

## Boeing seeks more voluntary layoffs

August 18 2020



Boeing is seeking more voluntary layoffs on top of a 10 percent downsizing announced earlier this year

Boeing is launching a second round of voluntary layoffs to trim its workforce, the company said Tuesday, as it navigates a brutal commercial aviation market and seeks to return the 737 MAX to service.



The move comes on top of a 10 percent staff cuts earlier this year as commercial airline customers defer deliveries and cancel orders, hitting Boeing's profits.

"While we have seen signs of recovery from the pandemic, our industry and our customers continue to face significant challenges," the aerospace giant said in a message to AFP.

"We have taken proactive steps to adjust to the market realities and position our <u>company</u> for the recovery. As we continue to assess our workforce and in response to employee feedback, we will be offering a second voluntary layoff opportunity for employees to depart the company voluntarily with a pay and benefits package."

Boeing did not provide an estimate of the potential size of the job cuts in this round.

The company on July 29 had signaled more belt-tightening was necessary when it reported a \$2.4 billion loss.

At the time, executives said the company identified 19,000 workers who would leave the company by the end of the year, adding that the figure would be offset by 3,000 new hires mostly in the defense business.

Besides the severe downturn in air travel due to the coronavirus, Boeing is still working to win regulatory approval for the return to service of 737 MAX, which has been grounded since March 2019 following two deadly crashes.

The US Federal Aviation Administration earlier this month spelled out a series of new requirements for the MAX before it can be cleared for <u>service</u>, reiterating that the jet will be allowed to fly only when it meets all safety concerns.



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