As a result of its latest moves to shed excess capacity, Malaysia Airlines Berhad (MAB) has hatched plans to offer 100 to 120 Boeing 737-800 pilots for secondment next year to interested airlines. If the plan does not materialize, the company would offer pilots either a two-year leave without pay or a 15-day work month at half salary.

According to an official at the carrier's flight operations center in Sepang, two miles outside Kuala Lumpur International Airport, the excess crew resulted from a reduction of the 737-800 network as part of an exercise that started in late August. The airline plans further reductions in the coming months “where necessary.”

The official said the airline will know exactly how many pilots it will need to offer for secondment by the end of the year. Some have already served the required three months notice to resign, and the precise number will depend on how many more follow suit.

The official did not know whether MAB had identified any airlines for the secondment or whether any had expressed interest. [The airline is] facing stiff competition on domestic and regional routes from low cost carriers Malindo Air, AirAsia and full-service carriers,” he noted.
Meanwhile, the depreciation of the local currency, the ringgit, has increased the airline’s operating costs.

In August MAB arranged to send 50 to 70 Boeing 777 pilots to Korean Air on temporary assignment. That plan met with opposition from Korean Air’s pilots’ union, despite a shortage of cockpit crew at that airline.

This marks the first time in the history of Malaysia Airlines that pilots on the 777-200ER and 737-800 fleets have felt the effects of now five restructuring exercises since 2000. The then-Malaysia Airlines System (MAS) started operations in October 1974. Administrators established a new company in August and renamed the carrier Malaysia Airlines Berhad on September 1.

MAB currently operates 56 737-800s, 41 of which it leases. It plans to eventually reduce the fleet to 35 aircraft by the end of next year as part of its aim to cut operating cost. The airline also has canceled an option for 10 Boeing 737-800NGs.

06 OCTOBER 2015

SOURCE: AIN