

Nissan to cut operations at North East plant but no job losses will be made

Motor manufacturer Nissan has confirmed plans to reduce operations at its North East plant as part of cost-cutting efforts – but stressed that jobs will not be lost.

Nissan's leadership team in Japan announced plans at the end of last year to cut around 9,000 jobs globally, while also trimming other costs, as it grapples with the impact of challenging trading which has resulted in tumbling profits.

Now company bosses say the late shift will close on one production line by the end of March, a move which will affect around 400 of its 6,000-strong workforce. Affected employees, however, will be switched to other production lines and no jobs will be lost.

Earlier this month Nissan announced the closure of its Thailand factory and two other unnamed plants by the end of 2026, while also reducing shifts, initially in the US, as part of a move to reduce global production by 20%. Bosses said they would be carrying out a review of Nissan's market presence and make decisions about where to remain.

North East business and political leaders have been hoping the regional plant would be spared the worst of those cuts and will be thankful the operational changes have not resulted in job losses. While employing 6,000 directly the plant supports thousands more in its supply chain, which are also often impacted by changes at the plant.

A Nissan spokesperson said: "Nissan is implementing immediate measures to turn around its performance and create a leaner, more resilient business capable of swiftly adapting to changes

in the market. In Sunderland, UK, to maximise efficiency, one production shift on the plant's Line 1 will be removed to concentrate resources on Line 2, where the new Nissan LEAF will be built in the coming fiscal year.

"Some employees from Line 1 will be transferred to Line 2, with no reduction in headcount. With new LEAF and the third-generation e-POWER arriving on Qashqai, our UK team has an exciting year ahead, helping to drive top-line growth through the electrification of our key products."

The Sunderland plant is viewed as being essential to Nissan's transition to electric vehicle production, having benefited from around £2bn in investment through its EV36zero initiative.

Nissan's majority-owned transmission supplier Jatco recently announced plans to create 180 jobs at the nearby International Advanced Manufacturing Park through almost £49m investment into a new plant to deliver electric powertrains. At the launch event North East mayor Kim McGuinness highlighted Nissan's importance to our region, saying: "Of course Nissan is really important to our region, as is the whole automotive sector. It's a lot of jobs for us – and there are good jobs that people aspire to do."

Meanwhile, merger negotiations between Nissan, Honda and Mitsubishi were dropped earlier this month, after Honda had proposed to make Nissan a fully owned subsidiary, rather than an equal partner in a joint holding company as had been set out when negotiations were first announced just before Christmas.