# Labour government faces backlash over steel industry legislation



Parliament's urgent Saturday session, dubbed “Socialism Saturday” by the Daily Mail’s Quentin Letts, marked a significant misstep by the newly installed Labour government as they convened to address the floundering steel industry with the passage of the Steel Industry (Special Measures) Act. This reactionary move came only after a dramatic downturn in steel production, which had been largely ignored by officials until it became impossible to do so after the House resumed following the Easter recess.

The atmosphere in the Commons resembled a “blast furnace” not just due to the heated discussions but due to the palpable frustration surrounding the government's inability to preemptively address this crisis. The hasty legislative process, expected to undergo thorough scrutiny, highlighted the government's failure in leadership, leaving even those sympathetic to their cause bewildered.

Commons leader Lucy Powell, under immense pressure, attempted to foster cooperation among MPs, yet her plea fell flat amid growing tensions. Criticism from the opposition was swift and merciless, with Conservative MP Alex Burghart labeling the government's handling of the crisis as “a total pig’s breakfast.” Such remarks triggered raucous mockery from Labour members, but rather than unify, this conflict further revealed the fissures in Labour’s governance.

Trade Secretary Jonathan Reynolds, seizing the microphone amid the turmoil, claimed the steel industry's salvation lay in the economic stability “restored” by Labour’s Rachel Reeves. This assertion was met with derision from opposition members, forcing Reynolds to engage in a fruitless spat with Kemi Badenoch, the Business and Trade Secretary, as the gravity of the industry's plight became increasingly evident.

A growing chorus of MPs highlighted the detrimental impact of extortionate energy costs, a consequence of the UK’s unwavering commitment to Net Zero policies, on the steel sector's viability. Conservative MP Sir Edward Leigh expressed grave concern over the influence of Chinese ownership in Scunthorpe steelworks, branding them a pawn of the "autocratic regime" in Beijing.

As debate raged on, political factions pointed fingers in various directions; Scottish and Welsh MPs blamed England while English representatives eyed the United States and China for their own accountability. The Liberal Democrats dismissed the challenges as Brexit fallout, conveniently ignoring the larger picture. Meanwhile, Northern Irish MPs were left voiceless, with speculation they would have directed their criticisms at Dublin had they had the opportunity.

In moments of reflection, Conservative MP Sir Jeremy Wright warned of the impending “oncoming complexities,” suggesting that legal challenges loom on the horizon, indicative of Labour's erratic approach to governance. Former Labour leader Jeremy Corbyn’s visible satisfaction with the proposed nationalisation underscored the alarming return to a model that had previously proven disastrous for the economy.

Discussions in the House of Lords echoed these concerns, with Lord Glasman boldly characterising the Bill as a significant philosophical shift away from effective economic strategies. Lord Hannan pointed out the historical failures of nationalisation in 1949 and 1967, illustrating the inherent dangers of reverting to such policies.

Ultimately, the day was marked by frenzied exchanges, blame-shifting, and a clear manifestation of the challenges facing the UK’s steel industry and the incumbent government’s competency as mounting economic pressures threaten to engulf them.

Source: [Noah Wire Services](https://www.noahwire.com)

## References

* [https://en.wikipedia.org/wiki/Steel\_Industry\_(Special\_Measures)\_Act\_2025](https://en.wikipedia.org/wiki/Steel_Industry_%28Special_Measures%29_Act_2025) - Corroborates the passage of the Steel Industry (Special Measures) Act and its purpose in addressing the steel industry crisis by giving the Secretary of State for Business and Trade the power to direct operations.
* <https://www.uksteel.org/steel-news-2025/steel-industry-bill-right-move-to-keep-blast-furnaces-alight-at-scunthorpe> - Highlights UK Steel's support for the Steel Industry (Special Measures) Bill as a move to maintain operations at the Scunthorpe site, emphasizing the urgency and importance of keeping the blast furnaces operational.
* [https://hansard.parliament.uk/commons/2025-04-12/debates/1F7B8ADD-0705-44A0-8EF5-EFB936CDED25/SteelIndustry(SpecialMeasures)Bill](https://hansard.parliament.uk/commons/2025-04-12/debates/1F7B8ADD-0705-44A0-8EF5-EFB936CDED25/SteelIndustry%28SpecialMeasures%29Bill) - Provides a detailed account of the parliamentary debate surrounding the Steel Industry (Special Measures) Bill, including discussions on national security and economic strategies related to the steel industry.
* <https://www.parliament.uk/business/commons/hansard/> - Offers a broader context for parliamentary debates and discussions, including potential criticisms and reactions from various political factions regarding the steel industry's situation.
* <https://www.instituteforgovernment.org.uk/insights/net-zero-implications-for-uk-industry> - Although not directly related to the article's specific events, discusses the challenges faced by UK industries due to Net Zero policies, which could include energy costs affecting the steel sector.