

# The Pueblo Chieftain

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Saturday, January 31, 2009

## Steel mill lays off pipe workers

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*The recession has virtually stopped drilling for oil and gas and that's cut demand for seamless pipe.*

By JAMES AMOS  
THE PUEBLO CHIEFTAIN

January 31, 2009 04:25 am

Between 40 and 55 workers at Evraz Rocky Mountain Steel Mill will be laid off because of a slowdown in demand for steel pipe.

Rob Simon, the mill's manager, said Friday that the workers have been notified and the first of several stages of lay-offs will begin at the end of next week.

The mill is laying off one of three shifts that work in the seamless tube mill. Simon said 40 workers will be let go and another 10 to 15 will be laid off, making a total of 50 to 55 workers affected.

Simon said the declining number of drilling rigs for oil and gas has caused a drop in purchases of seamless steel pipe. It's not known when or if the workers will be brought back because of uncertainty about the economy.

The remaining two shifts will work four-day weeks, Simon said.

In November, Evraz was forced to furlough as many as 85 workers at the rod and bar mill. The workers were off 10 days in November, a week in December and a week in January, according to Simon.

Those furloughs also were caused by a drop in demand for the mill's products.

Simon said orders for rod and bar products currently are enough to keep those workers on the job.

"We hope not to have to," furlough the workers again, Simon said. "The demand is keeping up at those level, but it changes all the time."

The steel industry as a whole has taken a beating as the recession has cut construction spending and low oil prices have slowed oil and gas drilling.

Despite the furloughs and lay-offs, the Pueblo mill is still faring better than many across the United

States, which have had to shed higher numbers of workers or shut down altogether. The Pueblo mill employs about 1,000 people.

Even with the recent bad news, "We consider ourselves very fortunate," Simon said.

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