

**Notes from Tariff Information Session with the Province of NS  
Intergovernmental Affairs and Invest NS**

February 28, 2025

**PLEASE NOTE:** *The information in these session notes is accurate to the best of anyone's knowledge as of 9:00 am AST on Friday, February 28, 2025. This is a rapidly evolving situation. Additional resources to keep current are listed at the bottom of these notes and in the NSBA's February eNews for members.*

**Presenters:**

Angela Houston (Intergovernmental Affairs)  
Karley Hewitt (Intergovernmental Affairs)  
Max Shvedov (Intergovernmental Affairs)  
Todd Coombs (Invest NS)

**Guests:**

Bob Fullbrook (Marindustrial Inc)  
Gordon Steeves (Canadian Maritime Engineering)  
Graham Oakley, Karen Churchill, and others (A. F. Theriault & Son Ltd)  
Jan Fullerton (NS Boatbuilders Association)  
Jill Boutilier (Shining Waters Marine Services)  
Kris Campbell (Shining Waters Marine Services)  
Mel Crane (Custom Advantage Marine)  
Yves Gosselin (Composites One)

**Currently proposed tariffs:**

- 25% tariff\* on goods from Canada, Mexico entering the US:  
The Canadian govt is working hard on this with Washington and has been addressing the issues cited by the US as reasons for this tariff, in particular border issues. Although those involved in the negotiations have reported productive meetings, these reports have twice been followed by President Trump restating his intention to impose tariffs as of March 4. Based on this volatility, federal and provincial governments in Canada have to proceed as if tariffs are going ahead.

*\*10% for energy products such as oil and electricity*

- Global 25% tariff on steel and aluminum entering the US:  
Canadian governments (federal / provincial / territorial) are currently expecting some form of tariffs on steel and aluminum to go into effect; whether it will be 25% remains uncertain. The original date given by the US was March 12.

- Reciprocal tariffs on countries that have tariffs on US imports:  
The US has also stated intentions to impose reciprocal tariffs on countries who have tariffs on US imports; these would be set to match the taxes that the US administration determines are charged by the other countries on American goods. The last date announced for this was April 2.

### **Government Response (Federal + NS):**

- Response to 25% tariffs on Canada and Mexico:  
The first phase in retaliatory tariffs is not expected to cause broad negative impacts for businesses in terms of sourcing; it is very targeted and strategic, aiming to most impact those in the US who support the current US administration. If no changes happen as a result of Phase 1, the Phase 2 retaliation strategy will be broader. The Phase 1 list has been published (see link in “Additional Information” below); there is no detailed list for Phase 2, only broad categories, as there is too much uncertainty.
- Response to steel and aluminum tariffs:  
In addition to the response to tariffs on goods entering the US from Canada and Mexico, the Canadian government is considering a dollar-for-dollar retaliatory tariff on steel and aluminum products entering Canada plus some other select products from the Phase 1 list mentioned above.
- Addressing Interprovincial Trade Barriers:  
Premier Houston tabled legislation this week with a goal of reducing internal trade barriers within Canada; NS hopes to see other provinces and territories take similar actions. If the US market is going to be seriously altered for Canadian companies’ access, Canada / Canadian businesses also need to open up other trade pathways within Canada and diversify international trade.

### **Options for Affected Businesses:**

- Harmonized System (HS) Codes:  
For key industry products that can only be sourced from the US, please submit the product(s) with HS code(s) to the NS government so they can advocate to the federal government to keep those items off the retaliation list. The federal government will have to balance competing requests, so there are no guarantees.
- Supports for Affected Businesses:  
There are plans for business supports both federally and provincially; it is hard to know what these will look like until tariffs are enacted and the impacts are better understood. Nova Scotia has allocated \$200M to a contingency fund.

## **Participant Q&A, Comments:**

- Q. What happens with EU products imported by an American distributor, then imported into Canada?

A. If they are transiting the US and the product isn't significantly modified in the US, tariffs shouldn't apply so long as the paperwork is clear; such products should fall under Canada's agreement with the EU.

- Q. Is the Canadian government considering export tariffs as well as import tariffs in its response?

A. This is a highly charged debate. It's on the table as a potential strategy, but there is strong opposition from some provinces / sectors. At present, the main plan is retaliatory tariffs on US imports to Canada.

- Q. Does Canada have a trade agreement with the United Kingdom?

A. Yes, although it is older and due for modernization.

- Q. Who else does Canada have free trade agreements (FTAs) with / who is Canada negotiating with?

A. The presenters committed to sharing a list of agreements currently in place or being negotiated. Canada recently concluded a FTA with Indonesia, and is in discussions with ASEAN countries as well as Ecuador.

- Q. Marine parts can be difficult to source at the best of time. How do companies get help knowing what duties may apply for any countries where they are looking to do business?

A. Send questions to Karley - [karley.hewitt@novascotia.ca](mailto:karley.hewitt@novascotia.ca).

Todd also recommended customs brokers. The Province is hosting an online session with customs brokers, likely in the next week or two. That information can be distributed to this group.

- Q. For smaller companies / projects, customs brokers may be too costly. How can a small company keep on top of what duties would apply when quoting a price?

Jan didn't catch the full response while typing other notes. Todd noted that Invest NS they may need to increase program flexibility to meet evolving company needs.

- Q. How will tariffs be collected? Will it fall on customs brokers or on companies? One industry participant heard from Canadian customers exporting to the US that exporting companies may be asked to post a bond.

A. Government representatives on the call will look into it, this is the first they heard of it. Provincial reps agreed it should be the importer of record in the US, but sometimes the customs broker is the importer of record and government reps are hearing of US customers not wanting to pay the tariff.

### **Products / products streams of concern:**

- Aluminum and steel; some NSBA members work primarily with one or both of these metals and get all their aluminum from two US suppliers.
- Marine diesel engines – 25% on CAT or Cummins is a big hit; EU alternatives include Scania, Beta, Vetus
- Industry representatives can submit additional items privately to Karley ([karley.hewitt@novascotia.ca](mailto:karley.hewitt@novascotia.ca)) or to Jan ([exec@nsboats.com](mailto:exec@nsboats.com)) to pass on.

### **Additional Comments:**

- The NSBA has been pursuing funding to support market diversification efforts for the industry; proposal was submitted to Growth and Development at the end of January.
  - Industry participant noted it would help to have a website where a small / medium business could enter a brand/make and country of origin to estimate duties.
  - Industry participant asked if the NSBA could provide a list of commonly used tariff codes for the marine industry. Jan committed to looking into it.
  - Industry participant asked if anyone on the call knows of Euro currency credit cards to eliminate fees on small value transactions; the company checked with their bank (RBC), who didn't have a product. Todd suggested checking with the Business Development Bank of Canada (BDC), although they may work more with larger amounts vs small values. Todd also sent a follow-up suggesting the Scotiabank Passport Visa Infinite Card may be an option based on brief research, although he didn't verify this.
  - Presenters mentioned the federal government's "tariff finder" tool; one industry participant responded that it was awful. Unknown if improvements have been made since it was launched 2 years ago, but if not it would be good for the federal government to be aware this is a big need for business and could save a lot of money if it worked well.
  - Provincial reps will make sure all session participants are on their update lists. The NSBA will also continue to share updates.
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## **ADDITIONAL RESOURCES:**

### **Federal Government News & Information**

- [Updates from the Department of Finance Canada \(full list\)](#)
  - [List of products from the United States subject to 25 percent tariffs \(paused\)](#)
  - [Tariff information and Harmonized System \(HS\) Codes](#)
  - [Comprehensive and Progressive Agreement for Trans-Pacific Partnership \(CPTPP\)](#)
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### **Tariff Resources and Messaging for Businesses**

Please find some general messaging being provided by Intergovernmental Affairs, Trade Policy to assist with U.S. business discussions.

- [Customs 101](#)
  - [Canada - US trade placemat](#)
  - [Suggested Key messages](#)
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### **Member Needs Help: Canada / US Trade Relations**

From the Excellence in Manufacturing Consortium (EMC), Member Needs Help is an exclusive service now open to all Canadian manufacturers on the topic of Canada / US Trade Relations. It is designed to foster collaboration and knowledge sharing within the manufacturing community.

Stay informed, stay connected. For a full list of resources or to sign up for email updates, [please click here](#).

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### **Premier's Office / Service Nova Scotia Tariff Response Survey and Hotline**

The Province has created channels for Nova Scotian business owners dealing with the United States to get quick access to the latest information related to tariffs.

#### [Tariff Response Survey](#)

Tariff Information Line: 1-800-670-4357

For quick facts and other information, click [here](#).