



**City of Hamilton**  
**STEEL**  
**SUB-COMMITTEE**

**Meeting #:** 18-001  
**Date:** June 18, 2018  
**Time:** 1:30 p.m.  
**Location:** Council Chambers, Hamilton City Hall  
71 Main Street West

Lauri Leduc, Legislative Coordinator (905) 546-2424 ext. 4102

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**Pages**

**1. APPROVAL OF AGENDA/SELECTION OF VICE CHAIR**

(Added Items, if applicable, will be noted with \*)

1.1 Selection of the Vice Chair

1.2 Approval of the Agenda

**2. DECLARATIONS OF INTEREST**

**3. APPROVAL OF MINUTES OF PREVIOUS MEETING**

3.1 February 5, 2015

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**4. DELEGATION REQUESTS**

**5. CONSENT ITEMS**

**6. PUBLIC HEARINGS / DELEGATIONS**

**7. STAFF PRESENTATIONS**

**8. DISCUSSION ITEMS**

8.1 Discussion respecting recent Tariffs on Steel imposed by the United States Government (no copy)

8.2 Discussion respecting the Sale of Surplus Waterfront Lands to Bedrock Industries (no copy)

**9. MOTIONS**

**10. NOTICES OF MOTION**

**11. GENERAL INFORMATION / OTHER BUSINESS**

11.1 Receipt of Correspondence from 2015 and 2016

11.1.a Correspondence from Charlie Luke, Mayor, Norfolk County, to Kathleen Wynne, Premier, respecting US Steel Canada Inc. Lake Erie Works, Nanticoke 9

Referred from the Council meeting of December 9, 2015

11.1.b Correspondence from David Oraziotti, MPP, Sault Ste. Marie, to the Prime Minister, urging him and the affiliated ministries to immediately address steel dumping and the negative impact it is having on the Canadian Steel Industry 11

Referred from the Council meeting of January 21, 2016

**12. PRIVATE AND CONFIDENTIAL**

**13. ADJOURNMENT**



Hamilton

**MINUTES 15-001**  
**STEEL COMMITTEE**  
**Thursday, February 5, 2015**  
**1:00 p.m.**  
**Council Chambers**  
**Hamilton City Hall**

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Present: Councillor S. Duvall, Chair  
Councillor S. Merulla, Vice Chair  
Councillors J. Farr, M. Green, T. Whitehead

Absent with Regrets: Mayor F. Eisenberger – City Business

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**THE STEEL COMMITTEE PRESENTS REPORT 15-001 AND RESPECTFULLY RECOMMENDS:**

**1. Selection of Chair and Vice Chair**

**(Farr/Green)**

That Councillor S. Duvall be appointed as the Chair of the Steel Committee for the 2014-2018 Term of Council; and,

That Council S. Merulla be appointed as the Vice Chair of the Steel Committee for the 2014-2018 Term of Council.

**CARRIED**

**2. U.S. Steel Canada – Economic Impact Study (PED15022) (City Wide) (Item 8.1)**

**(Whitehead/Farr)**

That Report PED15022, attached hereto as Appendix A to Steel Committee Report 15-001, respecting the U.S. Steel Canada – Economic Impact Study, be received.

**CARRIED**

**3. Creation of a Steel Committee Joint Task Force (Added Item 10.1)**

**(Merulla/Green)**

Whereas; U.S. Steel Canada's present financial circumstances has led to ambivalence to the sustainability of U.S. Steel Canada's operation in Hamilton;

And Whereas, the direct and indirect impacts will have serious outcomes on the City of Hamilton, pensioners, active workers, suppliers, contractors, other municipalities, the Province of Ontario and the Federal Government of Canada;

Therefore, be it resolved:

- (a) That the City of Hamilton seek intervention from the Federal Government of Canada and the Province of Ontario by creating a Joint Task Force, lead by the Office of the Mayor, to bring the issue of the impact of the U.S. Steel closure forward to the House of Commons and Queen's Park; and,
- (b) That the Joint Task Force be comprised of the following individuals:
  - (i) The Mayor of the City of Hamilton
  - (ii) The Chair of the Steel Committee
  - (iii) Senior Staff of the City of Hamilton
  - (iv) Representatives from the United Steelworkers Union Local 1005
  - (v) Representatives from the United Steelworkers Union Local 8782
  - (vi) Representatives from U.S. Steel Salaried Employees.

**CARRIED**

**FOR THE INFORMATION OF COMMITTEE:**

**(a) CHANGES TO THE AGENDA (Item 1)**

**(Farr/Green)**

That the agenda be approved, as presented.

**CARRIED**

**(b) DECLARATIONS OF INTEREST (Item 2)**

There were no declarations of interest.

**(c) APPROVAL OF MINUTES OF PREVIOUS MEETING (Item 3)****(i) September 10, 2014 (Item 3.1)****(Whitehead/Merulla)**

That the Minutes of the September 10, 2014 Steel Committee meeting be approved, as presented.

**CARRIED****(d) PRESENTATIONS (Item 7)****(i) Neil Everson, Director, Economic Development, respecting U.S. Steel Canada Economic Impact Study (Item 7.1)**

Neil Everson, Director, Economic Development, introduced Graeme Brown, Business Analyst, to make a presentation to the Committee respecting the U.S. Steel Canada Economic Impact Study.

Mr. Brown's addressed the Committee with the aid of a PowerPoint presentation. A copy of the presentation has been retained for the public record. The presentation included, but was not limited, to the following:

- Study Objectives and Limits
- U.S. Steel Canada (USSC) Operations
- USSC Pension Plan Analysis
- Outline of the Pension Benefits Guarantee Fund (PBGF)
- PBGF Impact on Pensioner Income in Hamilton
- Geographic Distribution of USSC Pensioners
- Potential Impacts on Health
- Impact on the City of Hamilton
  - Property Taxes
  - Water Revenues
  - Total "Worst Case" Scenario
  - Programs and Services
  - Businesses, Organizations and Residents
- Study Conclusion

The Committee then asked questions of Mr. Brown and Mr. Larry Friday, Director of Taxation.

**(Farr/Whitehead)**

That the presentation respecting the U.S. Steel Canada Economic Impact Study, be received.

**CARRIED**

**(e) NOTICES OF MOTION (Item 10)**

Councillor Merulla introduced the following Notice of Motion:

**(i) Creation of a Steel Committee Joint Task Force (Added Item 10.1)**

Whereas; U.S. Steel Canada's present financial circumstances has led to ambivalence to the sustainability of US. Steel Canada's operation in Hamilton;

And Whereas, the direct and indirect impacts will have serious outcomes on the City of Hamilton, pensioners, active workers, suppliers, contractors, other municipalities, the Province of Ontario and the Federal Government of Canada;

Therefore, be it resolved:

- (a) That the City of Hamilton seek intervention from the Federal Government of Canada and the Province of Ontario by creating a Joint Task Force, lead by the Office of the Mayor, to bring the issue of the impact of the U.S. Steel closure forward to the House of Commons and Queen's Park; and,
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  - (i) The Mayor of the City of Hamilton
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  - (iii) Senior Staff of the City of Hamilton
  - (iv) Representatives from the United Steelworkers Union Local 1005
  - (v) Representatives from the United Steelworkers Union Local 8782
  - (vi) Representatives from U.S. Steel Salaried Employees.

**(Merulla/Green)**

That the rules of order be waived to allow the introduction of a Motion respecting the Creation of a Steel Committee Joint Task Force.

**CARRIED**

For disposition on this matter refer to Item 3.

**(f) ADJOURNMENT (Item 12)**

**(Farr/Green)**

That there being no further business, the Steel Committee be adjourned at 2:50 p.m.

**CARRIED**

Respectfully submitted,

Councillor S. Duvall, Chair  
Steel Committee

Lauri Leduc  
Legislative Coordinator  
Office of the City Clerk







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Office of the Mayor  
Governor Simcoe Square  
50 Colborne St., S.  
Simcoe, Ontario N3Y 4H3  
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November 17, 2015

Hon. Kathleen Wynne, Premier  
Government of Ontario  
Legislative Building  
Queen's Park  
Toronto ON M7A 1A1

Dear Premier Wynne:

**Re: U.S. Steel Canada Inc. Lake Erie Works, Nanticoke**

U.S. Steel Canada Inc. has filed a motion with the Ontario Superior Court of Justice seeking an order to continue its operations and obtain further relief under the *Companies' Creditors Arrangement Act (Canada)* addressing operations of the company beyond 2015. Norfolk County Council respectfully requests the continued involvement and support of your office to ensure U.S. Steel, the parent firm, fulfills its obligations to Canada and Ontario arising from agreements with Government in 2007 and 2011 which allowed US Steel to acquire Stelco.

It is vitally important to the economy of southern Ontario and this region that U.S. Steel Canada or a new owner of the Hamilton and Nanticoke operations will continue to make high-quality steel products and provide good work and meet employment obligations to approximately 2,200 employees. If it is not possible for U.S. Steel Canada to find a restructuring solution, then we sincerely urge the Government of Ontario to assist with efforts to step up the process of finding a new owner. We also ask that your Government reviews applicable trade agreements to ensure that steel making in Canada is not vulnerable to predatory and unfair practices of offshore steel producers in sectors such as automobile production in Ontario.

Finally, we ask your Government to intervene to ensure that U.S. Steel Canada is not permitted to suspend pension funding contributions and is required to uphold its pension and benefit obligations to retirees and surviving spouses. We trust that the Government of Ontario will do everything in its power to ensure Lake Erie Works continues as a fully integrated steelmaking facility and that Hamilton Works continues coke making and finishing operations, including its premier zinc-coating facility, the world-class Z-Line.

On behalf of Norfolk County Council, I sincerely thank you for your consideration in making this a matter of high priority and utmost mutual importance to your Government and the Government of Canada.

Yours truly,



Charlie Luke  
Mayor, Norfolk County

CL\*mc

- cc MP Diane Finley
- MPP Toby Barrett
- Mayor Ken Hewitt, Haldimand County
- ✓ Mayor Fred Eisenberger, City of Hamilton



LEGISLATIVE ASSEMBLY

DAVID ORAZIETTI, M.P.P.  
SAULT STE. MARIE

December 1, 2015

The Right Honourable Justin Trudeau, P.C., M.P.,  
Prime Minister of Canada  
80 Wellington Street  
Ottawa, ON K1A 0A2

Dear Prime Minister Trudeau,

I am writing with respect to steel dumping and the significant negative impact it is having on the Canadian steel industry. Urgent action is required by your government to protect thousands of direct and indirect jobs across Canada and in particular, in Ontario. My constituency is home to one of only 3 fully integrated steels mills that remain in our country. Essar Steel Algoma (ESA), is a fully integrated steel mill that provides 2,800 direct jobs and more than 5,000 indirect jobs in a community of 78,000 residents.

On a larger scale Essar Steel Algoma has expenditures of \$120 million annually in support of approximately 670 local suppliers and contributes approximately \$1.2 billion annually to Canada's GDP. Essar Steel Algoma originally founded as Algoma Steel in 1901, is the second largest Canadian steel producer in an industry that is foundational to Canada's manufacturing sector.

Over more than a decade, the Ontario government has played a key role in helping to support both the former Algoma Steel and Essar Steel Algoma:

- \$300 million to support Algoma Steel's retirees through the pension benefit guarantee program
- Created an energy purchase program that facilitated a \$135 million investment by Essar Steel Algoma in 2009 to significantly reduce energy costs
- Invested \$16.5 million for the first time as a province in short-line rail to support Essar Steel's need for important transportation infrastructure
- Created the Northern Industrial Energy Rate (NIER) Program saving Essar Steel Algoma an estimated \$10 million per year in energy costs

Additionally this past summer, our government made a \$30 million grant commitment to strengthen Essar Steel Algoma by supporting a \$240 million capital modernization plan. This plan was also supported by a federal investment of \$30 million in the form of a low-interest loan

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Part C – Canadian International Trade Tribunal (CITT) Operations (Injury Findings and Duty Determination)

- Maintain strong dedicated research and legal advisory capacity in ATSSA to support CITT
- Standardize practice of consulting parties in advance of finalizing questionnaires for CITT hearings
- Establish criteria to streamline the initiation of expiry review
- Selection of Tribunal witnesses before parties file evident and other briefs for CITT hearings
- Revise timing to launch expiry reviews – match U.S. practice to launch near end of 5-year limit on findings

Part D – Improve CBSA Enforcement Tools

- Better data analysis
- Establish trade remedy circumvention as a priority for AMPS investigations
- Stiffer penalties and greater publicity of fraudulent imports, including renovations of import licenses.
- Consider specific anti-circumvention legislation as in the U.S.

Prime Minister, I believe that much more needs to be done to strengthen our domestic steel market and ensure that Ontario's steel sector remains competitive in today's challenging global market. This change can only be achieved through a re-examination of the framework of laws, regulations, policies and procedures that identify, adjudicate and remedy unfair trading practices that are seriously undermining domestic manufacturers.

It is critical that the prosecution of off-shore manufacturers committing unfair trade practices be enforced and, in turn, domestic steel production be promoted. I am urging you and the affiliated ministries within the Government of Canada to immediately address the issues raised and the remedies suggested, with the assurance that Canada's trade process will be modernized. Thank you for your consideration of this important matter.

Sincerely,



David Oraziotti MPP  
Sault Ste. Marie

cc:

Katie Telford, Chief of Staff, Prime Minister's Office  
Terry Sheehan, MP, Sault Ste. Marie  
Amarjeet Sohi, MP, Minister of Infrastructure and Communities  
Chrystia Freeland, MP, Minister of International Trade  
Kathleen Wynne, Premier of Ontario

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cc...cont'd

Tom Teahen, Chief of Staff, Office of the Premier  
Brad Duguid, MPP, Minister of Economic Development, Employment and Infrastructure  
Michael Gravelle, MPP, Minister of Northern Development and Mines  
Christian Provenzano, Mayor, Sault Ste. Marie, Ontario  
Fréd Eisenberger, Mayor, Hamilton, Ontario  
Kalyan Gosh, Essar Steel Algoma, CEO and President  
Mike Daprat, President, United Steelworkers Local 2251  
Lisa Dale, President, Local 2724