OXFORD ECONOMICS

MACROECONOMIC IMPACTS OF THE US-CANADA TRADE WAR ON ONTARIO

A report for the Association of Municipalities Ontario

April 2025

Executive Summary

- The US-Canada trade war threatens to derail what has historically been a close economic relationship, with major consequences.
- This report assumes tariffs took effect in mid-March 2025, with the US imposing 25% tariffs on non-energy imports (excluding the auto sector) and 10% tariffs on energy imports. We also assume Canada retaliated with tariffs on roughly half of its imports from the US. Although these tariffs were partially implemented as of early April, this analysis demonstrates the potential impacts of the publicly announced tariffs – a threat that remains and could still be fully enacted

Tariffs would significantly harm Ontario's economy, disproportionately impacting some industries, including construction.

- Ontario stands to be the hardest-hit Canadian province by tariffs, which are forecasted to eliminate 106,000 jobs and shrink its economy by $21 billion by mid-2026 – nearly half of the total national GDP decrease
- The construction sector will be hard hit, estimated to lose $2.6 billion from tariffs in 2026
- From 2025 to 2026, Ontario's municipalities face an estimated $1.8 billion fiscal impact on their revenues and expenditures

Executive Summary

Investments in municipal infrastructure would mitigate impacts for businesses, communities and workers in the short-term while increasing productivity in the longer-term

- Investments in municipal infrastructure have proven time and again to be the most effective way of deploying stimulus funds quickly and effectively across all parts of the province in times of economic downturn
- Investing $3.45 billion annually over 5 years in municipal infrastructure and social housing that will:
  - Reduce Ontario's GDP contraction by 28% over the same period
  - Result in over 14,000 fewer jobs lost in 2026, including almost 5,000 in the construction sector, and
  - Drive productivity gains and housing affordability over time through the construction and/or renewal of important public assets
    - These investments in municipal infrastructure would produce $6 billion in productivity gains in 2029 alone

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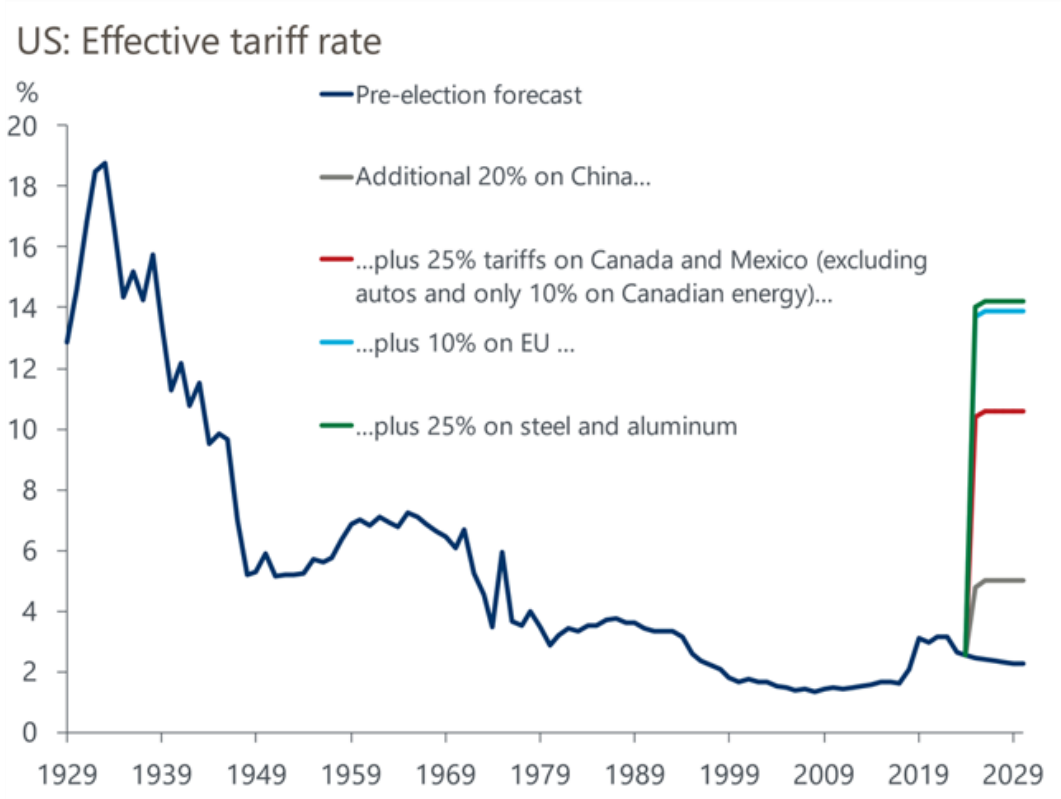
THE US-CANADA TRADE WAR

Impact on Ontario

Tariff scenario assumptions

- The US imposes tariffs of 25% on most imports from Canada and Mexico from April 2, with a lower 10% tariff on energy products and an exemption for transportation equipment
- In addition to the tariffs imposed on Canada and Mexico, we assume US tariffs on China and the EU, as well as a global 25% tariff on steel and aluminum
- Canada responds with tariffs as announced i.e. 25% tariffs covering $155 billion in US imports. Tariffs on $30 billion in US imports take effect March 2, with an additional tranche of $30 billion taking effect March 13, and the final $95 billion being implemented April 2
- Tariffs between the US and Canada remain in place until mid-2026, when a new Canada-United States-Mexico Agreement (CUSMA) is anticipated to reverse most of the hikes. We assume lower 10% tariffs will remain in place bi-laterally on certain metals and agricultural goods even after the new agreement is reached
- This report models the impact of tariffs compared to a no-tariff baseline, analyzing two time periods:
  - Two years (2025-2026): This period examines the impact of tariffs before a new US-Mexico-Canada trade deal is negotiated and most tariffs are reversed in July 2026
  - Five years (January 2025 - December 2029): This period models the long-term economic scarring from tariffs imposed between March 2025 and their reversal in July 2026



US trade policy has not imposed tariffs this high since the Great Depression. Threatened US tariffs could average 14% on imported goods this, an unprecedented one-year increase of over 10%

Scenario assumptions – changes since mid-March

- There have been several changes to US tariff policies, and the timing of Canadian retaliation, since the scenario was run in mid-March
- We estimate the effective tariff on Canadian exports to the US, and those placed on US imports, to be slightly lower than modelled in the scenario
- Despite less severe bi-lateral tariffs, the escalation of tariffs on other US trade partners suggests weaker global growth overall, which we expect may worsen the outlook for Canada on balance compared to the simulation results

	US tariffs on Canadian imports	Canadian tariffs on US imports
Modelled assumption	Tariffs: • 25% across the board on imports from Canada • 10% on energy • Immediate exemption for transportation equipment Timing: • March 4 for CUSMA non-compliant Canadian goods imports • April 2 for CUSMA compliant Canadian goods imports	Tariffs and timing: • March 4, 2025, 25% tariffs on C$30bn of US goods imports • March 13, 25% tariffs on additional C$29.8bn of US goods imports • April 2 25% tariffs on C$95bn of US goods imports (C$155bn in total goods imports covered, including earlier actions)
Current expectation	Tariffs: • 25% on steel and aluminum • 25% on non-CUSMA compliant autos and key auto parts • 25% on the non-US content of CUSMA compliant autos and key auto parts • 10% on non-CUSMA compliant energy and potash, and 25% on all other non-CUSMA compliant products Timing: • March 7, 2025 for non-CUSMA compliant products • March 12, 2025 for steel and aluminum • April 3, 2025 for autos and key auto parts	Tariffs and timing: • March 4, 2025, 25% tariffs on C$30bn of US goods imports • March 13, 25% tariffs on additional C$29.8bn of US goods imports (steel, aluminum, and other) • April 15, 2025, 25% tariffs on non-CUSMA compliant autos, 25% tariffs on the US content of CUSMA-compliant autos (C$34.6bn of US auto imports)

Note: analysis on this and the following slide also apply to Ontario.

How do tariffs impact the economy?

Policy	Transmission	Impacts on Canada
US tariffs on imports from Canada (and other trade partners)	• Higher prices for imports in the US result in substitution to domestic goods • Higher prices for imported goods in the US drive inflation higher, reducing consumption • Higher prices for intermediate goods erode competitiveness of US firms and squeeze profit margins, reducing investment • A pause on US interest rate cuts due to inflation reduce demand and strengthen the USD	• Lower US demand for imports reduces Canadian goods exports, reducing investment by Canadian firms and leads to job losses • CAD depreciation offsets some of the impact of tariffs on competitiveness of Canadian goods in US but lifts inflation • The external shock and resulting uncertainty weigh on consumer and business sentiment, exacerbating declines in consumption and investment
Canadian tariffs on imports from the US	• Higher prices for imports to Canada drive inflation higher, reducing consumer demand • Higher input costs erode competitiveness of Canadian firms and squeeze profit margins • Depreciation of the Canadian dollar aggravates inflation in Canada but boosts the competitiveness of Canadian goods and services in the US market	• Loss of demand and competitiveness further depressed investment • Higher prices for US imports lead to substitution to domestic suppliers, offsetting some, but not all, of the demand shock on Canadian producers • The shock to domestic inflation further weighs on sentiment, exacerbating declines in consumption and investment

Ontario: impacts from tariffs in summary

- US-Canadian tariffs threaten provincial jobs and overall economic prosperity. Due to its high exposure to US tariffs, Ontario will experience the largest declines among Canadian provinces in employment and GDP, and among the most severely impacted in terms of lost exports and investment
- Here's a snapshot of the main impacts:
  - **Trade:** If the US puts tariffs on imports, they'll buy 5.5% less from other countries by 2026 than they would without those tariffs. Ontario will be the most impacted province, and will see a drop of $17.4 billion* in its exports by 2026 compared to a no-tariffs baseline
  - **Investment:** Ontario businesses will invest $11.4 billion (5.1%) less in 2025 and 2026 than they would without tariffs
  - **Employment:** Ontario loses 106,000 jobs by 2026
  - **GDP:** Ontario's economy will be 1.7% smaller in 2026 than it would be without tariffs, resulting in the largest relative decline among the provinces. This represents a loss of $21 billion
  - **Industry:** Job and GDP contraction will unevenly impact industries. The construction industry will be severely affected, with its output declining more than twice the rate of the overall GDP. This will result in the sector's GDP being $2.6 billion lower in 2026 than it would have been without the tariffs
  - **Inflation:** Both consumer and construction prices increase in 2025, by 1 and 0.8 percentage points respectively dampening consumption and making municipal infrastructure projects more costly

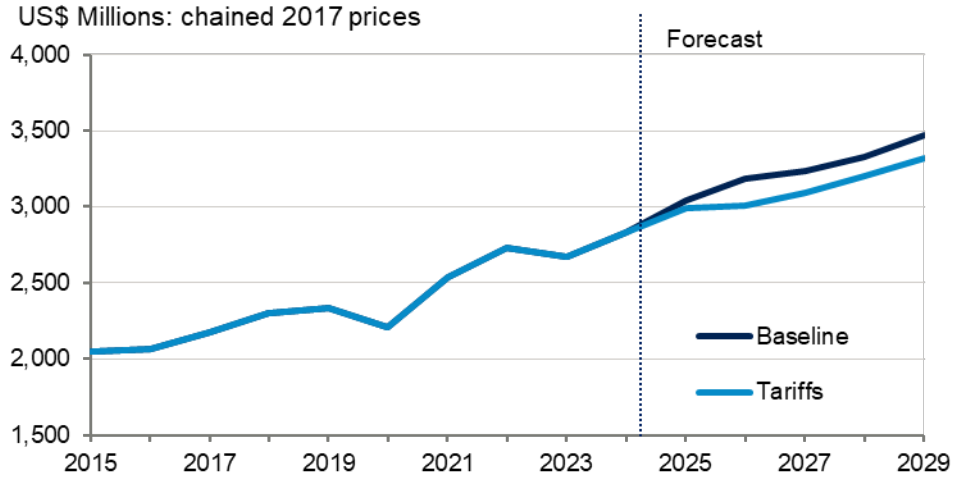
*Note: Real impacts are quoted at 2024 prices throughout this report

Ontario impacts: trade

- If the US puts tariffs on imports, they'll buy 5.5% less from other countries in real terms by 2026 than they would without those tariffs. This drop occurs because higher prices for goods will force Americans to buy fewer items overall. Additionally, as tariffs make imports more expensive, they will likely purchase more domestically produced goods instead
- This drop in US demand will hit Ontario's manufacturers hardest. They'll sell about 6.0% less to the US compared to what they would sell without tariffs, amounting to $16.6 billion less sales by 2026
- Overall, Ontario will export $17.4 billion (4.1%) less to the US by 2026 compared to a no-tariff situation

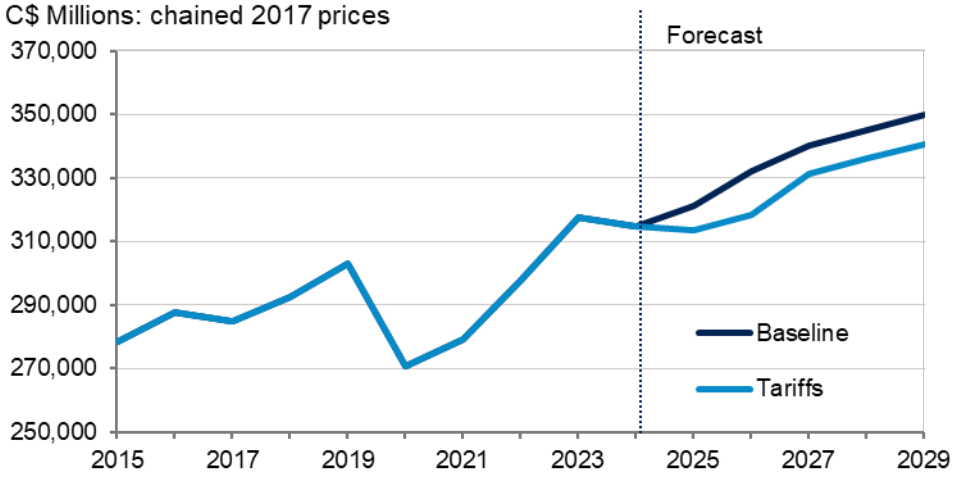
Note: the charts on this slide and others show the impacts to the economy in "real" terms i.e. the *volume* of goods produced, consumed, and traded rather than their value. This is typically done by holding the price level constant, which makes the values consistent and comparable over time. Statistics Canada publishes data on the real economy in chained 2017 prices. This measure of the price level attempts to account for the changing composition of consumption or production over time that occur because of the changes in prices of goods relative to one another. This method is thought by economists to give a more accurate representation of volume of goods and services produced in the economy.

US: Imports, international, real



Source: Oxford Economics

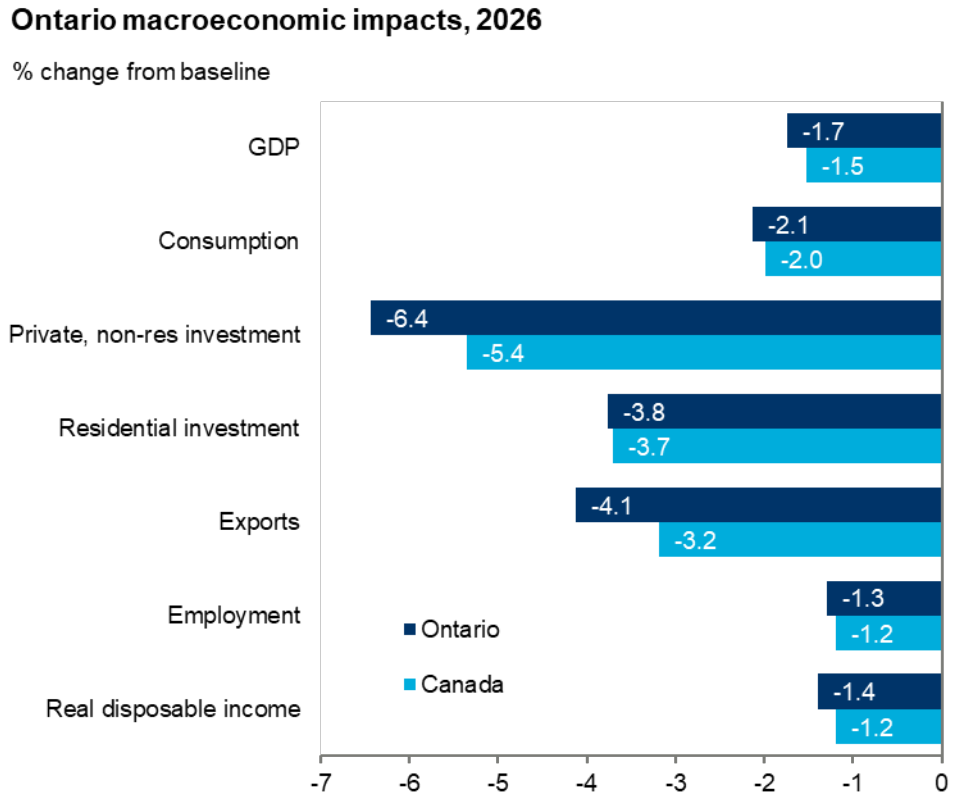
Ontario: Exports, international, real



Source: Oxford Economics

Ontario impacts: macroeconomic drivers

- Tariffs increase the price of imported goods. This reduces consumers' purchasing power, thus decreasing overall consumer demand
  - Our modeling estimates a reduction in consumption in Ontario, reducing it by $23 billion over 2025-26 compared to a no-tariffs baseline
- Lower US demand for Canadian imports reduces Ontario's goods exports by a total of $26.8 billion in 2025-26
- Lower consumption and exports will consequently lead to declines in investment, employment, and GDP



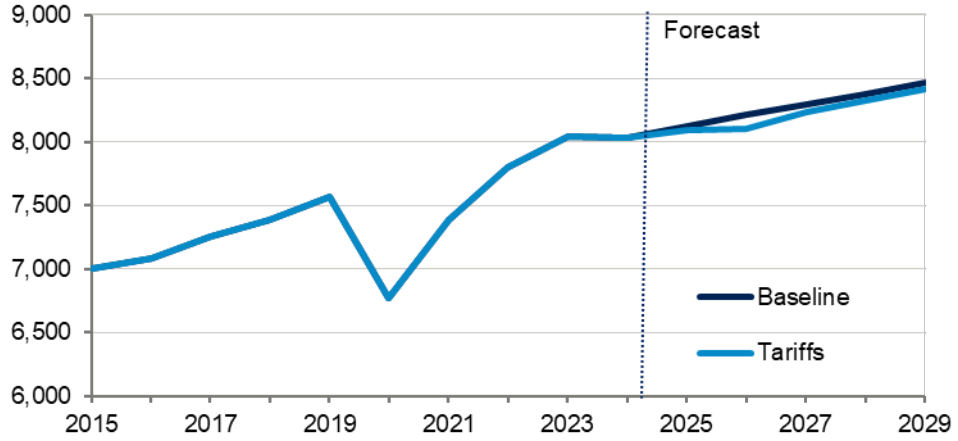
Source: Oxford Economics

Ontario impacts: investment and employment

- Even though the US tariffs mainly hurt manufacturing, they also reduce economic confidence. This drop in confidence leads to decreased consumer spending and business investment
- Canada's response of imposing tariffs on US goods exacerbates these issues. Prices increase, leading Ontario families to reduce their consumption as they have less disposable income. Consequently, businesses further reduce investments and hiring
- As a result of these factors, Ontario businesses will invest 5.1% less in 2025-26 than they would without tariffs, totaling about $11.4 billion
- This will also lead to about 106,000 fewer jobs in Ontario as companies adjust to lower demand in 2026, a decline of 1.3% compared to the no-tariffs baseline

Ontario: Employment

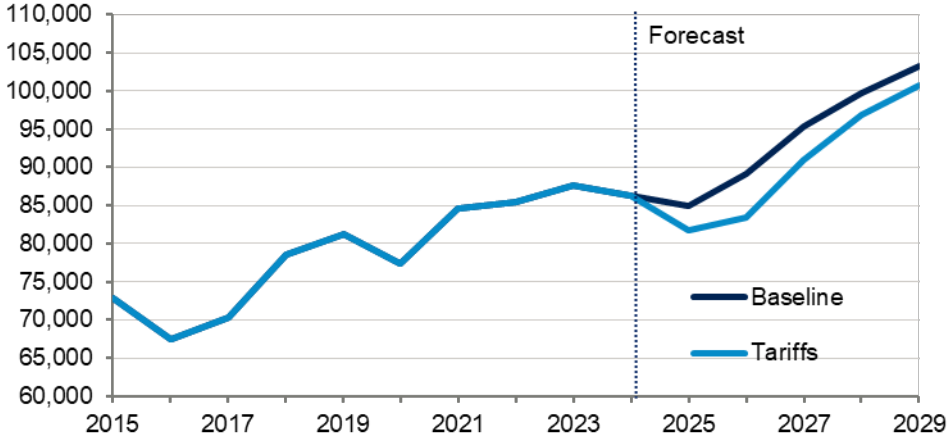
Persons , thousands



Source: Oxford Economics

Ontario: Investment, private, non-residential, real

C$ Millions: chained 2017 prices

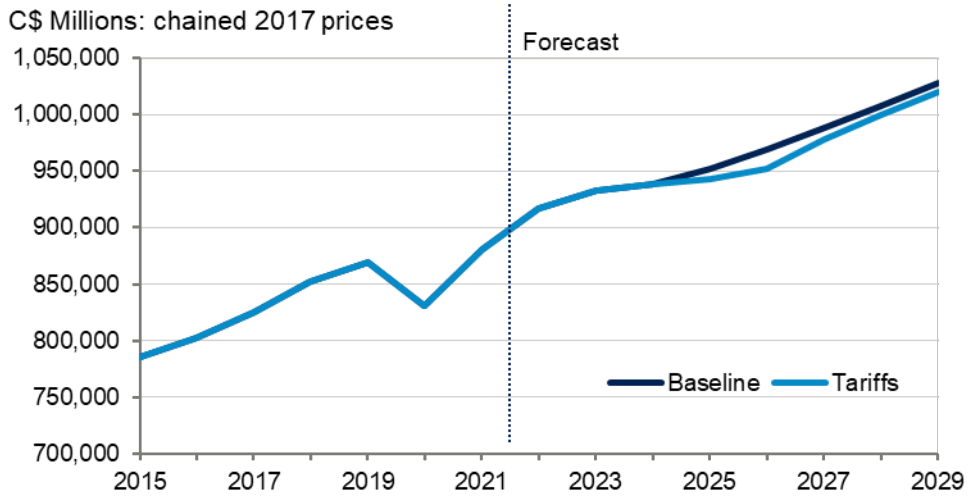


Source: Oxford Economics

Ontario impacts: GDP

- American tariffs would significantly impact Ontario's economy in both the short and long-term
- Ontario's economy will be 1.7% smaller in 2026 than it would be without tariffs, representing a $21 billion loss
- Things might start to improve if CUSMA is renegotiated mid-2026. But even by 2029, our economy will still be below baseline, because some of the damage will stick, and some tariffs will likely remain
- Ontario's GDP is the hardest hit of the provinces, due to the strong commercial ties with the US and the concentration of GDP in industries targeted by tariffs

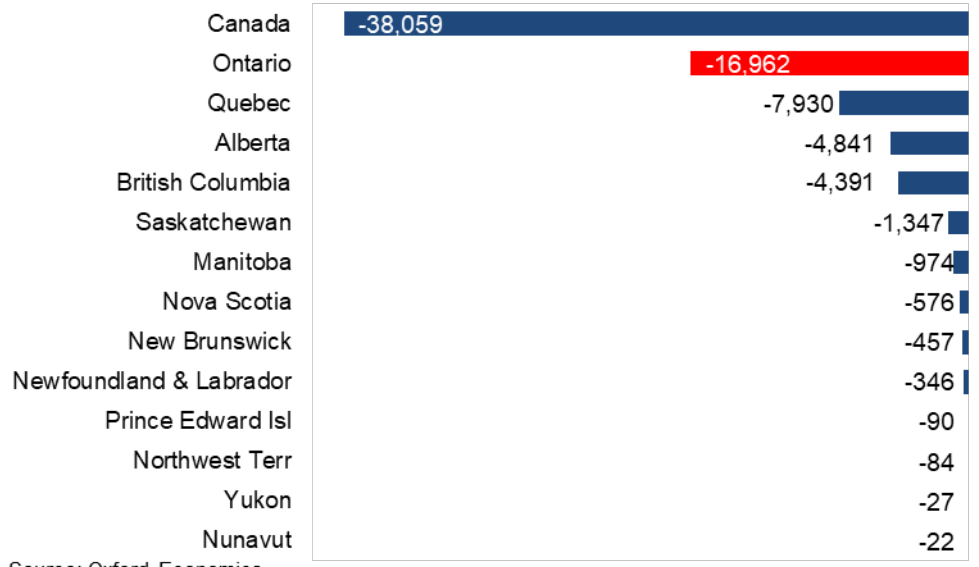
Ontario: GDP, real



Source: Oxford Economics

GDP by region, 2026

change from baseline, C$ millions: chained 2017 prices



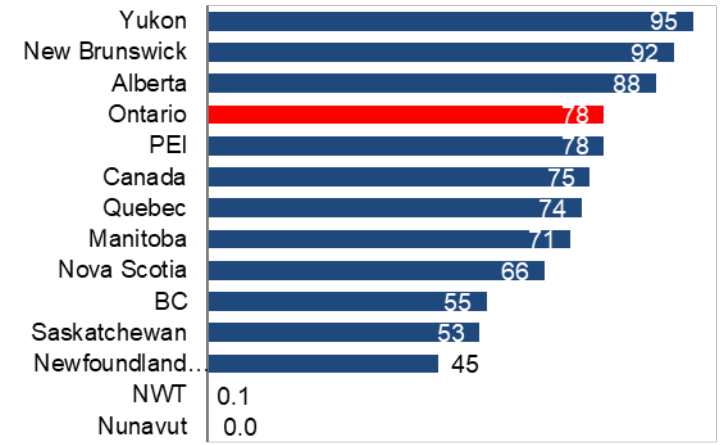
Source: Oxford Economics

Ontario impacts: Manufacturing

- Ontario's manufacturing sector is hit hard by the tariffs due to its strong trade link with the US; more than half of the sector's output is exported, the vast majority to the US
- As a result, the sector sees its GDP fall 4.1% compared to the no-tariff baseline by 2026, equivalent to $5 billion
- Manufacturing investment, which accounts for 14.3% of total private, non-residential fixed investment, falls 10.4% below baseline by 2026, or roughly $1.6 billion

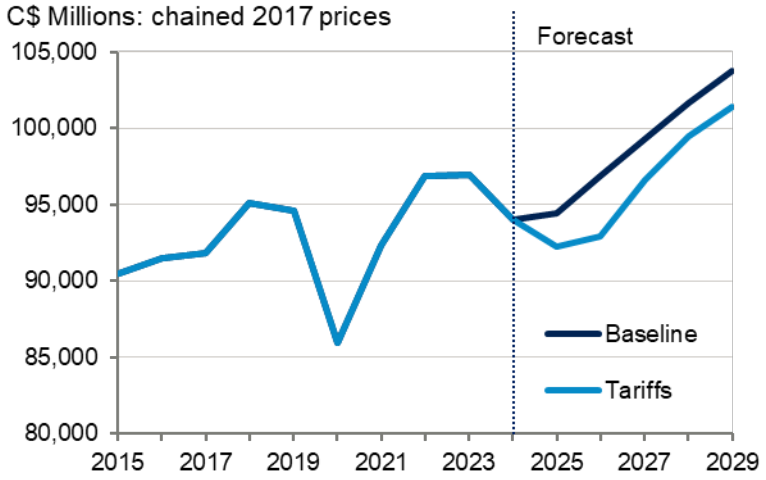
US export share, 2019-24

% of total merchandise exports



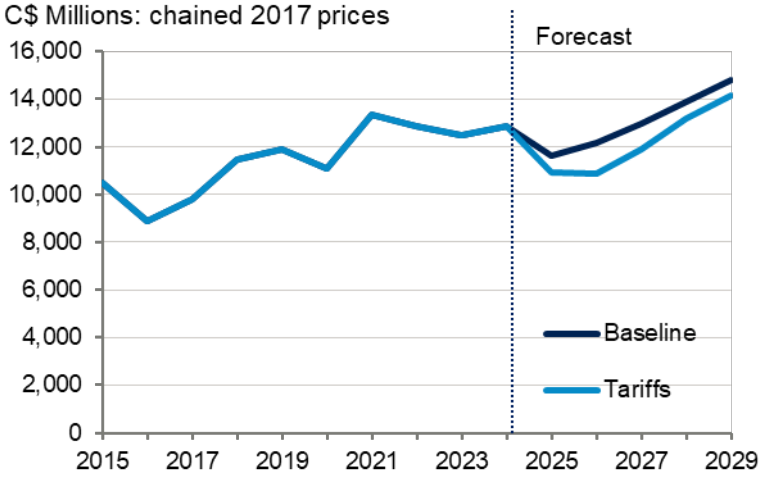
Source: Oxford Economics

Ontario: GDP, real, manufacturing



Source: Oxford Economics

Ontario: Investment, real, manufacturing

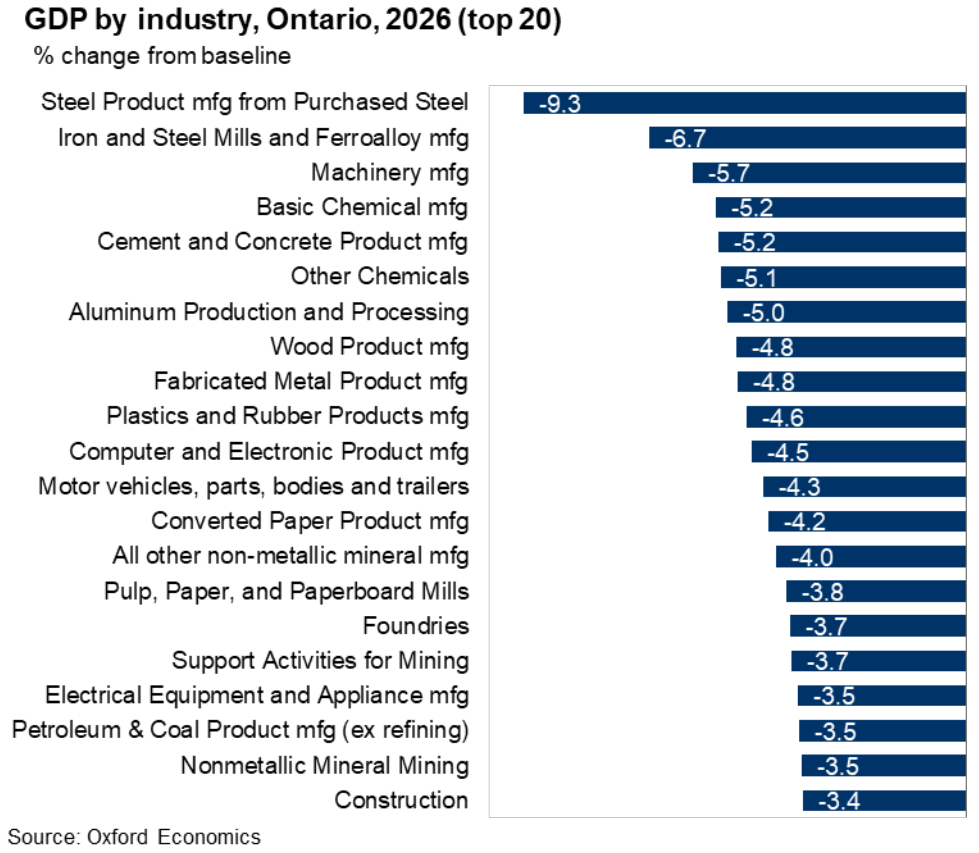


Source: Oxford Economics

Note: merchandise exports include manufactured goods, energy, and non-energy commodities, e.g. minerals, agricultural products, etc.

Ontario impacts: by industry

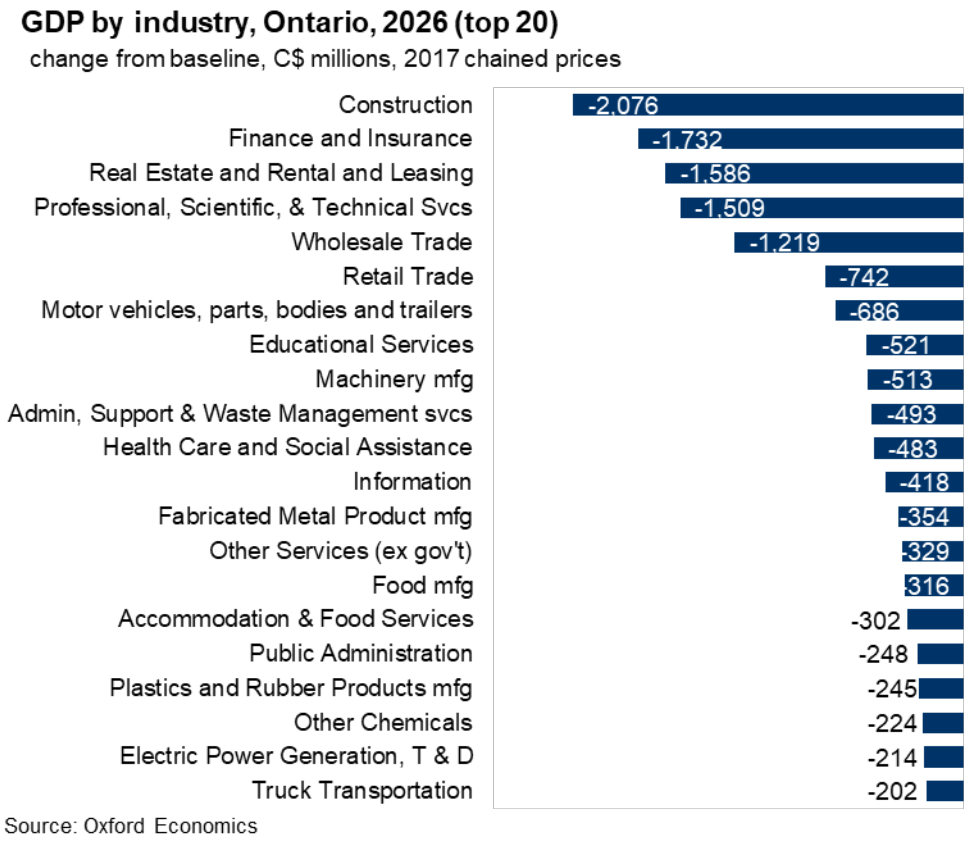
- How much each industry is affected depends on:
  - How high the US tariffs are on what they produce
  - How much of what they make is sold to the US
  - How much they must pay in tariffs for their inputs
  - The extent to which demand for their services is linked to fixed investment in structures and machinery
- Metals production sees the largest declines in output, reflecting both high US tariffs as well as a significant decline in domestic demand as investment wanes
- Industries that make things like cement and chemicals will also be hit hard because they sell a lot to the US
- Though not reliant on exports, the construction industry will see its output fall more than twice that of GDP overall due to the pull back in domestic investment. This represents a $2.6 billion loss in 2026 alone
  - The rising cost of construction materials and a weaker economy will delay housing starts and stall progress on increasing housing supply and affordability



Source: Oxford Economics

Ontario impacts: by industry

- In absolute terms, the construction sector sees the largest GDP loss in the scenario at $2.6 billion in 2024 prices due to the large relative size of the industry

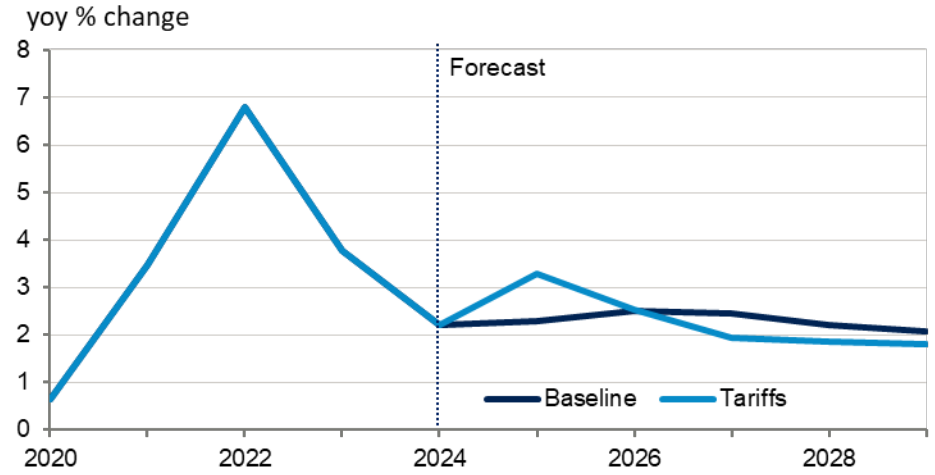


Note: Taken together, the cumulative impact on manufacturing industries in real GDP is $5 billion

Ontario impacts: inflation

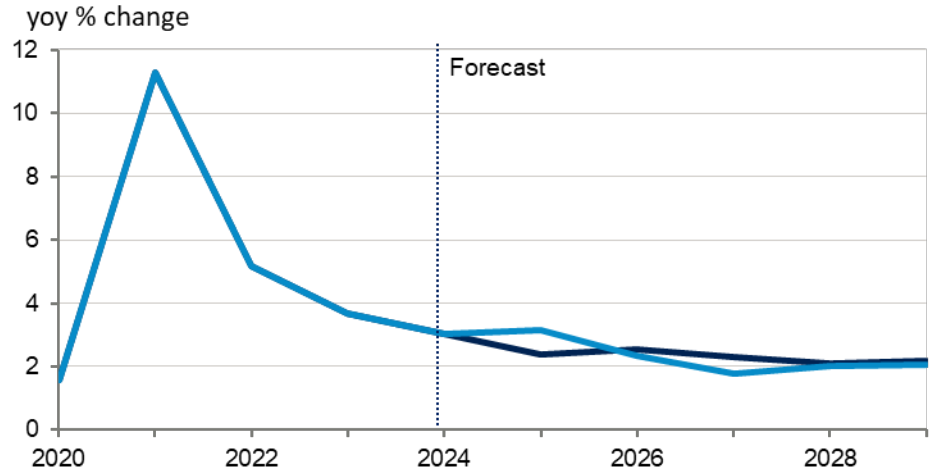
- Consumer price inflation rises 1 percentage point in Ontario in 2025 as Canadian tariffs come into effect, eroding purchasing power at a time where unemployment is rising
- Inflation eases when the tariffs are removed in the latter half of 2026, with CPI inflation falling below baseline from 2027-29 as domestic price pressures remain muted with lingering slack in the economy overall
- Construction prices rise 0.8% in 2025 as the cost of the sector's inputs rise 1.2%. This is offset by wage costs which rise only marginally. Construction prices in the scenario fall back to baseline by 2029

Ontario: Consumer price index



Source: Oxford Economics

Ontario: Output price index, Construction



Source: Oxford Economics

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THE US-CANADA TRADE WAR

Impact on Ontario's Municipalities

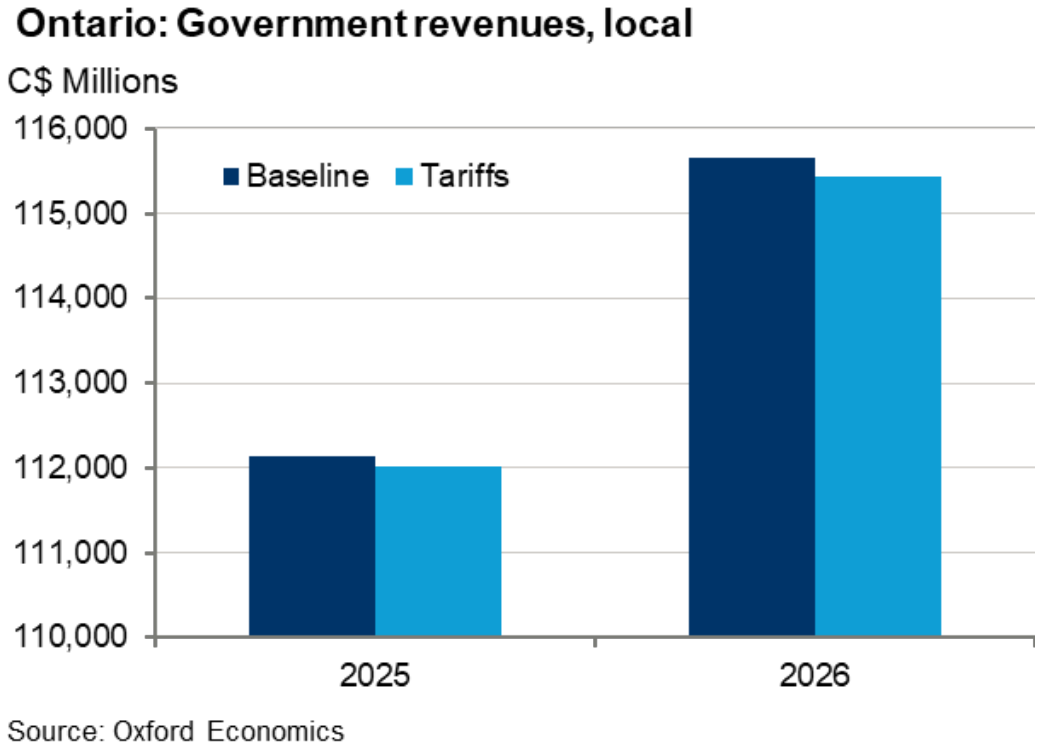
Ontario: municipal fiscal impacts

- The trade war and resulting broader economic downturn will also have negative impacts on municipal governments' revenues and will drive up expenditures, worsening an already challenging situation for many municipalities
- From an overall fiscal balance perspective, Ontario municipalities will likely be $1.8 billion worse off across 2025 and 2026 than if there had been no tariffs

Ontario: municipal fiscal impacts - revenues

- Ontario municipal revenues are expected to be $331 million lower over the next two years compared to anticipated revenues without tariffs, driven primarily by slower housing development and smaller property tax base
  - Anecdotally, many Ontario municipalities experience noticeable increases in property tax arrears during times of acute economic downturn (e.g. COVID-19 pandemic) which could further impact revenues
- Revenue decreases also reflect lower than anticipated sources of revenue such as development charges, licensing and permit fees driven by dampened business activity and consumer spending. User fees (e.g. transit, water/wastewater fees) and investment interest revenue also reflect minor decreases

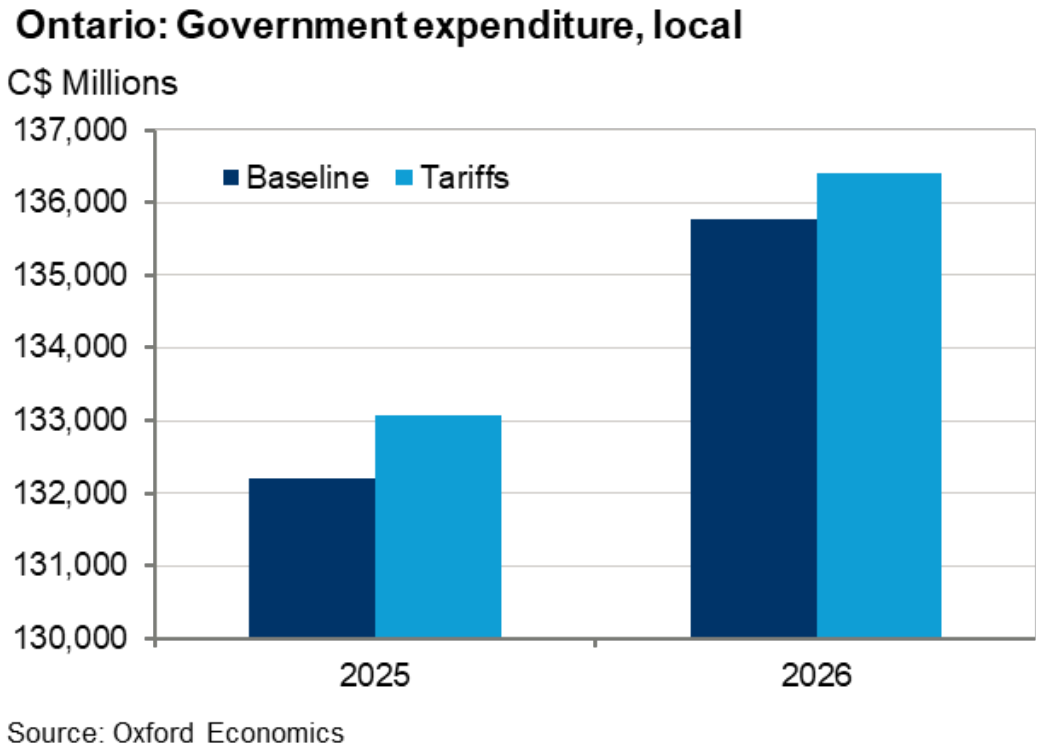
*Note: While the model predicts other orders of government will see a decline in sales and income tax revenues, this analysis assumes that their transfers to municipalities will hold steady



Source: Oxford Economics

Ontario: municipal fiscal impacts - expenditures

- Municipal expenditures – including capital impacts – will increase across the next two years by $1.5 billion, driven by several factors
- We expect nominal wages to be $115 million higher than a no-tariffs baseline due to rising inflation
- Similarly, operating expenditures are projected to be $410 million higher than the baseline scenario in 2025 and 2026
- Transfers to households – such as rent supplements and municipally-funded top ups to Social Assistance benefits – are anticipated to increase by $273 million over two years
- This scenario assumes a pause in anticipated Bank of Canada interest rate reductions. higher-than-anticipated rates (compared to a no-tariff baseline) will incur some cost, this is not expected to significantly impact overall municipal expenditures
- Additionally, capital costs are expected to rise due to the impacts of retaliatory tariffs on imports from the US which will boost the costs of key inputs like steel and cement; this is projected to cost municipalities and additional $737 million from 2025 to 2026



Source: Oxford Economics

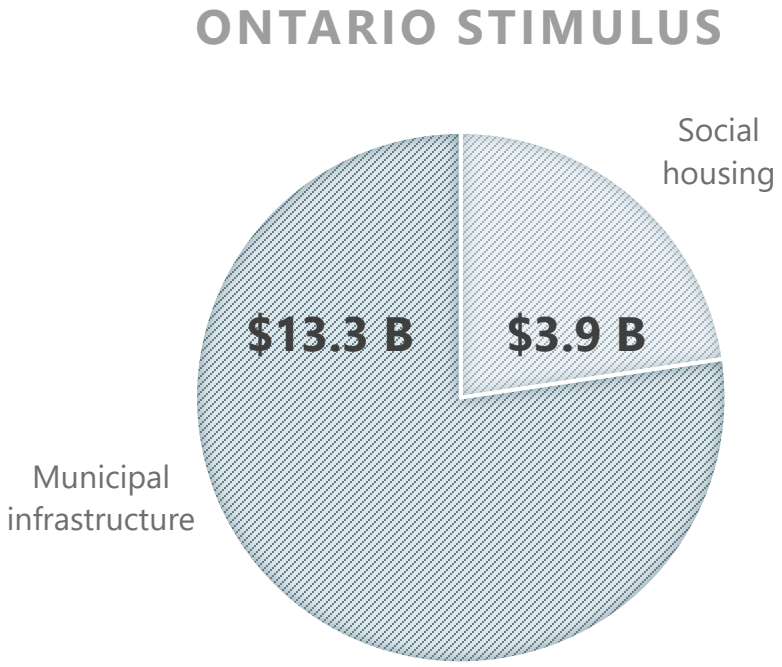
Ontario: local fiscal impacts

Change from baseline *C$ millions*	2025	2026
Revenues	-111.4	-220.0
Property tax	0.0	-8.0
Discretionary transfers from government	0.0	0.0
Sales of goods and services	-32.0	-60.5
Other	-79.4	-151.6
Expenditures (excl capital)	362.4	393.5
Final expenditure	284.5	240.7
Wages and salaries	46.2	68.7
Procurement (operating expenditures)	238.3	172.0
Transfers to households	91.5	181.0
Interest	16.3	12.9
Other	-29.9	-41.2
Capital expenditures	500	237
Revenue – Expenditure (incl capital exp)	-974	-850

SCENARIO RESULTS

Stimulus scenario

The stimulus proposal modelled



- Modelled $17.2 billion in Ontario municipal stimulus over five years. Includes:
  - $3.9 billion in new social housing investment to support the acquisition and rehabilitation of existing buildings
  - $13.3 billion in municipal infrastructure investment for the repair, rehabilitation, and growth-related expansion of water and sewer systems, transportation (roads, transit), emergency service stations, waste management, and community amenities (parks, community centers, libraries)

Notes:

- Social housing component: AMO recently worked with HelpSeeker Technologies and other key partners to research Ontario's homelessness crisis. That research called for $7.7 billion in capital investment over 10 years to develop 41,000 new affordable and supportive housing units. This represents $3.85 billion over five years
- Municipal infrastructure component: Based on scaling up the $2.3 billion included in the 2025 "Protect Ontario" plan for five years, additional funding to cover the 2.1% incremental cost of tariffs on in-plan municipal capital projects to keep these project proceeding, and doubling Ontario's share of the Canada Community-Building Fund
- Tariffs will increase municipal non-residential construction by an estimated 2.1% on average. Stimulus embeds this extra tariff cost on all components. A slightly higher percentage of incremental costs was added to the social housing number given the materials used in residential construction have a greater exposure to tariffs than non-residential municipal construction projects

Sources: HelpSeeker Technologies, 2025 https://www.amo.on.ca/sites/default/files/assets/DOCUMENTS/Reports/2025/2025-01-08-End_ingChronicHomelessnessinOntario.pdf; Statistics Canada, 2025 https://www150.statcan.gc.ca/t1/tbl1/en/tv.action?pid=1710000901; Government of Canada, 2024 https://housing-infrastructure.canada.ca/ccbf-fdcc/index-eng.html; Oxford Economics, 2025 https://www.amo.on.ca/sites/default/files/assets/DOCUMENTS/Tariffs/2025/OxfordEconomicsTariffImpactsonONMunis.pdf

Stimulus benefits

- Governments invest in local community infrastructure during downturns primarily to stimulate demand and create jobs. These projects provide immediate economic activity, while also building long-term assets that boost productivity and improve quality of life, effectively laying the groundwork for future growth
- Investing in social housing would also boost Ontario's long-term economic productivity by improving housing affordability and enabling workers to live where jobs are located
- Fiscal stimulus would mitigate the trade war's negative impact by reducing Ontario's GDP decline, preserving jobs and protecting the construction industry:

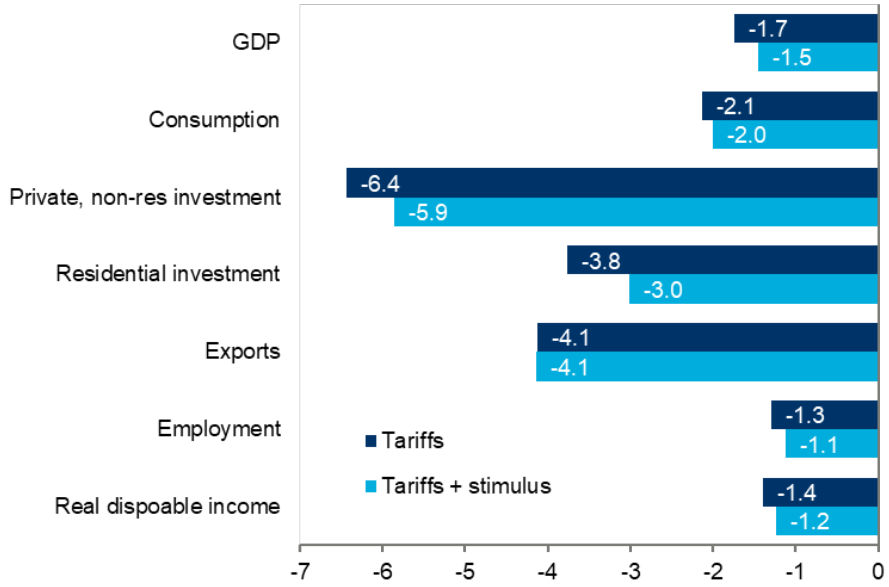
✕ No stimulus		✓ With stimulus
Ontario's GDP projected to decrease and contract the province's economy by **$63 billion** across 2025-2029 (2024 prices)		Stimulus would reduce GDP contraction, adding **$17.6 billion** back into the province's economy over this same period
Provincial unemployment projected to increase by **1.2 percentage points** by 2026, representing over **106,000** jobs lost		Stimulus would reduce peak job losses, preserving over **14,000 jobs in 2026**
Construction industry in Ontario is projected to lose **14,000** jobs by 2026, and see its GDP shrink by **$6.7 billion** (2024 prices) over the next 5 years		Stimulus would reduce job loss in sector by **0.9%,** preserving over **4,900** jobs and increasing construction industry's GDP by **1.2%** (**$4.7 billion** in 2024 prices)

Stimulus scenario: Ontario impacts

- Though the construction sector benefits the most from the stimulus, the additional spending would benefit industries across Ontario. Sectors supplying the construction industry—non-metallic minerals, wood products, steel, and fabricated metal manufacturing—all benefit from the increase in investment and construction activity, saving a total of 14,100 jobs
- Over the longer term, investments in municipal infrastructure would lift productivity on an ongoing basis, and could produce a $6 billion productivity gain in 2029 alone[1]

Ontario macroeconomic impacts, 2026

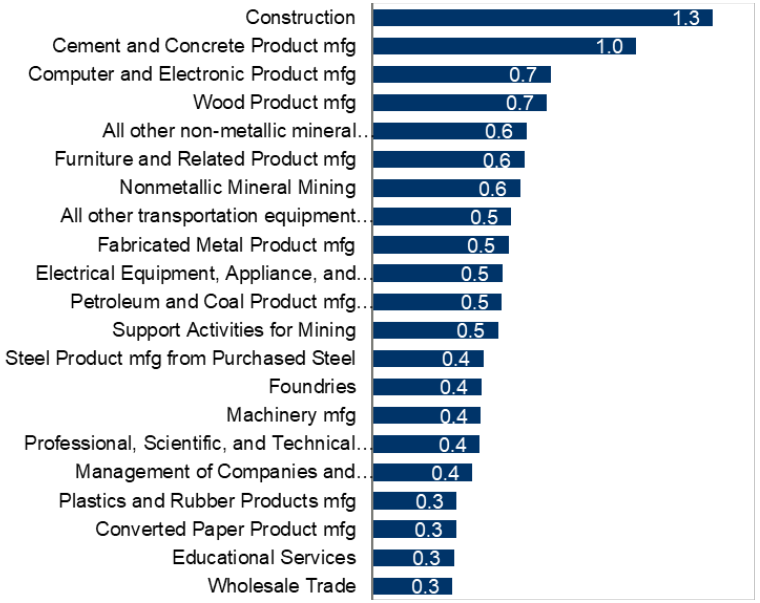
% change from baseline



Source: Oxford Economics

GDP by industry, Ontario, 2026 (top 20)

% change from no stimulus case



Source: Oxford Economics

[1] Government of Canada, https://www.budget.canada.ca/aceg-ccce/pdf/infrastructure-eng.pdf

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APPENDIX

Report background

- From the first days of his second term, US President Donald Trump has been intent on using tariffs to correct what he argues are anti-competitive practices by US trade partners
- After several delays, tariffs on Canadian imports to the US, first announced on February 1, were set to go into effect on April 2
- Canada, meanwhile, has responded to tariff threats by implementing retaliatory tariffs on imports of US goods, beginning with 25% tariffs on an estimated $30 billion of imports taking effect on March 4, followed by a second round of tariffs on an additional $30 billion in US imports taking effect on March 12. A third round of tariffs, targeting an estimated $95 billion in US imports, is set to take effect on April 2
  - Although these tariffs were partially implemented as of early April, this analysis demonstrates the potential impacts of the publicly announced tariffs – a threat that remains and could still be fully enacted
- The trade war sparked by the Trump administration threatens to damage a key economic relationship between countries that have historically been close allies
- The Association of Municipalities Ontario commissioned Oxford Economics to quantify the potential costs of the trade war on the Canadian economy utilizing its proprietary Global Economic Model (GEM) and Canadian Provincial Territorial Model (CPTM)
- We model the scenario with and without fiscal stimulus to assess how stimulus may blunt the negative impacts of the conflict

About Oxford Economics

Oxford Economics is a world leader in global forecasting and quantitative analysis.

- Our worldwide client base comprises over 2,000 international corporations, financial institutions, government organizations and universities
- Founded in 1981 as a commercial venture with Oxford University's business college, Oxford Economics is now a leading independent economic consultancy
- Headquartered in Oxford, with offices around the world, we employ over 400 people, including some 250 economists
- Our best-of-class global economic and industry models and analytical tools give us an unparalleled ability to forecast external market trends and assess their economic, social and business impact

Modelling approach

To estimate the economic impacts of the trade war we utilize Oxford's Global Economic Model and Canadian Provincial-Territorial Model. The CPTM features a one-click integration with the GEM that can be used to set the global backdrop for a CPTM scenario, imposing assumptions for global demand (import volumes), commodity prices, and key financial variables (US equity market prices, interest rates, etc.)

The Global Economic Model (GEM)

- The Oxford Economics Global Economic Model (GEM) is a large-scale, fully integrated model of the global economy
- The GEM covers 85 countries in detail (~98% of world GDP), with the rest of the world economy covered in regional blocs
- The broad structure of our models is similar across countries, with amendments to reflect country specific factors such as dependence on commodities, exchange rate regime, and flexibility of the labor market
- Country models are linked through trade, commodity prices, and global financial markets
- The GEM is used to model the impacts of the trade war on global demand, commodity prices, and financial markets

The Canadian Provincial Territorial Model (CPTM)

- The Canadian Provincial-Territorial model (CPTM) is a detailed macro-econometric model of the Canadian economy
- The model is regionally bottom-up, with output driven by the aggregation of activity of the thirteen provinces and territories, and exchange rates, monetary policy, and (federal) fiscal policy determined at the national level
- Within each province, output is modelled at the aggregation of activity in 106 NAICS industries
- A recent enhancement to the CPTM allows modelling of bi-lateral tariffs between the US and Canada across 41 goods producing industries
- The CPTM is used to model the impacts of the trade war on Canada at the province and industry level

APPENDIX

Tariff scenario detail

US tariffs on Canadian imports by sector

NAICS	Desc	2-Apr-25	1-Jul-26
111	Crop Production	25.0	-
112	Animal Production and Aquaculture	25.0	0.1
113	Forestry and logging	25.0	-
114	Fishing, Hunting and Trapping	25.0	-
211	Oil and Gas Extraction	10.0	0.0
2121	Coal Mining	25.0	-
21221	Iron Ore Mining	25.0	10.0
21222	Gold Ore and Silver Ore Mining	25.0	0.6
21223	Copper, Nickel, Lead, and Zinc Mining	25.0	10.0
21229	Other Metal Ore Mining	25.0	10.0
2123	Nonmetallic Mineral Mining and Quarrying	25.0	0.3
311	Food Manufacturing	25.0	-
312	Beverage and Tobacco Product Manufacturing	25.0	0.0
31A	Textile and textile product mills	25.0	0.0
31B	Clothing and leather and allied product manufacturing	25.0	-
321	Wood Product Manufacturing	25.0	0.0
3221	Pulp, Paper, and Paperboard Mills	25.0	0.0
3222	Converted Paper Product Manufacturing	25.0	0.3
323	Printing and Related Support Activities	25.0	0.0
32411	Petroleum Refineries	10.0	0.0
3241A	Petroleum and Coal Products Manufacturing (except refining)	25.0	0.0
3251	Basic Chemical Manufacturing	25.0	0.0
3252, 3255-3259	Other Chemicals	25.0	-
3253	Pesticide, Fertilizer, and Other Agricultural Chemical Manufacturing	25.0	-
3254	Pharmaceutical and Medicine Manufacturing	25.0	-

NAICS	Desc	2-Apr-25	1-Jul-26
326	Plastics and Rubber Products Manufacturing	25.0	0.0
327A	All other non-metallic mineral product manufacturing	25.0	0.7
3273	Cement and Concrete Product Manufacturing	25.0	6.4
3311	Iron and Steel Mills and Ferroalloy Manufacturing	25.0	9.6
3312	Steel Product Manufacturing from Purchased Steel	25.0	9.9
3313	Alumina and Aluminum Production and Processing	25.0	9.8
3314	Nonferrous Metal (except Aluminum) Production and Processing	25.0	3.0
3315	Foundries	25.0	1.9
332	Fabricated Metal Product Manufacturing	25.0	3.2
333	Machinery Manufacturing	25.0	0.0
334	Computer and Electronic Product Manufacturing	25.0	0.0
335	Electrical Equipment, Appliance, and Component Manufacturing	25.0	0.3
3361, 3362, 3363	Motor vehicles, parts, bodies and trailers	-	0.1
3364, 3365, 3366, 3369	All other transportation equipment manufacturing	-	0.0
337	Furniture and Related Product Manufacturing	25.0	0.0
339	Miscellaneous Manufacturing	25.0	0.0
326	Plastics and Rubber Products Manufacturing	25.0	0.0
327A	All other non-metallica mineral product manufacturing	25.0	0.7
3273	Cement and Concrete Product Manufacturing	25.0	6.4
3311	Iron and Steel Mills and Ferroalloy Manufacturing	25.0	9.6
3312	Steel Product Manufacturing from Purchased Steel	25.0	9.9
3313	Alumina and Aluminum Production and Processing	25.0	9.8
3314	Nonferrous Metal (except Aluminum) Production and Processing	25.0	3.0
3315	Foundries	25.0	1.9
332	Fabricated Metal Product Manufacturing	25.0	3.2

Canadian tariffs on US imports by sector

NAICS	Desc	4-Mar-25	13-Mar-25	2-Apr-25	1-Jan-26	1-Jul-26
111	Crop Production	3.4	3.4	21.6	21.6	-
112	Animal Production and Aquaculture	0.1	0.1	24.9	24.9	2.3
113	Forestry and logging	-	-	25.0	25.0	-
114	Fishing, Hunting and Trapping	0.0	0.0	25.0	25.0	-
211	Oil and Gas Extraction	-	-	0.5	0.5	0.0
2121	Coal Mining	-	-	25.0	25.0	-
21221	Iron Ore Mining	-	-	25.0	25.0	10.0
21222	Gold Ore and Silver Ore Mining	-	18.4	25.0	25.0	2.7
21223	Copper, Nickel, Lead, and Zinc Mining	-	0.0	25.0	25.0	10.0
21229	Other Metal Ore Mining	-	-	25.0	25.0	10.0
2123	Nonmetallic Mineral Mining and Quarrying	12.2	12.2	12.8	12.8	1.2
311	Food Manufacturing	5.5	5.5	19.4	19.4	0.1
312	Beverage and Tobacco Product Manufacturing	17.8	17.8	17.8	17.8	0.0
31A	Textile and textile product mills	6.1	6.2	17.9	17.9	0.0
31B	Clothing and leather and allied product manufacturing	22.1	23.0	23.0	23.0	0.0
321	Wood Product Manufacturing	17.9	18.5	18.5	18.5	0.0
3221	Pulp, Paper, and Paperboard Mills	3.6	3.6	21.4	21.4	0.0
3222	Converted Paper Product Manufacturing	8.3	8.9	14.9	14.9	0.2
323	Printing and Related Support Activities	18.7	18.7	18.7	18.7	0.0
32411	Petroleum Refineries	-	-	5.8	5.8	0.0
3241A	Petroleum and Coal Products Manufacturing (except refining)	0.0	0.0	1.2	1.2	0.0
3251	Basic Chemical Manufacturing	0.1	0.1	5.4	5.4	0.0
3252, 3255-59	Other Chemicals	4.1	4.2	11.8	11.8	-
3253	Pesticide, Fertilizer, and Other Agricultural Chemical Manufacturing	0.0	0.0	14.6	14.6	-
3254	Pharmaceutical and Medicine Manufacturing	0.9	0.9	12.1	12.1	0.0

NAICS	Desc	4-Mar-25	13-Mar-25	2-Apr-25	1-Jan-26	1-Jul-26
326	Plastics and Rubber Products Manufacturing	5.5	5.6	13.9	13.9	0.0
327A	All other non-metallic mineral product manufacturing	0.7	2.0	21.1	21.1	0.8
3273	Cement and Concrete Product Manufacturing	1.1	1.3	18.0	18.0	3.7
3311	Iron and Steel Mills and Ferroalloy Manufacturing	0.0	23.0	24.6	24.6	9.5
3312	Steel Product Manufacturing from Purchased Steel	0.0	23.6	24.9	24.9	10.0
3313	Alumina and Aluminum Production and Processing	0.0	21.9	24.4	24.4	5.5
3314	Nonferrous Metal (except Aluminum) Production and Processing	1.3	13.2	20.6	20.6	3.2
3315	Foundries	0.8	22.6	22.6	22.6	8.7
332	Fabricated Metal Product Manufacturing	1.2	11.8	14.2	14.2	4.1
333	Machinery Manufacturing	1.4	2.6	13.1	13.1	0.2
334	Computer and Electronic Product Manufacturing	0.2	3.2	12.0	12.0	0.0
335	Electrical Equipment, Appliance, and Component Manufacturing	2.5	3.3	17.8	17.8	0.2
3361, 3362, 3363	Motor vehicles, parts, bodies and trailers	0.0	0.2	15.9	15.9	0.0
3364, 3365, 3366, 3369	All other transportation equipment manufacturing	0.5	0.6	7.0	7.0	0.0
337	Furniture and Related Product Manufacturing	18.0	24.1	24.1	24.1	0.1
339	Miscellaneous Manufacturing	2.4	4.5	4.5	4.5	0.0

Ontario: macroeconomic impacts of tariffs

% change	Tariffs only vs baseline				
	2025	2026	2027	2028	2029
GDP	-1.0	-1.7	-0.9	-0.7	-0.8
Consumption	-1.3	-2.1	-1.5	-1.1	-1.1
Private non-res fixed investment	-3.8	-6.4	-4.5	-2.8	-2.5
Residential fixed investment	-1.0	-3.8	-1.5	-1.4	-1.3
Exports	-2.3	-4.1	-2.6	-2.5	-2.6
Imports	-3.3	-5.2	-3.5	-2.7	-2.4
CPI	1.0	1.0	0.5	0.1	-0.1
Payroll employment	-0.5	-1.3	-0.7	-0.6	-0.6
Unemployment rate	0.4	1.2	0.6	0.5	0.6