



Facts and Data – U.S. partners

These messages can be used to inform U.S. government officials and businesses on the close Canada-U.S. trading relationship, explain how the U.S. tariffs on Canadian imports would impact Americans, and encourage U.S. partners to advocate against these tariffs.

Core Facts

- Each day, US\$2.5 billion in goods and services cross the Canada-U.S. border. This amounts to nearly US\$1 trillion per year.
 - Canadian companies employ approximately 900,000 workers in the U.S. and nearly 8 million U.S. jobs are tied to trade with Canada.
 - The U.S. sells more goods to Canada than to any other country, and Canada buys more U.S. goods than China, Japan, France, and the United Kingdom combined.
 - Canada is the top U.S. export destination for more than half (50 out of 97 product categories) of all goods produced in the United States.
 - Canada is the largest export market for 36 states, and among the top three for 46 states.
 - Motor vehicles, machinery, metals and minerals, and agri-food made up more than 50% of U.S. exports to Canada in 2023. Canada buys 73% of U.S. exports of trucks and 36% of fruits and vegetables
 - U.S. tariffs on Canada would harm Canadians and Americans alike. They would increase the cost of living for consumers, put thousands of jobs at risk, and weaken North America's competitiveness in the global economy.
 - Canada-U.S. trade makes U.S. industry stronger and more globally competitive.
 - Canada sells inputs to the U.S. that get turned into higher-valued "Made in the USA" goods to export abroad.
 - U.S. manufacturing depends on Canada: roughly 70% of Canadian goods exported to the U.S. are used in the production of other goods.
 - If tariffs are imposed, Canada will not hesitate to respond. This would also harm U.S. exports to Canada.

Dispelling Myths

- Trade deficits are not a "subsidy." The United States does not give away anything for free by trading with Canada; it willingly purchases and obtains products it needs in return.
- Canada-U.S. trade makes U.S. industry stronger and **more globally competitive**: Canada sells the U.S. products, which the U.S. then turns into higher-valued goods to export abroad.
- In 2023, the U.S. merchandise trade deficit with Canada of US\$64.3 billion is significantly smaller than those with China (US\$279.1 billion) and Mexico (US\$152.5 billion).
- This deficit is largely driven by energy products and rising energy prices. Excluding energy, the U.S. has in fact had a **merchandise trade surplus** with Canada since 2007, standing at US\$28.6 billion in 2023.
- The U.S. runs a surplus with Canada in services trade, and in goods manufacturing. This makes Canada the only top 5 trade partner with which the U.S. has a trade surplus in manufacturing.
- Fewer than 1% of the total number of encounters of people illegally crossing U.S. borders occur at the Canada-U.S. border (23,000 of approximately 2.05 million in 2023).

- In 2023-2024, the U.S. Customs and Border Protection seized just 43 pounds of fentanyl in their Northern Border area (vs. 21,900 pounds in total across U.S. border areas).

Tariffs

- Tariffs are paid by the person or company that imports goods. Americans – not Canadians – would pay tariffs on Canadian goods imported into the U.S.
- By making Canadian imports to the U.S. more expensive, tariffs would make the U.S. and Canada trade less between them, likely to the benefit of countries like China. And remaining imports from Canada would cost more. A 25% tariff...
 - on all **automotive parts** from Canada in 2025 would add US\$2,100 to the cost of a vehicle assembled in the U.S. (Wells Fargo)
 - on **Canadian goods** would raise costs for U.S. households by about US\$2,000 annually. (Canadian Chamber of Commerce)
 - on **Canadian potash** could cost U.S. farmers US\$1.2 billion. Price increases would likely be passed on to consumers, contributing to inflation in the U.S.
 - on **Canadian crude** would impact the Great Lakes region, the Midwest, the Rockies and the Gulf Coast. Most private sector economists estimate a price increase for the consumer at the pump of 5 cents/gallon at the national level, and 30 cents/gallon in the Midwest as there are no immediate alternatives in the region.

Key Facts: Energy

- Canada is the #1 supplier of energy to the U.S. In 2023, Canada supplied:
 - 99% of U.S. **natural gas** imports;
 - 85% of U.S. **electricity** imports;
 - 60% of U.S. **crude oil** imports; and
 - 21% of **refined petroleum** product imports
- Canadian electricity exports directly power nearly **6 million U.S. homes**. Canadian uranium powers the equivalent of roughly **20 million U.S. homes**.
- Canada provides more U.S. crude oil imports than the rest of the world combined. This results in reliable supply and lower pump prices for Americans. Canadian crude also allows the United States to export more of its own energy at higher prices.

Key Facts: Critical Minerals

- The U.S. industry is heavily reliant on Canadian critical minerals. Canada supplies:
 - 71% of U.S. total consumption of **potash** (agricultural sector and food security)
 - 50% of U.S. total consumption of **refined zinc** (steel industry)
 - 32% of U.S. total consumption of **tellurium** (solar cells and other applications)
 - 26% of U.S. total consumption of **niobium** (defence)
 - 23% of U.S. total consumption of **aluminum** (automotive and transportation)

- o 23% of U.S. total consumption of **nickel** (stainless steel, lithium-ion batteries)
- o 21% of U.S. total consumption of **uranium** (nuclear power)
- o 13% of U.S. total consumption of **germanium** (defence)
- A 25% tariff on **Canadian critical minerals** would cause the U.S. to become increasingly reliant on China for products such as nickel, zinc and germanium.