

2000 ANNUAL REPORT of Lake Carriers' Association

**2000 NAVIGATION SEASON CARGO MOVEMENT
MAJOR U.S.-FLAG GREAT LAKES CARRIERS**

U.S.-Flag carriage of dry-bulk cargos totaled 113.3 million net tons during the 2000 navigation season, a decrease of 2.1 percent from 1999, this despite the fact that U.S.-Flag dry-bulk carriers were in service 26 more days. Plunging water levels, skyrocketing steel imports, the mild winter of 1999/2000 that reduced utilities' demand for steam coal..., all these factors and more combined to produce the third straight season in which U.S.-Flag carriage has declined.

Iron ore cargos for steelmakers totaled 58.5 million tons, a decrease of just under one percent. Direct shipments in U.S. bottoms actually increased by a boatload or so; the decrease reflects a significant drop-off in transshipments to LTV Steel, the nation's third-largest steelmaker and the latest forced to file bankruptcy by unfair trade in steel.

Coal loadings in U.S.-Flag lakers totaled 21.1 million tons, a decrease of 3.9 percent. As noted, the mild winter meant there was less need for utilities to replenish stockpiles. However, U.S.-Flag carriage was also negatively impacted by increased rail deliveries to a major Michigan power plant and reduced production at a Minnesota iron ore mine that operates its own power plant. Were it not for the unusual movement of Lake Erie coal to Canada in U.S.-Flag vessels in January and February of 2001, the decrease would have been noticeably larger.

U.S.-Flag stone and gypsum cargos totaled 27.9 million tons, a decrease of 1.6 percent. A general sluggishness in the construction industry, coupled with less demand for fluxstone from steelmakers and topped by falling water levels, accounted for most of the decrease. Shipments were further impacted by the closure of Alabaster (gypsum) following a major breakdown of its loading rig.

A record season in terms of length saved the U.S.-Flag cement trade from a more disappointing tally. The flagging out of the cement barge ST. MARY'S CEMENT just at the beginning of the season should have produced a decrease greater than the 250,000 tons noted here.

The mild winter and sale of a mid-sized self-unloader active in the salt trade pushed U.S.-Flag salt cargos to their lowest level in 5 years – 838,017 tons. Sand cargos registered a slight increase and grain loadings were virtually unchanged from 1999.

U.S.-FLAG CARGO CARRIAGE - 2000 NAVIGATION SEASON					
(February 7, 2000 - February 5, 2001)					
(net tons)					
COMMODITY	2000	1999	1998	1997	1996
Iron Ore - Direct Shipments	53,242,963	53,182,571	56,988,970	56,801,321	53,845,682
Iron Ore - Transshipments	5,276,634	5,903,843	5,811,764	6,581,364	6,732,069
Total - Iron Ore	58,519,597	59,086,414	62,800,734	63,382,685	60,577,751
Coal - Western	12,878,253	13,471,049	13,515,846	13,895,709	12,901,399
Coal - Eastern	8,230,010	8,498,015	8,421,201	9,494,464	8,055,411
Total - Coal	21,108,263	21,969,064	21,937,047	23,390,173	20,956,810
Limestone, Gypsum	27,933,432	28,392,094	31,618,104	29,820,120	26,962,915
Cement	4,125,542	4,373,812	4,286,049	4,204,028	3,801,224
Salt	838,017	1,309,894	1,312,157	1,002,934	1,149,700
Sand	427,070	249,238	234,300	272,218	232,010
Grain	351,398	346,814	352,083	669,741	536,683
Totals - All Commodities	113,303,319	115,727,330	122,540,474	122,741,899	114,217,093