2,800 steel jobs axed under taxpayer-funded electric shift hitting Port Talbot hard

Up to 2,800 jobs are to be axed nationwide but mostly at the country's biggest steelworks in Port Talbot, South Wales.

Of the losses 2,500 will be in the next 18 months, Tata Steel said. A further 300 jobs are to go in three years.

Statutory consultation on the cuts will begin, Tata added, but they did not specify when.

Voluntary redundancies will be sought and more than £130m will be committed to a support package for affected employees, it said.

It follows the announcement Tata will **press ahead with plans to close blast furnaces** and replace them with electric arc furnaces under a plan to reduce emissions and costs.

The first blast furnace will close around mid-2024 and the remaining heavy end assets will wind down during the second half of the year, Tata announced on Friday.

It said the move will cut carbon emissions by about 85% and the UK's overall CO_2 output by about 1.5%. The Port Talbot site is the UK's single largest emitter of CO_2.

The new furnace will be powered by UK-sourced scrap as the raw materials.

At present almost all the raw materials for the current blast furnaces need to be imported, Tata said.

Unions not taking this lying down

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This announcement feels final – a piece of steelmaking history about to be lost in South Wales – but for the unions, it is far from the end.

They say they will not rule out strike action, and will fight for "every job".

But is the deal done regardless?

The unions are powerful, but their plans to keep one blast furnace open for another eight years, reducing job losses down to 700, was rejected as unaffordable.

The big bosses from Tata Steel in India have also travelled over to be part of this big announcement to workers today.

They claim they're making a financial loss in the UK, of £1m a day, a figure rejected by unions.

The reality behind all this is that businesses can't avoid carbon-cutting commitments, and this site is the UK's single biggest emitter of carbon dioxide.

But there are competing arguments, and the bigger picture isn't just about reducing emissions, it's also about the future of steelmaking in the UK more broadly.

The unions argue that if we become more reliant on steel imports, then that is an issue of national security in the longer term.

In summary, the unions won't take any of this lying down.

The steel giant in September confirmed details **reported by Sky News** that it had secured £500m of taxpayer cash to support the site's transition to cheaper, greener steel production to cut emissions and stem financial losses.

Job cuts had been expected as part of the deal though 5,000 UK staff are due to remain within the wider UK operations following the agreement with the government.

The redundancies will see nearly three-quarters of the 4,000 staff on site put out of work.

The Tata Steel workforce currently accounts for 12% of the coastal town's entire population and many had expressed concerns for their families' futures when it emerged that big job losses were expected.

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Stephen Kinnock, Labour MP for Aberavon, home of the Port Talbot plant, told Sky News: "Steel is the beating heart of manufacturing and of our entire infrastructure and, of course, of our national security.

"Do we really want to be a country, given the dangerous and turbulent world in which we live, that isn't able to produce its own steel?

"There isn't a single household in my Aberavon constituency that isn't connected to the steelworks in some way, and the impact would be utterly devastating."

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What is the future of the steel industry?

Unions met the company on Thursday after presenting alternative proposals aimed at saving jobs but sources said Tata rejected them.

The viability of domestic steel production has been hampered over many years by high UK energy prices, which have damaged competitiveness.

As a result, the GMB union has said up to 2,000 jobs at British Steel's Scunthorpe plant are also under imminent threat.

The Chinese-owned company [cut 7% of its workforce] in February. That was despite continuing government talks with Jingye Group about potential taxpayer aid at the time.