

French steel plant to restart

PARIS: An idled steel plant which had become a battleground for presidential elections this year will restart its blast furnace, President Nicolas Sarkozy has announced.

The conservative leader, who trails his Socialist opponent in polls, said ArcelorMittal owner Lakshmi Mittal had agreed to pump in €17 million (nearly R170m), lifting uncertainty over the future of the last blast furnace in France's former steelmaking heartland.

The furnaces have stood idle due to a lack of orders since the second half of last year.

Industrial decline has emerged as a major electoral issue, putting the plant at Florange near the German border on the front line of France's two-round presidential election in April and May.

Both Sarkozy and his rival, Francois Hollande, have promised to save the steel mill, and Hollande has said he will pass a law forcing companies to sell unused factories to buyers who would keep them in operation.

"At the request of the French state, ArcelorMittal will invest €17m in Florange," Sarkozy said yesterday.

Sarkozy has placed employment at the heart of his election campaign since announcing his candidacy last month, stressing that the country will only emerge stronger from its economic turmoil. - Reuters