
Downsizing deals - Steel workers back but future is uncertain

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As the weeks turned to months with no end in sight to the layoff that began in December, Mr Vince Hogue admits to wondering if he and his co workers would ever set foot in the Granite City Works again.

Then, in early summer, came word of US Steel's plan to fire up the plant's massive furnaces. On July 7th 2009, Mr Hogue sent to the unemployment office along with thousands of others by the downturn in the economy and steel industry was back on the job.

Mr Dan Simmons president of United Steelworkers Local 1899, representing the majority of the nearly 2,000 workers employed at the Granite City Works, is cautiously optimistic it will. He said that "Our order book right now looks fairly strong. Is it where it was a year and two months ago? No. But it's looking well for now."

Mr Carol Cowen, a VP and also lead steel analyst with Moody's, said that "We certainly believe the free fall has ended and conditions have bottomed out. But we don't see a sustained recovery. But we're coming off lows that were so low that it's magnified."

According to American Iron and Steel Institute, the adjusted year to date rate of steel production through August 22nd 2009 was 36.5 million tonnes, down by 49% YoY. From August 15th 2009 to August 22nd 2009, the institute saw a production increase of 1.5%.

(Sourced from m.thesouthern.com)

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