

‘Extraordinary’ Canada-U.S. trade spat brings lobbyists ‘out of the woodwork’

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By Samantha Wright Allen

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Fearing more Canadian tariffs against other countries, some steel users are hiring lobbyists for the first time.

The growing trade war between Canada and the United States prompted almost three-dozen new filings in the federal lobbyist registry over the last two months as Canada plotted its response to U.S.-imposed steel and aluminum tariffs.

Even with Canada’s retaliatory tariffs kicking in July 1, lobbyists are predicting the uptick will continue in Ottawa as groups jockey against more expected tariffs to be imposed on other countries.

Of the 86 registrations that mention steel or aluminum as of July 3, 32 were created in the last two months for the first time. A further 13 were created earlier this year and 67 were updated this year, many of which specifically refer to Canada’s response to steel and aluminum tariffs as a key point the registrants plan to lobby officials on. Several companies have multiple registrations with several consultants at the same firm.

On Canada Day, up to \$16.6-billion in retaliatory tariffs on U.S. products came into effect, affecting [everything](#) from mattresses to ballpoint pens to toilet paper. The Canadian government says this matches the volume of trade affected by U.S. tariffs imposed the month before, tacking 25 per cent onto steel and 10 per cent onto aluminum products headed south.

Prime Minister Justin Trudeau (Papineau, Que.) and U.S. President Donald Trump spoke privately June 29 when Canada finalized its retaliatory list. The tone of rhetoric on both sides has heated up in recent weeks. Mr. Trudeau and Foreign Affairs Minister Chrystia Freeland (University-Rosedale, Ont.) have repeatedly characterized U.S. action, taken on national security grounds, as “illegal,” unfair, hurtful, and harmful to both countries. Mr. Trump has focused on his counterpart’s character, calling Mr. Trudeau “weak,” and “very dishonest.”

“This is an extraordinary time, so there are a lot of people coming out of woodwork because they really don’t see there’s a choice,” said Earncliffe Strategy Group principal Sarah Goldfeder.

Trade consultant Adam Taylor said the month waiting period, while it gave time for stakeholder feedback, also showed some small hope that Mr. Trump might reverse course. But, what struck him most about last week was the symbolism of it all.

“It just goes to show that we’re slowly but surely unwinding what has previously been the greatest free trade success story in the world,” said Mr. Taylor, a former adviser to former Conservative trade minister Ed Fast, now a principal with Export Action Global. “Now we’re

literally drawing up lists to make it harder and more expensive and more difficult to be trading with each other.”

The lobbying likely focuses on four key areas, said Ms. Goldfeder: U.S. trade; Canada’s retaliatory tariffs; jockeying for a relief package; and responses to rumours that Canada may impose further measures, called “safeguards,” to ensure steel and aluminum from third countries that’s now too expensive to export to the U.S. doesn’t get dumped in Canada. This may entail quotas and tariffs for non-NAFTA nations on steel and aluminum.

“No two pieces of the industry have the same opinion on the four pieces,” said Ms. Goldfeder, a trade specialist who was a U.S. diplomat in both Mexico and Canada.

Case in point: a new industry group Earnscliffe represents launched just last week and is rebutting the call for “safeguards” against the fear other countries will flood the market, as some steel producers have argued.

The Canadian Coalition for Construction Steel, which represents 17 companies, warned more tariffs could be “[catastrophic](#)” and that Canadian producers don’t have the capacity to meet their needs. The construction industry needs imported steel and can’t afford to pay more for it.

“All of these industries are operating on razor-thin margins, so they’re seeing their profit margin disappear,” said Ms. Goldfeder.

Government ‘hell bent’ on restricting more steel imports: trade lobbyist

That argument has been also been the focus of the numerous companies that have enlisted consultant Peter Clark, who said he expects an announcement from Ottawa within weeks on “safeguards.”

Mr. Clark, of Grey, Clark, Shih and Associates, registered with nine new groups in June alone, most raising “global steel trade regulatory issues” as a concern. They include the Alberta Pressure Vessel Manufacturers’ Association, metal supplier Cascadia Metals Ltd., and Wirth Steel and Cantak Corporation, both distributors of steel products.

The proposed provisional safeguards against global imports outside the U.S. are “a serious matter,” said Mr. Clark that promoted the uptick of companies hiring him on the Hill.

“It’s like the prospect of hanging in the morning,” said Mr. Clark, who has been working on steel files since the 1980s. Recently more than half his time is occupied on these files, he said, in what often stretches to 70- and 80-hour work weeks.

“These people, their business rely on being able to get steel. And if they can’t get it from Canadian mills, they’re going to go after the government—so that’s what they’re doing.”

He said officials have been “open and responsive” to meetings but the government seems “hell bent on restricting as much steel imports as they can.”

While there was no way Canada could “sit back and allow” the U.S. “killer” tax without response, Mr. Clark said his clients are urging the government to be careful, as a lot of Canadian jobs are dependent on a steady supply of steel and aluminum.

He questioned the fear of “diversion” in the wake of the U.S. tariffs and said unions and steelmakers may want to “close off every possible risk, but there’s an awful lot more disruption that can happen to the users of steel.”

“There’s no real evidence that it’s happening,” he said.

That’s led lobbyists to set up meetings with officials, especially in the Department of Finance, to explain the nature of their businesses, what they need, and to offer proof the companies can’t get the supply.

Other new tariff-related files

A former ambassador to the U.S., Derek Burney, has recently added two steel files to his lobbying portfolio.

The consultant with Norton Rose Fulbright Canada LLP created two listings in June with steel distributor Behlen Industries, as well as Welded Tube of Canada, a steel pipe producer. His assistant declined an interview request, saying he does not comment on client affairs. Mr. Burney, who was chief of staff to former prime minister Brian Mulroney and involved in Canada-U.S. trade negotiations at the time, said in the file the companies were both focused in “retaliatory action by Canada on U.S. tariffs” and listed the PMO, Finance, and Global Affairs as offices he would reach out to.

Consultants with Summa Strategies have also been active on the issue, signing on ASW Steel Inc. in June, in addition to their ongoing work with the Canadian Steel Producers Association (CSPA) and files from earlier this year with steel heavyweight Algoma, based in Sault Ste. Marie. Consultant Alex Maheu said Summa doesn’t typically comment on work with clients and pointed to CSPA’s June 29 statement supporting the tariffs and the financial aid package the Canadian government announced last week, which [amounted up to \\$2-billion](#) to protect workers in the steel, aluminum, and manufacturing industries.

As Canada launched consultations into its countermeasures list, some other businesses logged on to the lobby registry. Food & Beverage Canada, PepsiCo Canada, Beer Canada, Whirlpool Canada, and the International Sleep Products Association all registered filings in June. Some proposed affected items, like beer kegs, were removed from the preliminary list.

Though Canada’s final list of products subject to new tariffs was published last week, these businesses and others may keep up their lobbying efforts, Ms. Goldfeder said, especially if the tariffs result in “unintended consequences” that are threatening middle-class jobs. “One of the things this government has proven to us time and time again is that they are not afraid of a course correction,” she said.”

New 2018 steel, aluminum lobbying files

New file	Lobbyist
Alberta Pressure Vessel Manufacturers' Association	Peter Clark, Grey, Clark, Shih and Associates, Ltd.
Alcoa Canada Co. / Alcoa Canada Cie.	Michael Von Herff, Public Affairs Advisors
Algoma	Alik Angaladian, Summa Strategies Canada
Algoma	Alex Maheu, Summa Strategies
Algoma	Tracey Hubley, Summa Strategies Canada
ASW Steel Inc.	Tracey Hubley, Summa Strategies Canada
ASW Steel Inc.	Alex Maheu, Summa Strategies
ASW Steel Inc.	Alik Angaladian, Summa Strategies Canada
Behlen Industries LP	Derek Burney, Norton Rose Fulbright Canada LLP
Benga Mining	Jason Ennis, IMPACT Consulting
Canadian Carbonization Research Association	Catherine Cobden, Cobden Strategies Incorporated
Canadian Carbonization Research Association	Catherine Cobden, Cobden Strategies Incorporated
Canadian Coalition of Aluminum Extruders	Ben Bedard, Conlin Bedard LLP
Canadian Coalition of Aluminum Extruders	Drew Tyler, Conlin Bedard LLP
Canadian Coalition of Aluminum Extruders	Paul Conlin, Conlin Bedard LLP
Canadian Coalition of Unitized Wall Module	Ben Bedard, Conlin Bedard LLP

Producers	
Canadian Coalition of Unitized Wall Module Producers	Drew Tyler, Conlin Bedard LLP
Canadian Coalition of Unitized Wall Module Producers	Paul Conlin, Conlin Bedard LLP
Canadian Steel Producers Association	Alex Maheu, Summa Strategies
Canadian Steel Producers Association	Tracey Hubley, Summa Strategies Canada
Cantak Corporation	Peter Clark, Grey, Clark, Shih and Associates, Ltd.
Cascadia Metals Ltd.	Peter Clark, Grey, Clark, Shih and Associates, Ltd.
Edmonton Steel Plate Ltd.	Peter Clark, Grey, Clark, Shih and Associates, Ltd.
Evrax Inc. NA Canada	Andrew Lanouette, Cassidy Levy Kent (Canada) LLP
Evrax Inc. NA Canada	Chris Kent, Cassidy Levy Kent
Evrax Inc. NA Canada	Gerry Stobo, Cassidy Levy Kent (Canada) LLP
Food & Beverage Canada	Kathleen Sullivan, Consultant
International Sleep Products Association	Paul Tye, Maple Leaf Strategies
Ironworkers Union Shop Local 712	Bill Tieleman, West Star Communications Corporation
Mertex Canada Ltd.	Peter Clark, Grey, Clark, Shih and Associates, Ltd.
Patriot Forge Co.	Hunter Doubt, Global Public Affairs

PepsiCo Canada ULC	Daniel Brock, Fasken Martineau DuMoulin LLP
PepsiCo Canada ULC	Robin Edger, Fasken Martineau DuMoulin LLP
Quad Engineering Inc.	Joe Jordan, J L Jordan Group Ltd.
Ronsco Inc.	Peter Clark, Grey, Clark, Shih and Associates, Ltd.
Tenaris Global Services (Canada) Inc.	Geoffrey Kubrick, McMillan LLP
Tenaris S.A.	Lucas Malinowski, Crestview Strategy
Tenaris S.A.	Jason Clark, Crestview Strategy
Tree Island Steel	Mary Anne Carter, Earncliffe Strategy Group
Tree Island Steel	Paul Moen, Earncliffe Strategy Group Inc.
Tree Island Steel	Sarah Goldfeder, Earncliffe Strategy Group
Welded Tube of Canada	Derek Burney, Norton Rose Fulbright Canada LLP
Whirlpool Canada LP	Marc Desmarais, NATIONAL Public Relations
Wirth Steel	Peter Clark, Grey, Clark, Shih and Associates, Ltd.
Salzgitter Mannesmann International Inc.	Peter Clark, Grey, Clark, Shih and Associates, Ltd.

*Note: New files created in 2018 that reference steel or aluminum as a focus of their lobbying efforts.
Source: federal registry of lobbyists*