



Lake Carriers' Association

For Immediate Release

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Lakes Iron Ore Trade Off Almost 60 Percent in May

CLEVELAND—With the capacity utilization rate for the nation's steel industry still hovering around 40 percent, iron ore shipments on the Great Lakes in May totaled only 3 million tons, a decrease of nearly 60 percent compared to a year ago. One dock loaded only one cargo during the month. Another dock's total for the month of May would be typical of a week's operations in a healthy economy.

The iron ore trade has fared even worse on a year-to-date basis. Through May, shipments are down 65 percent compared to a year ago. Comparisons with the 5-year average for the month and January-May timeframe are only slightly better.

Adding to the iron ore trade's woes are the debilitating effects of the dredging crisis. Mother Nature has provided some relief in the form of higher water levels, but even so, the largest vessels are still forfeiting 5,000 tons or more each trip because the U.S. Army Corps of Engineers is not maintaining ports and waterways to project dimensions. The Corps had an opportunity to ease the dredging crisis, but elected to allocate only 2 percent of its stimulus dollars to the Great Lakes.

Lake Carriers' Association represents 18 American companies that operate 65 U.S.-Flag vessels on the Great Lakes and carry the raw materials that drive the nation's economy, including iron ore and fluxstone for the steel industry, limestone, and cement for the construction industry, and coal for power generation. Collectively, these vessels can transport more than 115 million tons of cargo a year when high water offsets lack of adequate dredging. More information is available at www.lcaships.com.

Source: Lake Carriers' Association.

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Information based on data from knowledgeable sources. However, accuracy cannot be guaranteed. Lake Carriers' Association assumes no legal responsibility for the outcome of decisions or commitments made on the basis of this information. This report represents the views of Lake Carriers' Association and may not necessarily represent the views of its individual members.

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The Association Representing Operators of U.S.-Flag Vessels on the Great Lakes

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