
Downsizing deals - Corus union pushing for talks with consortium

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It is reported that a union has revealed that it has made a significant breakthrough in getting Corus and a consortium that pulled out of a Teesside steel deal back around the negotiating table.

In May, a four strong international consortium, including Marcegaglia, of Italy and Dongkuk of Korea, tore up a 10 year off take agreement, signed in 2004, to take nearly 78% of the output of Corus Teesside Cast Products plant in Redcar, putting 3,000 jobs at risk.

The Community union, which represents most of the workers at the plant, has now claimed a significant breakthrough with Corus and the consortium to get them back around the table to discuss commercial options it believes could save the plant.

Mr Michael Leahy general secretary of the union said that "We are pressing for Corus and the consortium to set a date as soon as possible. We do not know if their meeting will be a party or a wake, but the most important point is that all sides enter discussions mindful of the thousands of jobs and the community on Teesside that are depending on a deal."

Meanwhile, Marcegaglia and Dongkuk's decision to allow the expiry of a memorandum of understanding to buy the threatened plant changed nothing, it was claimed last night. The two firms signed the MOU to buy Teesside Cast Products in January and when it was signed, a clause in the agreement said Corus could not speak to any other prospective buyer until the end of last month.

(Sourced from www.thenorthernecho.co.uk)

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