
Downsizing deals - Japan estimates 30,000 job cuts

Monday, 01 Dec, 2008

It is reported that more than 30,000 temporary workers in Japan will lose their jobs by March 2009 as companies drastically cut costs to cope with the global economic slowdown.

Japan labor ministry said that from October 2008 to March 2009, 30,067 temporary workers are expected to lose their jobs. That compares to a total of only 2,028 regular employees who will be made unemployed during the same period.

As economic conditions deteriorate around the world, Japanese businesses, particularly export dependent manufacturers, have responded by slashing jobs to reduce costs.

Job cuts in the manufacturing sector make up two thirds of the expected job losses, with the number spiking in the industrial pockets of Aichi, Gifu, Tochigi, Nagano and Hiroshima prefectures.

Mitsubishi Motors Corp earlier this week said it would cut 1,100 jobs or third of its temporary workers in Japan. Toyota Motor Corp said it plans to axe 3,000 jobs.

Mazda is scrapping 1,300 temporary jobs and Subaru maker Fuji Heavy Industries Limited said it will end contracts for some 800 temporary workers by the end of next month.

Non regular workers made up a record 36% of the entire workforce in Japan in 2007. As Japan exited its decade long slump, many businesses switched from employing regular workers to cheaper temporary workers.

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