



PRESS RELEASE

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GMB Has Severe Concerns Over AEI Cables Limited Members Redundancy Entitlements

The North East's biggest general union today commented on the fears over the future of 240 jobs in Tyne and Wear. These fears have been raised after overseas bosses rejected a rescue plan for their factory.

The GMB Union said that the historic AEI Cables plant [in Birtley](#), which can trace its history back more than 175 years, was put in doubt earlier this year when its owners entered into a consultation with staff over up to 100 redundancies.

The Union said that the future of the plant is looking even bleaker, with parent company Ducab, based in the Middle East, rejecting a restructuring plan proposed by management and saying that closing the site entirely is one of three options being considered.

The GMB said members are devastated by the latest news and expressed anger too that the company was unable to give assurances about redundancy payments in the event of closure.

GMB Regional Organiser Tom Allison said: "It's devastating news. We've had limited information from the company but there was a restructuring plan that the board has rejected. That proposal would have had a severe impact on our members.

"We're in a situation where it could mean closure of the company though they are also looking at a sale. People are devastated and the company was unable to give commitments about redundancy payments in the event of closure, which is also very concerning."

The plant was saved two years ago when it was bought out of a Company Voluntary Arrangement (CVA) by the Dubai-based Ducab group.

Mr Allison said: "It looks very much that manufacturing at AEI in Birtley is under threat with serious questions about the operations of the business from outside the EU, taking advantage of being based in Dubai and the potential for the taxpayer to pick up the tab, yet again. Very serious questions as to, if the company are unable to commit to redundancy payments in the event of closure, this is fuelling employee concerns and leading to speculation as to the viability of the business and raising questions regarding the potential for the taxpayer to be left with the liabilities".

The GMB said it is hoping for Parliamentary scrutiny and engagement with partners to assess a way forward.

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