
DUE TO SHRINKING OPERATIONS, JAPAN AIRLINES CUTS 170 MORE JOBS



Japan Airlines, a Tokyo-based international and domestic airline, revealed its plan to slash about 170 jobs by the end of 2010 in line with its restructuring scheme following its bankruptcy filing in January. By March 2011, the airline company aims to cut its workforce by a third as it reduces operations due to the decreasing travel demand.

President Masaru Onishi confirmed that JAL is now decreasing its operations to cut its costs that will result in more job cuts in 2011. Onishi added that JAL plans to slash over 16,000 positions within the company by next year. He said that they still need to remove about 1,500 more workers to meet that goal and remain operational. "The job cuts are necessary to correspond with our shrinking operations."

Under the bankruptcy protection, JAL is removing 49 routes and eliminating about 103 aircraft. In August, the carrier also sold its 33 Boeing Co. 747s and MD-80s. Based on information from the company website, JAL now has about 278 airplanes.

Enterprise Turnaround Initiative Corp. of Japan, which agreed to make a 350-billion yen investment and is now monitoring JAL's development, noted that the airline company had removed over 8,000 jobs as of September. In November, JAL's profit rose slightly to 13 billion yen as a result of its cost-cutting plan and also due to an industrywide increase in travel demand.