Unions warn British Steel jobs at risk amid coking ovens closure fears

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nions fear <u>British Steel</u> is set to announce the closure of coking ovens at one of its plants, with the loss of hundreds of jobs as the company warns it faces "significant challenges".

Union officials were told earlier this month the Chinese-owned company was considering closing coke ovens at its site in Scunthorpe.

An announcement could be made on Wednesday, unions believe.

Charlotte Brumpton-Childs, <u>GMB</u> national officer, said it would be "devastating news" for the people of Scunthorpe and all <u>British</u> Steel workers across the UK.

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She said: "With grim predictability, the Government's investment is a sticking plaster that does nothing to help the long-term structural issues affecting our steel industry.

"Now steel workers, their families and communities will once again be asked to pay the price.

"GMB urges British Steel and the UK <u>Government</u> to continue talks.

"Ministers need to decide if they want the UK to have a future in steel or whether they want it to wither and die like so much of our proud manufacturing heritage."

Unite general secretary Sharon Graham said: "British Steel workers are faced with the toxic combination of a greedy employer that is reneging on investment promises and a shambolic UK Government that has no serious plan for the industry.

"Unite's members in British Steel are clear that they will fight this and they will have the full support of their union."

A British Steel spokesman said: "Steel is vital to modern economies and with demand expected to grow over the coming decades, British Steel has a vital role to play in ensuring the UK has its own supply of high-quality steel.

"To make sure we can deliver the steel Britain requires, we're undergoing the biggest transformation in our 130-year history.

"To support the journey to net zero, our owners, Jingye, have invested £330 million in capital projects during their first three years of ownership and they continue to invest unprecedented sums of money in British Steel.

"Jingye is committed to our long-term future but decarbonisation is a major challenge for our business and,

like most companies, we're facing significant challenges because of the economic slowdown, rising inflation and exceptionally high energy prices.

It's important we have the correct policies and frameworks in place to back our drive to become a clean, green and sustainable company, and we're continuing to discuss this with the Government

"For example, last year our energy bill rose by £120 million while we've also faced an increase of over £70 million in our annual carbon costs.

"We have taken action to reduce costs within our control; however, steelmaking in the UK remains uncompetitive when compared to other international steelmakers.

"Our energy costs, carbon costs and labour costs are some of the highest across the world, which are factors that we cannot influence directly. For the reasons outlined, we entered into talks with the UK Government in summer 2022 and are extremely grateful for its support.

"It's important we have the correct policies and frameworks in place to back our drive to become a clean, green and sustainable company, and we're continuing to discuss this with the Government.

"We are committed to working together and to making the homemade steel Britain needs for generations to come.

"Unfortunately, like many other businesses we are reluctantly having to consider cost-cutting in light of the global recession and increased costs. We have discussed this in preliminary talks with the trade unions in which we shared the challenges we face.

"We look forward to working closely with them to ensure a long-term, safe and sustainable future for the company,

thousands of employees and many more in people in our supply chain."