

SAVE STEEL JOBS, SKILLS & PRODUCTION

Nationalise to preserve industry and workers!

by *Richie Venton*

Hot on the heels of the destructive closure of SSI steel plant in Redcar, shedding 2,200 jobs, came the devastation of Tata Steel's closure announcement, slashing 1,200 jobs in Scunthorpe, Motherwell and Cambuslang. These closures threaten the permanent end of the steel industry in Scotland.

In both cases, SSI and Tata owners blamed a flood of cheap Chinese steel on the world market for their decisions to wipe out livelihoods for whole communities. Meanwhile, Cameron's upper-class regime hosted and banqueted Chinese President Xi Jinping – with callous disregard for the thousands of families who face the prospect of not being able to put a meal on the family table if these closures are not fought.

STEEL TOWN

Lanarkshire used to be one of the world centres of steel production, with highly skilled workers, who fought through their unions to conquer relatively good conditions. Ravenscraig was once the biggest hot-strip steel producer in Europe. Now it does not exist. Plans to build a new town on its former site have been abandoned, but only after £230m was spent!

The Dalzell Steel and Iron Works opened in Motherwell in 1872. Clydebridge steelworks in Cambuslang has been there since 1887, and produced steel plates for many of the Clyde-built ships of fame.

At their peak, 12,000



Photo: Simon Whittle

workers produced vital supplies and profits in the two publicly owned plants. Now the remaining 270 have been given 45 days' notice of closure.

INDUSTRIAL DESERT

These workers and their families face the devastation of lost jobs, in an area turned into an industrial desert, added to by the announcement of 1,100 council job losses in North Lanarkshire. These jobs slaughters threaten to double the unemployed in Motherwell.

But the area, and the whole of Scotland, also faces the danger of losing the accumulated skills of these workers, in a nation already suffering a manufacturing skills shortage. It is crucial that a determined fight is waged

to save every job, save the skills, and save production at the steelworks. The SSP will do everything in our powers to combine with the unions and anyone else willing to fight to 'save our steel'.

STEEL GLUT

Tory puppets spout the usual platitudes. Yet Cameron took a break from banquetting the Chinese to crush hopes of a UK rescue by spelling out that there's a world glut of steel production. According to his figures, the surplus global supply of steel is 50 times larger than the UK's entire steel production.

That explains the catastrophic collapse of steel prices on the world market. This is a central feature of capitalism. It's a system based on

competition between rival corporations battling for the biggest possible market share at the highest possible levels of profit for each of them, the system goes through a phase of massive production, until it goes beyond what can be sold. A crisis of overproduction.

This is a classic example of this rotten, unplanned system, where the private profits of the few comes first and always; workers, families, communities & whole nations are thrown to the wolves.

MARKET RIGGING

As part of their drive to become the biggest economic world power, Chinese steel corporations are prepared to dump dirt-cheap imports on competing nations, including at prices below production cost, so as to win greater world market domination – including tax-avoidance tricks.

This is not the fault of Chinese workers. They have as much right to jobs as anyone else. It's the fault of the capitalist system. It's part of the DNA of profit-seeking,



Photo: Scottish Government CC 2.0

ENERGY

SCOTTISH SOCIALIST PARTY

tax-dodging corporations the world over. As is the ruthless exploitation of Chinese workers.

Additionally, Whitehall has done precious little to support its own steel industry, refusing to match the subsidies issued to energy-intensive sectors by the governments of other nations. The steel union, Community, is demanding that the Whitehall fast-tracks the £220m/year fund they have for this.

TASK FORCE

The Scottish Government has set up a Steel Task Force. Nicola Sturgeon has pledged that the SNP administration “will leave no stone unturned”, a phrase parroted by every SNP minister since - with a focus on finding “a new commercial owner”.

The STUC said, it would be totally unacceptable if the Task Force was deployed to simply find alternative jobs for redundant steel workers. It must instead pursue ways to save the industry and skills of the workforce.

This issue has a history in previous closures. When Motorola shut down in West Lothian, rather than integrating the expertise of these electronics workers in a national industrial strategy, they were instead ‘supported’ by a Task Force for vacancies outwith electronics. The SSP’s spokesman Colin Fox reminds me, the next time he met the Motorola worker rep (they didn’t have a trade union) he was sweeping the forecourt in Harthill.

ANOTHER PRIVATE OWNER?

It has emerged that in their desperation to hold onto their jobs, workers offered to accept pay cuts and reduced conditions.



Photo: Scottish Government CC 2.0

RENOVATION OR CONSTRUCTION OF HOUSING

But why should workers pay the price of a crisis in steel that is not of their making?

Putting the entire focus of a rescue mission on another capitalist firm is fraught with pitfalls. If that’s all the SNP’s Task Force look at, it could end in slow death for the industry & skilled workers.

A buyer wouldn’t be buying the steel plants as an act of charity; they’d be doing so on assurance of a hefty profit. The world steel glut cuts off the path to profiteering, so no private sector buyer is likely.

NATIONALISE STEEL!

The human, social & symbolic importance of saving the steelworks needs urgent, radical action. Pounding the Tories to save our steel is right, but unions & communities shouldn’t have much faith there.

But in contrast to the Tories, the Scottish Government has a sweeping mandate to ‘stand up for Scotland’. When Nicola Sturgeon promises to ‘leave no stone unturned’, taking ownership of the Tata Steel plants is one ‘stone left unturned’ so far. Yet that is the most practical solution.

They did so with

Prestwick airport in October 2013, buying it for £1. If Tata wasn’t inclined to sell the Lanarkshire plants for the token sum, so what! They’ve profited plenty! In the quarter up to June 2015, Tata Steel doubled their profits compared to the same quarter in 2014 – to £76.6million. But now they want to leave an industrial desert behind in Lanarkshire.

So Scotland should take ownership of the steelworks, as a public asset rather than public funding of the profits of another ‘entrepreneur’!

PRODUCTION PLAN

In turn that throws up the issue of how the steelworks could thrive, as a public asset. Surely the expertise of the workers involved, their trade union & industry experts could be urgently pulled together to devise a plan of production? The Scottish Government could use the Task Force to fully involve workers and unions in drafting a plan of the existing technology and skills set of the workforce could be used to link up with a wide industrial strategy?

OPTIONS

Producing steel for a desperately needed

SAVE OUR STEEL

public sector house-building programme? 157,000 families in Scotland are stuck on housing waiting lists. Production of equipment for flood barriers? Marine engineering equipment and wind turbines, as part of developing a huge public sector green industry? Steel to build fleets and infrastructure for an expanded public transport system?

Nationalisation of Scotland’s steel industry, with a plan for local, socially useful need, would help us bypass obstacles of the global steel glut.

ENERGY

Wider questions arise from this catastrophe, including the socialist case for democratic public ownership of not just steel, or the construction industry, or transport – but also the energy industry. An excuse for closure is high electricity prices – which is largely caused by capitalist profiteering of energy. The longer-term solutions to the human tragedy of workers being chucked on the scrapheap would require democratic planning – something only possible with democratic public ownership.

SOLIDARITY

We need to rally round the workers, their families and communities faced the wipeout of an industry with over 150 years’ history.

The best contribution we all can make is to popularise the rational alternative of nationalisation to save all steel jobs, skills and production. To put pressure on the elected government to wield the powers and authority they have vested by voters to carry this out before the furnaces cool and die.