



**COAL MINES SECTOR'S INFLUENCE ON THE
REGIONAL ECONOMIE**

**WITH A VUE RESTRUCTURISATION
PROGRAMME OF SECTOR IN POLAND**

Leon KURCZABIŃSKI, PhD

Coal Holding Katowice

COAL MINES SECTOR IN POLAND

- EMPLOYMENT..... 145 400 people**
- PRODUCTION OF COAL..... 102 million tons**
- TOTAL EARNINGS ON SALE..... PLN 14,7 billion**
(3,675 billion €)

•**44 COAL MINES**

•**27 MANUFACTURES OF MINING MACHINES AND EQUIPMENT
EMPLOYING MORE THAN 13 000 PEOPLE**

•**ABOUT 3000 FUEL STORE HOUSES - MORE THAN 30 000
PEOPLE**

•**3 UNIVERSITIES, 2 INSTITUTES, 4 DESIGN OFFICES**

•**A FEW THOUSANDS OF COMPANIES AS POTENTIAL GOODS
AND SERVICES RECEIVERS**

- **Total debt of the mining sector accumulated in the last 12 years is estimated at 34 billion PLN i.e. 8,5 billion €**

it includes:

- **Budget subsidy of 10,4 billion PLN (2,65 bln €) which finances the reduction of 250 000 jobs and liquidation of 29 coal mines - the remaining sum constitutes budgetary debt for overdue tax payments**

- **Over the same period of time coal production amounted 1,7 billion tonnes**

- **This equals to an average loss of 5 € per 1 tonne of coal**

- **Is the Polish subvention estimated at 5 € per 1 tonne of coal a high one**

RESTRUCTURING OF MINING SECTOR IN EUROPEAN UNION COUNTRIES

**State aid in in the years 1996 - 2001
average - 167,76 € per 1 tonne of coal**

RESOURCES INVESTED



**EXTERNAL
EXPENDITURES**

- **TAXES**
- **SALARIES**
- **PURCHASE OF MACHINES AND SERVICES etc,**

**EXEMPLE
GERMANY**

	STATE AID	EXTERNAL EXPEDIT.
1996	10,5 billion DM	15,5 billion DM
1998	8,5 billion DM	27,7 billion DM

**1,575 billion PLN
(0,394 billion €)**



**•0,962 bln PLN -
reduancy payments
for coal miners -12
107 persons**

**•0,613 bln PLN -
liquidation of 29 coal
mines**

•Taxes, obligations and fees

5,9 bln PLN

**•Investments, power,
materials and services**

3,856 bln PLN

•Salaries

3,6 bln PLN

•Polish State Railway

1,8 bln PLN

•Earnings of the Polish ports

0,2 bln PLN

**15,030 bln PLN - TOTAL
EXTERNAL EXPENDITURES**

COST OF PRODUCING OF ELECTRIC ENERGY AND
HEAT

ELECTRIC ENERGY

- FROM COAL - 30 € per 1 MWh
- FROM NATURAL GAS - 65 € per 1 MWh

HEAT

- FROM COAL - 3 - 5,5 € per 1 GJ
- FROM NATURAL GAS - 7 - 9 € per 1 GJ

**•THE NUMBER OF PEOPLE WHOSE JOBS DEPEND
DIRECTLY ON THE MINING INDUSTRY
PERFORMANCE IS MIN. 450 000**

•THE INDIRECT INFLUENCE

**(the economic situation of families, the economic situation of
co-operating companies etc.)**

IS OBSERVED FOR AT LEAST 1,2 MILLION PEOPLE

CONCLUSION

WE ARE TRYING TO SHOW, BY USING THE COAL MINING INDUSTRY AS AN EXAMPLE, THE IMPACT OF MACROECONOMIC DECISIONS ON DIFFERENT ECONOMIC SECTORS AND THE COROLLARY OF SOCIAL CONSEQUENCES.

THE SECTORS COULD BE DEALT WITH SEPARATELY SOLELY ON THE BASIS OF MARKET KRITERIA, PROVIDED WE HAD A NEW EMPLOYMENT MARKET TO REPLACE THEM