

# Air France, Hop! to shed 7,580 jobs: management

July 3 2020

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Hop! aircraft are pictured on the tarmac on July 3, 2020 at the Morlaix, France airport

Air France management said Friday it planned to eliminate 7,580 jobs at the airline and its regional unit Hop! by the end of 2022 because of the

coronavirus crisis.

The carrier wants to get rid of 6,560 positions of the 41,000 at Air France, and 1,020 positions of the 2,420 at Hop!, according to a statement issued after meetings between managers and staff representatives.

"For three months, Air France's activity and turnover have plummeted 95 percent, and at the height of the crisis, the company lost 15 million euros a day," said the group, which anticipated a "very slow" recovery.

The aviation industry has been hammered by the travel restrictions imposed to contain the virus outbreak, with firms worldwide still uncertain when they will be able to get grounded planes back into the air.

Air France said it wanted to begin a "transformation that rests mainly on changing the model of its domestic activity, reorganising its support functions and pursuing the reduction of its external and internal costs".

The planned job cuts amount to 16 percent of Air France's staff and 40 percent of those at Hop!

With the focus on short-haul flights, management is counting mainly on the non-replacement of retiring workers or voluntary departures and increasing geographic mobility.

However, unions warn that Air France may resort to layoffs for the first time, if not enough staff agree to leave or move to other locations.

## **'Crisis is brutal'**

Shaken heavily by the coronavirus crisis, like the entire aviation sector, the Air France group launched a reconstruction plan aiming to reduce its

loss-making French network by 40 percent through the end of 2021.

"The crisis is brutal and these measures are on an unprecedented scale," CEO Anne Rigail conceded in a message to employees, a copy of which AFP obtained.

They also include, she said, "salary curbs with a freeze on general and individual increases (outside seniority and promotions) for all in 2021 and 2022," including executives of Air France.

The airline told AFP earlier this week that: "The lasting drop in activity and the economic context due to the COVID-19 crisis require the acceleration of Air France's transformation."

Air France-KLM posted a loss of 1.8 billion euros in the first quarter alone, and has warned it could be years before operations return to pre-coronavirus levels.

Air France has been offered seven billion euros in emergency loans from the French state or backed by it, while the Dutch government approved a 3.4 billion euro package of bailout loans for KLM last week.

The group joins a long list of airlines that have announced job cuts in recent weeks.

Lufthansa is to slash 22,000 jobs, British Airways 12,000, Delta Air Lines 10,000 and Qantas 6,000.

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