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## **Downsizing deals - Societe Le Niquel policy to reduce employees**

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Societe Le Niquel, which is a subsidiary of Eramet in France and has been producing ferronickel in New Caledonia, has determined the basic policy to reduce employees gradually in order to rationalize nickel production in New Caledonia from a long point of view and is scheduled to reduce gradually 500 employees including retirees under the age limit.

In order to cope with a serious depression of the nickel market emerged from autumn of 2008, SLN has planned to materialize rationalization and to save the cost for nickel production by approximately USD 500 million in the next 3 years. The main contents are as the countermeasures for a crisis of the world economy prevailing at present, to reduce the cost for nickel production by means of saving energy consumption, in preparation for a depression of the economy to come up in next time, to strengthen the constitution as an enterprise and to establish its continuity, to reduce employees gradually, in order to cope with the low cost for production of nickel ore as being carried on in Indonesia, Philippines, and so on, to reduce the cost for nickel ore production in New Caledonia and so on.

However, Kanak people, who are working on nickel production in New Caledonia, have held a particular sensitivity for this sort of labor problem and many enterprises had been affected variously by this trouble in the past years. Therefore, Kanak workers have already expressed their opposition to the rationalization as planned by SLN and this situation may be inevitable to offer new charcoal to make a fire for labor dispute in New Caledonia.

(Sourced from TEX Report Limited)

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