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CAMMU Statement on Expansion of Section 232 Steel and Aluminum Tariffs

Washington, D.C. – The Coalition of American Metal Manufacturers and Users (CAMMU) today issued the following statement on the expansion of the Section 232 tariffs on steel and aluminum:

“The expansion of 25 percent tariffs on steel and the addition of new 25 percent tariffs on aluminum imports place U.S. manufacturers at a tremendous disadvantage—including those who do not import these raw materials—by distorting the global competitive landscape. The U.S. economy is deeply integrated with Mexico and Canada, and supply chains cannot be restructured overnight, leaving U.S. companies in an untenable position.

The reality is that the U.S. does not produce enough steel or aluminum to meet domestic demand, and new production facilities cannot be built instantly. Expanding tariffs to include not only Mexico and Canada but also countries that were previously operating under quotas (Brazil, South Korea, Argentina) and tariff-rate quotas (European Union, United Kingdom, and Japan)—and doing so without an exclusion process—could further strain supply chains, drive up costs, and exacerbate material shortages for U.S. manufacturers.

Small and medium-sized manufacturers, who are often locked into sourcing decisions made by OEMs, will be hit hardest. They will struggle to absorb these cost increases, making them less competitive against overseas rivals who have unrestricted access to steel and aluminum because they are unencumbered by government intervention and price increases.

To support these companies, a robust and efficient process must be implemented to include derivative products affected by these tariffs. Without a streamlined mechanism to address these downstream impacts, the tariffs could impede their ability to compete and sustain their businesses, in effect hollowing out the same U.S. manufacturing companies the administration seeks to protect.”

Below are statements from U.S. manufacturers on the expansion of Section 232 tariffs.

The following are quotes from U.S. manufacturers across the country highlighting the impact of the expanded Section 232 steel and aluminum tariffs:

- “For three decades we have been building a strong North American economic engine capable of competing well with almost any other country or region in the world. President Trump, please don’t throw the baby out with the bathwater. “
- “The United States already pays 65% more for steel than the world average. These new tariffs will only exacerbate this differential making domestic consumers like our company less competitive against our foreign competitors. Putting tariffs on raw steel discourages the importation of steel, but only encourages products made from steel to be imported. Many more U.S. jobs will be lost as a result of the steel tariffs. I can’t imagine this was the administration intent.”
- “Manufacturers in the US already pay the highest relative price for metals in the industrialized world. The new tariffs and the restrictions they will create are certain to cause supply issues by restricting and disrupting availability which will drive our costs even higher. Not only will this fire the flames of inflation, but it will also make us less competitive in the global market. Rough roads are ahead.”
- “In many cases the Mexico facilities are strategically critical in strengthening the market position of companies who also have US based facilities. Further, in our situation, virtually all our competitors manufacture in China and sell well below our pricing. The tariff on Mexico in fact strengthens China’s market position against us in the US.”
- “My company was in the process of reshoring a package of steel components which we would export to a Mexico automotive manufacturer that would increase our annual sales by almost 20%. This business is now in jeopardy of being sourced elsewhere. The US has every right to apply tariffs on overproduced Chinese steel, but without applying tariffs on steel content of downstream products and assemblies which are made with cheap, subsidized foreign steel, the tariffs effectively put us at a severe competitive disadvantage. Every time steel tariffs are applied, the US manufacturing sector is just considered collateral damage even though there are at least 8 manufacturing jobs for every steel worker job.”
- “A united USMCA focused on a stable supply chain and pricing will ensure minimal market disruption. It is very difficult for any company in this industry to move supply chains or re-qualify operations within an acceptable time frame.”
- “A stable and predictable trade policy is crucial for businesses like mine that rely on steel. Constant changes in tariffs has created uncertainty and paralyzed my ability to make medium to longer-term strategy decisions and understand where to invest. While tariffs are intended to protect domestic steel producers, I’ve observed that domestic steel prices have also increased significantly, eroding any cost advantage of buying U.S.-made materials. Tariff policy should be structured in a way that supports both raw material producers and manufacturers like myself who rely on these materials to remain competitive.”

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.
For additional information, visit <https://www.tariffsaretaxes.org/>.

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