

Tata Steel to cut 2,800 jobs across UK, decimating Port Talbot plant

Simon Whelan, Robert Stevens
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Tata Steel is to cut 2,800 jobs in Britain, with most to go at the UK's biggest steelworks in Port Talbot, South Wales. Citing losses of more than £1 million a day, Tata Steel plans to shed 2,500 jobs over the next 18 months and a further 300 within three years at its Llanwern site in Newport.

The job cuts account for 63 percent of the 4,000-strong workforce. The Tata workforce at Port Talbot accounts for 12 percent of the Welsh coastal town's entire population. Located in an already economically depressed region, workers in South Wales have never recovered from the closure of the coal mining industry and the shuttering of many other steel plants. It is estimated that the knock-on effect will see 12,000 jobs lost, such is the reliance in the supply chain on the steel plant remaining open.

Tata employs 8,000 workers in the UK and the job losses represent 35 percent of the total. In the early 1970s when 320,000 workers were employed in the British steel industry, nearly 20,000 worked at Port Talbot. Economics Professor Calvin Jones of Cardiff University termed Tata Steel "the most economically important private sector company in Wales". Tata said that in 2020-21 it contributed 3 percent of total Welsh economic output and paid salaries 36 percent higher than the UK average.

Tata is to begin a consultation, as legally required, and said it would seek to carry out the job losses voluntarily. But they will be imposed if they are unable, in collaboration with the trade union bureaucracy, to get "volunteers".

The company is owned by the billionaire Tata family and its investors warmed their hands as shares rose by more than 2 percent in Mumbai on the announcement.

Tata is slashing its workforce as it shifts to electric arc furnace (EAF) methods of making steel in the UK. Its two blast furnaces and coke ovens at Port Talbot face imminent closure, with the first blast furnace to be shut down "around mid-2024". Tata's "remaining heavy end assets" will be closed "during the second half of 2024". The plan will require £1.25 billion in investment, but a chunk comes in the form of a government handout of £500 million.

The job losses are an indictment of the trade union bureaucracy whose pro-capitalist campaign, calling on workers to defend "our industry", has yet again ended in failure. The

Tata Steel job losses follow almost 4,000 jobs lost in the industry since 2015, including 300 steel jobs in Scotland, 2,200 at Redcar, north Yorkshire, 900 at Scunthorpe, Lincolnshire, as well as 750 jobs already gone at Port Talbot and Llanwern in South Wales.

The Community, GMB and Unite unions refused to fight the job losses on a principled basis that the interests of Tata's billionaire owners are not the same as those of its workers. When the plans for job losses were made known last October, Roy Rickhuss, Community general secretary, called for a "long, robust consultation" between the steel corporations and the unions.

The unions put forward two separate business plans based on enlisting the support of the company, the Conservative government, the Labour Party-led Welsh Assembly and the Labour Party nationally under Sir Keir Starmer, who is expected to win a general election this year.

One of the plans, initially commissioned by Community, the GMB and Unite and developed by restructuring experts Syndex, would supposedly "protect more than 2,300 jobs over a decade and would see no compulsory redundancies in Port Talbot". It centred on keeping one blast furnace open for a further eight years and reducing immediate job losses down to 700—meaning the company would have been able to shed hundreds of jobs via a voluntary scheme.

Community called a demonstration months ago of a few hundred of its members—but no industrial action—putting forward a nationalist agenda. If the job losses went ahead, "Britain would become reliant upon for virgin steel—steel which we should be producing here and is vital to our economy and security", complained national officer for steel Alun Davies.

The Unite union, which has 1,300 members at Port Talbot, put on a more militant guise. When the combined unions' business plan accepted the necessity for job losses, Unite moved in December to publicly dissociate itself. Calling for an expansion of the UK steel industry, which "only produced 60%" of the steel it needed last year, General Secretary Sharon Graham said, "We will not accept the closure of any part of the Port Talbot site unless and until the investment is put in to build alternative production facilities with no loss of jobs."

Unite did nothing more than hold a few protests in Port

Talbot, with industrial action ruled out in favour of winning the backing of MPs. Unite proposed a “Workers’ Plan for Port Talbot” that would “transform the UK into the global green steel capital”. It declared, “This plan is in the interests of all steel-workers”, adding, “And also of Tata and the other steel companies, if they are committed to the long term future of this industry. The measures we propose are necessary to make the industry competitive and profitable”.

Tata decided that it had no use for the union bureaucracies’ entreaties at this stage, knowing that it can count on hundreds of millions of pounds of subsidies from central government, with massive labour costs savings to come after laying off thousands of workers—which will go unopposed by the unions.

The most explicitly pro-capitalist, anti-worker statement of the entire campaign was released on Monday by Unite, which called for the company to relent and the Conservative government to come to its senses, citing the desperate need for a viable steel industry under conditions of developing trade war and military conflict.

It began, “Over the past year Unite has been repeatedly warning that the steel industry in Britain is near to collapse. This is not down to external forces but to mismanagement and short termism by government and owners. UK crude steel production is already three times lower than the European average. Domestic steel production in 2021 was twice as much in France, three times as much in Italy and six times as much in Germany. Now we are on course to be the only country in the OECD that can’t make its own steel”.

This “makes us dependent on foreign steel when the UK should be growing a lucrative and essential industry. Imagine what will happen if there is a global shortage of steel because of a future conflict or a trade war. Without UK made steel British industry would be crippled and national security would be put at risk.”

The statement declared, “We are ready to fight... We are the biggest private sector union in Britain and we are ready to use everything in our armoury including industrial action - backed by our £30 million strike fund”.

The only fight they actually propose is one to be led by Tory Prime Minister Rishi Sunak, with Graham imploring in the statement, “This is the time for Rishi Sunak to stand up and be counted. Stop dithering and delaying and back UK Steel and UK workers... When are politicians going to wake up and smell the coffee and stop the decline of ‘UK PLC’?”

Workers cannot put their faith in organisations that are unions only in name. Whatever tactical differences the union bureaucracy may have, they all put forward the same dead-end programme based on sacrificing workers’ interests to those of the companies they serve because this is vital to the “national interest”.

The bureaucracy was still trying to sell their alternative plans, with their representatives meeting Tata at the company-owned five-star St James’ Court hotel in London, on January 18, just

before Tata confirmed the job losses the following day. Upon Tata confirming the cuts, GMB national officer Charlotte Brumpton-Childs stated, “This plan appears to have fallen on deaf ears and now steelworkers and their families will suffer.”

Tata claims the switch to EAFs could slash Port Talbot’s carbon dioxide emissions by around 85 percent per year. Swansea University’s Dr Becky Waldram told the BBC how a blast furnace emits around 2.32 tonnes of CO2 per tonne of steel produced. An electric arc furnace could reduce emissions to 0.67 tonnes of CO2 per tonne of steel when using 100 percent scrap steel. EAFs also require a much smaller workforce than blast furnaces.

Under capitalism, such technological advancements are utilised to increase workers’ exploitation and the private profits of the corporations. Every advance in production should instead bring about a reduction in the burden on workers and to benefit working-class communities.

Workers must respond to the sustained destruction of jobs and livelihoods with a global counter-offensive. The International Workers Alliance of Rank-and-File Committees (IWA-RFC) calls for an international movement uniting workers throughout the entire industry, and drawing in workers in manufacturing, to force a halt and reversal to the job cuts.

Workers at Tata Steel must assert their own independent interests and prepare all measures, including an immediate programme of industrial action. This requires the development of a network of rank-and-file action committees in all plants, independent of and in opposition to the trade union bureaucracy.

The IWA-RFC calls for:

- An immediate end to all job cuts!
- A reduction of the length of the working week, with an increase in pay, to account for the more efficient production of steel and reverse decades of stagnant wages!
- Unite the struggles of the workers across borders to fight job losses!
- Place the steel and manufacturing industry under social ownership and democratic workers’ control!



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