
Downsizing deals - ArcelorMittal Temirtau in deal with workers

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Reuters reported that ArcelorMittal Temirtau has reached a deal with its workers to avoid layoffs or shutdowns by introducing 3 month pay cuts for employees instead.

It said in a statement it has introduced limits on bonuses and other payments, reducing the total payroll by 14% following a period of tense and extensive talks with its workers.

It also said it would change its bonus system linking the payments to output and profits.

Mr Frank Pannier GD of ArcelorMittal Temirtau said "I am grateful to all those who participated in the talks for understanding the situation and for their support."

Earlier this month, the company said it would have to halt operations and lay off staff unless measures are taken to cut costs. ArcelorMittal employs about 46,000 people in Kazakhstan and layoffs would have been a concern for the government.

(Sourced from Reuters)

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