

ROYAL BANK OF SCOTLAND TO MAKE MORE CUTS



When it comes to banking just about everyone knows that things are not going that well and the workers are the ones to suffer, not the decision makers who have caused the problems. That does not mean however that you are familiar with the Royal Bank of Scotland specifically. So before we begin talking about the layoffs to come lets begin by getting familiar with the company. For those of you who are not familiar with it the Royal Bank of Scotland PLC is a bank that is mostly owned by the U.K. government. The bank is getting ready to cut back on about 300 jobs in order to get its balance sheet to right. The layoffs, which have not been outlined in much detail at this juncture, are all part of a plan to cut back on more than 3,000 jobs in order to reduce costs. For those of you who are not familiar with our [earlier coverage](#) of the large scale plans for cuts that the bank made back in January of this year here is an excerpt that will get you up to speed in no time at all, "The plan is designed, as you may have guessed if you follow banking news, to cut back significantly on the investment banking operations by getting rid of jobs. They are not the first bank in Europe, which has decided to do so with the volatility of the current market. In this case the bank has decided to trim back by about 3,500 jobs over the next three years. This is added to the 2,000 job cuts that were announced last year. ...Other cuts are expected to eliminated from other branches. Another 1,260 jobs are going to be cut. Those numbers include a loss of 950 jobs from Ulster Bank, 270 banks from the U.K. corporate bank and another 40 workers in the wealth management department, according to sources close to the bank." This is not the first time that the company has resorted to layoffs in order to make things work. For those of you who missed out on those job cuts here is a look at how we covered the [earlier job cuts](#), "The Royal Bank of Scotland is getting ready to lay off worker again. The bank is getting ready to let go of about 618 of its workers in its latest bid to get rid of anything that will drag down the bottom line. The company is making a significant round of cuts not long after making job cuts that numbered in the thousands earlier in this year." While the company did say anything about this round of cuts [In a recent release](#), the company chose to showcase its feelings on global fiscal news the company did say something that provides a glimpse of incite into how they may be thinking, "**Industrial production weakened in the UK and in the Eurozone in April.** Lower industrial production (IP) provided yet another sign of weakening activity in the global economy. In the UK manufacturing output fell by 0.3%/y and 0.7%/m, which dragged overall IP growth down to just 1%/y in April. The picture was worse in the Eurozone. IP fell by 0.8%/m in April, the second consecutive decline. In annual terms production is now 2.3%/y lower than April 2011 and not even Germany was immune to the slowdown. German production fell by 2%/m, the second steepest decline in the region. These results chime with very weak manufacturing survey data. With activity slowing at such an alarming rate, it seems that the Eurozone debt crisis has had a severe impact on the real economy." The report also had a less than optimistic tone about other economic events in Europe and America. These kinds of fears, along with the changes to the finance laws in the nation, are likely the causes of the loss of jobs.