



fedEE[®]

The Federation of International Employers
Your Multinational HR Alliance

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PRESS RELEASE

London, UK

Friday June 7th, 2019

The Federation of International Employers (FedEE) writes

IBM TERMINATIONS MAY BE SIGN OF THINGS TO COME

It may only represent 0.5% of the company's workforce, but IBM revenues were down by 5% year-on-year in the last quarterly results and the 1700 job losses reflect a trend that is not going to reverse any time soon.

IBM may ironically be the exception that proves the rule, as it is seeking to buy "Red Hat" later this year to further consolidate its position in the cloud computing market. But for many US and European companies, the trend is unmistakably downwards. US companies are being forced back home due to the US-China trade war and attempts to switch production from China has not always led to more US jobs - as they either automate production back home or switch to alternative low cost centres around the World. In Europe the most unreported crisis in the making is the cost of energy - already up around 4% over the year to April in the eurozone - compared to just 1% for other items in the price index.

"We have yet to see what the next OECD predictions indicate about Worldwide recessionary trends" comments Robin Chater, Secretary-General of the Federation of International Employers (FedEE), "but another worrying trend is the proliferation of new laws which involve employers in needless bureaucracy, the spread of digital taxes on companies to further eat into their hard won profits and the ever growing threat that as labour displacing technologies reduce job demands, governments will seek to make up for the loss of income tax revenue by finding new, draconian ways to tax large companies."

For further information please contact FedEE Press Office on press@fedee.com and 0044 203 608 4412.

What is FedEE?

The Federation of International Employers (FedEE) is the leading organisation for multinational companies. It was founded in 1988 with financial assistance from the European Commission. Today it is an independent body with corporate members all around the globe.