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Airline mulls VSS option for 21,000

PUTRAJAYA, Fri. - Malaysia Airlines, which is mulling over a voluntary separation scheme (VSS) option for its 21,000 staff, will only decide in December whether to offer the scheme.

"MAS will cut down on unprofitable routes and increase flight frequency to profitable destinations," Transport Minister Datuk Seri Dr Ling Liong Sik said at his office after receiving Quanzhou Municipal's senior advisor, Liu Dezhong.

Ling said some MAS employees may look forward to the VSS offer, especially if they had other alternative employment. He did not disclose how many staff would be affected by the exercise.

Last month, Ling was quoted as saying that the terror attacks in the US may result in the airline having to lay off staff.

Major carriers had announced layoffs that could come up to 100,000. Boeing also announced plans to terminate as many as 30,000 commercial airplane workers by the end of next year.

MAS is now run by the Government after it bought back the controlling stake in the airline last December.

Yesterday, MAS announced that it would discontinue flights to 12 destinations later this month to save the carrier an estimated RM190 million a year.

Flights to Auckland, Buenos Aires, Karachi, Manchester, Munich, Rome, Istanbul, Beirut, Cairo, Zurich, Cairns, and Darwin will be scrapped.

Meanwhile, the Malaysian Airlines System Employees' Union Peninsular Malaysia (Maseu) said that it fully supports Prime Minister Datuk Seri Dr Mahathir Mohamad's stand that other solutions besides retrenchment be found.

Union president Alias Aziz urged the management to talk to unions first before announcing layoffs.

He urged MAS to refer to article 20 of the Code of Conduct of Industrial Harmony which states that several measures like limiting new intake, overtime hours, work on rest days and reducing work hours should be attempted before reduction of staff.

The article states there must be discussions between union and employer about retrenchments.

Aziz said that if retrenchment was the last resort, the VSS offer must be offered to employees and not forced on them.

"Maseu also suggests that any offer for VSS must be better than the Services Termination Benefits stated in Article 45 of the Collective Agreement," he said.

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