United States Tariff Situation

December 2025 Update

SPC Finance and Economic Development

North Committee Room Council Building, 510 Main Street

Wednesday, December 10, 2025

Winnipeg

Presentation outline

1. Current U.S. and Canada tariff policies
2. Emerging U.S. Trade Policy Items to Monitor

Current U.S. Tariff Measures on Canada: Previously Announced

Item	Tariff Rate	Effective Date	Remarks
$800 de minimis exemption rescinded	N/A	August 28, 2025	For low value products being exported from Canada into the United States
Aluminum and Steel	50%	June 4, 2025	Up from 25% prior to June 4
Copper	50%	August 1, 2025	
Lumber	35%	Mid-August 2025	Up from 14.5% prior to August 2025
Non-CUSMA compliant exports	35%	August 7, 2025	Up from 25% prior to August 7
Non-CUSMA Compliant Potash and Energy Products	10%	April 2, 2025	
Non-U.S. content on CUSMA compliant motor vehicles	25%	April 2, 2025	

Sources: Government of Canada, United States Government. Information current as of December 1, 2025.
Note: CUSMA is an acronym that stands for Canada-United States-Mexico Agreement.

Current U.S. Tariff Measures on Canada: Newly Announced

Item	Tariff Rate	Effective Date	Remarks
Buses	10%	November 1, 2025	
Certain Upholstered Furniture	30%	January 1, 2026	Tariff rate is 25% from October 14, 2025, to December 31, 2025; then increases in 2026.
Kitchen Cabinets and Vanities	50%	January 1, 2026	Tariff rate is 25% from October 14, 2025, to December 31, 2025; then increases in 2026.
Medium and Heavy-Duty Trucks	25%	November 1, 2025	Tariff applies only to non-American parts

Sources: Government of Canada, United States Government. Information current as of December 1, 2025.
Note: CUSMA is an acronym that stands for Canada-United States-Mexico Agreement.

Current Canadian Tariff Measures on the U.S.

Item	Tariff Rate	Effective Date	Remarks
~~Multiple (initial counter tariffs)~~	~~25%~~	~~March 4 and 16, 2025~~	Effective September 1, 2025, Canada removed 25% tariffs on $44 billion in goods that were initially put in place in March 2025.
Aluminum and Steel	25%	March 13, 2025	Canadian counter tariffs on aluminum and steel remain in place.
U.S. content of CUSMA-compliant automobiles	25%	March 13, 2025	Canadian counter tariffs on U.S. content of CUSMA-compliant automobiles remain in place.

Sources: Government of Canada, United States Government. Information current as of December 1, 2025.
Note: CUSMA is an acronym that stands for Canada-United States-Mexico Agreement.

Emerging U.S. Trade Policy Items to Monitor

Significant uncertainty in U.S. trade policy remains, and there are several future developments to monitor, including:

- **Pharmaceutical tariffs:** 100% tariff announced on September 26, 2025, but no implementation date has been set. Initial plan is to exempt companies with manufacturing facilities planned or under construction in the U.S.
- **Film tariffs:** 100% tariff on films produced outside the United States has been mentioned, but not implemented
- **Additional 10% tariff on Canada:** announced on October 25, 2025, in response to Ontario-run anti-tariff Ad Campaign, but has not been implemented
- **Supreme Court Case Decision on IEEPA-related Tariffs:** many U.S. tariffs applied to Canadian goods fell under the “International Emergency Economic Powers Act”, or IEEPA.
  - The Supreme Court held hearings in November 2025 and could decide in the coming months on the legality of these tariffs. Alternative options may exist to keep tariffs in place if the Supreme Court strikes down IEEPA tariffs
  - This includes tariffs for energy and all 35% tariffs
  - Does not include steel, aluminum, copper, or wood products (“Section 232” national security-based tariffs), or auto tariffs
- **CUSMA Review:** the Canada-United States-Mexico Agreement (CUSMA) is up for a review scheduled for July 2026. Tariff disputes are expected to be a key point of contention in discussions.

Questions?

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