

# Hong Kong Airlines mulls job cuts, A330-only fleet

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Following reports earlier in the week that it would do so, Hong Kong Airlines (HX, Hong Kong Int'l) told employees in an internal memo on June 9 that it would launch a wide-ranging restructuring, although it pledged to hold off for now on forced job cuts. Its fleet of twelve A320-200s will be grounded for a year from July, while eight of its A330 widebodies will be used mostly for cargo flights, the memo said according to the South China Morning Post. The ch-aviation fleets advanced module shows that Hong Kong Airlines currently operates the twelve A320s, nine A330-200s, seven A330-300s, and two A350-900s. Its subsidiary Hong Kong Air Cargo (RH, Hong Kong Int'l) operates five A330-200Fs. The carrier said it would move out of its main headquarters and into its training centre at Hong Kong Int'l to cut costs further. It has also introduced a voluntary leave scheme in which staff can take six months' leave in exchange for one month's pay, or nine months' off with two months' pay. Future redundancies will depend on how many employees opt for the scheme, a source told the South China Morning Post, adding that the company needed to downsize its workforce by 30% to 40%. "Hong Kong Airlines is now in a critical survival mode. [...] An organisational restructure deemed to be executed together with our ongoing consolidation drive can no longer be delayed," company chairman Hou Wei said in the memo. Local media had reported on June 8 that the airline was about to cut up to 1,000 more jobs and temporarily operate only eight of its A330s as part of a radical streamlining of the company structure. Long beset by cashflow problems and part of the now-bankrupt mainland China conglomerate HNA Group, Hong Kong Airlines has already cut around 650 jobs. Before the onset of the pandemic, it had 3,481 employees. Hong Kong's Apple Daily reported on June 8 that an earlier internal memo had said the company would merge several departments and streamline its operations. Cost-cutting measures already adopted, including an unpaid leave scheme, have not been sustainable in the long run, the memo added.

