

ASUGN 4

CHANGING PLACES OF WORK

OXELÖSUND

INTRODUCTION

KEY FACTS

- Small steel community, 'bruksort', with a population of just over 12000 residents
- SSAB is the current owner of the steel mill. It is the only integrated steelworks in Sweden, with the entire production in one place
- 2500 workers are employed at the steel works. Many local businesses also depend on SSAB
- SSAB Oxelösund is transitioning to fossil free steel making, as part of the HYBRIT project - a collaboration between the state-owned companies SSAB, LKAB and Vattenfall
- There will be an impact on workers: More than 100 jobs are expected to be lost in this process. People working in the old facilities, including the blast furnace and coking plant, will move to new positions.



Aerial photos of SSAB Oxelösund. Source: SSAB media archive.

MAPPING CHANGE

Oxelösund is an old industrial town ('bruksort') with a steel industry dating back to 1913 when Oxelösund Ironworks were established. The community largely depends on the industry, which employs around 2500 people.

SSAB Oxelösund is currently transitioning to fossil free steel making, as part of the HYBRIT project, financed by Swedish government- and EU funding. This transition represents the largest industrial restructuring in Oxelösund since the 1950s, when the former owner Gränges, a renowned industrial company with a long history, modernised Oxelösund into an integrated rolling- and steel mill. The integrated nature of steel production in Oxelösund is a key advantage in the transition, allowing for greater control over the production process. The change to production will entail phasing out fossil fuel driven facilities. The old blast furnace production will eventually be replaced with a new process based on scrap and sponge iron from HYBRIT's demonstration plant, using an electric arc furnace. Oxelösund's location, and the presence of a port, is another major advantage, facilitating the shipping of scrap metal to the plant. The goal is to deliver the world's first fossil-free steel by 2026.

Unlike large-scale transition plans in Luleå-Boden, Oxelösund is not expected to see major changes to infrastructure or population growth. Instead, the transition is largely viewed as securing SSAB's future as a key employer. However, there are projections of job losses in the short-term, with a few hundred roles disappearing and 100 or so created, resulting in uncertainty amongst those affected. The jobs that are most affected are those connected to traditional steel making facilities, for example those operating blast furnaces will have to relocate within or outside the company.

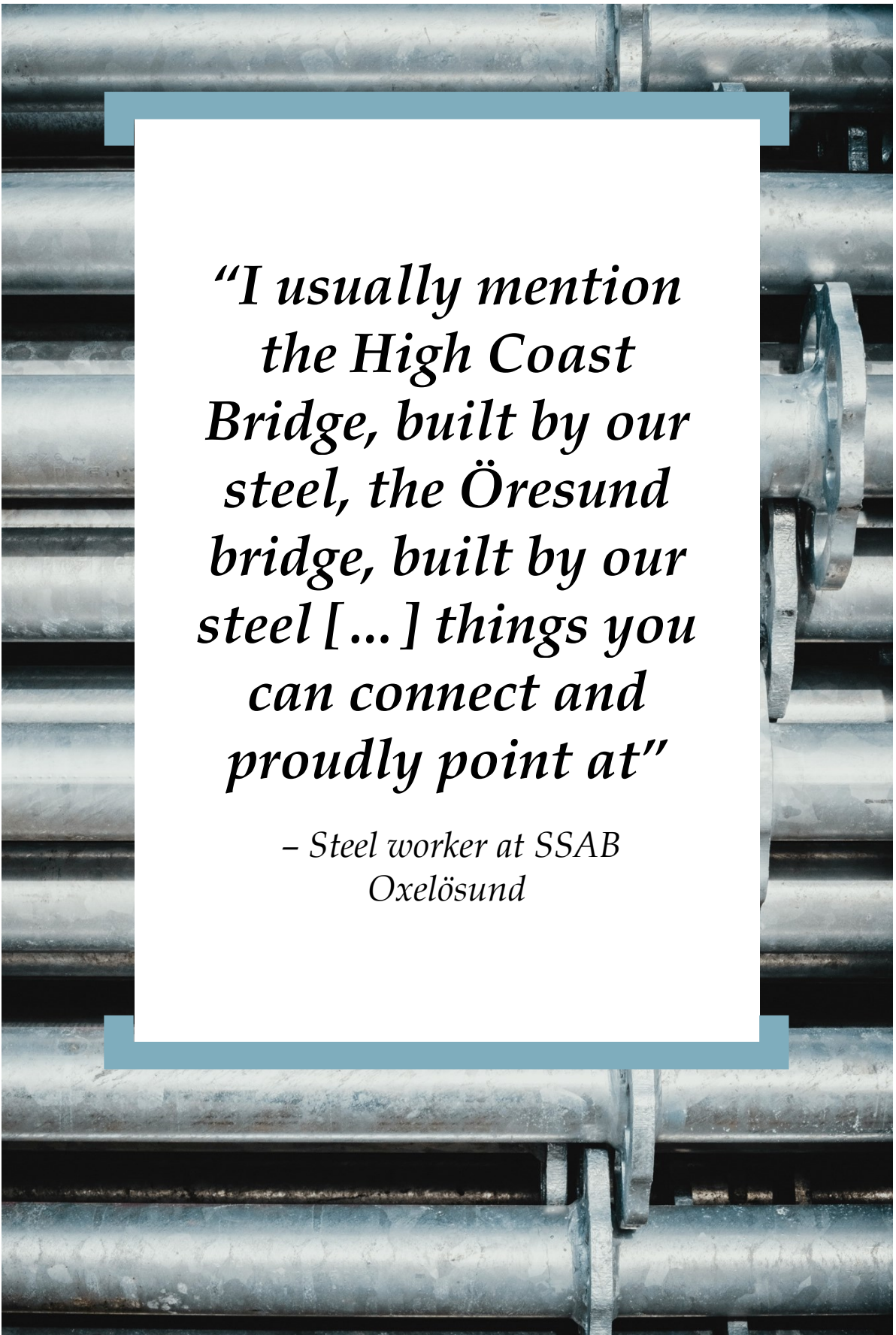
CHANGING PLACES OF WORK

“For me it was important that work has good content, that I get to develop, that I have the opportunity to influence [...]. That is sustainable for me”

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Retired steel
worker*

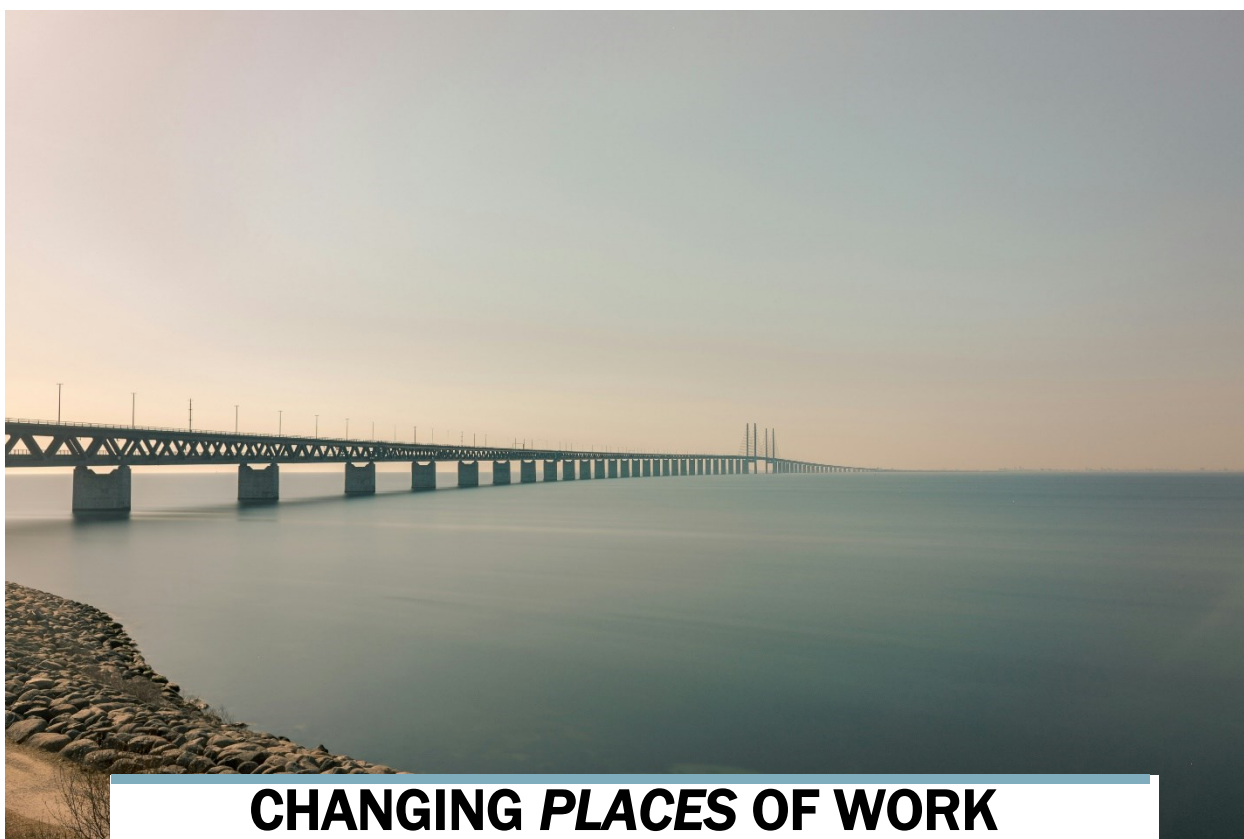
The nature of work in the mill has changed significantly over the past few decades. The advances in technology have made the work less dangerous, with lower health impacts, but also led to increased automation and standardisation of the work process. Additionally, the gender divide in the workplace has shifted. Before 1970s, jobs were strictly segregated between men and women, with women not allowed to work ‘on the floor’. Structural changes in the workplace, including centralisation of management and the introduction of ‘lean production’ have also impacted work. Some of the steel workers interviewed noted that these changes have created a more top-down organisation, reduced workers’ autonomy, and increased stress by downsizing the workforce. Despite these shifts, many of the steel workers interviewed highly regard their work and value its non-economic benefits. For example, shift workers frequently mentioned the strong camaraderie that is formed within the shift crew, and the pride felt towards their skills.

The current transition is expected to impact different groups of workers differently. Those employed in the traditional metallurgy facilities, such as the coking plant or blast furnace, are likely to see their jobs disappear, raising concerns about the future. In contrast, jobs in the rolling mill are expected to be relatively unaffected. Some workers have already left their jobs in anticipation of the changes, or due to the surrounding uncertainty. The new roles will require some new skills, but the work is also expected to be more automated. Among younger staff, there is a sense of excitement about being part of the transition, while for older employees who have worked in the same or similar roles for decades, the change is more difficult.



*“I usually mention
the High Coast
Bridge, built by our
steel, the Öresund
bridge, built by our
steel [...] things you
can connect and
proudly point at”*

*– Steel worker at SSAB
Oxelösund*



CHANGING PLACES OF WORK

The steel industry has had a pivotal role in shaping Oxelösund over the decades. The term ‘Oxelösundsandan’, a local variation of ‘bruksandan’, was often used to describe the relationship between the steel mill and Oxelösund, especially among retired steel workers. Many from the older generation recognised the term, associating it with pride for the steel industry and the deep ties between the industry and the community. The steel mill was described as historically playing a central role in the community, not only through employment but also in forging the town’s social life, funding local sport clubs and activities.

However, others pointed out how this connection had weakened over time. Some of the steel workers interviewed suggested that the connection between industry and community significantly changed when management moved to Stockholm in the early 2000s, marking an end to the familiarity between steel workers and management. Other suggested that centralisation of management has resulted in more staff living in the neighbouring municipality Nyköping, blurring the traditional divide between the two municipalities.

Despite these shifts, SSAB Oxelösund remains a key player in the region's economic life and the transition is seen by many as necessary to keep Oxelösund alive. When locals were asked about impacts from the transition, they often mentioned improvements of the local environment, particularly anticipated improvements in air quality. However, they also brought up concerns about the potential noise from unloading scrap metal in the port. Some interviewees also expressed frustration over the attention and funding given to Northern Sweden, which has been accompanied by significant funding for (re)training workers there, while no similar support is available in Oxelösund. The municipality is working with SSAB and other local companies to address this issue.



*“The whole region lives on SSAB.
Everything from the local bakery to the
cleaning companies”*

-
Manager at SSAB Oxelösund

MANAGING CHANGE

There is an overall sense that it is primarily SSAB who steer change, with the municipality operating in a supporting role, and the unions adopting a role that is largely supportive of SSAB, while minimising impact on workers. Workers see their own roles differently depending on the division they work in, their specific work roles, and whether they have responsibility for other workers.

Oxelösund municipality and SSAB are cooperating on to help develop local competencies and skills. This is a relatively new area for cooperation, where the municipality coordinates activities with companies and educational institutions that will run for several years.

The local unions are actively involved in the transition process. They are represented in the SSAB Board of Directors, and in the Oxelösund steering group for the green transition project at SSAB. While the union have some influence over financial decisions, they have less input on technical matters. Initially, when the proposal to convert to fossil free steelmaking was made, there was strong opposition from the unions, rooted in concern that there would be major redundancies. However, over time, the unions have come to support the transition, recognising the potential of the transition securing employment for decades to come.

To deal with the anticipated job losses and worries that comes with it, SSAB is working to inform employees about the anticipated changes. For example. the company organised a job fair for current workers to raise awareness about other jobs that exist in the company.

This snapshot is a part of the communication efforts of the the research project *Changing places of work: A place-based approach for re-imagining work in fossil free industrial towns of the future*. It presents a brief picture of one of the study sites examined within the scope of project. For more information, see:

<https://portal.research.lu.se/en/projects/changing-places-of-work-a-place-based-approach-for-re-imagining-w>

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