

American Airlines warns of as many as 13,000 layoffs

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American Airlines will notify 13,000 workers that they could be laid off due to the prolonged industry downturn if the Covid-19 situation doesn't improve and US government aid is not extended, the carrier said Wednesday.

The airline expects to fly at least 45 percent less in the [first quarter](#), American's executives said in a letter to employees, extending the industry slump as expectations for a travel recovery are delayed due to the slow rollout of coronavirus vaccines.

"Of course, this is not where we want to be, and we will work with union leadership to do everything we can to mitigate job impact as much as possible," said the letter from the carrier's Chief Executive Doug Parker and President Robert Isom.

American no longer expects to be at full capacity this summer, they said.

"The vaccine is not being distributed as quickly as any of us believed, and new restrictions on international travel that require customers to have

a negative Covid-19 test have dampened demand," they added.

American's announcement came after United Airlines last week sent similar notices to 14,000 workers.

Parker and Isom said they backed efforts by airline [worker](#) unions to win another round of support in Congress, with current federal aid set to expire on April 1.

US President Joe Biden has proposed a \$1.9 trillion Covid-19 economic relief package, currently being discussed in Congress.

The company also meanwhile plans to establish new programs to encourage [early retirement](#) or voluntary furloughs.

Hard hit by the coronavirus pandemic, American saw its revenue decrease by 62 percent in 2020, and reported an annual loss of \$8.9 billion.

In a quarterly earnings report out last week, the carrier warned it expected revenue in the current quarter to fall 60 to 65 percent compared to the same period last year.

American furloughed 19,000 workers in October after a prior round of federal support expired, but brought the workers back after Congress enacted more federal support at the end of 2020.

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