



## Granite City Steel Works Continue with Plans

**G**RANITE CITY, Pittsburgh based U.S. Steel Corp. reached a tentative contract deal for its 18,000 steel workers, but Granite City Steel Works will continue with plans to idle workers.

The plant will begin, when the gradual layoff of the facility's 2,000 will start. A spokesperson for U.S. Steel said the company could not determine how long the shutdown will last.

"The length of time we will idle the plant is based upon market conditions," Courtney Boone, manager of relations for U.S. Steel.

Mario Longhi, U.S. Steel president and CEO, said, "He is pleased the company reached a tentative agreement with its



employees. "We believe this competitive three-year contract further supports the mutual success we have had with the USW in pursuing our Carnegie Way efforts and confronting unfair trade that is significantly impacting our industry," Longhi said.

"With or without a new contract, the Granite City plant will only reopen if market conditions improved," Boone said, adding, "but it would be inappropriate to speculate as to when that could occur."

Steel industry officials have cited unfair trading, an influx of cheap steel from abroad and stringent environmental demands as difficult obstacles to hurdle.

Founded in 1901, Granite City Works supplies hot-rolled, cold-rolled and coated sheet steel products to customers in the construction, container, piping and tubing, service center, and automotive industries, according to the company's website. The facility has an annual raw steel-making capability of 2.8 million net tons.

## Time to Revive the Coal Industry



**R**ecently, some retired workers of the Nigerian Coal Corporation, Enugu have lamented the continued neglect of the coal industry, in spite of its undisputed place in the industrialization of Nigeria. The retirees are piqued by the fact that the Federal Government has over the years played politics with the resuscitation of this vital sector, to the detriment of the country and citizens.

Definitely, we are also at sea in knowing why the government had since end of the Nigeria Civil War in 1970 refused to revive the existing coal mines. As at last count, Nigeria has large deposits of coal in Enugu, Kogi, Delta, Plateau and Benue states. It is estimated that the country has coal reserves, estimated to be at least 4 billion metric tons,

even as the discovery of bituminous coal suitable for use in coke production for the iron and steel industries opens up potential new domestic markets.

Incidentally, Nigerian coal is one of the most bituminous in the world owing to its low sulphur and ash content and

therefore the most environmentally friendly, given the campaign for cleaner source of energy in the recent past. There is no denying the fact that coal is used as fuel and in industrial production of tar, gas and non edible oils.

Arguably, the neglect of coal remains the most singular impediment to attainment of full and constant electricity supply in the country because of the direct bearing on other economic indicators like employment rate and low capacity utilisation in the manufacturing sector. For long, experts have argued against the reliance on gas for power in preference of coal with abundant rich deposits scattered in different parts of the country. As it stands, Nigeria generates less than 5,000 megawatts of electricity, even as it

is estimated that the country would require at least 40,000 megawatts to support its industrial and economic aspirations of being amongst the top 20 economies in the world by 2020. Comparatively, it has been estimated by experts that a coal fired plant would cost one-sixth of powering the same plant by gas and due to its use in driving rail trains, coal mining and processing is highly required.

In addition, given the large deposits of brown coal in the country, Nigeria can cash in on foreign investors' technology to produce coal pellets for industrial use, coal briquettes for domestic use to replace firewood and fight back desert encroachment and extreme weather conditions in the northern part of the country.

Paradoxically and despite its potentials, Nigeria currently imports coals of various grades and quantities including coke, pellets, briquettes, Anthracite and form coke. This is even when Nigeria has the potentials for coal exports to countries such as Israel, Japan, Ghana, USA, Europe and India.

As it stands, the coal industry faces some daunting challenges, which the government must address if the potential for coal utilisation is to be optimally exploited. These include creating and finding markets, increasing the productivity of the mines, reducing the cost of production through mechanisation and establishing a cost effective transportation system through an expansion of the rail system and port facilities for coal export.