



Another steel company shuts down, 15 staff in limbo

Firm's Mass exodus

By LOUISE THROWER

LAST week Mass Steel management told the *Post* the company "only had a long-term future in Goulburn."

But on Wednesday the Cemetery St business closed and management laid off 15 workers without formal warning, though many had long suspected the move.

They include some whose service stretched back 30 years at the site under predecessor, Kermac Engineering, and others with young families.

Managing director Rohan Arnold has blamed a "mix of ingredients" but said the fundamental one was a predatory market in which imports were squeezing out locally manufactured steel.

"There were a number of projects we felt we had an excellent chance of security but the majority have gone offshore," he said.

"With the overall cost of that facility, particularly energy, it became apparent that its long term future was unviable."

The company's board made the decision.

Workers will be paid their wages but other entitlements are up in the air.

Mr Arnold said his company, Mass Australia Pty Ltd, would assess its position and see what was possible.

The *Goulburn Post* understands employees were given forms to apply for entitlements under a federal government scheme at Wednesday's meeting.

The company is still trading but is only one in a network of related entities.

The *Post* is aware of several local suppliers chasing money from the companies.

Two former employees, Chris Anable and Mario Beltrame have also been pursuing superannuation and long service entitlements



BETTER DAYS: Mass Steel general manager David Campbell (right) and DME Kermac Engineering managing director Don Earle talked shop when the former decided to lease a large part of the Cemetery St business in January 2011. The facility closed on Wednesday.

allegedly totalling \$39,000 from Mass Steel for the past seven months through the Fair Work Ombudsman and Australian Taxation Office.

Mr Anable, a former workshop foreman, claimed most of the workers had not been paid their superannuation. Mr Arnold

declined to comment.

Over the past few months, the company has sold hundreds of plant, equipment and furniture items through Grays Online Auctions, reportedly reaping nearly \$700,000. The items were from its Goulburn and Silverdale locations, the latter of which

closed at the end of April.

Last week, general manager David Campbell told the *Post* the company was simply shedding non-compliant equipment.

Mr Arnold would not discuss debt levels or other financial details but said the sale relieved some of the pressure.

"It's getting serious," he said.

"We wouldn't make such catastrophic decisions like yesterday's otherwise. This affects workers and families and we wouldn't have done that unless we had concerns."

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