

Air Canada posts C\$430m loss

- A Monitor Desk Report

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Dhaka: Air Canada revealed that its third-quarter results were severely impacted by a mid-August flight attendants strike, which led to approximately 3,200 flight cancellations.

The Montreal-based airline disclosed on 24 September that the labour disruption caused a C\$375 million loss in operating income and a C\$430 million hit to revenue.

The losses stemmed primarily from customer refunds, compensation, and lower-than-expected bookings, with C\$90 million spent specifically on passenger reimbursements.

However, Air Canada achieved C\$145 million in cost savings, mainly due to reduced fuel expenses from less flying during the strike period.

The airline now forecasts a 2pc lower year-on-year capacity increase for the July-September 2024 quarter and has withdrawn its financial

guidance for 2025 amid ongoing uncertainties.

The strike, involving 10,000 Canadian Union of Public Employees (CUPE) flight attendants, effectively halted operations for several days.

Despite operational disruptions and repositioning challenges, Air Canada restored nearly full flight schedules within days of the strike's end on 19 August.

CUPE tentatively agreed to a four-year contract with pay increases, pending member approval. With some disputes unresolved, Air Canada and CUPE have entered arbitration to finalize wage terms.

Both parties are barred from further labour disruptions during arbitration and the contract term.

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