 2020

Norwegian Air Shuttle said Thursday it would temporarily lay off up to half its staff, following the US travel ban and the novel coronavirus outbreak.

"The new restrictions imposed further pressure on an already difficult situation," Jacob Schram, CEO of Norwegian, said in a statement, referring to the 30-day [travel](#) ban from Europe to the US introduced by US president Donald Trump.

"Due to the extraordinary market situation as a result of the coronavirus... we must look at all possible measures to reduce costs," the company said in a statement.

"This unfortunately also includes temporary lay-offs of up to 50 percent of our employees and the number may increase," it added, confirming the staff would be let go.

The low-cost carrier also said it was cancelling more than 4,000 flights, including 3,000 already announced on Tuesday.

"We do not rule out that others may follow," airline spokesman Lasse Sandaker-Nielsen told AFP.

"The situation is changing from minute to minute," he told AFP.

According to the airline, about 40 percent of its long-haul fleet would be

grounded as it was cancelling the majority of flights from European airports to the US.

The company said it would continue to operate flights between London—which is excluded from the travel ban—and the US, and hoped to re-route as many of its passengers as possible.

Norwegian, which has been in deficit for three years and is heavily indebted due to an ambitious expansion policy, especially in long-haul flights, has been plummeting on the Oslo Stock Exchange.

On Thursday, after the announcement by the US president, the share fell by 22 percent. The stock has fallen by over 80 percent in the last month.

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