

Virgin Australia to cut 3000 staff, slash budget subsidiary Tigerair

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Dhaka: Virgin Australia will cut one-third of their workforce making 3,000 employees redundant, unveiled Paul Scurrah, CEO of the airline, adding that Virgin's budget subsidiary, Tigerair, will also cease operations.

Virgin Australia 2.0 will be a "value airline," centered around domestic and short-haul international flights, said Scurrah.

Under the plan, Virgin Australia will ditch their ATR 72-600s, Boeing 777s, Airbus A330s and A320 aircraft. The airline will operate just Boeing 737-800 aircraft, as it attempts to move to a lower-cost model.

By ditching their ATR aircraft, Virgin Australia will inevitably axe some regional routes, Scurrah noted, adding that Virgin will continue to serve some regional airports with B737's.

"...but it does mean because we're exiting the ATR, there are quite a few routes that

we will not be continuing with. We are currently reviewing options to continue servicing those routes previously flown through a number of different mechanisms,” said Scurrah.

Australia’s borders are currently closed. When it will reopen, Scurrah said, nearby overseas destinations, such as New Zealand and Bali, Indonesia, will likely receive Virgin flights.

Beyond nearby countries, Virgin Australia will not be flying to Los Angeles or Hong Kong for some time or possibly never. However, Scurrah hinted that if the opportunity arises, services to Japan or the US “will see something very positive”.

In the near future, Virgin Australia will be serving 40+ airports with high-frequency flights. Furthermore, the airline will continue to serve 18 regional centres throughout Australia with B737s.

Although Virgin Australia has made Tigerair pilots and cabin crew redundant, it has now been confirmed that the budget airline will cease operations. However, Virgin will retain Tigerair’s Air Operator Certificate, in case a similar low-cost carrier can be revived when the market dictates.