



Local leaders call on Congress to strengthen tariff enforcement after idling of U.S. Steel's Granite City Works

April 6 2015 3:00 PM

Following a meeting to address the impact of the planned temporary idling of U.S. Steel's Granite City Works, Madison County Chairman Alan J. Dunstan and Granite City Mayor Edward A. Hagnauer pledged support for laid-off workers and expressed support for the country's besieged steel industry.

U.S. Steel plans to idle its Granite City Works beginning May 28, part of an ongoing adjustment of the company's steelmaking operations throughout North America.

Following talks with management of the Granite City Plant, Hagnauer is confident the shutdown will be temporary. "In recent years, U.S. Steel has and continues to invest in projects which modernize and increase the efficiency of the Granite City Works, and it has developed a workforce of more than 2,000 skilled employees," Hagnauer said. "The chairman (Dunstan) and I are confident the plant will reopen and will continue to be a major economic factor for Granite City and all of Madison County," Hagnauer said.

Dunstan said the main priority is to do everything possible for the workers impacted by the plant idling. "Fortunately, officials from the steelworkers union, working with U.S. Steel management, have clauses in its contract that financially assists workers during plant shutdowns. We are concerned for all the workers and their families, but especially for the employees at the trucking companies, railroads and other businesses which rely on the Granite City plant for a significant portion of their business."

Dunstan estimated that in addition to the 2,080 workers being laid-off from the Granite City plant, there are more than 3,000 other workers who will be impacted by the plant idling. "Those workers, many of whom do not have any type of safety net, likely will need help while the plant is idled, and we're going to do everything we can to help them."

As part of the support effort, Madison County Employment and Training, in association with the Illinois Department of Commerce and Economic Opportunity and Local Workforce Investment Areas, is in the process of finalizing details regarding deployment of the Rapid Response Team. The Rapid Response program provides a wide-range of services to displaced workers, including counseling and assistance addressing insurance, unemployment compensation, job searches, job retraining and other areas of support.

Although the idling of the Granite City plant is expected to be temporary, Hagnauer said it nonetheless will have a dramatic impact on Granite City and surrounding communities. “More than 39 percent of the workers at the plant live in Granite City, Pontoon Beach and Mitchell, and that number increases when you add the workers who live in Madison and Venice.”

“Workers at Granite City Steel and those at supporting companies have solid, middle class jobs, but during uncertain times like they are now facing, they will understandably cut-back on spending,” Hagnauer continued. “And that drop in spending negatively impacts the stores, restaurants and other establishments that count on those workers’ business.”

Dunstan placed the blame for the temporary idling of U.S. Steel’s Granite City Works on the dumping on the U.S. market unfairly subsidized steel produced in China and Korea. “While a drop in oil and gas exploration has contributed to the lack of demand for products made from steel produced at the Granite City plant, the greatest impact has been the import of steel subsidized by foreign governments through currency manipulation and other means. Last year alone there was a 68 percent increase in foreign steel sold in the United States.”

“Now is not the time to wait and see how the Granite City plant will be further affected by imported steel,” the chairman stated. “Now is the time to press our representatives in Congress to strengthen tariff enforcement, to protect our workers and an industry vital to the success of Granite City, Madison County and our country.”

“At the end of the day, I am confident the U.S. Steel plant will still be operating in Granite City and thousands of Madison County residents will still have jobs,” Dunstan added. “But we could use some help from Congress to address the dumping of steel in the United States, something which has gone on for far too long.”