
Caribbean Steel denies allegation on net profit by OWTU

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Caribbean Steel Mills has denied statements by Oilfield Workers Trade Union that CSM made a 2008 net profit of USD 200 million.

CSM stated that it is scurrilous for the OWTU to assert it made a net profit of USD 200 million, knowing it to be untrue. The company deprecates the statements made by Mr Teddy Stapleton of the OWTU, which have clearly maligned the management team of the company accusing them of impropriety.

The statement read that "CSM has had and continues to have utmost confidence in the management team led by Ms Debbie Battersby. Its gross sales in 2008 amounted to USD 193 million. Its costs of sales and production were USD 184 million and its gross profit before tax was USD 9 million. In accordance with the collective agreement between the OWTU and the company, all employees were paid bonuses on the basis of the profit made in 2008."

CSM said that the record will show that when the company met with the OWTU in November 2008 to negotiate a new collective agreement, CSM indicated that sales had by then fallen by 30% and that the forecast for survival of its manufacturing business looked uncertain. Against that background, the company was then pursuing a deferral of wage increases contemplated by the union's proposals for the new collective agreement.

CSM informed the OWTU that the only chance of its survival would be to obtain refinance from either debt or third party equity investment, and that if neither was obtained, the retrenchment would unavoidably follow. It said that all the workers were made aware of the situation it was facing in a meeting with its executive chairman on May 22nd 2009.

(Sourced from www.guardian.co.tt)

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