

Nippon Sheet Glass cuts jobs at Pilkington's UK factories

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Japan's Nippon Sheet Glass (NSG) announced this month it is to cut a further 90 jobs at two Pilkington factories in the Northwest of England.

The factories affected are at Ormskirk and St Helens. The St Helens factory shed 150 jobs in February. NSG say they will shed 3,500 jobs worldwide by March 2013. The once giant Pilkington Group was taken over by NSG in 2006.

The company statement declared that the fall in construction and motor manufacturing sales has led to a quarterly loss of three percent. "In Europe, architectural markets were weak, as economic uncertainty affected levels of public, commercial, and residential construction. Volumes declined from previous quarters, and prices weakened across most regions," it continued.

"Automotive markets were also increasingly challenging, with declining consumer demand in most major markets leading to reductions in vehicle production."

Falling demand for replacement windows and windscreens also impacted on sales: "Consumers, faced with a deteriorating economic outlook, have increasingly sought to postpone significant spending decisions."

"The group does not expect to experience a significant improvement in market conditions during the remainder of the financial year," the report concluded, so that improved operating results are dependent on the "restructuring programme".

This means lost jobs, wage cuts and greater levels of exploitation. A sign that wages are under threat can be gauged by the voluntary cuts in senior management's earnings contained within the company statement. NSG Chairman Katsuji Fujimoto will see his pay reduced by 30 percent, while vice-chairman Tomoaki Abe will see

his reduced by 20 percent. President and chief executive Keiji Yoshikawa will see his total pay fall by 50 percent, as his base pay will fall by 30 percent and no bonuses will be given.

NSG workers will be expected to follow suit.

The trade unions, as they did at St Helens in February, will accept every job loss and wage cut. Their only response to the 150 losses at St Helens earlier this year was to "try and minimise the number of losses."

NSG disclosed it is continuing with the £36 million "Project Chocolate" to build a new plant at Cowley Hill, St Helens. This is to produce "the next generation of energy-efficient K Glass."

K Glass forms a major part of Pilkington's energy saving products. However, a large section of the job losses made in February, involved young workers taken on due to an upsurge in business the previous year.

The Project was backed by £5 million from the Regional Growth Fund. At its launch, Deputy Prime Minister Nick Clegg declared, "We can't carry on in the North West hoping that we are going to get more handouts from Whitehall to create jobs that are here today, gone tomorrow. We need private sector jobs in factories like this, which last for years."

Since Clegg's remarks, more than 200 from a total of 1,000 jobs have been lost at Pilkington St Helens.



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