

ArcelorMittal To Close Belgium Steel Plants

Raf Casert, Associated Press

BRUSSELS (AP) — The world's leading steel and mining company ArcelorMittal said Thursday it will close a coke plant and six production lines in Belgium, in a move that threatens 1,300 jobs.

The company said collapsing demand for steel and structural overcapacity in the sector have forced it to take the measures in eastern Liege, which has had a steel industry going back two centuries.

ArcelorMittal Liege CEO Bernard Dehut said lack of orders and an ailing European economy have made it "increasingly apparent that further action is required" in order to stem the continued losses in Liege.

After the closures, the company said it will be operating five steel production lines which will employ 800 people.

The FGTB socialist union said the move, if fully enacted, would reduce employment in the sector to some 900 workers in what was once a main steel hub with over 30,000 steel workers in the 1970s. By 2005, that total had already shrunk to some 5,000.

"The workers are under shock," said FGTB steel leader Robert Rouzeeuw. "We will have to pull ourselves together. We need to see how the politicians will react."

Belgian Prime Minister Elio Di Rupo immediately announced he would seek a meeting with Lakshmi Mittal, the head of the steel group since both were attending the World Economic Forum in Davos.

And instead of traveling on to a summit meeting in Latin America, Di Rupo said he would return to Belgium to assess the situation in Liege.

Over the last few decades, one of the main industries that powered Europe's industrial revolution has suffered from waning demand across the continent — Arcelor says steel demand in Europe is 29 percent down than before the three-year crisis — and growing competition from around the world.

The workers hope that the government will intervene to save jobs.

"It hurts so bad that we are wondering if this is true or a nightmare," said Fabrizio Corronas, who has been working for 16 years at ArcelorMittal in Liege. "I hope the politicians will intervene."

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