



## **Tariffs Saved North American Extrusion Industry**

At a Town Hall-style gathering of AEC members during the 2013 Annual Meeting, Chairman Duncan Crowdis and President Rand Baldwin congratulated those involved in the establishment and defense of the recent Fair Trade initiatives, which resulted in level market conditions for U.S. and Canadian extruders to compete with Chinese imports. Mr. Baldwin pointed out that, while the effort was substantial and cost of action high, the “tariffs worked”. Now the question facing the industry is whether to continue the maintenance of these tariff orders for years to come. The orders in Canada are scheduled for a routine five-year sunset review soon. The orders in the U.S., having been imposed two years later, are still in the early stages of undergoing both legal and illicit (circumvention) challenges.

“Maintenance of these orders,” added Baldwin, “would cost the industry approximately \$1.0 million per year.” The Council plans to raise the necessary funds through voluntary contributions. This money would be needed in addition to the mostly mandatory member assessments that have been levied over the past two years, which have paid for the defense since 2011. Mr. Crowdis added that the AEC has

calculated the value to the industry to be in the neighborhood of “600 million pounds of extrusions”, pointing out that this is the size of the business that domestic extruders had already lost to Chinese imports when the orders were established. That business has largely returned, leading to an estimated \$250 million in net income to the North American industry. “Determining whether to spend \$1.0 million in order to gain \$250 million is a no-brainer” said Crowdis. For more details on this appeal for funding and the latest news on these tariffs, see the recent letter to AEC members, linked here:

<http://bit.ly/15RqsMv>.

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