
Downsizing deals - PT Inco to cut 3pct of workforce

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Reuters reported that PT International Nickel Indonesia Tbk plans to cut 87 jobs or nearly 3% of its workforce to reduce costs in response to the global financial crisis.

PT Inco has around 3,400 employees, most of whom work at its mining site in Sorowako. It said the job cuts, which will affect workers near retirement age and some foreigners, will not affect this year's production which is likely to be 20% lower than in 2008.

Mr Jannus Siahaan spokesman at PT Inco said that "We have delayed some projects, frozen recruitments and cut back business trips, but it's not sufficient so we are going ahead with a restructuring program."

Inco announced in May 2009 that it has revised down its capital expenditure this year to USD 166.4 million, from USD 228.8 million initially planned in February, reflecting a slump in global demand.

Inco produced 16,200 tonnes of nickel in matte in January to March 2009 period, down from 20,100 tonnes a year ago.

(Sourced from www.reuters.com)

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