



AIR FRANCE MAKES NEW COST-CUT PROPOSALS TO PILOTS

News / Airlines



Air France has made fresh cost-cutting proposals to pilots' unions that would see a rise in the number of flying hours and more flexibility in return for a share of the resulting productivity gains, the French carrier's head said on Monday.

The plans by Air France, which were sent to unions on Sunday, with a May 2 deadline to respond, would also see it hire more than the 600 new pilots previously envisaged through 2020, taking the total number to 3,900, Frederic Gagey said.

Air France is cutting labour costs to better compete with deep-pocketed Gulf airlines and fast-growing European low-cost carriers. It dropped a so-called 'Plan B' restructuring project with forced job cuts in January and tilted its plans towards growth in the wake of a slide in oil prices.

"The cost per hour of flying falls, this is necessary for the company to be competitive, but this is done in the context of more flying hours, so no one loses out," Gagey told a conference call. "Overall, pilot pay won't drop."

The unit of Air France-KLM said the proposals would improve productivity by between 5 percent and 10 percent, and that the resulting gains would be shared with pilots, without being more

specific.

Air France's Franco-Dutch parent returned to profit last year, helped by a drop in the fuel bill and growth in passenger numbers.

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