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Contact:

Sam Spiegleman

Sam.spiegleman@bracewell.com

CAMMU Statement on Doubling 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 doubling of section 232 steel and aluminum tariffs:

The Coalition of American Metal Manufacturers and Users (CAMMU) is concerned that the doubling of steel and aluminum tariffs will have the unintended consequence of driving even more U.S. manufacturing overseas.

U.S. metal-using manufacturers are already paying significantly more for steel than their global competitors. For example, according to SteelBenchmarker, the price of hot-rolled steel in the United States is \$993 per ton, compared to \$384 in China and \$715 in the European Union. If this gap widens, customers will simply source finished products from abroad—putting our member companies and American jobs at risk.

The domestic steel industry has not been able to meet U.S. demand for years, and the situation is only getting worse. The recent closure announcements by Cleveland-Cliffs facilities in Pennsylvania and Illinois highlight a shrinking—not expanding—production base, even under the protection of Section 232 tariffs.

Making matters worse, the tariffs apply even to specialized steel and aluminum products not produced in the United States. These critical inputs—often sourced from trusted allies such as Canada, Japan, South Korea, and Western Europe—are essential to domestic manufacturing. With no exclusion process in place, U.S. manufacturers are forced to pay inflated, tariff-laden prices, making them less competitive globally. This uncertainty is already prompting customers to delay or cancel orders, threatening jobs, investment, and long-term planning.

Imposing steep tariffs on Canada, in particular, undermines the North American supply chain, disrupts the automotive industry, and damages a defense production-sharing agreement that has been in place since 1956.

The U.S. aluminum industry similarly cannot meet domestic demand. Even with the addition of a new smelter planned in Oklahoma, domestic producers can only supply about 30% of aluminum needed.

Furthermore, recent U.S. Customs and Border Protection guidance that applies the 50% tariff only to the steel or aluminum content in derivative products may invite tariff evasion, as importers look to reclassify goods or understate material values. Worse still, this structure does nothing to address the incentive for customers to purchase more finished products—those with less steel content and often excluded from the tariff schedule altogether.

Rather than trade policies that stifle investment, raise costs, and weaken our manufacturing base, American manufacturers deserve a trade environment that promotes stability, competitiveness, and long-term growth.

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.tariffstaxes.org/>.

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