

## AIR FRANCE TO CUT 5,000 JOBS



Air France is, in many ways, a major airline like any other. Like any other airline its job is to get its passengers from place to place in a timely manner. Like any other airline it needs the help of thousands of seasoned professionals in order to do that. Like many, if not all, other airlines it is feeling a serious economic pinch. That pinch is the result of a kind of a perfect storm of business problems. First up is the problem of decreased usage. As a lower number of people are flying for vacation and leisure purposes, and a greater number of companies are choosing to go with virtual meeting solutions instead of costly business travel the number of people who are flying in the current bad economy has decreased. The price of fuel, which is essential if you are planning to get a jet off of the ground and into the air, also has risen significantly. Air France has just put out a plan to help themselves with their fiscal problems, and that plan involved the loss of about 5,000 jobs between now and the end of the fiscal year. Though the company is hoping to do it in a way that is not exactly what we expect from traditional layoffs. The company is hoping to get rid of the 5,000 or so jobs without actually having to give anyone a pink slip. Think that is not possible? Well the company said exactly that in the [release](#), "During the various phases to draw up the project, Air France has chosen to work in complete transparency and to privilege social dialogue to find structural and sustainable solutions, included in corporate agreements. At the end of June, Air France will be presenting new framework agreements for signing by the various professional organizations. If they are signed, Air France has pledged not to make redundancies and to implement various measures to support the necessary reduction in staff numbers." This raises an interesting question, which is how exactly the company is planning to do that? The company has outlined some strategies in the same release, "Based on the industrial project and under the new framework measures being negotiated, the changes in staff numbers from December 2011 to December 2013 will result in a staff decline of 5,122 jobs out of 49,301 within Air France (French employment contracts). The number of natural departures not replaced during this period is estimated at 1,712. The residual number of excess staff at the end of 2013 is estimated at 3,410, i.e. 6.9% of staff at 31/12/2011, divided between 2,056 ground staff (6.4% of the population concerned), 904 cabin crew (6.8% of the population concerned) and 212 pilots (5.4% of the population concerned, to which can be added excess staff of 238 pilots, already identified at 31/12/2011). After these agreements are signed, the excess staff measures implemented for 2012-13 will include:

- an incentive for voluntary retirement under a voluntary redundancy scheme,
- an incentive for voluntary departure from the company under a voluntary redundancy plan,
- targeted incentives to switch to part-time,
- measures to share working time for cabin and flight deck crew."

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