

The Rt Hon Stephen Crabb MP
Secretary of State for Wales
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4 March 2016

Dear Secretary of State,

Issues affecting the steel industry in Wales

Thank you for the evidence you submitted to the Enterprise and Business Committee for our consideration to the issues affecting the steel industry in Wales on Thursday 3 March.

After considering your letter, and questioning the steel companies, unions and the Welsh Government Minister, we are very clear that the very existence of the steel industry in Wales is at a critical point. Steel is an industry of strategic importance, and if we are to maintain an industry in Wales and the wider UK it is essential that urgent action is taken at all levels.

I am writing to you as Secretary of State to ask that you can voice the committee's concerns around the cabinet table and particularly with your colleagues in BIS and Treasury.



- We heard frustration from the industry and unions that the pace of delivery on the Five Asks has been slow.
- We heard confidence in the level of understanding that the Minister for Small Business, Industry and Enterprise has regarding the issues affecting Steel, and trust that these messages are being conveyed to you as Secretary of State.
- While the measures taken by the UK Government have addressed some of the problems on energy, it is clear that the industry still does not enjoy a level playing field with European partners. More needs to be done here.
- We urge the UK Government to take all steps to ensure speedy and meaningful action on tariffs – a key short term measure to tackle Chinese imports undercutting the European market. The USA has acted swiftly and decisively – it is vital that the EU can show similar clarity and speed of action.
- We have serious concerns about the possible impact of granting Market Economy Status to China, and urge the UK Government and other Member States to reflect fully on the implications for steel and other manufacturing industries in the UK.

I will also be writing to the Welsh Government urging them to deliver with pace, particularly with regard to business rates.

Yours



William Graham

Chair, Enterprise and Business Committee

Croesewir gohebiaeth yn Gymraeg neu Saesneg.

We welcome correspondence in Welsh or English.

