Air Canada to rehire 16,500 workers laid off due to pandemic

April 8 2020

Air Canada says it will rehire furloughed employees under a government relief program

Some 16,500 Air Canada employees who were laid off because of the coronavirus pandemic will be rehired under a government relief package

for businesses, the airline said Wednesday.

The company furloughed nearly half of its Canada-based workforce of 36,000 on March 30 after seeing business abruptly dry up by more than 90 percent as country after country imposed travel restrictions and people stopped flying.

The Canadian government stepped in April 1 with an emergency wage subsidy plan called CEWS that is designed to help employers keep their workers or bring back ones that were laid off because of the pandemic.

It is retroactive to March 15 and under it the government will pay 75 percent of hard-hit companies' payrolls through June 6.

Parliament is to meet soon to pass a law that would enact the relief program, which applies to companies that have seen their revenue drop by more than 30 percent, which is the case for Air Canada.

Air Canada said that under the relief package it will bring back the people it had furloughed.

"Subject to its adoption into law substantially as announced, Air Canada intends to adopt the CEWS for the benefit of its 36,000 Canadian-based employee workforce," the company said in a statement.

© 2020 AFP

Citation: Air Canada to rehire 16,500 workers laid off due to pandemic (2020, April 8) retrieved 3 April 2024 from https://techxplore.com/news/2020-04-air-canada-rehire-workers-laid.html