



News from the Coalition of American Metal Manufacturers and Users

For Immediate Release
March 25, 2020

Contact: Maya Bogle, 202-828-1727
Yemaya.Bogle@Bracewell.com

Metal Manufacturers to President Trump: End Section 232 Steel and Aluminum Tariffs Immediately

The Coalition of American Metal Manufacturers and Users (CAMMU) issued the following statement:

“The Coalition of American Metal Manufacturers and Users (CAMMU) strongly urges the Trump Administration to immediately terminate the Section 232 steel and aluminum tariffs to help U.S. manufacturers during this time of unprecedented crisis caused by the COVID-19 pandemic.

If immediate termination is not possible, CAMMU urges at least a 90-day pause on tariff collections as small and medium manufacturers struggle with cash flows. Quick and decisive action to mitigate the ongoing economic damage to manufacturers is urgently needed right now.

With the Federal Reserve predicting a 30 percent unemployment rate and American businesses and citizens facing an unprecedented economic challenge over the next weeks and months, removing the tariffs is essential. Many steel- and aluminum-using manufacturers are supplying parts to the medical equipment industry and other essential sectors, and the U.S. government should be doing everything in its power to help them instead of needlessly taxing their operations with tariffs.

At their two-year anniversary, the 232 tariffs are unquestionably hurting steel-using manufacturers and consumers across the U.S. Even before the economic emergency caused by the pandemic, ever greater numbers of manufacturers were reporting lost business to overseas competitors because of higher steel prices in the U.S. and long delivery times for steel from their U.S. suppliers due to the domestic steel industry’s proven inability to meet demand. Now, as manufacturers do everything they can do to keep their doors open, and Congress prepares to provide unprecedented relief, the Administration needs to remove this damaging tax on U.S. businesses.

In addition to the numerous reports that we are receiving from CAMMU member companies about the negative impacts of the tariffs on their businesses, there is considerable data demonstrating the damage that tariffs were causing to the U.S. manufacturing sector and the broader U.S. economy BEFORE the current economic crisis caused by the pandemic:

- According to a [study](#) by the Federal Reserve Board, manufacturers most exposed to tariffs experienced a **4.1% increase in factory-gate prices** and a **reduction in employment of 1.4%**. The import protection effect of tariffs (0.3%) is **more than offset** by the negative effects associated with rising input costs (-1.1%) and retaliatory tariffs (-0.7%).

more

- According to a [study](#) “The Impact of the 2018 Tariffs on Prices and Welfare,” in the *Journal of Economic Perspectives*, tariffs cost U.S. consumers and importing businesses **\$3.2 billion per month in added taxes** and another **\$1.4 billion per month in efficiency losses**.
- A [compilation](#) of peer reviewed study estimates of the average cost per household for tariffs ranges from **\$500 to \$1,730**.
- According to Moody’s [Analytics](#), “Trade War Chicken: The Tariffs and the Damage Done,” the trade war had reduced U.S. employment by 300,000 and reduced U.S. GDP by 0.3% compared with likely employment and GDP levels absent the trade war.

Mr. President, on behalf of the thousands of metal-using manufacturers across the United States, we urge you to provide relief from these tariffs as soon as possible. The manufacturing sector you pledged to protect depends on it.

###

The Coalition of American Metal Manufacturers and Users is a broad organization of U.S. businesses and trade associations representing over 30,000 companies and over one million American workers in the manufacturing sector and the downstream supply chains of industries including aerospace, agriculture, automotive, consumer goods, construction, defense, electrical, medical, and recreational, among others. The Coalition was formed to oppose the Section 232 steel and aluminum tariffs which threaten American jobs and global competitiveness. For additional information, visit www.tariffsaretaxes.org and follow the Coalition on Twitter at [@tariffsaretaxes](https://twitter.com/tariffsaretaxes).