

VOLVO AERO

Press Information

Union negotiations completed – 192 to leave Volvo Aero

In May, Volvo Aero announced a preliminary layoff of 250 employees in Trollhättan, Sweden. The mandatory negotiations with the employees' union representatives have now been concluded. As a consequence, 134 persons will be issued notices of termination of employment and 58 will be offered early retirement. A total of 241 jobs are being eliminated in Trollhättan – 148 positions represented by the Metal Workers' Union and 93 staff and administration positions.

In addition to those being released and offered early retirement, the number of employees is expected to be reduced during the year by at least another 49 persons through old-age retirement and resignations.

The background to the terminations is well known: the crisis within the international aviation industry is impacting all companies and Volvo Aero is no exception. All production locations (Trollhättan, Bromma and Malmö in Sweden, Kongsberg in Norway and Boca Raton, Florida, in the US) have already reduced the number of personnel.

"I heavily regret that some of our employees must now leave the company. I hope they understand that the terminations are due to the aviation industry being in its deepest crisis in history. When we see that a recovery will be delayed for several years, we have no other choice than to reduce the number of employees," says Fred Bodin, President of Volvo Aero.

In 2001, Volvo Aero in Trollhättan served notice of termination of employment to 310 employees. On this occasion, this resulted in a personnel reduction of 303 employees, of which 168 were released and 68 were offered early retirement.

Currently, Volvo Aero in Trollhättan has about 2,260 employees. In total, the Volvo Aero group of companies has approximately 3,500 employees.

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Volvo Aero develops and manufactures components for aircraft and rocket engines with a high technology content in cooperation with the world's leading producers. Volvo Aero offers an extensive range of services, including sales of spare parts for aircraft engines and aircraft, sales and leasing of aircraft engines and aircraft, as well as overhaul and repair of aircraft engines. Volvo Aero is part of the Volvo Group, one of the world's leading manufacturers of trucks, buses and construction equipment, drive systems for marine and industrial applications, aerospace components and services. The Group also provides complete solutions for financing and service.