
Downsizing deals - TATA fed up with ministers over Corus closure

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Mr Ashok Kumar MP of Middlesbrough South and Cleveland has claimed that TATA Steel has lost all confidence in the government's ability to rescue Corus' Teesside plant.

He told politics.co.uk that TATA had become disillusioned after months of foot dragging by Mr Peter Mandelson's Department for Business, Innovation & Skills.

Mr Kumar claims that TATA Steel wants the government to invest hundreds of millions of pounds to keep the plant afloat and save 1,900 jobs. He added that "TATA have lost all confidence in the BIS department. They've been going in and out for a year and BIS have given them tea, sympathy, sandwiches, patted them on the back and off they went. They are fed up."

But Mr Kumar, who has close contacts with the steelmaker, added that "You can rest assured TATA wants to keep the plant open. That as the sky is blue they said to me. But they do want financial support from the government."

The government neither confirmed nor denied it was prepared to offer a bailout package to maintain the current plant.

Instead a BIS spokesperson said that "We are continuing to work with Corus to find alternative work or uses for the Teesside plant to secure a viable future for Teesside but we are also working hard on other areas to support workforce and industry in the area."

Last month it unveiled a GBP 60 million package for new investment projects in a bid to help the region become a leader in advanced engineering, chemical and other low carbon and high technology industries.

(Sourced from www.politics.co.uk)

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