



PRESS RELEASE

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UNION CALLS FOR URGENT GOVERNMENT ANNOUNCEMENT ON MOORSIDE

The Northern Region's biggest General Union has today reacted to the announcement that Westinghouse, Toshiba's US nuclear unit, has filed for US bankruptcy protection.

The GMB Union said that now that the announcement by Westinghouse/Toshiba has been made it is critical that the UK Government steps in and gives clarity to end uncertainty on the project.

Westinghouse as a US firm has struggled with hefty losses which has thrown its Japanese parent into a crisis. Westinghouse has suffered huge cost overruns at two US projects in Georgia and South Carolina. In addition the Japanese government confirmed on Wednesday that it was aware of Toshiba's plans.

The GMB raised concerns during the winter when Toshiba initially alerted investors in December 2016 that it faced heavy losses linked to a deal done by Westinghouse. At the time NuGen the Company delivering the Moorside development appeared to say that it was confident that the project was still on track on the basis that Toshiba initially hoped to sell its majority stake in Westinghouse.

Toshiba was also twice given permission to delay reporting its earnings until 11 April 2017. The nuclear services business brings in about one-third of the industrial giant's revenue. Toshiba says it expects a £5bn write-down because some of its US nuclear assets were worth far less than estimated.

The GMB said that the bankruptcy could also have far-reaching consequences for the UK's nuclear future plans.

Chris Jukes GMB Senior Organiser said:

"Toshiba has a 60% stake in NuGen, a joint venture with France's Engie, which has the contract to build a new nuclear power plant in West Cumbria in the UK. As part of Toshiba, Westinghouse is to build the reactors for the new plant. A collapse of the firm could delay the project or even put its future in limbo. This project could bring thousands of jobs to West Cumbria, lead to huge regeneration and infrastructure investment and provide as much as 7% of the UK's domestic energy needs. It is vital that this project is given the certainty it needs and therefore we are calling on an urgent Government announcement to give clear and unambiguous clarity for the short, medium and long term future of Moorside".

ENDS

