

Subsea 7 axes contractors in Aberdeen

2009-01-19 05:32:52 by Rons_ROV_Links



Norwegian oilfield services group Subsea 7 has axed contractors in the Scottish oil capital of Aberdeen in the face of low oil prices and flagging consumption, but says it remains confident of the future for its industry. Oslo-listed Subsea 7 confirmed that about 20 contractors were no longer working for the group in Aberdeen, The Press and Journal reported on Monday.

The paper reported that a company spokesman told it that the cutbacks were a direct result of the current low oil price, which had led to a slowdown in the market for all services related to oil and gas production.

"As it would do at any time, Subsea 7 reviews the ongoing need for contractors as and when a project comes to an end." the Aberdeen paper quoted a company spokesman saying.

"As a result of the current market conditions, approximately 20 contractors have been released from our Aberdeen office," the spokesman added.

Subsea 7's spokesman added, however, that his group was still confident in the medium to long-term fundamentals for oil and gas, especially engineering and construction services.

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