

# CANADA-ARKANSAS STEEL & ALUMINUM TRADE: FAIR & SECURE

Canada should have a permanent exemption for U.S. steel and aluminum tariffs.

Our industries are integrated and we are partners in defense. In the interim, we will pursue dollar for dollar countermeasures totaling \$16.6 billion CAD. Here is what this means for Arkansas:

### \$101 MILLION OF ARKANSAS' EXPORTS TO CANADA ARE FACING A 25% COUNTERMEASURE, INCLUDING:

Other casing or tubing, of a kind used in drilling for oil or gas (HS730429)	\$37 million
Railway or tramway track construction material of iron or steel: Fish-plates & sole plates (HS730240)	\$26 million
Other tubes, pipes & closed hollow profiles, of iron or steel (HS7306)	\$18 million
Other tubes, pipes & closed hollow profiles, 16 inches diameter, of iron or steel (HS7305)	\$10 million
Flat-rolled products of iron or non-alloy steel, ≥24 inches wide, hot-rolled (HS7208)	\$4 million
Wire of iron or non-alloy steel (HS7217)	\$3 million
Tubes & pipes, of circular cross-section, of stainless steel: Cold-drawn or cold-rolled (HS730441)	\$1 million
Flat-rolled products of iron or non-alloy steel, ≥24 inches wide, cold-rolled (HS7209)	\$646,081
Other bars & rods, shapes & sections, or hollow drill bars & rods, of alloy or non-alloy steel (HS7228)	\$366,779
Wire of stainless steel (HS7223)	\$159,516

### \$161 MILLION OF ARKANSAS' EXPORTS TO CANADA ARE FACING A 10% COUNTERMEASURE, INCLUDING:

Other paper & paperboard coated, impregnated or covered with plastics (HS481159)	\$48 million
Printed or illustrated postcards bearing greetings, messages or announcements (HS490900)	\$28 million
Other sacks bags & cones of polymers of ethylene (HS392321)	\$13 million
Other sacks bags & cones of polymers of ethylene (HS392321)	\$12 million
Herbicides, anti-sprouting products & plant-growth regulators ≤1.36 kg per package (HS380893)	\$10 million
Prepared meals, of bovine (HS160250)	
Other seats, with wooden frames: Upholstered (HS940161)	\$6 million
Pizza & quiche (HS190590)	
Aluminum structures & parts prepared for use in structures (HS7610)	\$5 million
Aluminum bars, rods & profiles (HS7604)	\$4 million
Outboard motorboats, other vessels for pleasure or sports, nes (HS890399)	\$4 million
Organic liquid or cream preparations for washing the skin, for retail sale (HS340130)	\$2 million
Aluminum foil ≤0.2 mm thick (HS7607)	\$2 million
Manicure or pedicure preparations (HS330430)	\$2 million
Boards, panels etc., electric switch & numeric control apparatus (HS8537)	
Automatic regulating or controlling instruments & apparatus (HS9032)	
Other paper & paperboard, ≥40 g/m²&<150 g/m² weight, ≤435 mm x ≤297 mm unfolded (HS480256)	
Household articles & hygienic or toilet articles, of plastics (HS392490)	\$1 million

Unless noted, all figures are in US dollars



"Americans remain our partners, friends, and allies. This is not about the American people. We have to believe that at some point their common sense will prevail."

-Canadian Prime Minister Justin Trudeau





# CANADA-U.S. STEEL AND ALUMINUM TRADE: FAIR AND SECURE

Canada buys more iron and steel from the U.S. than it sells—more than \$2 billion last year. The U.S. also has a significant surplus in steel mill products and we are natural allies when it comes to aluminum. **Canada should have a permanent exemption from U.S. tariffs on steel and aluminum**.

### **OUR INDUSTRIES ARE INTEGRATED**

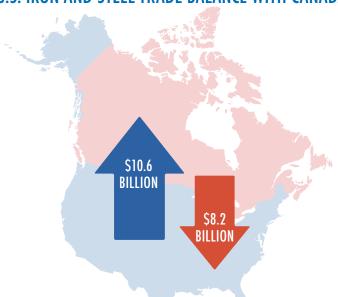
The U.S. and Canadian steel and aluminum industries are deeply integrated with significant cross-border operations. Many U.S. firms rely on Canadian iron, steel, and aluminum imports as raw materials or components of finished products in the automotive, construction, energy, aerospace, defense, and agri-food sectors. Steel producers like ArcelorMittal, Tenaris, Evraz, and Nucor (Harris Steel) have facilities on both sides of the border, employing thousands of Canadian and American workers. The same goes for aluminum: companies like Alcoa and Rio Tinto have footprints in both the U.S. and Canada; and the industry directly supports roughly 160,000 U.S. workers.

### WE ARE PARTNERS IN DEFENSE

The Canadian Armed Forces fought with the U.S. in World Wars I and II and are partners in today's war on terror. Together, we have the world's only integrated binational force at the North American Aerospace Command (NORAD), celebrating its 60<sup>th</sup> anniversary this year. Canada is recognized as a security partner in U.S. law as part of the U.S. National Technology and Industrial Base, and has long been considered a highly reliable supplier of aluminum, in particular to the U.S. defense industry.



# U.S. IRON AND STEEL TRADE BALANCE WITH CANADA



2015–2017 average U.S. exports and imports

## WE ARE NATURAL ALLIES

Most U.S. and Canadian steel and aluminum workers share the same union and the same concerns about global trade. Both Canada and the U.S. have a persistent steel trade deficit with the rest of the world, and we strongly enforce similar anti-dumping and countervailing duties against problematic imports. Our customs compliance officers review 100% of the goods that are subject to these duties. Put simply, Canada is not a "back door" for steel and aluminum imports into the U.S. from other countries. We are on the front lines with the U.S., strengthening our customs regime to protect workers on both sides of the border.

"From day one, I have made clear that the only country which deserved to be exempted on a factual and policy basis was Canada ... Canada has a unique supply relationship to meet our defense procurement needs."

—Leo Gerard, President, United Steelworkers International

