

Thamesteel closure leaves 400 jobless in Britain

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Four hundred workers employed by the Thamesteel mill at Sheerness on the Isle of Sheppey in Kent, England, are to lose their jobs. Thamesteel was taken into receivership at the end of January.

The company is owned by the Saudi Arabian Al-Tuwairqi Group, which took over the site in 2002. It boasts on its web site that its business has grown like “The Big Bang” since it started trading in 1977. Such bluster is out of place in today’s economic climate.

The closure deals a catastrophic blow to an area of Kent suffering one of the highest unemployment rates in the country. Sheerness has always had a long-standing shortage of jobs, which contributes to the ongoing deprivation in the area. Despite all the promises of successive governments to try to improve matters, the situation continues to deteriorate.

The Conservative MP for Sittingbourne and Sheppey, Gordon Henderson, spoke of an “employment disaster” when the closure became public knowledge—conveniently forgetting to mention that it is his party, following in the footsteps of the last Labour government, that is wielding the austerity wrecking ball to such devastating effect. Henderson’s only proposed action was to seek an “urgent meeting with Vince Cable,” the business secretary in the Tory-Liberal Democrat coalition, “to see what the government can do to help support the site.”

Thamesteel began life in 1972 and managed to weather previous economic storms. But an anticipated investment deal with Trafigura, an Amsterdam-based multinational dealing in oil and metal, came to nothing. It has not been announced why the deal fell through. The workers now will join the ranks of the 9,000 or so people who lost their jobs when Peacocks, the retail clothing store, closed its doors for good in January.

To add insult to injury, Thamesteel has refused to pay

the staff their last month’s wages. The international accountancy firm Mazars has been appointed joint administrator and now controls the purse strings.

The trade unions representing Thamesteel workers, the GMB and Community Union, have done all in their power to limit workers’ response to the closure to the bankrupt appeal to Cable proposed by the Tories to save the plant. They have said they will work with the administrators to find a new buyer.

Keith Hazlewood, national secretary of the GMB, declared, “Vince Cable has to be proactive by supporting the UK steel industry and finding a buyer for this plant.”

Michael Leahy, general secretary of the Community Union, explained that his members had only had 48 hours’ notice they were likely to be sacked, that they would not be paid for January and that there wasn’t any prospect of financial support in the near future. Once again, his only response was to declare that he would also be working with the administrator “to try to find an alternative investor.”

Leahy made clear he is quite prepared to bargain away the hard-fought-for working conditions achieved by the staff over the years in order to “deepen and widen the search for an investor,” adding that he would work with anybody who wanted to give Thamesteel a future.

In a function normally associated with a management propaganda exercise, Leahy announced that “the union is also organising an on-site support day for redundant workers next Tuesday with assistance from local education colleges, the Citizen’s Advice Bureau, the union’s training arm *Communitas*, and other support agencies.”



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