



Canadian Honey Council ♦ Conseil Canadien du Miel
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Honey Tariff Information

On July 20, the U.S. Administration announced its intention to impose a new 50% tariff on approximately \$20 billion worth of Canadian goods under Section 338 of the U.S. Tariff Act of 1930, including a range of agricultural products. The tariffs are scheduled to take effect on August 19.

According to the U.S. Administration, the tariffs are intended to address what it describes as Canada's discriminatory treatment of U.S. exports in three categories:

- Motor vehicles
- Alcohol
- Dairy

Section 338 authorizes the U.S. President to impose duties on imports from a foreign country in response to measures deemed to discriminate against U.S. commerce. Unlike previous tariff measures, these tariffs would apply regardless of whether a product qualifies for preferential treatment under CUSMA, provided it is included on the list of covered goods. Natural honey is listed under the Motor Vehicles annex.

To begin with, this action may be a bargaining tool to get Canada to accept a trade deal that is more favourable to the US. That will be a government decision. It is clear that honey is not a source of irritation. They are just trying to hit as provocative and impactful a list as possible.

The Canadian Honey Council recognizes the huge impact this will have on beekeepers if the tariff is imposed. The American Honey Producers Association and the American Beekeepers Federation have been contacted and both associations were unaware of the actions the White House and have never called for a tariff on Canadian honey.

A trade lawyer has been contacted and we and will continue to discuss any options that might be available. The initial reaction, however, was this is a negotiation tactic but really highlights why the Canadian industry should move away on its reliance on the USA.

The Canadian Federation of Agriculture has been contacted, and they have prepared a background brief and are seeking information on the impacts it will have on the sector. This information will be used in their lobbying efforts.

AAFC trade negotiators will be contacted and informed of the impacts the tariffs will have on the sector. AAFC has hosted an information webinar and is information on various impacts that industry may experience. Of course, independent lobbying efforts to ensure

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bureaucrats and politicians are made aware of the devastating impacts this will have on the industry are being planned.

Finally, it is important that provincial politicians are aware of the situation and we are calling on all beekeepers to inform their provincial representatives of the concerns and impacts the tariff will have on their operations.

If you have any questions or suggestions, please do not hesitate to contact your provincial representative or the office.

Jake Berg
Chair
Canadian Honey Council

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