
Downsizing deals - voestalpine abandons short working hours at Linz

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voestalpine announced that further increase of capacity utilization in the coming months means that short working hours at Linz site can be phased out and beginning in September, almost 3500 employees are no longer on short working hours.

It said that “After orders declined by nearly 50% in the first half of 2009 as a consequence of the global financial crisis, demand for high-quality flat steel products in Europe has rebounded significantly since the beginning of the summer. The considerably higher level of utilization associated with that rebound and the further improvement of capacity utilization for the coming months already becoming apparent at voestalpine Group’s Steel Division means that the Group is able to phase out short working hours at its Linz plant, effective by August 31st 2009.”

It aid that “Most recently, 3,470 employees of a total of 9,780 workers at the Steel Division were on short working hours. At other Group locations, 2,384 employees in Austria and 3,123 employees located abroad will continue to be on short working hours as of September 1st 2009.”

It added that “However, the fact that short working hours are being abandoned for now at the largest voestalpine Group location should not be understood as an indication that a sustained upturn in the economy is assured. The risk of another economic slump over the course of 2010 still seems to be given.”

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