

MILAN ARSENAL JOB CUTS HAVE BIG IMPACT ON TENN COMMUNITY



Bad news is coming to the workers of the Milan Arsenal. They are losing 500 of their compatriots and in addition to that fact there is expected to be a significant cut to the local economy. It is estimated that the loss of those 500 jobs are going to be a loss of about \$30 million to the local economy on the whole. While this is not the only issue that the state will face the cut of 500 workers, leaving about 150 on staff at the arsenal to run the manufacturing operation of various munitions products. The large-scale losses are estimated because of the amount of the small town that was dependant on Milan Arsenal for their jobs, either directly or indirectly. Sadly, this is the case for many small towns when the job cuts came to their major employer. Of course these are not the first job cuts to affect the residents of Tennessee in recent months. For those of you who do not remember our [earlier coverage](#) about job cuts in the city of Memphis here is a look at some of our earlier coverage: "The City of Memphis has announced that higher costs for city services and a greater number of job cuts can be imminent. The reason forwarded has been the severe depletion of the city's funds due to the fall in property tax collection. Mayor A C Wharton said the job cuts were an unwelcome possibility and that "It is daunting." In a typical manner by which shortage of budget is unsuccessfully (as indicated by most research) sought to be passed on to the shoulders of employees in the form of loss of jobs, Memphis too attempts to cover its budget gap. Other strategies to reduce expenses include reducing city services and removing discretionary grants, on top of the ceremonial job cuts. The politicians and dignitaries wore long faces while announcing the job cuts. Memphis City Councilman Shea Flinn said, "We're going to be faced with some hard decisions." "We're going to have to look at our whole fee model, what we charge and what we don't charge and ask the questions," added the Mayor. The Mayor also talked on income strategies for the city including the school allowance, implementing an auto inspection fee, and increasing rates of other city services." Before that the bad news [came from GE](#) who cut jobs from the state by closing facilities: "TMSI Logistics is closing a distribution center in Mascot, Tennessee, after GE ended its contract with the company. According to TMSI, GE canceled the contract due to transportation costs and service time reduction to its customers. The closure of the facility will lead to layoffs for 200 employees. TMSI has operated the facility as a GE distribution center since 1995. At the beginning of this year the Teamsters union, which represents roughly 90% of the employees at the center, signed an agreement stipulating there would be no pay raises for three years in an effort to keep GE in Mascot. The latest announcement came as a surprise to the union, who had no forewarning."