

Thursday 3 April 2014

Further 20 role reductions at the Bell Bay Aluminium smelter

Bell Bay Aluminium today announced the loss of 20 roles from its aluminium operation.

To improve the economic viability of its operations, the smelter has announced plans to reduce its organisation from 453 to 433 employees. This will involve a reduction of approximately 20 roles in the Potrooms area of the smelter's operation. Employees in these positions will be offered alternative roles or redundancies.

Bell Bay Aluminium has faced challenging market conditions since 2011 due to continuing low aluminium prices, a high exchange rate and higher costs of production.

General Manager Ray Mostogl said "This is a difficult time for our workforce, their families and the Northern Tasmanian community, but we will ensure that all impacted employees are treated with dignity and respect and given appropriate support. Employees will receive their full entitlements and we will work with impacted employees to endeavour to identify alternative employment opportunities at the smelter.

As one of Northern Tasmania's biggest private employers we are very mindful of the importance of our operation to the Tasmanian community but the aluminium market will remain tough for some time. Continuing difficult external market conditions have meant an organisation restructure is necessary in order for us to sustain our operation so that we can continue to contribute to the local and Tasmanian economy."

Bell Bay Aluminium has worked cooperatively with employees, contractors, many suppliers and local industry groups to achieve its best record production levels and significant costs savings during the past two years. While the recent easing of exchange rates has provided some relief, the more significant decline in the commodity price and higher costs of production in Tasmania has forced Bell Bay Aluminium to seek further cost savings to strive to be sustainable.

Mr Mostogl said "I would like to acknowledge and thank the support of our employees and most of our contractors and suppliers who are working with us to ensure Bell Bay Aluminium's future viability. They are committed to Bell Bay Aluminium remaining a major employer and significant wealth generator for the State.

It's important to remember that there is still more work to be done and the Bell Bay team is committed to implementing that work. Any performance and business improvements at the smelter must focus on the long-term sustainability of the operation."

About Bell Bay Aluminium:

Bell Bay smelter is located on the Tamar River near George Town in Northern Tasmania.

Bell Bay Aluminium directly and indirectly employs more than a thousand Tasmanians and contributes \$690M per annum to Tasmania's Gross State Product.

Annual production in 2013: 189, 000 tonnes

Economic contribution in 2013: \$247M spent purchasing goods and services from 326 Tasmanian suppliers

\$49M total salaries paid

Bell Bay was the first aluminium smelter built in the Southern Hemisphere, commencing production in 1955 as a joint venture between the Commonwealth and Tasmanian Governments.

For further information:

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