

Thousands of Tata Steel job losses likely despite government rescue package

Thousands of jobs are expected to be lost at Britain's largest steelworks despite a £500m rescue package, one of the largest government support packages in history.

The government will make the offer to assist [Tata](#) Steel employees who may face redundancy at its site in Port Talbot, as it moves from blast furnaces to greener steel production.

Tata is expected to contribute £1.25bn towards the development of the steelworks, which currently employs 4,000 people.

An estimated 3,000 jobs are to be lost, 2,000 of them at Port Talbot. Without the package a total of 8,000 jobs were expected to go.

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The package amounts to one third of the £1.5bn of taxpayers' cash [initially requested by Tata](#).

The announcement [confirms recent reporting by Sky News](#).

Flow of information prior to the official government announcement has been criticised.

"The constant leaks around this deal have undermined industrial relations, and worst of all has left our members worrying about the future of their jobs on the basis of here say and rumours," the general secretary of steelworkers union Community said.

"This is unacceptable, and should not be the way that companies or the government do their business. Unions should have had a seat at the table throughout this process, as it is clear the interests of the workforce have not been considered in the rush to sign off a deal to do decarbonisation on the cheap."

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Industry sources have told Sky News that as many as 3,000 staff remain likely to lose their jobs in the long term.

The deal has been described as “devastating” for jobs and workers by the GMB union general secretary.

“For years, GMB has called for investment in this critically important industry. Instead of listening the government dithered and delayed until it is too late, and thousands of workers, their families and communities will pay the price,” Gary Smith said.

“Our country cannot be secure without a functioning domestic steel industry and workers must be at the heart of plans to modernise it.”

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Gareth Stace, director general of UK Steel says that Port Talbot's bailout marks a 'bold commitment' to the future of steelmaking in the UK.

The funding is expected to go towards a lower emission producing new electric arc furnace.

Port Talbot is currently the UK's largest single carbon emitter, the government said.

Replacing the existing coal blast furnaces would reduce the UK's carbon emissions by 1.5% it added.