

RAHALL Weekly Report

CONGRESSMAN NICK RAHALL

"Coal Industry in West Virginia, III"

This is the final installment of my three part look at the coal industry in southern West Virginia. This week, the topic is metallurgical coal.

Nationwide, coke production during the latter part of 1982 was the lowest since 1933. Forecasts indicate that it will not be until 1995 before production levels reach what they were in 1981.

The reason for this trend, besides the downturn in steel production, is due to technological improvements by iron foundaries and the steel industry which have reduced the amount of coke necessary to produce iron casting, pig iron, and steel. There has also been an increase in the use of electric furnances which require no coal use.

The future of southern West Virginia met coal for coking purposes lies not within this country---except to retain existing markets--but with the developing nations like: South Korea, Japan and Brazil.

Each the quality of the coal was a top priority, but not anymore--price is. Efforts must be centered at making U.S. coal more price competitive. Here again the issue is cheap waterway transportation of coal and more reasonable rail rates.

In addition, diplomatic avenues are especially important with respect to met coal. Efforts should be made to increase contcts with Brazil and other developing ntions, and pressure should be brought on Japan to retain its existing level of U.S. coal.

The coal industry is many-faceted. As are its ups and downs. In the coming months and years, we must accept and deal with the realities of this industry in order to strengthen it, while at the same time stabilizing our State's economic climate.