

## INTERVIEW OF THE MONTH

### JEAN SIMARD, PRESIDENT AND CEO, ALUMINIUM ASSOCIATION OF CANADA

*President and Chief Executive Officer of the Aluminium Association of Canada (AAC) since 2009, Jean Simard is the aluminium industry representative and spokesman in dealings with governments, industry associations and the media, while ensuring liaison with the various international organizations with which the AAC is connected.*

*Mr. Simard has a degree in civil law from the University of Ottawa and is a member of the Barreau du Québec. After almost 20 years as a public affairs and government relations consultant, primarily in the fields of energy and the environment, he became Vice-President, Sustainable Development and Government Relations, with Gaz Métro.*



*He sits on the International Aluminium Institute (IAI) and Aluminium Stewardship Initiative (ASI) and is a member of the Board of Directors of AluQuébec (the Quebec Aluminium Industrial Cluster), the Quebec Business Council on the Environment (CPEQ) and Québec's aluminum research and development centre (Centre québécois de recherche et de développement de l'aluminium – CQRDA). Cofounder of SWITCH, the Alliance for a Green Economy in Québec, and a member of its Executive Committee, he is one of the leaders of the new Canadian Smart Prosperity Leaders' Initiative. He sits on the Executive Committee of Québec's cooperative forum on the circular economy (Pôle (Forum) de concertation sur l'économie circulaire), the Public Affairs Committee of the Québec employers council (Conseil du patronat du Québec – CPQ) and the Board of Québec's conservatories foundation (Fondation des conservatoires du Québec). He is a member of the Ambassador's Circle of the Nature Conservancy of Canada's Québec Chapter.*

### **Mr. Simard, given the US government's recent threats to increase customs duties on Canadian aluminium exports by 10%, what strategy has the Aluminium Association of Canada adopted?**

It's actually a question of imposing a 10% tariff on Canadian aluminium exports. Currently, under NAFTA, there are no customs duties at all.

The AAC has been working for some months now with the US Aluminum Association, our diplomatic representatives and our member companies to convince the Trump administration of the need to exempt Canadian supplies from a tariff that would be very harmful for the US economy.

## In your opinion, what impact would such an increase have on the Québec economy?

Initially, it would be mainly the US economy that would suffer since we represent a significant share—almost 60%—of US metal imports.

An increase in metal costs would make US companies less and less competitive, and some of them would have to shut down.

This disturbance in our value chains would no doubt also affect our companies, which would lose some of their customers.

*«According to analyses conducted by the firm Harbor, which specializes in this area, imposing such a tariff would eventually destroy as much as \$45 billion in the US economy.»*

## In the same vein, how would this affect the shipping industry?

The effects on our logistics chains would make themselves felt in the longer term. Should such a situation persist, the entire North American economy would be affected.

## Do you think that renegotiating NAFTA could lay the groundwork for a solution to the worldwide problem of aluminum overcapacity? If so, how?

*«The only way to solve the problem of aluminium overcapacity is through an approach involving the major aluminum producing areas, including China, in order to contain and ultimately end Chinese State intervention, which contravenes the rules governing fair, equitable aluminum trading worldwide.»*

This is what we have been working on with our US and European colleagues for two years now.

We will be holding an aluminum summit in Montréal in early June for industry decision-makers from around the world to formulate an action plan for the G7 summit to be held in June. This document will then be forwarded to G20 leaders in order to set up a Global Forum on Aluminum Overcapacity.