



Lake Carriers' Association

For Immediate Release

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Shipments Up More Than 11 Percent

Lakes Iron Ore Trade Strong Again in August

Cleveland---Shipments of iron ore on the Great Lakes and St. Lawrence Seaway continued to gain strength in August. Loadings totaled 6.7 million net tons, an increase of 11.3 percent compared to a year ago. The month also outperformed its 5-year average by more than 7 percent.

While the cargo totals are positive, the trade continues to be affected lack of adequate dredging at ports and waterways. The top loads continued to fall short of vessels' rated capacities. Further aggravating the dredging problem are below average water levels on Lakes Superior, Michigan and Huron. Six of the seven U.S. iron ore loading ports are located on Lake Superior. The seventh, Escanaba, Michigan, is on the north shore of Lake Michigan.

Water levels are cyclical and the result of uncontrollable factors such as decreased precipitation and increased evaporation. However, the lack of adequate dredging is the consequence of continued shortfalls in tax-generated Federal funds appropriated to maintain the Great Lakes system. The U.S. Army Corps of Engineers estimates it would cost more than \$200 million to clear the backlog of dredging projects throughout the Great Lakes.

For the year, the Lakes/Seaway iron ore trade stands at 37.3 million net tons, an increase of more than 6 percent over both a year ago and the 5-year average for the January-August timeframe.

Lake Carriers' Association represents 18 American corporations that operate 62 U.S.-Flag vessels on the Great Lakes. These vessels carry the raw materials that drive the nation's economy: Iron ore and fluxstone for the steel industry, limestone and cement for the construction industry, coal for power generation.... Collectively, these vessels can transport as much as 125 million tons of cargo a year when high water levels offset the lack of adequate dredging of Great Lakes ports and waterways. More information is available at www.lcaships.com.

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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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