



**Canadian  
Manufacturers &  
Exporters**

**Manufacturiers et  
Exportateurs du  
Canada**



**CMC**

Canadian  
Manufacturing  
Coalition | Coalition des  
Manufacturiers du  
Canada

May 30, 2017

Mr. Brad Botwin  
Director, Industrial Studies  
Office of Technology Evaluation  
Bureau of Industry and Security  
U.S. Department of Commerce  
1401 Constitution Avenue, NW, Room 1093  
Washington, DC 20230

Mr. Botwin,

On behalf of the members of Canadian Manufacturers & Exporters (CME) and the Canadian Manufacturing Coalition (CMC), we appreciate this opportunity to provide our comments in response to the U.S. Department of Commerce's request for public comments on "Section 232 Investigation on The Effect of Imports of Steel on U.S. National Security." Canada and the United States have an intrinsically linked interest in maintaining the health of the North American steel sector and our shared national security, and in our opinion, must work closely together to achieve our common goals.

CME is a member-driven association that directly represents more than 2,500 leading companies who account for an estimated 82 per cent of manufacturing output and 90 per cent of Canada's exports. The CMC is comprised of roughly 50 major industry groups, united by a common vision for a world-class manufacturing sector in Canada. Collectively our member organizations represent roughly 90,000 companies and including many who have operations and supply chains originating in U.S within the highly-integrated North American aerospace and defense sector. Both Canadian and U.S. steel producers provide many of our members with critical inputs of finished and semi-finished products that are needed for manufacturing value added goods, including goods our members make that are procured by the U.S. Department of Defense.

The deeply integrated relationship of Canada-U.S. defense procurement and related manufacturing supply chains is also a fundamental component of our shared continental defense strategy. There is significant national security value in the ability of a close neighbor and staunch ally to also serve as an important supplier and purchaser of defense-related inputs including steel. The interests of our two nations in this regard have historically been closely aligned and should remain steadfast.

Unintended consequences associated with the inclusion of Canada in any finding or action associated with the 232 investigation would cause harm on both sides of the border through the restriction and/or disruption to our common steel and manufacturing supply chains and

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negatively impact the economic or national security interests of both nations.

As such, members of CME and the CMC are requesting that the U.S. Department of Commerce ensure that Canada receives a complete national exemption from any measures implemented as a result of this investigation. We are also in full support of the main tenants contained within the submission put forward by the Canadian Steel Producers Association including:

- The current steel trade dynamic between Canada and the United States, built on the strong foundation provide by NAFTA, does not detrimentally affect American national and economic security.
- Our shared economic and security interests are in fact enhanced through the support for economic growth and employment our industry supports in both countries.
- Implementing any measures against Canadian steel through this Section 232 investigation would only serve to undermine our intrinsically linked national security interests, hinder our complimentary and mutually beneficial steel supply chains, and thwart our continued efforts to keep unfairly traded goods out of North America.

To reiterate, Canadian Manufacturers & Exporters and the Canadian Manufacturing Coalition are very concerned about the potential negative implications to several major steel-intense manufacturing supply chains should measures against Canada be implemented through this investigation process. We are confident that your analysis will determine that a total exemption for Canadian steel exports for any resulting trade measures is not only fully warranted but necessary to maintain and enhance U.S. economic and national security interests.

We thank you for your consideration in this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "Dennis A. Darby". The signature is fluid and cursive, with a long horizontal stroke at the end.

Dennis A. Darby, P.Eng., ICD.D  
President & CEO, Canadian Manufacturers & Exporters  
Chair, Canadian Manufacturing Coalition