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# Boeing Announces Layoffs of 17,000 Workers Due to Strike

## Description

As the protracted strike at Boeing persists, the corporation is poised to dismiss approximately ten percent of its workforce, translating to around 17,000 employees. This decision comes amidst considerable financial challenges and is necessitated by a labor stoppage that has severely hampered the production of the company's flagship airline aircraft.

In a recent communication to staff, new CEO Kelly Ortberg indicated that the impending layoffs would affect executives, managers, and various employees alike. With a global workforce of about 170,000, a significant proportion of which is concentrated in manufacturing plants located in Washington and South Carolina, the implications of this reduction are considerable.

Previously, Boeing had instituted rolling temporary furloughs; however, Ortberg announced that these would be halted in light of the forthcoming redundancies. The company has also decided to postpone the much-anticipated rollout of its new 777X aircraft to 2026, deferring it from an earlier target of 2025. Furthermore, the construction of the cargo variant of the 767 will cease in 2027 once existing orders are fulfilled.

## Enormous Financial Losses

Since the dawn of 2019, Boeing has reportedly incurred losses exceeding \$25 billion. The ongoing strike, which has seen approximately 33,000 union machinists walk out since September 14, has exacerbated the company's fiscal woes. Recent negotiations yielded no resolution, compelling Boeing to file a charge of unfair labor practices against the International Association of Machinists and Aerospace Workers.

Alongside the announcement of layoffs, Boeing divulged preliminary third-quarter financial results that painted a grim picture. The company disclosed a cash burn of \$1.3 billion and a loss of \$9.97 per share. Noteworthy write-downs, including a staggering \$2.6 billion charge tied to 777X delays and additional financial setbacks in defense and space initiatives, contributed to this dismal outcome.

Boeing, headquartered in Arlington, Virginia, reported \$10.5 billion in cash and marketable securities as of September 30. The strike's impact on cash flow is profound, as the company typically receives a substantial portion of the aircraft payment upon delivery. The disruption has halted production of several key models, including the 737 Max, while the 787s continue to be manufactured at a nonunion facility in South Carolina.

In light of these challenges, Ortberg emphasized the necessity for tough decisions and structural adjustments to ensure Boeing's long-term competitiveness and capacity to fulfill customer demands.

## New Leadership



Since assuming the role in August, Ortberg has become Boeing's third CEO within a mere five years. Although he brings extensive experience from the aerospace sector, his recent appointment signifies a pivot towards revitalization amidst a turbulent trajectory.

Regulatory scrutiny from the Federal Aviation Administration has intensified in the wake of safety concerns, particularly following recent incidents involving the 737 Max and NASA's criticisms surrounding a Boeing spacecraft's reliability. Despite Boeing's efforts to rectify past shortcomings, stakeholders are clamoring for accountability and assurance of enhanced safety measures going forward.

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## Vocabulary List:

1. **Protracted** /prəˈtræktɪd/ (adjective): Extended in time; prolonged.
2. **Workforce** /ˈwɜːrk.fɔːrs/ (noun): The people engaged in or available for work in a particular company or industry.
3. **Redundancies** /rɪˈdʌndən.siːz/ (noun): The state of being not or no longer needed or useful; layoffs.
4. **Exacerbated** /ɪgˈzæs.ər.beɪtɪd/ (verb): Made a problem bad situation or negative feeling worse.
5. **Scrutiny** /ˈskruː.tɪni/ (noun): Critical observation or examination.
6. **Accountability** /əˌkaʊntəˈbɪlɪti/ (noun): The fact or condition of being responsible for actions or decisions.

## Vocabulary quizzes

### Multiple Choice ( Select the Correct answer for each question. )

1. What is the meaning of the word "Protracted"?

- Option: A. Prolonged or extended
- Option: B. Quick and brief
- Option: C. Sudden and unexpected
- Option: D. Temporary and fleeting

2. Which word can be a synonym for "Scrutiny"?

- Option: A. Examination
- Option: B. Relaxation
- Option: C. Indifference
- Option: D. Isolation

3. What is the opposite of "Exclusive"?



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- Option: A. Inclusive  
Option: B. Unique  
Option: C. Limited  
Option: D. Selective
4. Which word describes beauty and sophistication?  
Option: A. Peculiarity  
Option: B. Extravagance  
Option: C. Elegance  
Option: D. Crudeness
5. What does it mean to "Engage"?  
Option: A. Disconnect  
Option: B. Avoid  
Option: C. Involve  
Option: D. Separate
6. What is the opposite of "Misinformation"?  
Option: A. Falsehood  
Option: B. Accuracy  
Option: C. Deception  
Option: D. Inaccuracy
7. Which word means taking the first step or action?  
Option: A. Stagnation  
Option: B. Initiative  
Option: C. Procrastination  
Option: D. Delay
8. What does "Accessibility" refer to?  
Option: A. Complexity  
Option: B. Approachability  
Option: C. Exclusivity  
Option: D. Difficulty
9. Which word means to spread or distribute something widely?  
Option: A. Concentrate  
Option: B. Isolate  
Option: C. Disseminate  
Option: D. Gather
10. What does "Fortified" mean?  
Option: A. Strengthened



- Option: B. Weakened
- Option: C. Protected
- Option: D. Attacked

**Gap-Fill ( Fill in the blanks with the correct word from the vocabulary list. )**

11. To improve efficiency the company eliminated \_\_\_\_\_ in its operations.
12. The new technology \_\_\_\_\_ the way we communicate.
13. The fashion designer created a \_\_\_\_\_ suit for the celebrity.
14. One's \_\_\_\_\_ of a situation can greatly impact their response to it.
15. The bakery is known for its \_\_\_\_\_ bread made by skilled bakers.
16. The scientist's research was considered \_\_\_\_\_ in the field of medicine.
17. The local representative met with their \_\_\_\_\_ to address community concerns.
18. The dark clouds indicated an \_\_\_\_\_ storm on the horizon.
19. The luxury brand maintained an aura of \_\_\_\_\_ to attract discerning customers.
20. The mysterious storyline of the novel added to its \_\_\_\_\_.

**Matching Sentences ( Match each definition to the correct word from the vocabulary list. )**

21. The company decided to train its entire in new skills to enhance productivity.
22. The professor is highly in the academic community for her groundbreaking research.
23. The museum director a special exhibit featuring rare artifacts from ancient civilizations.
24. It is crucial to fact-check information to prevent the spread of .
25. Active community is essential for the success of the new initiative.
26. The artist drew inspiration from the urban of the city for his latest painting.
27. Leaders must uphold a high level of to earn the trust of their followers.



28. The lack of rain the drought conditions in the region.

29. The boutique caters to a clientele looking for unique and high-quality products.

30. The club membership is and by invitation only.

## Answer

**Multiple Choice:** 1. A. Prolonged or extended 2. A. Examination 3. A. Inclusive 4. C. Elegance 5. C. Involve  
6. B. Accuracy 7. B. Initiative 8. B. Approachability 9. C. Disseminate 10. A. Strengthened

**Gap-Fill:** 11. redundancies 12. revolutionizes 13. bespoke 14. perception 15. artisanal 16. groundbreaking  
17. constituents 18. impending 19. exclusivity 20. allure

**Matching sentence:** 1. workforce 2. esteemed 3. curated 4. misinformation 5. engagement 6. milieu  
7. accountability 8. exacerbated 9. discerning 10. exclusive

## CATEGORY

1. Business - LEVEL6

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