TARIFFS

What's Past Is Prologue

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Mechanical Contractors Association of America

There Are No Saints in the Tariff Business

Where the World Is Charging Most Tariffs

Applied weighted mean tariff rate (all products), by country

Legend:
- 15%+
- 10-14.9%
- 5-9.9%
- 2-4.9%
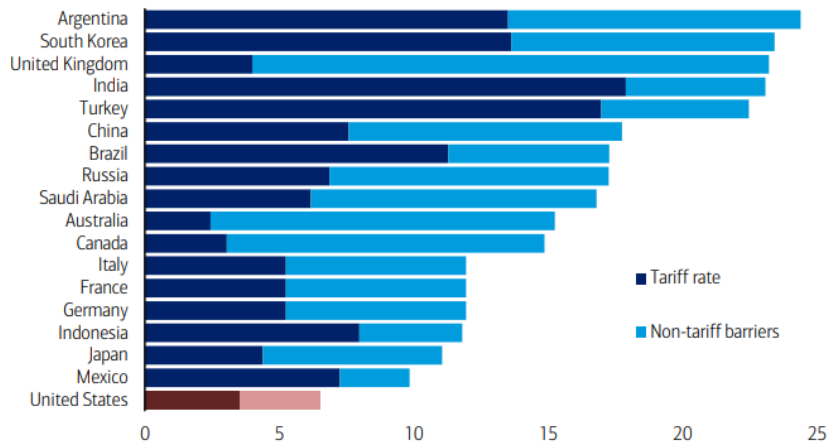- 0-1.9%
- No (recent) data
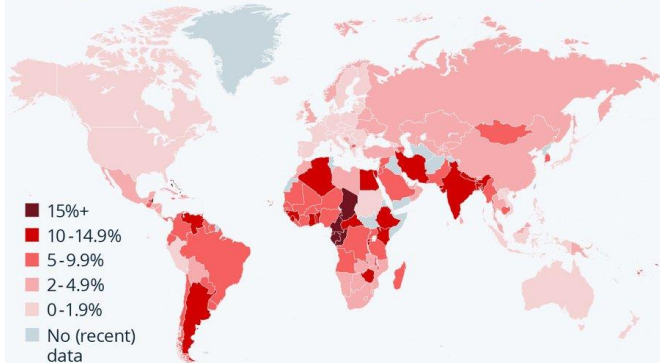
Recent new tariffs in the U.S./China/Canada have raised levels there
Latest available (2021-2022). DRC, Syria, Iran, Haiti: 2020. Egypt: 2019
Source: World Bank

statista

Exhibit 5: "Free trade"
G20 trade barriers by type, data as of 2022 to 2023, %

Countries (top to bottom): Argentina, South Korea, United Kingdom, India, Turkey, China, Brazil, Russia, Saudi Arabia, Australia, Canada, Italy, France, Germany, Indonesia, Japan, Mexico, United States

Legend:
- Tariff rate
- Non-tariff barriers

Source: BofA Research Investment Committee, World Bank, PWC; tariff rate = MFN simple average, barriers = average ad valorem equivalent; UN Trade and Development data used for non-tariff barriers in Saudi Arabia, China, Türkiye, India, and South Korea; Non-tariff barriers include regulations, rules of origin, and quotas.
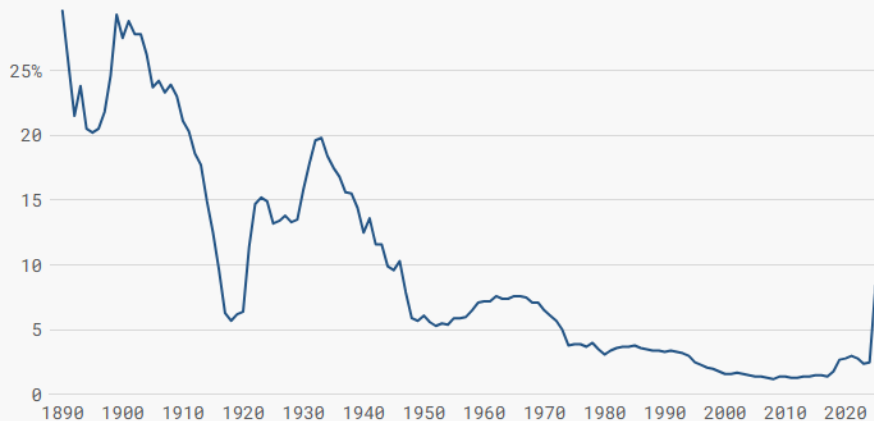
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Proposed Tariffs: A Time Machine to 1946

Trump's Average Tariff Rate Would Be Highest Since 1946

Average Tariff Rate on All Imports, Historical Rates from 1890-2023, Projected Rate for 2024, Estimated Rate for 2025 Under Trump's Imposed Tariffs
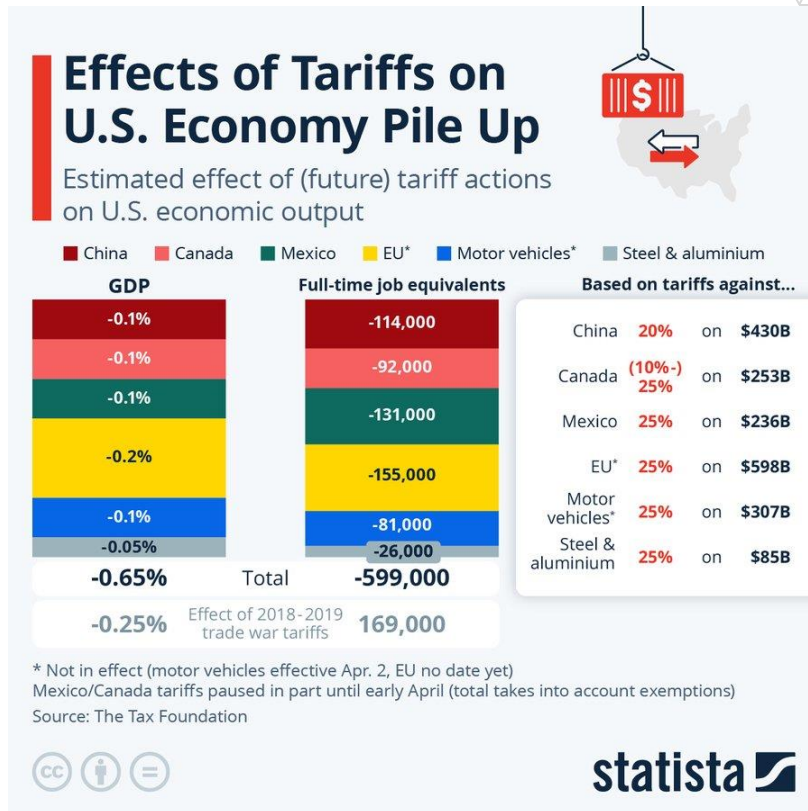
Note: Tariff revenue estimate uses an elasticity of -0.997 and a noncompliance rate of 8 percent.
Source: US Census Bureau, *Historical Statistics of the United States: Colonial Times to 1970*, Part II; US International Trade Commission, "U.S. imports for consumption, duties collected, and ratio of duties to values, 1891-2023, (Table 1)"; Tax Foundation calculations.

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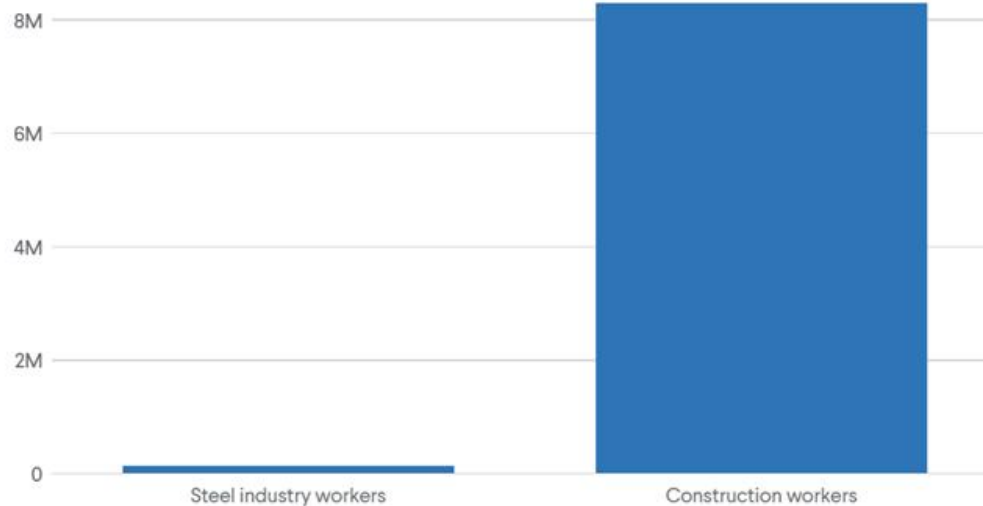
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Tariffs Reduce GDP, Increase Job Losses

Effects of Tariffs on U.S. Economy Pile Up

Estimated effect of (future) tariff actions on U.S. economic output

Legend: China · Canada · Mexico · EU* · Motor vehicles* · Steel & aluminium

GDP	Full-time job equivalents	Based on tariffs against...		
-0.1%	-114,000	China	20%	on $430B
-0.1%	-92,000	Canada	(10%-) 25%	on $253B
-0.1%	-131,000	Mexico	25%	on $236B
-0.2%	-155,000	EU*	25%	on $598B
-0.1%	-81,000	Motor vehicles*	25%	on $307B
-0.05%	-26,000	Steel & aluminium	25%	on $85B
-0.65% Total	**-599,000**			
-0.25% Effect of 2018-2019 trade war tariffs	169,000			

* Not in effect (motor vehicles effective Apr. 2, EU no date yet)
Mexico/Canada tariffs paused in part until early April (total takes into account exemptions)
Source: The Tax Foundation

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Is the Juice Worth the Squeeze?

Far More U.S. Jobs Are in Construction, a Major Steel User, Than the Steel Industry
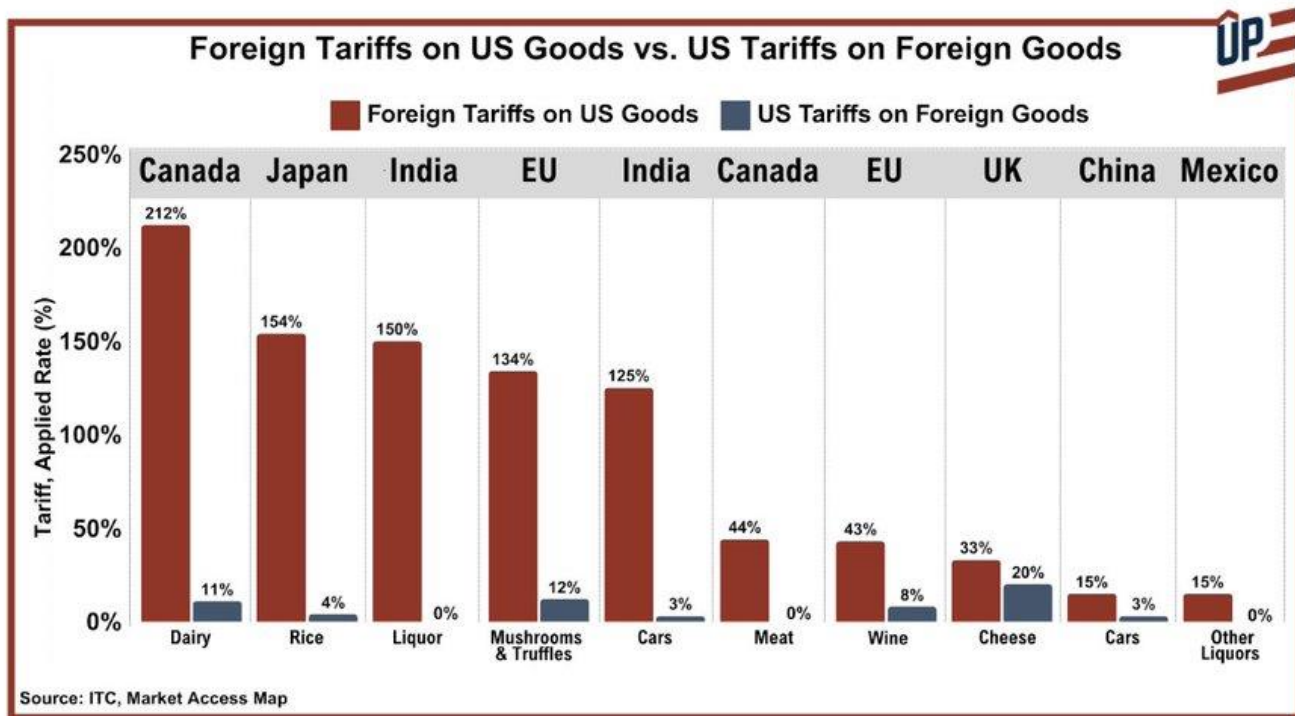

Note: Data is as of 2024.

Source: U.S. Geological Survey, Mineral Commodities Summaries; Bureau of Labor Statistics.
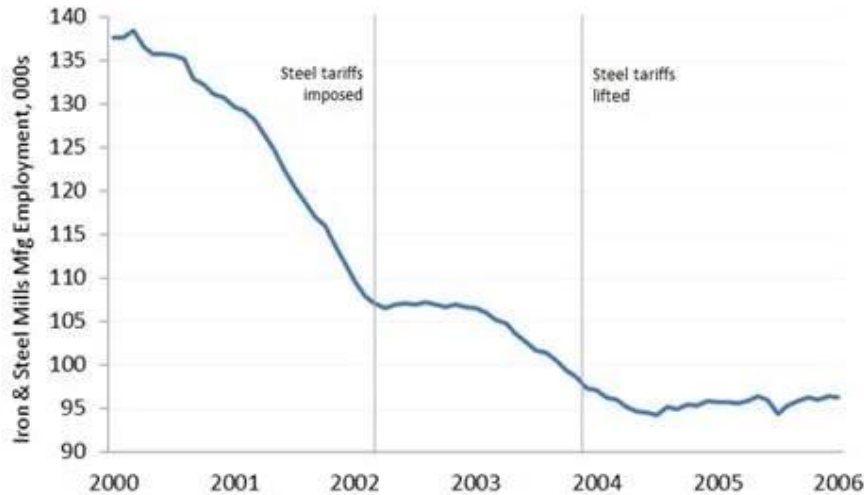
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Is US' Frustration Justified?

Foreign Tariffs on US Goods vs. US Tariffs on Foreign Goods

■ Foreign Tariffs on US Goods   ■ US Tariffs on Foreign Goods

	Canada	Japan	India	EU	India	Canada	EU	UK	China	Mexico
Foreign	212%	154%	150%	134%	125%	44%	43%	33%	15%	15%
US	11%	4%	0%	12%	3%	0%	8%	20%	3%	0%
Good	Dairy	Rice	Liquor	Mushrooms & Truffles	Cars	Meat	Wine	Cheese	Cars	Other Liquors

Tariff, Applied Rate (%)

Source: ITC, Market Access Map
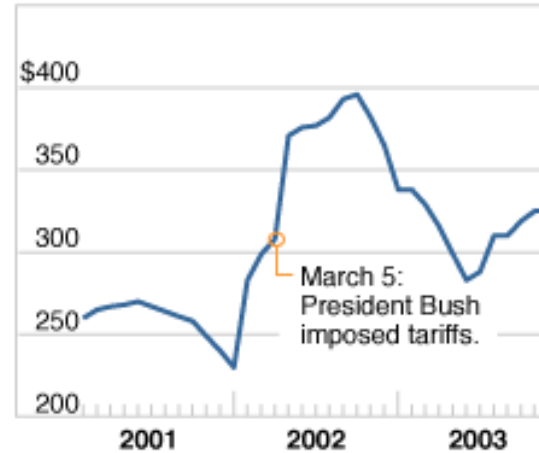
We've Been Down That Road Before…

Bush Steel Tariffs Didn't Save Jobs

Source: Bureau of Labor Statistics

STEEL CLIMBS BACK

U.S. spot prices for hot-rolled band steel, per metric ton, from Tier 1 (high quality) producers.

March 5: President Bush imposed tariffs.

Source: World Steel Dynamics

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STATUS	COUNTRY	DESCRIPTION
In effect Feb. 4	China	10% on all imports ›
In effect March 4	Mexico	25% on all imports ›
In effect March 4	Canada	25% on most imports, lower rate for energy ›
In effect March 4	China	Additional 10% on all imports ›
Partially Suspended March 6	Canada and Mexico	Reprieve for goods that fall under the USMCA trade pact ›
In effect March 12	World	25% on aluminum and steel ›
Planned April 2	World	Unspecified tariff on all agricultural products
Planned April 2	World	Unspecified tariff on all foreign cars ›

Source: Peterson Institute for International Economics, Wells Fargo Economic Insights · The New York Times

Key Tariff Dates

A Pathway Forward

- Prepare Now for Possible Cost Escalations

- Consider Strengthening US Supply Partners

- Your MCAA Team Is Monitoring Matters Closely