
Downsizing deals - Nisshin Steel to cut workforce by 9%

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Bloomberg reported that Nisshin Steel Co plans to cut 9% of its workforce by not replacing retiring employees because of a drop in demand.

Mr Mitsuhiro Murashita spokesman for Nisshin Steel said that employee numbers will be reduced by 350 to about 3,400 by 2011. He added that the cuts will be mostly among the 1,450 administrative positions.

It may be noted that the global recession is reducing demand for steel, prompting Nisshin Steel to cut its payroll as it forecasts a second annual loss this fiscal year. Industry wide steel output in Japan tumbled 44% in April, as mills pared excess inventories.

Nisshin Steel forecast a net loss of JPY 51 billion for the year ending March 2010, wider than the JPY 25.5 billion loss reported in the previous year.

(Sourced from www.bloomberg.net)

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