U.S. Tariffs on Canadian Imports: Section 338 of the Tariff Act of 1930

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Contents

Contacts

Introduction

On July 20, 2026, President Trump announced he would impose 50% tariffs on certain Canadian goods starting August 19, 2026, to "offset Canadian discrimination against the commerce of the United States with respect to" alcoholic beverages,[1] dairy,[2] and motor vehicles[3] (the "Section 338 Canada Tariffs"). President Trump stated he would impose these tariffs under Section 338 of the Tariff Act of 1930 (19 U.S.C. §1338)—the first time a President has expressly cited this statute to impose tariffs.[4]

On August 18, 2026, President Trump suspended the tariffs until August 22, citing progress in negotiations.[5] After the two sides were unable to reach an agreement, the Section 338 Canada Tariffs went into effect on August 22, 2026.[6] The Canadian government imposed retaliatory tariffs on C$27.6 billion (US$20 billion) worth of U.S. goods starting September 8, 2026.[7] On September 8, the Trump Administration announced import bans for certain Canadian goods under Section 338 (effective September 29) and changes to the lists of products covered by the Section 338 Canada Tariffs (effective September 15).[8] President Trump directed the General Services Administration (GSA), working with the Office of the United States Trade Representative (USTR), to remove Canadian products' access to U.S. government procurement programs.[9]

Some Members of Congress have expressed concerns about increased costs due to tariffs, a broader lack of stability in the U.S.-Canada trade relationship, and President Trump's statements

[1] Proclamation 11046 of July 20, 2026, "Imposing Additional Duties to Offset Canadian Discrimination Against the Commerce of the United States with Respect to Alcoholic Beverages," 91 *Federal Register* 46639, July 23, 2026.

[2] Proclamation 11047 of July 20, 2026, "Imposing Additional Duties to Offset Canadian Discrimination Against the Commerce of the United States with Respect to Dairy," 91 *Federal Register* 46653, July 23, 2026.

[3] Proclamation 11048 of July 20, 2026, "Imposing Additional Duties to Offset Canadian Discrimination Against the Commerce of the United States with Respect to Motor Vehicles," 91 *Federal Register* 46663, July 23, 2026.

[4] For more information on Section 338, see "Section 338 of Tariff Act of 1930: Tariffs to Address Discrimination Against the United States," in CRS Report R48435, *Congressional and Presidential Authority to Impose Import Tariffs*; and John K. Veroneau and Catherine H. Gibson, "Presidential Tariff Authority," *The American Journal of International Law*, vol. 111, no. 4 (October 2017), pp. 957-969.

[5] Proclamation 11056 of August 18, 2026, "Temporary Suspension of Additional Duties to Offset Discrimination Against U.S. Commerce with Respect to Alcoholic Beverages, Dairy, and Motor Vehicles," 91 *Federal Register* 54789, August 24, 2026.

[6] U.S. Customs and Border Protection (CBP), "Cargo Systems Messaging Service (CSMS)# 69606660 - GUIDANCE: Section 338 Additional Duties on Certain Goods of Canada," August 21, 2026.

[7] Department of Finance Canada, "Canada Announces Targeted Countermeasures and Substantive Support for Workers and Businesses in Response to U.S. Tariffs," August 25, 2026; and "Complete List of U.S. Products Subject to Counter Tariffs," modified September 1, 2026.

[8] Office of the U.S. Trade Representative (USTR), "Ambassador Greer Issues Statement on President Trump's Response to Canada's Continued Retaliation Against the United States," press release, September 9, 2026.

[9] President Donald Trump (@realDonaldTrump), "I am hereby directing the GSA, working with the USTR, to take all necessary steps to REMOVE Canadian-origin products from GSA's Multiple Award Schedules unless Canada restores full and fair reciprocity for American Farmers and Companies," Truth Social post, September 8, 2026, https://truthsocial.com/@realDonaldTrump/posts/117237309084360726.

toward Canada.[10] Others have urged the Administration to use tariff measures and the review of the U.S.-Mexico-Canada Agreement (USMCA) as leverage to address U.S. issues with Canada.[11]

Congress has constitutional authority over foreign commerce and tariffs[12] and could consider whether and, if so, how to codify, curb, or modify trade restrictions on Canadian imports and monitor potential implications for U.S.-Canada trade relations. Congress could also consider whether to engage on U.S.-Canada tariff and trade issues through the USMCA review process.

Overview and Background

Section 338 directs the President to impose tariffs on articles produced by (or imported in the vessels of) foreign countries if they discriminate against U.S. commerce in certain ways.[13] Section 338 directs the President to impose "such new or additional rate or rates of duty as he shall determine will offset" the burden or disadvantage to U.S. commerce, up to a maximum duty rate of 50%.[14] If the President finds that after the imposition of U.S. tariffs, a foreign country "maintained or increased its said discriminations," the President is authorized to "direct[] that such products of said country ... be excluded from importation into the United States."[15] Section 338 outlines a role for the U.S. International Trade Commission (USITC) related to ascertaining discrimination against U.S. commerce and notifying the President, "together with recommendations."[16] On September 4, 2026, USITC requested public comments on how best to meet its Section 338 statutory obligations.[17]

The Section 338 Canada Tariffs apply to goods such as alcoholic beverages, dairy products, paper and wood products, sports equipment, honey, plants, household items, beauty products, bags, hides and skins, and dog leashes. On September 8, 2026, the Administration announced changes to the list of products covered by the Section 338 Canada Tariff actions,[18] to include additional dairy and wood products, furniture, and motorboats. Some items, including products highlighted by some Members of Congress, are to be removed from the tariff list.[19] President Trump also

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[10] Letter from Rep. Debbie Dingell et al. to President Donald Trump, August 31, 2026; Sen. Susan Collins, "Senator Collins' Statement on the Breakdown of U.S.-Canada Trade Negotiations," press release, August 22, 2026; and Senate Foreign Relations Committee Ranking Member Jeanne Shaheen, "Shaheen, Coons, Murray, Klobuchar, Slotkin Statement on Trump's Trade War with Canada," press release, September 9, 2026. See also CRS Insight IN12734, *U.S.-Canada Relations: Current Tensions and Issues for Congress*.

[11] For example, Rep. Claudia Tenney, "Congresswoman Tenney Introduces CANADA Act to Hold Canada Accountable for Unfair Provincial Trade Practices Targeting American Alcohol Producers," press release, July 6, 2026; and Mike Crawley, "Republicans Back Trump in His Trade War with Canada," CBC News, September 2, 2026.

[12] U.S. Const. art. I, §8, cl. 1, 3.

[13] 19 U.S.C. §1338(a). See CRS Report R48435, *Congressional and Presidential Authority to Impose Import Tariffs*.

[14] 19 U.S.C. §1338(d).

[15] 19 U.S.C. §1338(b).

[16] 19 U.S.C. §1338(g).

[17] U.S. International Trade Commission (USITC), "Request for Comments Regarding Implementation of 19 U.S.C. 1338(g)," 91 *Federal Register* 57387, September 9, 2026; and "USITC Requests Public Comments on Section 338 Responsibilities," press release, September 4, 2026.

[18] Proclamation 11064 of September 8, 2026, "Modifying the Scope of Products of Canada Subject to the Additional Duties Imposed to Offset Canadian Discrimination Against the Commerce of the United States with Respect to Alcoholic Beverages," 91 *Federal Register* 58331, September 14, 2026; and Proclamation 11065 of September 8, 2026, "Modifying the Scope of Products of Canada Subject to the Additional Duties Imposed to Offset Canadian Discrimination Against the Commerce of the United States with Respect to Motor Vehicles," 91 *Federal Register* 58339, September 14, 2026.

[19] See, for example, Sen. Jerry Moran, "Sen. Moran Urges USTR to Consider Impact of Salt Tariffs on Kansas (continued...)

invoked Section 338 to exclude the importation of certain Canadian products (e.g., alcoholic beverages, certain dairy products, molasses, motorcycles), effective September 29, 2026.[20] In 2025, the United States imported about $967 million worth of the products on the import exclusion lists (about 0.3% of total U.S. imports from Canada by value).[21]

These actions follow the U.S. decision not to renew USMCA in its current form.[22] In March 2025, the United States began imposing tariffs on most imports from Canada under the International Emergency Economic Powers Act (IEEPA; 50 U.S.C. §§1701 et seq.).[23] Since the Supreme Court ruled in *Learning Resources, Inc. v. Trump* in February 2026 that IEEPA does not give the President the authority to impose tariffs,[24] the United States has imposed tariffs on goods from most trading partners, including Canada, using other statutory authorities.[25] Most Canadian goods meet product-specific requirements under USMCA ("rules of origin") that allow goods to enter the United States duty-free.[26] Some Canadian sectors—such as steel, aluminum, autos, and lumber—remain subject to U.S. tariffs imposed under a national-security-related statute, Section 232 of the Trade Expansion Act of 1962 (19 U.S.C. §1862), including USMCA-compliant goods.[27]

The Section 338 Canada Tariffs do not include an exemption for USMCA-compliant goods. The tariffs that went into effect on August 22, 2026, exempted products covered by Section 232 tariff actions. The updated product list announced on September 8, 2026—to go into effect on September 15—includes certain items covered by Section 232 tariffs (e.g., steel, aluminum, autos); according to the White House, Section 232 tariffs are to apply in addition to the Section 338 Canada Tariffs, resulting in additional tariffs of up to 100% on certain items.[28]

Businesses, Local Governments & Taxpayers," press release, August 18, 2026; and Letter from Sen. Susan Collins to Commerce Secretary Howard Lutnick and USTR Jamieson Greer, August 28, 2026.

[20] Proclamation 11061 of September 8, 2026, "Excluding Certain Canadian Products from Importation into the United States in Response to Continued Discrimination Against the Commerce of the United States with Respect to Alcoholic Beverages," 91 *Federal Register* 58311, September 14, 2026; Proclamation 11062 of September 8, 2026, "Excluding Certain Canadian Products from Importation into the United States in Response to Continued Discrimination Against the Commerce of the United States with Respect to Dairy," 91 *Federal Register* 58319, September 14, 2026; and Proclamation 11063 of September 8, 2026, "Excluding Certain Canadian Products from Importation into the United States in Response to Continued Discrimination Against the Commerce of the United States with Respect to Motor Vehicles," 91 *Federal Register* 58325, September 14, 2026.

[21] CRS analysis of data from USITC DataWeb using data from the U.S. Census Bureau, accessed September 9, 2026.

[22] USTR, "Ambassador Greer Issues Statement on the USMCA Joint Review," press release, July 1, 2026.

[23] CBP, "Notice of Implementation of Additional Duties on Products of Canada Pursuant to the President's Executive Order 14193, Imposing Duties to Address the Flow of Illicit Drugs Across Our Northern Border," 90 *Federal Register* 11423, March 6, 2025. See CRS Insight IN12533, *U.S.-Canada Relations amid Tariffs Under the International Emergency Economic Powers Act*.

[24] See CRS Legal Sidebar LSB11398, *Supreme Court Rules Against Tariffs Imposed Under the International Emergency Economic Powers Act (IEEPA)*.

[25] Proclamation 11012 of February 20, 2026, "Imposing a Temporary Import Surcharge to Address Fundamental International Payments Problems," 91 *Federal Register* 9339, February 25, 2026; and USTR, "Notice of Actions in Section 301 Investigations of Acts, Policies, and Practices of Various Economies Related to the Failure of Each Economy to Impose and Effectively Enforce a Prohibition on the Importation of Goods Produced with Forced Labor," 91 *Federal Register* 47318, July 28, 2026. See CRS In Focus IF13199, *Section 122 of the Trade Act of 1974*; and CRS In Focus IF11346, *Section 301 of the Trade Act of 1974*.

[26] For more on rules of origin, see CRS In Focus IF10754, *Rules of Origin*.

[27] See CRS In Focus IF13006, *Section 232 of the Trade Expansion Act of 1962*.

[28] White House, "Fact Sheet: President Donald J. Trump Responds to Canada's Retaliation," September 8, 2026.

The Trump Administration asserted that the tariffs cover a small portion of U.S.-Canada trade and that the size of the U.S. economy will insulate it from economic harm from Canadian actions.[29] Canada imposed tariffs on C$27.5 billion (US$20 billion) worth of U.S. imports to match the U.S. tariffs "dollar for dollar, rate for rate" starting on September 8, 2026.[30] This value represented about 5% of U.S. imports from Canada and 6%-8% of Canadian imports from the United States in 2025.[31] The list of products covered by the September 8 Canadian tariffs includes goods covered by Section 338 Canada Tariffs, products such as appliances, and increased tariff rates on goods already covered by previous Canadian retaliatory tariffs (e.g., steel, aluminum).[32]

Alcohol

Canadian provinces and territories generally have responsibility over the purchase, distribution, and some retail sales of alcoholic products.[33] In March 2026, in response to U.S. IEEPA tariffs, nearly all Canadian provincial and territorial governments stopped purchasing, distributing, and/or selling U.S. alcoholic beverages; some provinces and territories have since resumed purchases and/or sales.[34] Some Members called these measures unfair and proposed legislation requiring the Trump Administration to investigate these practices (H.R. 9601).

In Proclamation 11046, the President invoked Section 338 to impose 50% tariffs on certain Canadian products, including alcoholic beverages, asserting that Canada "unreasonably burdens and disadvantages U.S. alcoholic beverages" because Canadian provinces and territories have not implemented similar bans or restrictions on alcoholic beverages from other countries. Some U.S. alcoholic beverage associations have highlighted the negative effects of Canadian alcohol bans and encouraged both sides to negotiate a solution to restore U.S. market access and a duty-free trade framework.[35]

Dairy

Canada supports its dairy sector by setting production quotas, negotiating prices, and restricting imports (sometimes referred to as "supply management").[36] Under USMCA, Canada committed to provide greater access for U.S. exporters through 14 U.S.-specific dairy tariff-rate quotas (TRQs), which allow specified quantities of U.S. dairy products to be imported into Canada duty

[29] CNBC, "U.S. Trade Rep Greer Blames Canada for Failed Tariff Talks: 'They Wanted More,'" August 24, 2026; "Treasury Secretary Bessent: Mark Carney Is Not Doing What's Best for The Canadian People," August 31, 2026.

[30] Department of Finance Canada, "Canada Announces Targeted Countermeasures and Substantive Support for Workers and Businesses in Response to U.S. Tariffs," press release, August 25, 2026.

[31] CRS analysis of data from the U.S. Census Bureau and Statistics Canada, displayed by *Trade Data Monitor*, accessed August 26, 2026. There are discrepancies in country export and import data; $20 billion represents 6% of U.S. exports to Canada, according to the U.S. Census Bureau, and 8% of Canadian imports from the United States, according to Statistics Canada.

[32] Department of Finance Canada, "Complete List of U.S. Products Subject to Counter Tariffs."

[33] For more information, see "How Alcohol Sales Explain Canada's Internal Trade Problem," *The Globe and Mail*, podcast, June 3, 2026; Canadian Free Trade Agreement Secretariat, "Premiers Sign Final Agreement Towards Canada-Wide Direct-To-Consumer Alcohol Sales," press release, July 21, 2026; and Prime Minister of Canada, "Prime Minister Carney Meets with Premiers to Discuss Canada's Response to U.S. Tariffs," March 28, 2025.

[34] Richard Woodbury, "To Shelve or Not to Shelve: How the American Alcohol Response Varies Widely by Province," CBC News, September 1, 2026.

[35] Distilled Spirits Council of the United States, "Statement by Chris Swonger, President and CEO of the Distilled Spirits Council of the United States, on the U.S. Imposition of a 50% Tariff on Canadian Spirits," August 22, 2026; and Wine Institute, "One Year Later, Canadian Bans on U.S. Wine Cost American Industry $357 Million In 2025," March 4, 2026.

[36] Corentin Bialais et al., *Canada's Supply Management System*, Library of Parliament, Publication No. 2008-42-E, May 15, 2026.

free.[37] Some Members of Congress have argued that Canada is not meeting its USMCA commitments related to dairy and have called for addressing Canadian dairy practices during the USMCA review process.[38]

In Proclamation 11047, the President asserted Canada is discriminating against U.S. commerce by not allowing dairy TRQ allocations for retailers under USMCA while allowing cheese TRQ allocations for retailers under Canada's agreement with the European Union (EU). USTR has highlighted issues with Canada's supply management system and Canadian dairy practices in its annual report on trade barriers.[39] During the first Trump and Biden Administrations, USTR challenged Canada's dairy TRQs twice under USMCA's dispute settlement mechanism. USTR sought its first consultation regarding Canada's dairy TRQs in December 2020.[40] In 2021, a USMCA dispute settlement panel found Canada's practice of reserving TRQ pools exclusively for the use of certain domestic producers to be inconsistent with its USMCA commitments.[41] USTR requested a second USMCA panel, contending that Canadian revisions to the dairy TRQ system in response to the 2021 panel ruling remained inconsistent with its USMCA obligations.[42] In 2023, a USMCA panel ruled in favor of Canada.[43] U.S. officials and some Members expressed disappointment in the decision.[44]

In June 2025, the Canadian Parliament enacted Bill C-202, which prevents the government from increasing TRQs or reducing over-quota tariffs for dairy, poultry, or eggs in future negotiations.[45] Supporters of Bill C-202 and the supply management system have criticized market access concessions included in Canadian trade agreements.[46] Some Canadian observers critiqued the supply management system as protectionist and argue it raises prices for Canadian consumers.[47]

Motor Vehicles

In 2025, the United States imposed Section 232 tariffs on vehicles and auto parts from all trading partners based on an investigation initiated and completed during President Trump's first term; this included 25% tariffs on Canadian vehicles that do not meet USMCA content rules and on the non-U.S. content of vehicles that meet USMCA rules.[48] Auto parts that meet USMCA rules are

[37] Agreement between the United States of America, the United Mexican States, and Canada (USMCA), Chapter 2, Annex 2-B. For more information, see CRS In Focus IF11149, *Dairy Provisions in USMCA*.

[38] Letter from Rep. Claudia Tenney and Rep. Suzan DelBene et al. to USTR Jamieson Greer, December 3, 2025.

[39] USTR, *2026 National Trade Estimate Report on Foreign Trade Barriers*, March 2026, pp. 61-62.

[40] USTR, "United States Takes Action for American Dairy Farmers by Filing First-Ever USMCA Enforcement Action," press release, December 9, 2020.

[41] Final Panel Report on Canada-United States-Mexico Agreement, Arbitral Panel Established Pursuant to Article 31, Canada-Dairy TRQ Allocation Measures (CDA-USA-2021-31-010), December 20, 2021.

[42] USTR, "United States Establishes Second USMCA Dispute Panel on Canadian Dairy Tariff-Rate Quota Policies," press release, January 31, 2023.

[43] See Final Report on Agreement between the United States of America, the United Mexican States, and Canada; Panel Established Pursuant to Article 31.6; Canada-Dairy Tariff-rate Quota Allocation Measures 2023 (CDA-USA-2023-31-01), November 10, 2023.

[44] USTR, "WHAT THEY ARE SAYING: USMCA Dairy Ruling," press release, November 27, 2023.

[45] Parliament of Canada, Bill C-202, 45th Parl., 1st sess. Bill C-202 received Royal Assent on June 26, 2025.

[46] See, for example, a joint statement by several Canadian dairy, poultry, and egg associations, "Canada's Dairy, Poultry and Egg Farmers Welcome the Passage of Bill C-202," June 18, 2025; and Lisa Ashton, *Supply Management Explained*, RBC Wealth Management, July 14, 2025.

[47] See, for example, Sylvain Charlebois, "CHARLEBOIS: Here's Why Bill C-282 Is an Awful Idea," *Toronto Sun*, February 11, 2024; and Jake Fuss and Alex Whalen, "OPINION: Canada Could Lower Grocery Bills by Scrapping Supply Management," *Toronto Sun*, June 25, 2024.

[48] For more details, see CRS Insight IN12545, *Section 232 Automotive Tariffs: Issues for Congress*.

exempt from Section 232 tariffs. The Canadian government responded with 25% tariffs on U.S. vehicles that do not meet USMCA rules and on the non-Canadian and non-Mexican content of U.S. vehicles that meet USMCA rules.[49] The Canadian government has implemented a "remission framework" that fully exempts a certain number of USMCA-compliant vehicles from tariffs for companies producing vehicles in Canada, contingent on their maintaining production in Canada.[50] The framework is to remain until April 8, 2027. In Proclamation 11048, the President asserted Canada's retaliatory tariffs and remission framework on U.S. vehicles were discriminatory toward U.S. commerce. The Section 338 Canada tariffs do not apply to goods covered by Section 232 actions, including vehicles and auto parts.

The U.S. and Canadian auto industries have a long history of integration and co-production, first spurred by the Canada-United States Automotive Products Agreement (Auto Pact), signed in 1965 and approved by P.L. 89-283. Canada is the top U.S. export market for automotive products (vehicles and parts). According to the latest available data, in 2025, 38% of U.S. automotive exports ($61 billion) went to Canada.[51] In 2025, Canada was the second-largest exporter, behind Mexico, of automotive products to the United States—accounting for about 12% ($53 billion) of total U.S. automotive imports. Around 90% of Canadian automotive goods exports went to the United States in 2025 ($47 billion).[52]

The Trump Administration has asserted that a key goal of its trade policy is to boost domestic manufacturing, including in the auto sector.[53] Following August 2026 bilateral talks, Prime Minister Mark Carney stated that the Canadian government could not accept U.S. terms that would make Canadian industries "subsidiaries" of U.S. industries or "those industries would be gradually wound down in Canada and wiped out."[54]

Other Issues

U.S. and Canadian officials have offered differing accounts of why the two countries did not finalize a deal ahead of the August 22 implementation of U.S. Section 338 tariffs.[55] As part of the talks, the two sides also reportedly discussed U.S. Section 232 tariffs[56] and Canadian regulations on digital services providers (including provisions related to French language content).[57] Another

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[49] Department of Finance Canada, "Canada Announces Entry into Force of Countermeasures Against Auto Imports from the United States," press release, April 8, 2025.

[50] Government of Canada, "United States Surtax Remission Order (Motor Vehicles 2026): SI/2026-13," *Canada Gazette*, Part II, vol. 160, no. 7, April 8, 2026.

[51] CRS analysis of data from the U.S. Bureau of Economic Analysis (BEA), "Table 1.5. U.S. International Trade in Goods and Services by Area and Country," June 24, 2026.

[52] Harmonized Schedule (HS) code 87. CRS analysis of data from Statistics Canada, as presented by *Trade Data Monitor*, accessed September 1, 2026.

[53] White House, "President Trump's Trade Agenda Is Rebuilding the American Auto Industry," press release, August 19, 2026.

[54] Remarks by Prime Minister Mark Carney, "Canada Won't Accept Core Industries Being 'Subsidiaries' of the U.S., Carney Says," CBC News, video, September 1, 2026.

[55] See, for example, CNBC, "U.S. Trade Rep Greer Blames Canada for Failed Tariff Talks: 'They Wanted More,'" August 24, 2026; and Prime Minister of Canada, "Prime Minister Carney Delivers Remarks on Canada-U.S. Trade Negotiations," August 22, 2026.

[56] See CRS Insight IN12519, *Section 232 Tariffs on Steel and Aluminum*; CRS Insight IN12545, *Section 232 Automotive Tariffs: Issues for Congress*; and CRS Report R48781, *U.S.-Canada Softwood Lumber Trade: Current Issues for Congress*.

[57] USTR has raised concerns about Canada's Online Streaming Act, which requires online streaming companies to fund Canadian cultural content, and the Province of Quebec's Bill 109, which requires online streaming services to promote (continued...)

reported topic was Canada's approach to trade with third parties outside of USMCA. USMCA Article 32.10 includes language related to parties' trade agreement negotiations with "non-market countries."[58] Some U.S. officials have highlighted potential issues related to "transshipment" of goods through countries, including Canada, by third countries seeking to evade U.S. tariffs and trade remedies.[59] Other officials have called for "economic security alignment," including on tariffs, export controls, and investment screening, among USMCA parties.[60] Prime Minister Carney has said Canada would not accept "any restriction on [its] ability to execute" its trade agreements with other countries.[61] Carney has said Canada and the United States share concerns about non-market economies, and policy alignment could be in their joint interest but would need to be in the context of a comprehensive trade deal that allows for integrated markets and lower tariffs for Canadian goods compared to goods from other countries, as was the case under USMCA prior to the 2025 imposition of U.S. tariffs.[62]

Options for Congress

Congress may consider whether and, if so, how to exercise greater oversight and influence over U.S. tariff policies toward Canada. Some Members have supported the Administration's use of tariff authorities to address U.S.-Canada trade issues and have proposed legislation directing the Administration to investigate Canadian trade practices (e.g., H.R. 8025, H.R. 9601).[63] Other Members have proposed legislation to repeal tariff authorities such as Section 338 (e.g., H.R. 2464, H.R. 10175) or require congressional approval for the use of such tariff authorities, particularly on U.S. allies (e.g., S. 348). Press reports also indicate that a number of Members have encouraged more consultation between USTR and Congress on tariffs.[64]

Members of Congress also could consider whether and how to engage with the USMCA joint review. Among other actions, Members could assess whether to seek changes to the agreement, whether to modify congressional consultation and approval requirements related to USMCA revisions or withdrawal, and whether to specify how current and potential future U.S. tariffs should apply to Canadian goods traded under USMCA.[65] Some Members have asserted that previous U.S. tariffs on Canada violated USMCA (H.Con.Res. 25).

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and prioritize French language content. See USTR, *2026 National Trade Estimate Report on Foreign Trade Barriers*, March 2026, p. 66; and CRS Insight IN12716, *Canada's Online Streaming Act: Background and Issues for Congress*.

[58] See "Nonmarket Economy Clause" in CRS Report R48964, *USMCA Joint Review: Background on Prior Negotiations and Selected Issues for Congress*.

[59] White House, Office of Trade and Manufacturing Policy, *The Great Transshipment Scam*, August 2026.

[60] USTR Jamieson Greer, "Opening Statement for House Ways and Means and Senate Finance Committees," December 16 and 17, 2025, p. 10.

[61] Remarks by Prime Minister Carney, "PM Carney Speaks to Media After Suspension of Canada-U.S. Trade Talks," video, August 22, 2026, https://www.youtube.com/live/ZR9TwlGYCBw?si=hZkt47r_cCGzl4xG&t=2324.

[62] Remarks by Prime Minister Carney, "PM Carney Speaks to Media After Suspension of Canada-U.S. Trade Talks," https://www.youtube.com/live/ZR9TwlGYCBw?si=Os-3t0G4n4g9_dBo&t=2451.

[63] Rep. Jason Smith (@RepJasonSmith), "President Trump is right to use all available tools to pressure Canada to end its discrimination against U.S. products," X post, September 8, 2026, https://x.com/RepJasonSmith/status/2097482052262154278; Billy Kobin, "'It Won't Go Well for Them': Jared Golden Sticks with Trump in Canada Tariff Fight," *Portland Press Herald*, updated August 26, 2026; and Mike Crawley, "Republicans Back Trump in His Trade War with Canada," CBC News, September 2, 2026.

[64] Mia McCarthy et al., "GOP Lawmakers Seek Answers from Trump Trade Chief on Canada Tariffs," *Politico*, September 2, 2026.

[65] See CRS Report R48787, *USMCA Joint Review: Process and Role of Congress*.

Author Information

Kyla H. Kitamura
Analyst in International Trade and Finance

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