

## STELCO SALE: Locals outraged at Ottawa's "deafening silence" on steel industry

Steve Arnold

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Union leaders, Opposition MPs and even the Chamber of Commerce are pressing the federal government to help Canada's struggling steel industry.

Two Hamilton Members of Parliament, three chambers of commerce and union leaders at the local and provincial levels separately have called for help for the industry and especially for retirees and workers in Hamilton.

NDP MPs Scott Duvall (Hamilton Mountain) and Dave Christopherson (Hamilton Centre) have written to Economic Development Minister Navdeep Bains, saying the federal government has stayed on the sidelines too long.

"To date, your government has not been tangibly involved in any way to help protect the jobs, benefits and pensions of current and former employees of USSC/Stelco despite commitments previously made by colleagues and the Prime Minister," they wrote. "Workers, pensioners, the business community and the City of Hamilton have all appealed for your help. So far, you and your government have been missing in action."

As a start, they want the government to release the "secret deal" that ended a lawsuit against U.S. Steel for breaking the production and employment promises it made to get government approval for the acquisition.

They also back a call by the United Steelworkers union for a public inquiry into Canadian bankruptcy law they say favours creditors at the expense of workers and retirees, and the 2007 takeover of Stelco by U.S. Steel. Duvall has raised the issue in Parliament several times.

U.S. Steel Canada, the former Stelco, has been under creditor protection since Sept. 16, 2014. It is seeking a buyer for the mills in Hamilton and Nanticoke.

In a news release Monday, leaders of the United Steelworkers highlighted the impact of that law in condemning again a decision announced Friday to continue denying health benefits to retirees while allowing USSC to sit on \$150 million in cash, continue overpaying its parent for suppliers and paying special bonuses to managers to stay with the company during its restructuring.

"Steel industry workers and pensioners were hoping for change when the Trudeau Liberals replaced the Harper Conservatives," said USW Ontario director Marty Warren. "As workers and pensioners suffer blow after blow, the deafening silence from the Liberals shows there is no real change."

"Our members, our pensioners and people throughout our community are outraged to see benefits that categorically belong to retirees simply taken away with the stroke of a pen, while managers receive bonuses," said Gary Howe, president of USW Local 1005. "Just about everybody sees this for what it is – the brutal, heartless and unnecessary elimination of pensioners' benefits."

That decision is being taken to the Ontario Court of Appeal by the organization of active and retired salaried employees. Notice of the appeal was released Monday.

On the business front, chambers of commerce in Hamilton, Windsor and Sault Ste. Marie are taking a joint resolution to the Canadian chamber's national convention calling for a policy to protect the industry from unfair foreign competition.

"The biggest issue for us is dumping from China," said Hamilton Chamber of Commerce president Keanin Loomis. "Obviously there's a real issue of fairness there."

Products are dumped in foreign markets when they are sold for less than their costs of production or with subsidies from a government.

"What we want is a level playing field in the global production and procurement process," added Rory Ring, executive director of the Sault chamber. "We're competing against companies that are either government owned or that operate with less than reasonable environmental and labour laws."

Matt Marchand, president of the Windsor-Essex chamber, said it's time the steel industry issue found a place on the national agenda.



In a news release Monday, leaders of the union condemned the decision to continue denying health benefits to retirees while allowing USSC to sit on \$150 million in cash.

"We have a big problem with steel being dumped into Canada and Europe so the time is right to do something," he said. "We really need a national discussion about trade policy and we want to start that discussion."

The resolution asks Ottawa to "follow the role played by other competitive jurisdictions in focusing dedicated public policy and investment efforts toward the steel industry, its natural clusters and the innovation it creates. This includes addressing ongoing unfair trade practices by foreign nations."

Canadian trade watchdogs haven't been entirely silent on dumping cases. In one recent decision the Canadian International Trade Tribunal extended anti-dumping duties on hot rolled steel sheet from China, Brazil, Ukraine, and India for the third time since 2001.

In a news release, USSC president Mike McQuade welcomed the decision as "an important step to ensuring the long-term viability of our business and the Canadian steel industry. Illegally dumped and subsidized products from around the world injure not only our business, but they injure our workers, our community, and the entire Canadian economy."

In another step last week, the Canada Border Services Agency announced an investigation into concrete reinforcing bar from Belarus, Portugal, Spain, Japan, Taiwan and China. It follows complaints that Canadian companies are losing revenue and market share because of price undercutting from those countries.

A decision is expected by Oct. 18.

[Letter to Minister Bains by The Hamilton Spectator on Scribd](#)



*Scott Duvall*  
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Hamilton Mountain



August 15, 2016

The Honourable Nadveep Bains  
Minister of Innovation, Science and Economic Development  
C.D. Howe Building  
235 Queen Street  
Ottawa, ON  
K1A 0H5

Dear Minister Bains,

As the Members of Parliament for Hamilton Mountain and Hamilton Centre, we urge you to use all the tools at your disposal to help those whose livelihood, pensions and future health benefits are being jeopardized by the restructuring of US Steel Canada.

To date, your government has not been tangibly involved in any way to help protect the jobs, benefits and pensions of current and former employees of USSC/Stelco, despite commitments previously made by your colleagues and the Prime Minister. Workers, Pensioners, the business community and the City of Hamilton have all appealed for your help. So far you and your government have been missing in

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