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Green Energy may have Just Cost Britain 40,000 Jobs

[Eric Worrall](#) / [March 31, 2016](#)



Port Talbot, By Grubb at English Wikipedia (Transferred from en.wikipedia to Commons.) [Public domain], via Wikimedia Commons

Tata Steel has announced an immediate withdrawal from Britain, threatening 4000 steel working jobs, and 40,000 jobs in dependent industries. The main reason given for abandoning Britain, is the high price Tata is forced to pay for energy, thanks to Britain's green energy policies.

*Tata's decision is nevertheless a body blow to steel in the UK, with wide industrial and political implications. The threat to 4,000 jobs at the UK's largest steelworks at **Port Talbot**, a community which is synonymous with the steel industry today in the way Jarrow was with the shipyards a century ago, is existential. But the closure of Tata's plants, if it goes ahead, could threaten at least **40,000 jobs nationwide** and help to make a mockery of the "active and sustained industrial strategy" which George Osborne advocated as recently as last November.*



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*It would be foolish to pretend that there would be no problem facing steelmaking in Britain that determined state intervention could not solve. Global market power in steel production has shifted decisively to China, while decades of underinvestment and a long-term decline in UK steel's international competitiveness cannot simply be dismissed as unimportant, least of all at a time when public money remains tight. Tata, after all, is a company with a record of trying to take the long view. It invested in a new blast furnace at Port Talbot. But steel's cost base, **especially the prices it had to pay for energy**, left it vulnerable to the glut that has followed the slowdown of the Chinese economy. China's readiness to unload steel on global markets at marginal cost knocked the floor out of the industry elsewhere, including in the UK.*

Read more: <http://www.theguardian.com/commentisfree/2016/mar/30/the-guardian-view-on-tata-steels-pull-out-a-national-summons-to-get-serious>

The Tata decision is the latest stage of an [ongoing crisis in the British steel industry](#).

Leading left wing British opposition politician [Jeremy Corbyn](#), a [strong advocate of renewables](#), has demanded that [parliament be recalled](#), to consider state subsidies and other emergency measures to prevent job losses in the steel industry. Sadly the list of measures Corbyn wants considered, does not appear to include tackling the root cause of the job losses – Britain's insane green energy prices.

Richard P. Vlosky, Ph.D.
Director, Louisiana Forest Products Development Center
Crosby Land & Resources Endowed Professor of Forest Sector Business Development
Room 227, School of Renewable Natural Resources
Louisiana State University, Baton Rouge, LA 70803
Phone (office): (225) 578-4527; Fax: (225) 578-4251; Mobile Phone: (225) 223-1931
Web Site: www.LFPDC.lsu.edu



President-Elect, Forest Products Society; President-Elect, WoodEMA i.a.

