

MAS Sends Termination Letters To 20,000 Staff
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SEPANG, June 1 (Bernama) -- Malaysian Airline System Bhd (MAS) will be sending termination letters to its 20,000 employees beginning Monday, followed by offer letters to 14,000 employees to join new entity Malaysian Airlines Bhd (MAB).

MAB is a new entity established by MAS' major shareholder Khazanah Nasional Bhd to assume the contracts, assets and liabilities of the national carrier in a bid to turn around the airline to profitability.

Chief executive officer-designate Christoph Mueller in a briefing Monday said the 14,000 employees who received the offer letters would be given 12 days to decide while employees who decide to join MAB would start working in the new entity beginning on Sept 1.

Describing MAS' restructuring process as a 'hard reset', he said MAB's business model would be principally commercial with the hope that the airline would grow again by 2017.

Capacity rightsizing, including employee termination, was part of MAS' 12-point recovery plan announced by Khazanah in an effort to rein in costs.

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