Trump says he will impose 25% tariffs on all steel and aluminum imports

By Niha Masih and David J. Lynch The Washington Post

President <u>Donald Trump</u> said he will announce a 25 percent tariff on all steel and aluminum imports Monday, and that he plans to impose reciprocal tariffs on U.S. trading partners later this week.

"Any steel coming into the United States is going to have a 25 percent tariff," Trump told reporters aboard Air Force One on Sunday. "Aluminum, too."

Last year, Canada was the top steel supplier to the United States, followed by Brazil, Mexico, South Korea and Vietnam, according to data from the <u>American Iron and Steel Institute</u>.

The United States also gets about two-thirds of its primary aluminum from Canada, according to the <u>Aluminum Association</u>. Primary aluminum is produced directly from mined ore.

Separately, Trump said he will announce reciprocal tariffs, probably on Tuesday or Wednesday, affecting all U.S. trading partners. "Very simply, if they charge us, we charge them," Trump said, adding that they will go into effect "almost immediately."

Trump has made several confrontational trade-related threats since he took office.

Last month, he announced tariffs on goods from <u>Colombia</u> but backed off after the country agreed to continue accepting deportation flights. His tariffs on imports from <u>Canada and Mexico</u> were deferred for 30 days after the countries agreed to intensify efforts to block the flow of illicit drugs and migrants.

Last week, Trump's 10 percentage point increase in tariffs on Chinese goods came into effect, prompting the announcement of <u>retaliatory measures</u> from Beijing.

"Canadian steel and aluminum support key industries in the U.S. from defence, shipbuilding and auto," Canadian Innovation, Science and Industry Minister <u>François-Philippe Champagne</u> said on X.

The Canadian Steel Producers Association said the tariffs would devastate the sector and its workers. In a <u>statement</u>, it urged the government to fight back. "While the target of Canadian steel and aluminum is completely baseless and unwarranted, we must retaliate immediately," it said.

In 2018, during his first term, Trump imposed tariffs on steel and aluminum, which resulted in <u>retaliation</u> from U.S. allies, including Canada and the European Union.

The previous 25 percent tariff on steel and 10 percent tariff on aluminum imports from Canada and Mexico were <u>lifted</u> in 2019 after a deal. They were <u>welcomed</u> by some U.S. companies that produce the metals and benefited from protections but were harmful for other companies, which had to buy metals at higher prices.

Trump's latest plan for reciprocal tariffs, by unilaterally overhauling the existing U.S. tariff structure, could run afoul of its commitments to the World Trade Organization and would upend global trade patterns.

WTO members are required to offer the same tariff rates to all other members, with a few exceptions such as in cases of national security. Adopting a reciprocal system would result in varying tariff rates for different trading partners.

One former U.S. trade negotiator said the president's plan would represent the most significant trade policy change since the late 1940s.

"Moving away from what is known as 'unconditional MFN' where each WTO member pledges to give to every other member the lowest rate they offer to any country is the biggest change in global trade since" 1947, John Veroneau, a partner at Covington & Burling in Washington, D.C., told The Washington Post last week.