



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

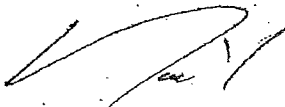
Part D – Improve CBSA Enforcement Tools

- 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
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