



May 14, 2026

Submitted via Regulations.gov

The Honorable Jamieson Greer
United States Trade Representative
600 17th Street NW
Washington, DC 20508

Re: **Post-Hearing Rebuttal Comments on Docket ID: USTR-2026-0067 and USTR-2026-0068**

Initiation of Section 301 Investigations: Acts, Policies, and Practices of Certain Economies Relating to Structural Excess Capacity and Production in Manufacturing Sectors

Dear Ambassador Greer,

I respectfully submit these comments on behalf of the Seafarers' International Union of Canada ("SIUC"), in response to the above-cited Section 301 investigation. Specifically, the SIUC submits these comments in response to submissions made around the shipbuilding manufacturing sector.

The SIUC represents the majority of Canadian citizen and permanent resident seafarers employed in ratings positions on Canadian-flagged vessels. Our members work aboard Canadian flagged, owned, and operated vessels trading on the Great Lakes, the St. Lawrence River, the East Coast, the West Coast, and in the Canadian Arctic. Our members are employed on Canadian vessels delivering cargoes that are critical to the U.S. economy including road salt, iron ore, grain, coal, cement, and other key minerals and fuels.

Overview

Firstly, we reiterate our previous position as submitted in other USTR investigations related to American shipbuilding, that the SIUC strongly supports all efforts to strengthen North America's maritime sector including the industrial shipbuilding industry. For decades, North American vessel operators have relied on foreign shipyards to build vessels for operation in both the United States and Canada. We have no opposition to implementing policy and protections that would reshore this once thriving industry and

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most importantly, bring a significant number of decent good-paying jobs back to North America.

In *USTR-2026-0067-00127057*¹, the submitters implore the USTR to take specific action against so-called “foreign-manufactured” *Lakers* engaged in Great Lakes Binational trade by (1) instituting a tariff on arrivals of these *Lakers* calling at U.S. Great Lakes ports, and (2) creating a fund from the tariff to reduce the costs of U.S. shipbuilding and the maintenance of U.S.-flagged *Lakers*.

The SIUC submits that these comments and suggested actions are entirely inappropriate for the following reasons:

1) Proposal to Enact Tariffs against Canadian Lakers is Outside the Scope of this Investigation

In summary, the scope of the Section 301 investigation is to examine acts, policies, and practices of “structural excess capacity” in manufacturing that harms U.S. commerce, covering a wide range of countries. Canadian-flagged vessels operating in the Great Lakes, or *Lakers*, that are built and purchased in foreign markets outside of Canada, simply cannot be viewed as a form of excess capacity production or “*dumping*” by these foreign shipbuilding countries.

The facts are that these vessels are planned, purchased and built to order with very specific criteria on tonnage capacity and ship characteristics to meet the unique operating areas within the Great Lakes and St. Lawrence Seaway system. These purchase agreements are entered into between Canadian shipowners and foreign shipyards years in advance. To suggest that there is excess capacity of these highly specialized vessels simply sitting idle in foreign markets waiting for a Canadian shipowner to purchase them is unfounded and invalid.

In fact, for many of the Canadian shipowners operating *Lakers*, fleet renewal has taken precedence over chartering or purchase agreements of older, already existing vessels, meaning that most *Lakers* coming into operation in the Great Lakes are new vessels being specifically built for those operations. Canadian fleet renewal did not undermine American shipbuilding as there was no commercial capacity available to build these vessels in North America, nor is there existing capacity at this moment.

We believe the arguments put forth in favour of putting tariffs on Canadian-flagged *Lakers* are misplaced within the scope of this investigation and we draw attention to the need to examine the burden of proof in suggesting that any of the countries listed in the USTR Federal Register notice (91 FR 12886), including traditional shipbuilding industries like those in the European Union, Korea, or Japan, are engaged in any form of excess capacity or *dumping* of vessels, which we maintain is entirely inaccurate.

¹ <https://comments.ustr.gov/s/commentdetails?rid=WCH2QGQTC>

2) Tariffs Will Cause Harm to U.S. Industries and Disrupt Great Lakes Economies

The application of any proposed tariff on foreign-manufactured Canadian *Lakers* would cause disruption in bi-national trade leading to potential serious economic harm on U.S. industries. These fees would increase costs for American consumers and municipalities, reduce work in U.S. Ports, and threaten the reputation and reliability of a bi-national supply chain that American and international businesses have relied on for more than a century.

These operational realities draw important attention to the deeply cooperative and integrated system through which U.S. and Canadian maritime stakeholders have mutually invested to develop a successful Great Lakes and St. Lawrence Seaway System network. Introducing discriminatory fees that specifically target the Canadian fleet, will produce unintended consequences that trickle down through this system, stifle bi-national trade and ultimately put at risk the economies of both sides of the border.

Commerce in the Great Lakes operates in a competitive and well-balanced marketplace. Cargo owners choose carriers for a variety of reasons including cost, reliability, vessel availability, safety and service. Canadian carriers do not receive special treatment in any way and American carriers are not excluded from any aspect of this trade. The reality is that many U.S. flagged domestic *Lakers* are too large to transit through the St. Lawrence Seaway system in its entirety, which limits their geographic reach and ability. This is not the result of regulatory discrimination, but rather a choice in vessel design by U.S. operators and a constraint imposed through existing infrastructure that is well outside the scope for USTR to address on its own.

Canadian and U.S. carriers pay the same pilotage fees, port fees, and environmental compliance costs. Cargo allocation reflects market realities and is the product of a healthy competitive market, not government bias.

If the proposed tariffs are applied to Great Lakes short-sea vessels, the economic consequences will be severe and felt overwhelmingly in the United States by U.S. consumers and businesses alike. Canadian carriers simply cannot absorb these tariffs, and the costs will pass directly to American customers including steelmakers purchasing iron ore, manufacturers purchasing raw materials, farmers shipping grain, municipalities purchasing road salt, and construction companies purchasing cement and aggregates.

Increases of this magnitude could make short-sea shipping financially intolerable, forcing cargo to shift instead to truck and rail. Replacing Seaway volumes by road would require millions of truck trips each year, which would be logistically impossible and in which the infrastructure does not exist to support this transition. Even if it were possible, it would dramatically increase road congestion, emissions, and infrastructure costs for the U.S. states and municipalities by such an amount it would simply not be economically viable.

In many cases, trade would simply stop. No cargo means no port calls, less jobs, less port and shipyard work and a total disruption of North American supply chains, all of which is counterintuitive to the goal of advancing American marine interests and strengthening the American economy.

3) U.S. Shipyards & U.S. Ports Need Canadian Vessels

Canadian-flag vessels routinely undergo winter maintenance and repair work at U.S. shipyards, especially in Wisconsin and Pennsylvania. These contracts support high-skilled American workers in welding, machining, steel fabrication and marine. If Great Lakes vessels are forced out of service due to these proposed fees, this work will vanish and have significant negative financial impact on American shipyards. The result would be fewer jobs for American shipyard workers and less revenue for the exact industry that the USTR has sought to strengthen in related investigations pertaining to U.S. shipbuilding.

Additionally, and as outlined in this submission and others from both Canadian and American stakeholders, Canadian vessels calling in U.S. Ports are frequent and consistent, spurring significant economic benefits for local communities and ports. There are well-established American companies operating port services, including towage and ice-breaking services, that would be negatively impacted by the proposed application fees against Canadian *Lakers*.

Conclusion & Request

The SIUC remains supportive of the USTR's overall desire to rebuild shipbuilding capacity in North America. Our Union wants to see more vessels built in U.S. and Canadian shipyards, creating more opportunities for North American workers and strengthening our collective marine industry. However, the application of a tariff against foreign-built Canadian-flagged *Lakers* would raise costs for American industries, disrupt supply chains and reduce work for U.S. shipyards.

We strongly urge that USTR reject all proposals that recommend imposing tariffs against foreign-manufactured, Canadian-flagged vessels calling at U.S. Ports.

On behalf of the Seafarers' International Union of Canada, we appreciate the opportunity to submit comments and look forward to furthering the discussion on this important issue.

Respectfully submitted,



Chris Given

President

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