



AZAPO

AZANIAN PEOPLE'S ORGANISATION

TO: ALL MEDIA HOUSES FOR IMMEDIATE RELEASE

FROM: AZAPO SECRETARY FOR PUBLICITY & INFORMATION

DATE: JANUARY 10, 2025

SUBJECT: AZAPO ON THE DEMISE OF ARCELORMITTAL STEEL PLANTS IN VEREENIGING AND NEWCASTLE

AZAPO is deeply concerned about the swelling ranks of unemployed which is because of the closure of the ArcelorMittal's Vereeniging and Newcastle steel plants.

ArcelorMittal announced the closure of its plants which will directly affect over 3 500 households and spell a huge setback for the economy of the towns of Vereeniging and Newcastle.

These plants started in 1943 and 1971 out as ISCOR (Iron and Steel Corporation) wholly owned by the apartheid government to meet the demands of steel and to provide employment, largely to middle-class and poor whites. Back then Blacks were not allowed to train as apprentices and skilled workers by these plants. In November 1989, just before the dawn of democracy, Iscor Limited was privatized, and shares were listed on the JSE. Needless to say who the beneficiaries of those shares were, given our racist past.

In June 2006 a historic agreement was reached to combine Mittal Steel and Arcelor in a merger that created the world's largest steel company. The combined group, domiciled and headquartered in Luxembourg, is named ArcelorMittal. This is a private entity that is foreign owned and should not expect any bailout or assistance from the government. Instead of investing and new technology and being competitive, ArcelorMittal chose to rely on old 1940 technology and, drawing maximum profits whilst the future of the workers is unsecured.

AZAPO finds the loss of jobs to be a tragedy and would appeal that alternative solutions should be found instead of focusing on saving a private foreign owned company with no prospects of becoming profitable in future.

AZAPO appeals that the Public Investment Corporation (PIC) should show its true commitment to its "Black Industrialist Program" by funding a new locally based venture driven by worker-shareholding. In this way the country will address the unemployment challenges and retain the skills of the retrenched workers.

END

Issued by **AZAPO** Department of Publicity and Information (DPI).

Name: **Jabu Rakwena**

Email: **jaburakwena@gmail.com**

Enquiries:

Jabu Rakwena 060 677 4257 or Nosipiwo Manona 065 899 4566

Office: **Publicity Secretary**

*Unit 04 – Ground Floor,
396 Cork Avenue, Ferndale, Johannesburg 2194
P.O. Box 4230, JOHANNESBURG 2000.*