

El Al to restructure services as Israeli crisis takes its toll

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ISRAELI FLAG-carrier El Al is to undertake a major reorganisation of its operations this year in response to the fall in traffic due to the recent turmoil in the country.

A business plan based on the crisis has been approved by El Al's board. The crisis has resulted in a 50% decrease in the airline's passenger traffic. The airline forecasts a 30% fall in passengers numbers (mainly tourists) over the next 12 months.

The plan is based on a more focused network strategy which will include adding flights to high-yield destinations, and fewer flights on thin routes, or even the suspension of certain services.

Around 300 employees will be laid off as part of a special compen-

sation programme. The airline is also reducing its overseas workforce by 10%, and other steps will be taken to reduce costs.

At least three of its widebody passenger aircraft will be phased out earlier than originally planned – probably two Boeing 747-200s and one 767-200. The first of three new 777-200ERs will arrive next month, with the other two following in March and May.

Meanwhile, the Israeli carrier may further reduce its cargo fleet in response to new steps in the Israeli Government's open skies policy. This policy resulted in the setting up of Israeli private carrier Cargo Airlines (CAL) in 1999 when it began operating its own 747 freighter after previously using El Al aircraft. A second 747F is about to be added to its fleet.

The Israeli transport ministry recently decided to set up a committee to evaluate a change in regulations, to allow passenger charter flights to carry cargo in aircraft bellies.

In reaction to the policy, El Al recently sold one of its three 747-200 convertible aircraft to Hydro Air of South Africa. The airline continues to operate the two convertibles and two 747-200s in cargo configuration.

According to an El Al source, the proposed changes in the regulations may force the airline to further decrease its cargo capacity. Such a move could face opposition from the government, as the Ministry of Defence requires El Al to keep a minimum level of cargo capacity for national defence emergencies. □

United accelerates Boeing 727 retirements



United Airlines is retiring its ageing Boeing 727-200 fleet early due to increased fuel and labour costs. This year 25 aircraft are to go, about 12 months earlier than planned. United is taking up its options for 13 Airbus A319s and A320s to replace the noisy, inefficient trijets. Its remaining 727s will go by the end of 2003. The early retirements will slow capacity growth, with only a 2.5-3% increase expected next year.

NATS' Swanwick air traffic control centre is 'live'

THE LONG-DELAYED new UK en-route air traffic control centre (ATCC) at Swanwick has been fully integrated into the National Air Traffic Services (NATS) network, having completed the "technical handover" phase on 19 December.

Controller training at the centre starts on 2 January, and Swanwick will take over en-route ATC tasks from the West Drayton

ATCC on 20 January 2002.

Swanwick will go operational six years late, some of the delay created by the need to upgrade software specifications as demands on air traffic management services have increased.

Last year, NATS handled more than two million flights in its airspace for the first time. Around 360 controllers – 60 more than employed at the West Drayton

site – will work at Swanwick.

NATS chief executive Colin Chisholme says: "When fully up and running in January 2002, Swanwick's extra capacity and the skills of our operational teams will improve safety and reduce delays for our customers. There is more to do before we reach our ultimate goal, but Swanwick is now 'live' and the countdown to 2002 can begin." □

ROUTES

++ Senegal has reached a phased open skies agreement with the USA. Under the deal, US third-country codesharing operations will be phased in by 31 March, 2003. **++ Midwest Express Airlines** will add three weekly flights between Kansas City and Atlanta on 5 March as it continues to build the Missouri city into its third hub. **++ British Airways** has begun a direct three times weekly service between Abuja, Nigeria and London Gatwick using Boeing 777-200ERs. **++ Delta Air Lines** has begun a daily Boeing 757 service between Atlanta and Montego Bay, Jamaica. **++ Aero-Mexico** has launched three-weekly flights between Mexico City and Ontario, California, via Guadalajara, using a Boeing MD-82. The Mexican carrier has also added its code to SkyTeam partner Delta Air Lines' daily flights between Los Angeles and Narita, Japan. **++ A new Finnair-owned Estonian airline** is expected to start operations in the second quarter. It will eventually serve Northern European and Baltic markets. **++ US cargo carrier Fine Air** is increasing services between Miami and Latin America to meet seasonal demand. The airline is adding 29 weekly frequencies on routes to Costa Rica, Honduras, Mexico, Panama, Peru and Venezuela. **++ EgyptAir** plans to start a weekly charter service from Cairo to Baghdad, beginning 2 January. Jordan has given permission for the EgyptAir aircraft to pass through its airspace, subject to the service receiving the approval of the UN Iraq sanctions committee. On 16 December an Iberia aircraft landed in Iraq bringing representatives of humanitarian groups and business people. **++ Trans World Airlines** will launch three daily flights between Miami and San Juan, Puerto Rico on 31 January. Meanwhile, Trans World Express carrier **Chautauqua Airlines** will begin a service between TWA's St Louis hub and Pensacola, Florida, on 10 February, with three daily roundtrips using Embraer ERJ-145 regional jets.