Liberty Steel Motherwell

14 November 2016

Meeting hosted by: Iain Sinclair, Director of Business Development and Sean Parsons, Head of External Affairs

Members in attendance: Jackie Baillie, Richard Leonard and John Mason

Background

Liberty Steel currently employs 120 people at its Motherwell site. It is hoped another 80 people will be employed by the end of 2017. Liberty House took over the former Tata and British Steel site in April this year.

Discussion

Main points covered—

- UK is the largest exporter of scrap metal in the world (per head of population), but UK still imports most of its steel.
- Liberty aims to supply the UK market, substituting current imports.
- 95% of current market is domestic (i.e. UK)
- High energy costs are a barrier to growth.
- There is a perception that energy policy is driven by the EU and this may have increased cost burden on UK steel producers.
- Seen as failing industry in the UK but demand for steel grows each year at around 2 to 3%.
- Asked about what government can do to help, Liberty highlighted more advance warning of potential infrastructure projects and encouragement for young people to enter the industry
- Business rates are also a huge barrier.
- The company doesn’t want or expect protectionist tariffs, but does want protection from state-sponsored steel dumping.
- Positive about an industrial strategy – steel should be seen as a foundation for UK industry.
- China, Russia and Turkey may not be able to provide high level steel products, so a gap in the market for Liberty’s steel.

The discussion was followed by a tour of the Liberty Motherwell site.