



# MINERAL INDUSTRY SURVEYS



U. S. DEPARTMENT OF THE INTERIOR  
BUREAU OF MINES  
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Iron Ore, Monthly

## IRON ORE IN FEBRUARY 1987

U.S. mine production of iron ore in February was 9% higher than that in January, according to the Bureau of Mines, U.S. Department of the Interior. Mine shipments and exports, on the other hand, were minimal because all six of the active U.S. loading ports on the upper Great Lakes remained shutdown for the winter. Imports declined by 54% to 0.44 million long tons, 84% of which entered through New Orleans or mid-Atlantic ports. Stocks of ore and agglomerates at consuming plants and U.S. receiving/transfer docks decreased 17% during February to 13.6 million tons. Monthly consumption declined from 4.2 million tons to 3.9 million tons as the result of a 5% cutback in pig iron production and was 25% lower than that of February 1986. On February 28, 39 blast furnaces were in operation, 5 more than on January 31.

On January 31, 46 of 47 locals of the United Steelworkers of America overwhelmingly ratified a new 4-year contract with the USX Corporation. The vote ended a labor dispute that had shutdown the company's entire USS Division for 184 days. The record-breaking labor dispute began August 1, 1986, when the previous contract expired and negotiators were unable to reach an agreement on either wages or the use of nonunion contractors. Analysts estimate that the work stoppage cost USX \$3 billion in orders. Under the new contract, 1,346 jobs are to be eliminated through craft combinations and work-rule changes. The union also agreed to wage and benefit concessions that equate to at least a 7% savings for USX over the life of the contract.

Update: USX has announced that it will permanently close its Geneva steelworks at Orem, UT, and indefinitely idle three other steel facilities as part of a major restructuring of its steel group. The sinter plant at Saxonburg, PA, is one of the three to be idled. The closures will reduce the company's annual steelmaking capacity by about 27% to 19 million short tons and cut 3,700 workers from the payroll.

Local 1938, made up of 1,300 workers at USX's Minntac mine and pelletizing plant in Mountain Iron, MN, was the only bargaining unit to reject the agreement. Prior to the work stoppage, the Geneva Works had been a major user of Minntac pellets. The closure of the Utah steelworks, coupled with other capacity cutbacks, is expected to reduce pellet shipments from Minntac by as much as 25%. Minntac is scheduled to reopen on May 17. However, only three-fourths of the union membership will be recalled to meet the new reduced annual production target of 9 million tons of pellets. The previous target had been 12 million tons. Minntac has an installed production capacity of 18.6 million tons per year and is the largest taconite operation on the Mesabi Range.

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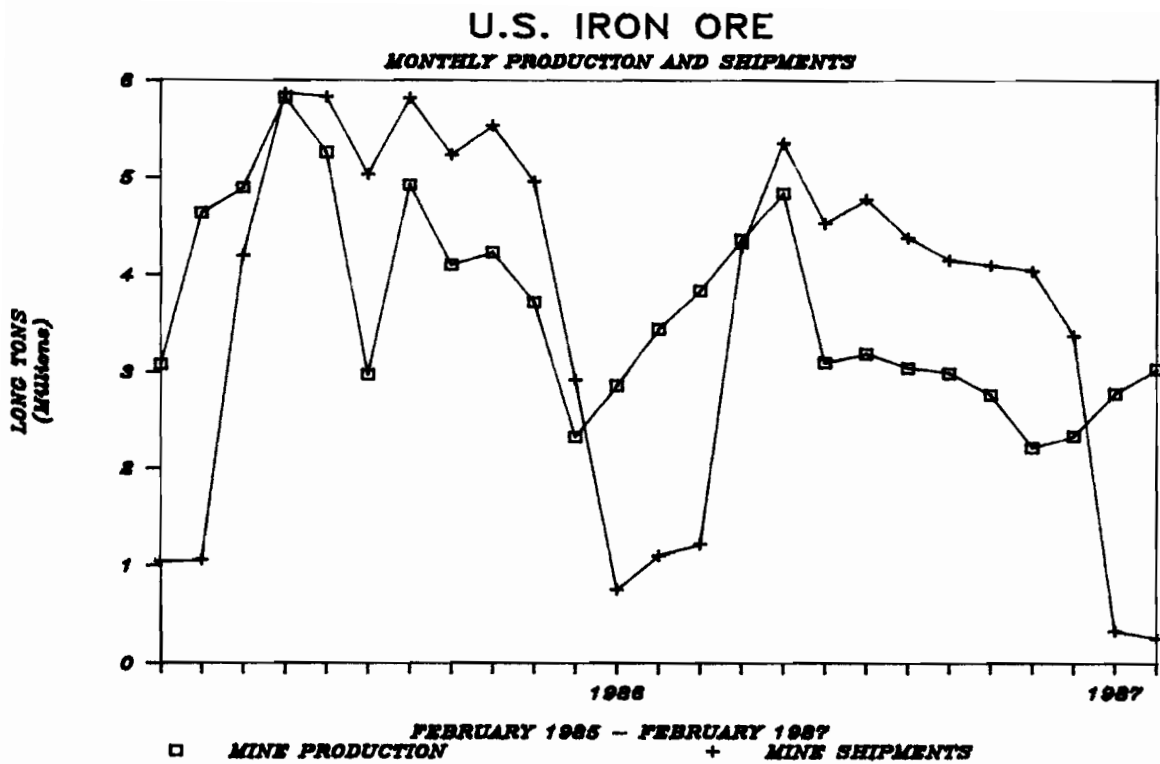


Table 1. - U.S. production and shipments of iron ore, by districts 1/  
(Exclusive of ore containing 5% or more manganese)  
(Thousand long tons)

Period	Lake Superior	Other U.S.	Total <u>2/</u>	
			1987	1986
<b>Production:</b>				
1986 p/-----	38,179	809	--	38,988
1987:				
January-----	2,725	57	2,782	2,861
February-----	2,976	53	3,029	3,443
<b>Shipments:</b>				
1986 p/-----	41,225	823	--	42,048
1987:				
January-----	296	34	330	755
February-----	206	48	254	1,106

p/ Preliminary.

1/ Excludes byproduct ore, except where noted.

2/ Includes estimated data. Data may not add to totals shown because of independent rounding.

Table 2. - U.S. mine production, shipments, and stocks of iron ore 1/  
 (Exclusive of ore containing 5% or more manganese)  
 (Thousand long tons)

District	Production February		Shipments February		Mine Stocks February 28	
	1987	1986	1987	1986	1987	1986
Lake Superior:						
Michigan-----	1,058	1,034	8	--	2,864	3,271
Minnesota-----	1,918	2,308	198	1,023	4,986	6,872
Other U.S.-----	53	102	48	83	277	264
Total <u>2/</u> -----	3,029	3,443	254	1,106	8,127	10,407

1/ Excludes byproduct ore.

2/ Data may not add to totals shown because of independent rounding.

Table 3. - U.S. exports of iron ore  
 (Thousand long tons)

Period	Canada	Other	Total <u>1/</u>	
			1987	1986
1986 <u>p/</u> -----	4,478	3	--	4,482
1987:				
January-----	<u>r/</u> 71	--	<u>r/</u> 71	13
February-----	( <u>2/</u> )	( <u>2/</u> )	( <u>2/</u> )	( <u>2/</u> )

p/ Preliminary. r/ Revised.

1/ Data may not add to totals shown because of independent rounding.

2/ Less than one-half unit.

Source: U.S. Bureau of the Census.

Table 4. - Canada: Shipments of iron ore  
(Thousand dry long tons)

Period	Newfound- land	Quebec	Ontario	British Columbia	1987 Total <u>1/</u>	1986 Total <u>1/</u>
1986 p/-----	20,086	13,285	3,329	26	--	36,724
1987:						
January-----	1,215	956	299	2	2,472	2,044
February-----	424	1,117	258	2	1,801	1,898

p/ Preliminary.

1/ Data may not add to totals shown because of independent rounding.

Source: Energy, Mines, and Resources Canada.

Table 5. - U.S. imports for consumption of iron ore, by country  
(Exclusive of ore containing 10% or more manganese)

Country of origin	February 1987		Year to date 1987			Year to date 1986 (thousand long tons)
	Thousand long tons	Value <u>1/</u> (thousand dollars)	Thousand long tons	Value <u>1/</u> (thousand dollars)	Value <u>1/</u> (dollars per ton)	
Brazil-----	297	6,252	<u>r/</u> 572	<u>r/</u> 11,309	19.77	816
Canada-----	52	2,130	<u>r/</u> 371	<u>r/</u> 14,454	39.01	742
Chile-----	--	--	<u>r/</u> 182	<u>r/</u> 2,586	14.19	--
Liberia-----	68	1,050	128	1,795	14.07	192
Mauritania-----	--	--	66	1,049	15.95	--
Peru-----	20	401	20	403	20.33	--
Spain-----	--	--	1	27	51.76	--
Venezuela <u>2/</u> -----	--	--	--	--	--	751
Other-----	( <u>3/</u> )	1	<u>r/</u> 58	<u>r/</u> 1,576	27.10	--
Total <u>4/</u> -----	438	9,835	1,397	33,199	23.77	2,500

r/ Revised.

1/ Customs value. Excludes international freight, insurance, and other c.i.f. charges.

2/ Data for Venezuela in 1986 includes some shipments of direct-reduced iron reported as iron ore. Verification has been requested.

3/ Less than one-half unit.

4/ Data may not add to totals shown because of independent rounding.

Source: U.S. Bureau of the Census data reported under item 601.24 of the Tariff Schedules of the United States.

Table 6. - U.S. consumption and stocks of iron ore and agglomerates  
at consuming plants and production of pig iron  
(Thousand long tons)

State or Region	Consumption			Stocks	
	February 1987	Year to date 1987 1986		February 28 1987	1986
Alabama, Kentucky, Tennessee, Texas, and Missouri-----	290	601	1,032	911	673
California, Colorado, and Utah- Delaware, Maryland, and West Virginia-----	--	--	316	--	141
Illinois and Indiana-----	626	1,373	999	1,145	1,824
Michigan and Minnesota-----	1,396	2,927	4,071	5,365	5,545
New York, Ohio, Pennsylvania, New Jersey, and Rhode Island-	470	942	863	1,286	1,172
	1,146	2,327	3,403	2,953	4,581
Total <u>1</u> /-----	3,928	8,170	10,685	11,660	13,936
Stocks at U.S. receiving/transfer docks-----				1,963	1,841

Consuming Sector	Consumption by process			Pig iron produced		
	February 1987	Year to date 1987 1986		February 1987	Year to date 1987 1986	
Blast furnaces-----	3,330	6,873	9,354	2,740	5,609	7,445
Steel furnaces-----	5	7	31	--	--	--
Agglomerating plants <u>2</u> /--	583	1,280	1,287	--	--	--
Miscellaneous <u>3</u> /-----	9	9	13	--	--	--
Total <u>1</u> /-----	3,928	8,170	10,685	2,740	5,609	7,455

1/ Data may not add to totals shown because of independent rounding.

2/ Iron ore and iron ore concentrates consumed in agglomerating plants not located at the mine site.

3/ Sold to nonreporting companies or used for purposes not listed.

Source: American Iron Ore Association (consumption of iron ore).  
American Iron and Steel Institute (production of pig iron).

Table 7. - U.S. imports for consumption of iron ore, by customs district  
 (Exclusive of ore containing 10% or more manganese)  
 (Thousand long tons)

Customs district	February 1987	Year to date	
		1987 <sup>r/</sup>	1986
Baltimore-----	120	494	781
Buffalo-----	( <u>1/</u> )	( <u>1/</u> )	--
Charleston-----	20	67	25
Chicago-----	68	133	( <u>1/</u> )
Cleveland-----	--	--	179
Detroit-----	--	--	23
Houston-----	--	( <u>1/</u> )	7
Mobile-----	--	182	511
New Orleans-----	178	238	309
New York-----	( <u>1/</u> )	( <u>1/</u> )	--
Philadelphia-----	52	282	666
San Juan, PR-----	--	1	--
<b>Total <u>2/</u>-----</b>	<b>438</b>	<b>1,397</b>	<b>2,500</b>

<sup>r/</sup> Revised.

<sup>1/</sup> Less than one-half unit.

<sup>2/</sup> Data may not add to totals shown because of independent rounding.