

May 31, 2022

The Honorable Joe Manchin
United States Senate
Committee on Energy and Natural Resources
304 Dirksen Senate Building
Washington, DC 20510

The Honorable John Barrasso
United States Senate
Committee on Energy and Natural Resources
304 Dirksen Senate Building
Washington, DC 20510

Dear Chairman Manchin and Ranking Member Barrasso,

The Aluminum Association (the 'Association') and its members appreciate that opportunity to submit a statement for the record for the May 17, 2022, Senate Committee on Energy and Natural Resources hearing to examine the U.S.-Canada Energy and Minerals Partnership. Aluminum is an essential element of modern life, and Canadian aluminum is essential to the U.S. aluminum industry. The Canadian and U.S. aluminum industries are deeply integrated and underpin continental supply chains that strengthen the security and global competitiveness of the North American economy.

The Association is the voice of the aluminum industry in the United States, representing aluminum producing companies and their workers that span the entire aluminum value chain from primary production to value-added products to recycling, as well as suppliers to the industry. Association member companies produce 70 percent of the aluminum and aluminum products shipped in North America, and the U.S. aluminum industry across the value chain directly employs more than 164,000 union and non-union workers and indirectly supports an additional 470,000 workers. Through its activity, the economic impact of the U.S. aluminum industry adds \$172 billion to the economy annually.

Canada and the U.S. share a highly integrated aluminum market with combined trade of \$16.9 billion in 2021. An aluminum product might cross the international border four or five times in various states of production before being sold to a customer for further assembly. To make up for a lack of domestic primary production, the U.S. imports more aluminum from Canada than any other country in the world, accounting for nearly 55% of U.S. imports. About 90% of Canada's primary aluminum production is exported to the United States, where it is used as an important input for further processing into products for U.S. domestic and export markets. In 2021, U.S. manufacturers produced an estimated 880,000 metric tons of primary aluminum. That same year, Canada produced an estimated 3 million metric tons of aluminum. Canadian primary imports have helped drive investments in the domestic mid-and-downstream aluminum sector totaling more than \$6.5 billion in the last 10 years. Domestic aluminum producers will continue to rely on a mix of domestic and foreign sources of primary aluminum, particularly from Canada, as well as secondary or recycled aluminum to meet the estimated 40 percent growth in demand for aluminum our industry is projected to experience by 2030.

As the committee considers ways to strengthen the partnership between the U.S. and Canada, the Association and its member companies welcome the opportunity to provide further input on our country's long-lasting trade partnership with Canada that will continue to be a strength for years to come.

Respectfully,



Virginia Gum Hamisevicz
Vice President, Government Relations & International Programs
The Aluminum Association