

U.S. comes first, Trump official says about Canadian auto industry

By Laura Stone and John Ibbitson

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Statements by U.S. transition officials and tweets by the president-elect Tuesday are bringing into question the future of jobs and exports from Canada's auto industry, as Donald Trump warns that U.S. companies should not be allowed to sell internationally manufactured cars in the U.S. market without penalty.

In a conference call with reporters Tuesday, incoming White House press secretary Sean Spicer was asked by *The Globe and Mail* what the naming of a new trade official and Mr. Trump's comments about the auto industry meant for Canadian manufacturers.

"[Donald Trump's] commitment is to the American worker, and to American jobs, and to American industry, and American manufacturing," Mr. Spicer said.

"He's been very clear throughout the campaign, that his goal is to put America first, to restore America's manufacturing base, and so it's not a question of a particular country vis-a-vis the United States. It's a question of where America's place is going to be and where American workers are going to be in his agenda. And that's first and foremost."

Earlier Tuesday, Mr. Trump criticized General Motors Co. for manufacturing the Chevrolet Cruze in Mexico and then selling it in the U.S.

"General Motors is sending Mexican made model of Chevy Cruze to U.S. car dealers-tax free across border. Make in U.S.A. or pay big border tax!," he tweeted.

GM quickly replied that most versions of that model are manufactured in the United States. However the hatchback, which represents a very small percentage of sales, is shipped into the U.S. from Mexico.

Almost two dozen models of car by GM, Ford, Fiat Chrysler, Honda and Toyota were manufactured in Canada in 2015, according to a Government of Canada website, though not every model would necessarily be exported into the United States.

In response to another question, Mr. Spicer said Mr. Trump's tweet about GM "speaks for itself." But he said Mr. Trump is not specifically targeting one company or country.

"He wants to bring American jobs home. He doesn't want companies in the United States to be able to go, leave this country, and then sell back to the U.S.," Mr. Spicer said.

"I think you've seen an overall philosophy during the campaign and since he was elected, to stand up for American workers and make sure that American companies don't benefit from moving their companies overseas and leaving American workers behind."

Mr. Trump has vowed to renegotiate or terminate the North American free-trade agreement involving Canada, Mexico and the United States, but has made no statement directly criticizing Canadian exports.

He has, however, promoted the idea of imposing a 35-per-cent tariff on U.S. manufacturers that close U.S. operations and then seek to import products from factories outside the country.

"The exact policy formulation with respect to NAFTA will come in time," Mr. Spicer said. "But just know that his commitment is to the American people and to restoring our manufacturing base and economic growth."

In a separate development Tuesday, Ford said it is cancelling a planned \$1.6-billion factory

in Mexico and will invest \$700-million at a Michigan factory as it expands its electric vehicle and hybrid offerings.

These developments coincide with Mr. Trump's naming of Robert Lighthizer as

United States Trade Representative. Mr. Lighthizer was part of the team that negotiated the original Canada-U.S. free-trade agreement in 1988. The trade lawyer in recent years has been strongly critical of Chinese trade practices.