

U.S. Steel Announces Plan To Repurpose Mill, Could Spark Significant Loss Of Jobs

by Dan Brannan, Content Director
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GRANITE CITY - United States Steel Corporation has announced a plan to repurpose the Granite City Works mill and the local steel union and a state legislator say it could mean significant jobs lost at the plant.

United States Steel has signed a non-binding letter of intent with SunCoke Energy, Inc., and SunCoke would obtain two Granite City Works blast furnaces and build a 2-million ton granulated pig iron production facility.

U.S. Steel said by upgrading iron ore capabilities in Minnesota and repurposing blast furnaces at Granite City Works in Illinois with SunCoke Energy, the company aims to expand its domestic, low-cost iron ore advantage.

United Steelworkers, which represents the Granite City plant and 1.2 million workers /retired North American members, said in a statement it disapproves of the plan.

The Steelworkers said this: “In its announcement regarding Granite City’s future, the company callously failed to mention a word about the massive job loss or impact the decision will have on a skilled and loyal workforce, their families, or the community.

“It is another tale in a long string of betrayals by the company, which now has permanently closed nearly two-thirds of assets it acquired from National Steel along with other acquisitions.”

Granite City Mayor Mike Parkinson said: “Any announcement with U.S. Steel has a big impact on the region. Like many elected officials, I am evaluating the impact on Granite City. Preliminary reports initially call for more investment and property taxes for us with potential long-term job impact more on the Metro-East region. We need to build a strong Granite and region so working with our elected officials is important to me.”

State Representative Amy Elik (R-Fosterburg) issued the following statement after the announcement of Granite City Steel downsizing operations in Madison County:

“The news that Granite City Steel is making plans to leave Madison County and take nearly 1,000 jobs away is devastating. These are good-paying union jobs. We can’t keep losing manufacturing jobs, our state needs to do everything it can to create more jobs in the Metro East. I am fully committed to growing our manufacturing base right here in the Metro East and will continue to support policies that do just that.”

State Rep. Katie Stuart, D-Edwardsville, and state Rep. Jay Hoffman, D-Swansea, issued the following statement in response to possible plans from U.S. Steel to sell blast furnaces and significantly reduce the workforce at Granite City Works:

“We are incredibly concerned by U.S. Steel’s current proposal to change operations at Granite City Works, and are doing everything we can in partnership with local, state and federal leaders to maintain the plant’s existing operations and workforce. This region,

and the committed, skilled and experienced workforce of Granite City Works, are advantageous assets for U.S. Steel that deserve to be invested in.

“Despite significant adversity in recent years, the dedicated employees of Granite City Works have always been ready to step up and deliver. We strongly encourage U.S. Steel to pursue a more positive direction, and choose to invest in Granite City and the working families who call our community home.”

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SunCoke operates a coke-making facility at Granite City Works. Granite City Works produces an ingredient in blast furnace steelmaking.

U.S. Steel Corporation's plans are not clear, but the company says it could take around two years to transform the site into a pig iron production plant.