

The strange case of the missing Industrial strategy

Woven into Labour's broad message of change in the election was the roll out of a superior industrial strategy. We were told Labour would not accept the loss of jobs in steel despite large state subsidies, and would want a manufacturing revival.

Instead Labour has signed off the death of steel making in blast furnaces at Port Talbot and looks likely to do the same at Scunthorpe. Instead of it dismantling the penal taxes and carbon charges the EU and the last government imposed they are intensifying those. Like the last government they will pay large sums to subsidise some more steel recycling in the U.K. after a hiatus when we import all the lost steel from the closures. We are told we need to wait until next spring for a steel plan, carefully delayed until our present steel making industry has been closed down.

We also wait for the general Industrial Strategy. Any worthwhile one has to start by addressing the huge extra costs U.K. industry has to pay for electricity and gas compared to the Chinese and US competitors. Much of this extra cost is the direct result of extra taxes, carbon prices and regulations, and the high cost of trying to replace much of our generating capacity with renewables.

The government should work hard to try to avoid a closure of the Grangemouth refinery. The U.K. does need to be able to produce its own petrol, diesel and other fractions of oil instead of turning all that productive activity over to imports.