

**Testimony of  
Heidi Brock, President and CEO of The Aluminum Association  
Section 232 Investigation on the Effect of Imports of Aluminum on U.S. National Security  
June 22, 2017**

Thank you for the opportunity to testify at this very important hearing. My name is Heidi Brock. I am the President and CEO of The Aluminum Association.

The Aluminum Association represents companies along the aluminum value chain. Our membership consists of large, global companies, as well as small companies with a domestic or local focus. We represent primary producers of aluminum, producers of semi-fabricated products and aluminum recyclers, as well as industry suppliers. The U.S. aluminum industry supports nearly 713,000 direct, indirect and induced jobs, as well as \$186 billion in economic output, more than 1 percent of U.S. Gross Domestic Product. Despite some market headwinds well-known to this panel, we are proud of the fact that this industry has committed or invested more than \$2.3 billion in domestic plant expansions in the United States over the past several years.

Section 232 of the Trade Expansion Act authorizes the Department of Commerce to determine if imports threaten U.S. national security. There are three reasons why it is appropriate to look at aluminum as a strategic material, and the aluminum industry as a highly significant industrial contributor to national security.

First, aluminum is used in numerous national defense applications, including major components of Army ground vehicles, jets flown by the Air Force, and warships deployed by the Navy, in addition to armaments. In short, aluminum is in some of the most conflict-ridden hotspots on the globe keeping America's servicemen and women safe.

Aluminum is also critical to our nation's economic security. Aluminum is helping that airplane flying above, stay above you. It's in the walls of homes and office buildings. It's in the satellite that communicates with you, or the vehicle you drove to attend this hearing.

All of this speaks to the versatility of the metal. Aluminum is lightweight, corrosion resistant, easily formed, highly conductive, highly reflective, non-toxic and durable. And, aluminum as a base metal can be combined with other materials to create and repurpose alloys for a wide variety of products. For example in 1954 there were 75 unique aluminum alloys registered at the Aluminum Association – today we have more than 540 active alloys that exist for different applications.

If you look at military vehicles – when our industry combines aluminum with alloying agents – and then puts it through a heat treatable process, you have a metal that is strong enough to stop a bullet. And, aluminum's strength and durability is trusted to handle some of the harshest conditions imaginable.

- The Army uses high-strength, blast-resistant aluminum in its vehicles. For the Humvee's and Bradley fighting vehicles aluminum reduces weight, resists rust and stands up under tough conditions.

Second, aluminum is a critically important material for the nation's infrastructure. Aluminum products are essential for energy generation and transmission, for the construction of bridges and buildings, and for the machinery and equipment that build and maintain that infrastructure.

And third, aluminum manufacturing and the products made from aluminum support significant economic activity that contributes to the well-being of Americans and fosters problem-solving innovations in packaging, jet planes, wind turbines, trucks and cars, electronics, among many other things.

Thus, having a competitive, economically healthy U.S. aluminum industry is vital for the manufacturing and defense industrial base of the United States, and the many communities that depend on the jobs supported by our industry.

As an industry, we have a unified position on a set of principles that we recommend be considered in the current investigation and any recommendations that might emerge from it.

First, we respectfully ask that any trade remedies should specifically address Chinese overcapacity and its effects.

Second, we also ask that trade remedies not impact current trading relationships between the U.S. and critical trading partner countries which have been determined by the Department of Commerce to be operating as market economies, especially Canada and the EU.

And finally we ask that trade remedies have positive effects for the entire aluminum value chain, including both primary and downstream U.S. producers and their employees.

I mentioned at the outset that the U.S. aluminum industry is united in recognizing Chinese overcapacity as the fundamental trade issue hurting the domestic industry today. As an association, we have been working with the different government agencies to address this acute and persistent problem.

We have supported efforts by USTR in the context of government to government bilateral discussions to raise aluminum overcapacity in China as an issue that must be addressed. We have raised our concerns about Chinese mis-classification of fake semis to U.S. Customs and Border Protection. And, we have coordinated efforts with our colleagues in the aluminum industry in Canada, the EU, and other countries similarly affected by Chinese overcapacity.

We have provided data and information to the U.S. International Trade Commission that is undertaking an investigation, at the behest of the House Ways and Means Committee, on the competitiveness of the U.S. aluminum industry. The USITC report is scheduled for release to the Committee next week.

Ultimately, our view is that the best solution for the U.S. aluminum industry and the jobs it supports would be a negotiated agreement with China that results in measurable reductions in Chinese aluminum capacity and/or growth. That would address the problem directly and set the U.S. industry – both upstream and downstream -- on a course of expansion, rather than contraction, creating more jobs and more opportunities.

Secretary Ross, I would like to thank you for initiating this investigation. Our industry appreciates the attention the Commerce Department is giving to this important issue.

On behalf of the members of Aluminum Association, we stand ready to assist in any way we can.

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