HURON CHAMBER OF COMMERCE

Connecting Community Leaders

Chamber Report

U.S. Tariff Status

3 April 2025

Introduction

This report has been prepared by the **Huron Chamber of Commerce**, on behalf of the **Huron Economic Response Task Force**, to provide a clear and accessible explanation of the tariff measures introduced by the United States in 2025 that directly affect Canadian exports. While this is a matter of international trade policy, it carries real significance for local economies that rely on cross-border commerce — including here in Huron County, where businesses in manufacturing, agriculture, and transportation sectors often depend on smooth access to U.S. markets.

Tariffs Finalized and In Effect

25% Tariff on Imported Automobiles (Effective April 3, 2025)

The U.S. has imposed a 25% import duty on all foreign-made passenger vehicles, including those manufactured in Canada. This marks a reversal of previously negotiated side protections under USMCA. While some U.S.-made parts may be deducted from the customs value, the tariff applies to most fully assembled Canadian-built vehicles.

Steel and Aluminum Tariffs Reinstated

The U.S. has reimposed national security-based tariffs on Canadian steel and aluminum under Section 232. Canadian steel now faces a 25% tariff, and aluminum is subject to a 10% tariff. These tariffs had been lifted in 2019 but were reinstated in March 2025.

10% "Reciprocal" Tariff – Baseline Import Duty (Effective April 5, 2025)

The U.S. has introduced a new 10% tariff on nearly all imported goods. However, Canadian and Mexican goods that comply with USMCA rules of origin are exempt from this tariff. This exemption preserves duty-free access for the vast majority of Canadian exports, including agricultural products, manufactured goods, and processed foods.

25% Tariff on Non-USMCA Goods (Already in Effect)

In a separate 2025 trade action, the U.S. implemented a 25% tariff on goods from Canada and Mexico that do not meet USMCA rules of origin — particularly those with significant foreign content. In some cases (e.g., natural gas or fertilizer), the tariff is set at 10%.

Proposed or Threatened Tariffs (Not Yet in Effect)

Higher Tariffs on Countries with Trade Surpluses (Effective April 9, 2025)

The White House has announced that countries with large trade surpluses with the U.S. will face tariffs higher than the 10% baseline, effective April 9. Canada is not on that list — but the administration has indicated that it retains the right to revisit this decision.

Future Action on Dairy and Lumber – Still Possible

While no new tariffs have been announced on Canadian dairy or softwood lumber, both sectors have been mentioned repeatedly by U.S. officials as potential targets. President Trump specifically cited Canadian dairy tariffs and longstanding disputes over lumber in his April 2 announcement.

Potential Escalation Language

The executive order from April 2 gives the U.S. President the authority to increase or expand tariffs further, particularly in response to any retaliatory actions by trading partners. While no such escalation has been directed at Canada as of this writing, the mechanism is now in place.

Timeline of Key U.S. Tariff Announcements in 2025

January 20, 2025
On Inauguration Day, President Trump signs the "America First Trade Policy" memorandum, launching a comprehensive review of U.S. trade deficits.

February 13, 2025
A White House memo titled "Reciprocal Trade and Tariffs" outlines plans to level trade relations with key partners, including Canada.

Mid-March 2025
Tariffs on Canadian steel and aluminum are reinstated under Section 232 national security powers.

April 2, 2025
The White House issues a sweeping trade order, declaring a national emergency based on the U.S. trade deficit. This includes the 10% reciprocal tariff, 25% auto tariff, and reaffirmation of the 25% tariff on non-USMCA goods.

April 3, 2025
The 25% tariff on all imported passenger vehicles officially goes into effect.

April 5, 2025
The 10% reciprocal baseline tariff takes effect for most non-USMCA goods.

April 9, 2025
The U.S. will implement elevated tariffs on select trade-surplus countries. Canada is not affected.

Conclusion

The 2025 U.S. tariff regime represents the most comprehensive overhaul of American trade enforcement since the early 1990s, with deep consequences for Canada's export-driven economy. While USMCA rules of origin have protected the majority of Canadian goods, select sectors — particularly automotive and steel — now face steep barriers to their most important export market.

The Huron Chamber of Commerce continues to monitor developments on behalf of the business community across Huron County. Many employers in the region are watching closely for further developments that may affect their access to U.S. customers and supply chains.

Canadian Chamber of Commerce

"The world is waking up today to a reality that Canada has been living with for months. Businesses around the world have had their uncertainty expanded, the effects of which will undoubtedly boomerang to Canada as well. This chain reaction of tariffs and counter-tariffs will have a real and distressing economic impact on Americans, Canadians and the global economy. We hope that today's positioning regarding Canada by the U.S. is part of a path to real negotiation, ultimately leading to long-term partnership focused on continental economic security and resilience."
Candace Laing, President & CEO

Ontario Chamber of Commerce

"President Trump has declared today 'Liberation Day,' but the only thing being liberated is hard-earned cash from the pockets of American consumers, who will pay these tariffs. Canadians can take some comfort in being spared the worst of today's announcement, thanks to the hard work of our political and business leaders in defending Canada's interests, and those of businesses, workers and communities in both countries. "
Daniel Tisch, President & CEO

U.S. Chamber of Commerce

"What we have heard from business of all sizes, across all industries, from around the country is that these broad tariffs are a tax increase that will raise prices for American consumers and hurt the economy. We urge policymakers to instead focus efforts on accelerating the pro-growth agenda of extending our current tax policy, re-balancing regulations, and unleashing the full potential of American energy – all policies that will grow the economy and create more opportunities for Americans. In addition, the U.S. should begin negotiating new trade agreements to open up more markets for businesses and workers which will support more American jobs and lower prices."
Neil Bradley, Chief Policy Officer