

Four thousand jobs cut in Britain

26 September 1998

Over 4,000 job losses were announced in Britain last week. The oil and petroleum conglomerate Shell is to make 2,000 of its staff redundant following the closure of its London headquarters. The firm cited falling oil prices and fierce competition in the industry.

Barclaycard is shedding 1,100 jobs, a quarter of its work force. Its offices in Northampton will lose 500 jobs, a further 300 will be lost at its offices in Manchester, Lancashire and Stockton in Teeside. 100 will go in Liverpool and 70 in Birmingham. The firm has cited increased competition in the credit card market. There are now over 1,200 credit cards firms in the UK.

Barclaycard profits fell by 11 percent last year. The parent company of the firm, Barclays Bank, has seen its profits reduced due to bad debts in Asia and Russia. Bob Potts, the chief executive of Barclaycard, said the job losses 'will be unavoidable as, in the interests of improving customer service and competitiveness, we introduce new, more advanced systems into the business and change many of the processes that we currently have.'

The Canadian-owned telecommunications firm Northern Telecom (Nortel), has announced 530 losses at Paignton, Devon and 50 at Maidenhead in Berkshire. Nortel is cutting its global workforce of 80,000 by 3,500 in order to concentrate on new growth markets for wireless products. Most of the jobs will be lost with the closure of Nortel's Proximity 1 Fixed Wireless Access operations at Paignton by next June. The company said the cuts were necessary because growth in the market for telecommunication equipment had not developed as it expected. Nortel currently employs 8,000 workers in Britain.

British Steel is to close its Templeborough rolling mill at Rotherham, South Yorkshire with the loss 112 jobs. The operation is to be transferred from Rotherham to Scunthorpe in March 1999. Increases in efficiency did not halt a fall in profits at the mill.

William Baird, the textile firm, is to shed 430 jobs at its factories in Wales and Ellesmere Port in Merseyside.

The Manchester-based North Western Trains has announced 200 redundancies, nearly 10 percent of its workforce. The company cited cuts in government subsidies and reduced passenger numbers as the reason for the cuts. It is also increasing fares by 10 percent.

216 jobs are to go at the Rosyth naval and commercial dockyard in Fife, Scotland. The yard, which was privatised last year, employs 3,600 at present. The jobs losses will come from both administrative and production workers at its support services operation.

The footwear firm Fii announced 130 jobs losses at its plant in Stafford, Staffordshire. The firm manufactures uppers for women's shoes and said that a lack in demand was responsible for the cuts.

Sheffield Forgemasters Engineering Ltd is to cut 35 jobs at its plant in Sheffield, South Yorkshire. The company cited falling oil prices and overseas competition. The firm which is owned by Atchison Castings Corporation employs 634 workers at present.

Meanwhile at Ford United Kingdom's biggest plant in Dagenham, London, workers are being put on a four-day weekly schedule as part of the company's plans to cut production. The Thursday evening and Friday morning shifts will be eliminated. Ford cited falling demand in some of its export markets. The company is also cutting production of its Fiesta model by 20 percent over the next seven weeks.



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