

**IN THIS ISSUE**

**Canada Requires Independent  
Self-Reliant Steel Sector as Major Pillar of the Economy**

- **Canadian Steel Producers Association Applauds Pay-the-Rich Scheme**  
- *K.C. Adams* -
- **Mischief Mongering of Canadian Steel Producers Association**

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**Canadian Steel Producers Association Applauds  
Pay-the-Rich Scheme**

- *K.C. Adams* -

*Time for a new direction where working people have a say and control*

The Canadian Steel Producers Association (CSPA) is an organization of 13 steel companies in Canada. All 13 are foreign owned and controlled.

Regarding the government funding announcements totalling \$820 million for ArcelorMittal Dofasco (AMD) in Hamilton and Algoma Steel in Sault Ste. Marie, Catherine Cobden, President & CEO of CSPA writes, "This investment will deliver substantial climate improvements for AMD, the City of Hamilton and our country as a whole. It is now the second project from Canada's steel sector contributing to a combined reduction of close to 6 million tonnes (of CO2)."

Cobden suggests that the federal handouts to the steel companies will assist "Canada's steel producers [in playing] a significant role in the greening of critical supply chains across North America." She adds that government funding for the two steel companies strengthens Canada's steel sector's integration within the U.S. economy and its ability to compete "with more carbon intensive imports" in particular China.



The CSPA considers appropriate that governments fund private companies to transition to the "greening of critical supply chains" so as to compete with producers outside North America. She disregards the views of steelworkers and others that this transition through government funding will greatly affect their lives yet is being carried out behind their backs without discussion or consideration for their well-being and security.

For CSPA, the Canadian economy has become synonymous with the North American economy. Imports into the U.S. or Mexico are considered in effect imports into Canada. The Canadian economy has disappeared into a North American market along with any pretense of nation-building. On top of this is the reality that CSPA speaks of its 13 members as Canadian companies while all are owned and controlled from outside the country with the largest by far, ArcelorMittal, controlled outside North America.

The CSPA calls for governments within the North American market to pursue procurement policies for their public projects that "assess the role of carbon" at the border, presumably the North American border, before allowing steel to be imported.

All this is very murky and bizarre. For example, ArcelorMittal produces steel in Canada but as the world's second largest steel producer, the global cartel is also a competitor with other steel producers for sales in North America and throughout the world. Most of ArcelorMittal steel production is found outside Canada and North America with major facilities in Europe, India, South Africa, China and elsewhere. Its principal owner, Lakshmi Mittal, is one of the richest oligarchs in the world. His family enjoys a lavish lifestyle with mansions rivalling the kings and queens of old and present.

All those in control and ownership of the member companies of the CSPA compete for maximum profit for their private interests. Canadian resources and workers are means of production to make profit for their owners in a mad competition for wealth and power. ArcelorMittal is the second largest steel producer in the world only behind the Chinese company China Baowu Group. That company is a significant competitor of ArcelorMittal for sales in China and worldwide.



AMD and other members of CSPA want to brand their competitors as inferior on all fronts including "green" production. Having governments finance the transition to green production, in this case the use of electric arc furnaces, and having government procurement policies focused on buying their self-proclaimed green steel serves their aim for maximum profit to defend and grow their private property and empires.

Companies everywhere are using "green credentials" to beat their competitors. Having governments fund the "greening" of their production and then use that greening as an aspect of procurement policies has become standard operating procedure globally. The CSPA and the federal government are dragging Canadians into this international fight for markets and using "green domestic steel production" as a weapon.

Oligopolies such as ArcelorMittal will say anything that serves their purpose wherever they are active. On its website in China, ArcelorMittal speaks glowingly of its public-private partnership with state-owned steel producer Valin. An item called "High Strength Automotive Steel, the Key to Peak Emission & Carbon Neutrality" says, "Steel is a dominant material for auto making, technological upgrading for better steel performance also becomes crucial. Fully committed to high strength automotive steel, Valin ArcelorMittal Automotive Steel Co., Ltd (VAMA) provides innovative products and technologies, which have been increasingly recognized by auto makers as

the key to emission reduction." Further it adds, "This is especially true with ArcelorMittal and its domestic joint venture VAMA, who is confident in China's market, as energy conservation and emission reduction have been upgraded as a national strategy by high-level authority of the Chinese government."

Many Canadians including steelworkers are asking how oligopolies not controlled by the workers and people affected can contribute to nation-building and humanizing the social and natural environment when that is not their aim. Nation-building to serve the Canadian people and its economy requires an independent self-reliant steel sector as a major pillar. That is not the aim of the 13 foreign-owned members of the CSPA. The steel industry over the last 30 years has been notorious for its instability and crises. Bankruptcies, downsizing, ownership changes among the global oligarchs, stripping companies of productive parts and destroying pensions and jobs have been constant negative features.

The Canadian steel sector suffers a continual deficit in steel production compared with apparent demand and a negative trade balance mainly with U.S. imports, which is the main exporter to Canada by far. Chinese steel production accounts for five per cent of imports into Canada while U.S. imports are 43 per cent of the total. A crucial aspect of all this is that Canadians have no say or control over the steel sector. All regions outside Ontario are completely reliant on outside production of crude steel and in many cases finished steel.

Add to this is the fact that transition to ELF production at the two big Ontario mills will be financed in part by the federal government and brought into being without any input or say from steelworkers and others affected.

Canadians demand a say over the direction of the economy. They do not appreciate being hoodwinked into supporting oligopolies whose aim is contrary to nation-building and the interests of the people worldwide. Only the people are capable and motivated to humanize the social and natural environment and save Mother Earth from the ravages of the oligarchy. This dictatorship of the oligarchs and their representative governments has to be changed. It is up to us to organize to do it. Whose economy? Our economy! Who decides? We decide! Who controls? We control! Those slogans must become a reality through our conscious organized efforts.

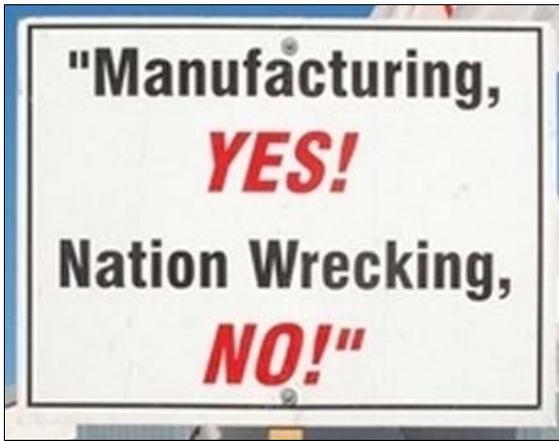


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## **Mischief Mongering of Canadian Steel Producers Association**

In a July 30 press release, the Canadian Steel Producers Association (CSPA) writes, "International benchmarking by Global Efficiency Intelligence has ranked Canada's steel producers as first and second in the world by major production type, well ahead of China, and other key steel-producing nations."



The CSPA concocts a view of the Canadian steel industry that does not exist. It presents the sector as controlled and owned by Canadians and operating in their interests and those of its employees within a North American market. All those outside the North American market are vilified and seen as inferior enemy competitors.

This distorts the reality that Canadians do not own and control their steel industry. It operates within a North American free trade zone that was decided in opposition to their wishes. The main steel company in Canada, ArcelorMittal, produces more

steel outside Canada and outside North America than it produces here. Following the logic of the CSPA, ArcelorMittal is a competitor to itself.

Mentioning China as a competitor in Canada's steel market is deceptive as that steel-producing country accounted for only 5 percent of steel imports into Canada in 2019 with U.S. producers totalling 43 per cent. Furthermore ArcelorMittal is a large investor in China including in steel production and other ventures.

Canada imports and exports steel mainly within the U.S.-controlled North American free trade zone, importing more steel than exporting within the area resulting in a steel trade deficit.

According to the publication *Global Steel Trade Monitor* of the U.S. Department of Commerce: "The top 10 source countries for Canada's steel imports represent 78 percent of the total steel import volume in 2019 at 5.4 million metric tons (mmt). The United States accounted for the largest share of Canada's imports by source country with 43 percent (2.9 mmt), followed by South Korea at seven percent (0.5 mmt), China at five percent (0.4 mmt), and Japan at four percent (0.3 mmt).

CSPA likes to say "Canada's steel producers" but not one of its 13 member steel-producing companies is Canadian-owned let alone controlled. The CSPA is opposed to building a self-reliant independent Canadian controlled steel sector serving the needs of the Canadian economy and people as a major factor for independent control of the economy. Such an independent self-reliant steel industry would be able to trade internationally including with the U.S., Mexico, China and elsewhere globally for mutual benefit, cooperation and development. Trade for mutual benefit would not lead to trade wars and shooting wars that are propelled by the private interests of the oligarchs to defend and enlarge their global private property and empires.

ArcelorMittal and other oligarchs in the CSPA have a songbook from which they sing for every country where they operate. The songs are meant to demonize their competitors, seek public funds and favourable regulations from the governments, and ensure the steelworkers and other workers it hires as employees are constantly on the defensive and disoriented as to how to defend their rights and claims. The oligarchs aim is to fatten their own pocketbooks as much as possible from the value workers produce. The aim and control must stop. To change this direction requires steelworkers and their allies throughout the country organizing to lead the fight for a new direction towards an economy controlled by the people and serving their interests. Whose economy? Our economy! Who decides? We decide! Who controls? We control! Let us bring these nation-building concepts into reality.

**Send your articles, photographs, reports, views and comments to [editormlpc@cpml.ca](mailto:editormlpc@cpml.ca)**