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March 17th, 2025

Re: U.S. Tariff Consultations

Dear Mr. Halley and Ms. Govier,

On behalf of grain farmers across Canada, Grain Growers of Canada (GGC) and the Canadian Canola Growers Association (CCGA) are writing in response to the list of countermeasure tariffs proposed by the Government of Canada for implementation. The grain sector is vital to the Canadian economy, and the proposed tariffs represent a significant concern for farmers who are already facing a range of financial pressures and market instability. In this submission, we highlight the potential negative impacts of these countermeasure tariffs, particularly on the inputs that Canadian farmers depend on for crop production, such as fertilizers, machinery, seed, and crop protection products.

As the national voice for Canada's grain farmers, Grain Growers of Canada (GGC) represents over 70,000 producers through our 14 national, provincial and regional grower groups. Our members steward 110 million acres of land to grow food for Canadians and for 160 countries around the world, creating \$45 billion in export value annually. As the farmer-driven association for the grains sector, GGC champions federal policies that support the competitiveness and profitability of grain growers across Canada.

The Canadian Canola Growers Association (CCGA) represents 40,000 canola farmers from Ontario to British Columbia on national and international issues, policies, and programs that impact farm profitability. CCGA is also the largest administrator of Agriculture and Agri-Food Canada's Advance Payments Program (APP).

Our submission focuses on four key areas: fertilizers, machinery, seed and crop protection products. These areas are critical to the operations of grain farmers across Canada, as they directly impact the cost of production, the efficiency of farming practices, and ultimately the ability to grow food. High-quality

seeds are the foundation to each crop season, fertilizers are necessary for ensuring optimal plant growth, while crop protection products are indispensable for preventing the loss of crops due to pests and diseases. Additionally, machinery is essential for the efficient and timely harvest of vast acres of farmland. The Appendix included with this submission outlines the specific HS codes of products that we strongly recommend be removed from the countermeasure tariff list. This would help to protect the profitability and productivity of Canadian grain farmers and their ability to contribute to domestic and global food security.

Fertilizers

Canadian grain farmers are dependent on fertilizer products to ensure the optimal growth and health of their crops. Fertilizers play a crucial role in providing the essential nutrients needed for plant development, with the three primary categories being nitrogenous, phosphatic, and potassic fertilizers. These fertilizers are carefully formulated to supply crops with key elements, each of which is vital for promoting various stages of plant growth, including root development, flowering, and resistance to disease. Despite Canada's significant production of these fertilizers, particularly potash, which is a primary ingredient in potassic fertilizers, Eastern Canadian farmers face logistical challenges in accessing Canadian potash. Due to the structure of supply chains and regional disparities in fertilizer production, many of these farmers rely on imported potash rather than sourcing it from domestic producers. According to Fertilizer Canada, tariffs on fertilizer products will amount to an additional \$25 per acre in added costs in phosphate alone for Western Canadian farmers, amounting to hundreds of millions of added costs with profound long-term effects. Canadian farmers cannot afford these additional costs, and the government support needed to offset this would be astronomical. **All three categories of fertilizers—nitrogenous, phosphatic, and potassic—are currently subject to tariff countermeasures, and it is strongly recommended that these tariffs be removed.**

Machinery & Equipment

Large, specialized equipment is key to efficiently operating Canadian grain farms. From tractors and combines, to sprayers and planting machinery, this equipment is essential for seeding, spraying, and harvesting crops. Unfortunately, many critical pieces of farm equipment, as well as essential parts and components, are manufactured and imported from the United States and are currently included on the list of countermeasures. Steel components have already been targeted on the updated March 13th list of countermeasure tariffs, which may affect part availability or affordability for the 2025 growing season. The imposition of tariffs on this equipment would significantly increase costs for farmers, which could result in delays in purchasing parts, reduced efficiency, and ultimately, a negative impact on overall crop yields. **Given the high reliance on this equipment, we strongly recommend that all agricultural equipment and parts be removed from the countermeasure tariff list.**

Seed

Farmers rely on high-quality seed as their foundation to build on for a growing season. Using premium seeds that are specifically bred for their resilience and fertility means the plants are less susceptible to pest pressures and ultimately leads to higher crop yields. While farmers can source a considerable amount of their seed domestically, producers still require inputs from the US to meet their seed demand. For example, 20% of the seed for canola, Canada's largest export crop, is imported from the US¹. Canola seed for planting is currently subject to retaliatory tariffs under Phase I while other important crops like wheat, durum, barley, oats, corn, and soybean seed will be burdened by import

¹ Global Data. (August 2024) *The Economic Impact of Canola on the Canadian Economy: 2024 Update*.

tariffs when Phase II is imposed. Applying tariffs on crop inputs like seed will add financial and logistical stress to farmers during their most stressful time of the year. We are striving to protect farmers from unprecedented market volatility by giving them access to the best seed and inputs available.

Consequently, we encourage the removal of all seeds from the retaliatory tariffs list.

Crop Protection Products

We were pleased to see that pesticides (HS Code 3808) were not included in the first round of counter-tariffs, nor were they featured in the proposed list of additional tariffs. This decision is especially important for Canadian grain farmers, as approximately three-quarters of the crop protection products used in Canada are sourced from the United States². These pesticides play an essential role in safeguarding crops from pests, diseases, and weeds, which could otherwise severely compromise crop yields and quality. Given the critical nature of these crop protection products in maintaining the productivity of Canadian agriculture, we are hopeful that they will remain counter tariff-free. We can continue to ensure that Canadian grain farmers have access to the high-quality, effective crop protection products they rely on, ultimately supporting the overall competitiveness of the Canadian grain industry in the global market. **We continue to support the exclusion of crop protection products from the countermeasure tariff list.**

We thank you for the opportunity to provide comments on the proposed countermeasure tariff list. It is essential that Canadian grain farmers retain access to vital crop inputs and equipment to maintain productivity and competitiveness. These resources are crucial for ensuring that Canadian farmers can continue to contribute to global food security and the economy. Please feel free to reach out if you have any further questions or need additional information.

Sincerely,

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Dave Carey
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Canadian Canola Growers Association

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² Industry Canada Trade Data Online

Appendix – Products Identified for Exemption

Tariff Item	Harmonized System (HS) Heading
0713.10.10	Pea seeds, of a kind used for sowing, dried, shelled.
0713.10.20	Dried leguminous vegetables, shelled, whether or not skinned or split
0713.31.10	Dried leguminous vegetables, shelled, whether or not skinned or split
0713.31.32	Dried leguminous vegetables, shelled, whether or not skinned or split
0713.31.33	Dried leguminous vegetables, shelled, whether or not skinned or split
0713.31.39	Dried leguminous vegetables, shelled, whether or not skinned or split
0713.40.00	Dried leguminous vegetables, shelled, whether or not skinned or split
0713.50.00	Dried leguminous vegetables, shelled, whether or not skinned or split
1001.11.10	Wheat and meslin, Durum wheat: Seed: Within access commitment
1001.11.20	Wheat and meslin, Durum wheat: Seed: Over access commitment
1001.91.10	Wheat and meslin, Other: Seed: Within access commitment
1001.91.20	Wheat and meslin, Other: Seed: Over access commitment
1002.10.00	Rye, seed for sowing.
1003.10.11	Barley, Seed: For malting purposes: Within access commitment
1003.10.12	Barley, Seed: For malting purposes: Over access commitment
1003.10.91	Barley, Seed: Other: Within access commitment
1003.10.92	Barley, Seed: Other: Over access commitment
1004.10.00	Oats, seed for sowing.
1005.10.00	Corn, seed for sowing.
1201.10.00	Soya beans, seed for sowing, whether or not broken.
1204.00.10	Flaxseed, w/n broken, for sowing
1205.10.10	Low erucic acid rape or colza seeds, w/n broken, for sowing. (Canola)
1206.00.00	Sunflower seeds, whether or not broken
3101.00.00	Animal or vegetable fertilizers, whether or not mixed together or chemically treated; fertilizers produced by the mixing or chemical treatment of animal or vegetable products.
3102.10.00	Mineral or chemical fertilizers, nitrogenous.
3102.21.00	Mineral or chemical fertilizers, nitrogenous.
3102.29.00	Mineral or chemical fertilizers, nitrogenous.
3102.30.00	Mineral or chemical fertilizers, nitrogenous.
3102.40.00	Mineral or chemical fertilizers, nitrogenous.
3102.50.00	Mineral or chemical fertilizers, nitrogenous.
3102.60.00	Mineral or chemical fertilizers, nitrogenous.
3102.80.00	Mineral or chemical fertilizers, nitrogenous.
3102.90.00	Mineral or chemical fertilizers, nitrogenous.
3103.11.00	Mineral or chemical fertilizers, phosphatic.
3103.19.00	Mineral or chemical fertilizers, phosphatic.
3103.90.00	Mineral or chemical fertilizers, phosphatic.
3104.20.00	Mineral or chemical fertilizers, potassic.
3104.30.00	Mineral or chemical fertilizers, potassic.
3104.90.00	Mineral or chemical fertilizers, potassic.
3105.10.00	Mineral or chemical fertilizers containing two or three of the fertilizing elements nitrogen, phosphorus and potassium; other fertilizers; goods of this Chapter in tablets or similar forms or in packages of a gross weight not exceeding 10 kg.

Tariff Item	Harmonized System (HS) Heading
3105.20.00	Mineral or chemical fertilizers containing two or three of the fertilizing elements nitrogen, phosphorus and potassium; other fertilizers; goods of this Chapter in tablets or similar forms or in packages of a gross weight not exceeding 10 kg.
3105.30.00	Mineral or chemical fertilizers containing two or three of the fertilizing elements nitrogen, phosphorus and potassium; other fertilizers; goods of this Chapter in tablets or similar forms or in packages of a gross weight not exceeding 10 kg.
3105.40.00	Mineral or chemical fertilizers containing two or three of the fertilizing elements nitrogen, phosphorus and potassium; other fertilizers; goods of this Chapter in tablets or similar forms or in packages of a gross weight not exceeding 10 kg.
3105.51.00	Mineral or chemical fertilizers containing two or three of the fertilizing elements nitrogen, phosphorus and potassium; other fertilizers; goods of this Chapter in tablets or similar forms or in packages of a gross weight not exceeding 10 kg.
3105.59.00	Mineral or chemical fertilizers containing two or three of the fertilizing elements nitrogen, phosphorus and potassium; other fertilizers; goods of this Chapter in tablets or similar forms or in packages of a gross weight not exceeding 10 kg.
3105.60.00	Mineral or chemical fertilizers containing two or three of the fertilizing elements nitrogen, phosphorus and potassium; other fertilizers; goods of this Chapter in tablets or similar forms or in packages of a gross weight not exceeding 10 kg.
3105.90.00	Mineral or chemical fertilizers containing two or three of the fertilizing elements nitrogen, phosphorus and potassium; other fertilizers; goods of this Chapter in tablets or similar forms or in packages of a gross weight not exceeding 10 kg.
4013.90.10	Inner tubes, of rubber.
7318.11.00	Screws, bolts, nuts, coach screws, screw hooks, rivets, cotters, cotter-pins, washers (including spring washers) and similar articles, of iron or steel.
7318.12.00	Screws, bolts, nuts, coach screws, screw hooks, rivets, cotters, cotter-pins, washers (including spring washers) and similar articles, of iron or steel.
7318.13.00	Screws, bolts, nuts, coach screws, screw hooks, rivets, cotters, cotter-pins, washers (including spring washers) and similar articles, of iron or steel.
7318.14.00	Screws, bolts, nuts, coach screws, screw hooks, rivets, cotters, cotter-pins, washers (including spring washers) and similar articles, of iron or steel.
7318.15.00	Screws, bolts, nuts, coach screws, screw hooks, rivets, cotters, cotter-pins, washers (including spring washers) and similar articles, of iron or steel.
7318.16.00	Screws, bolts, nuts, coach screws, screw hooks, rivets, cotters, cotter-pins, washers (including spring washers) and similar articles, of iron or steel.
7318.19.00	Screws, bolts, nuts, coach screws, screw hooks, rivets, cotters, cotter-pins, washers (including spring washers) and similar articles, of iron or steel.
7318.21.00	Screws, bolts, nuts, coach screws, screw hooks, rivets, cotters, cotter-pins, washers (including spring washers) and similar articles, of iron or steel.
7318.22.00	Screws, bolts, nuts, coach screws, screw hooks, rivets, cotters, cotter-pins, washers (including spring washers) and similar articles, of iron or steel.
7318.23.00	Screws, bolts, nuts, coach screws, screw hooks, rivets, cotters, cotter-pins, washers (including spring washers) and similar articles, of iron or steel.
7318.24.00	Screws, bolts, nuts, coach screws, screw hooks, rivets, cotters, cotter-pins, washers (including spring washers) and similar articles, of iron or steel.

Tariff Item	Harmonized System (HS) Heading
7318.29.00	Screws, bolts, nuts, coach screws, screw hooks, rivets, cotters, cotter-pins, washers (including spring washers) and similar articles, of iron or steel.
8208.40.00	Knives and cutting blades, for machines or for mechanical appliances.
8424.41.00	Mechanical appliances (whether or not hand-operated) for projecting, dispersing or spraying liquids or powders; fire extinguishers, whether or not charged; spray guns and similar appliances; steam or sand blasting machines and similar jet projecting machines.
8424.49.00	Mechanical appliances (whether or not hand-operated) for projecting, dispersing or spraying liquids or powders; fire extinguishers, whether or not charged; spray guns and similar appliances; steam or sand blasting machines and similar jet projecting machines.
8424.82.00	Mechanical appliances (whether or not hand-operated) for projecting, dispersing or spraying liquids or powders; fire extinguishers, whether or not charged; spray guns and similar appliances; steam or sand blasting machines and similar jet projecting machines.
8432.10.00	Agricultural, horticultural or forestry machinery for soil preparation or cultivation; lawn or sports-ground rollers.
8432.21.00	Agricultural, horticultural or forestry machinery for soil preparation or cultivation; lawn or sports-ground rollers.
8432.29.00	Agricultural, horticultural or forestry machinery for soil preparation or cultivation; lawn or sports-ground rollers.
8432.31.00	Agricultural, horticultural or forestry machinery for soil preparation or cultivation; lawn or sports-ground rollers.
8432.39.00	Agricultural, horticultural or forestry machinery for soil preparation or cultivation; lawn or sports-ground rollers.
8432.41.00	Agricultural, horticultural or forestry machinery for soil preparation or cultivation; lawn or sports-ground rollers.
8432.42.00	Agricultural, horticultural or forestry machinery for soil preparation or cultivation; lawn or sports-ground rollers.
8432.80.00	Agricultural, horticultural or forestry machinery for soil preparation or cultivation; lawn or sports-ground rollers.
8432.90.00	Agricultural, horticultural or forestry machinery for soil preparation or cultivation; lawn or sports-ground rollers.
8433.30.00	Harvesting or threshing machinery, including straw or fodder balers; grass or hay mowers; machines for cleaning, sorting or grading eggs, fruit or other agricultural produce, other than machinery of heading 84.37.
8433.40.00	Harvesting or threshing machinery, including straw or fodder balers; grass or hay mowers; machines for cleaning, sorting or grading eggs, fruit or other agricultural produce, other than machinery of heading 84.37.
8433.51.00	Harvesting or threshing machinery, including straw or fodder balers; grass or hay mowers; machines for cleaning, sorting or grading eggs, fruit or other agricultural produce, other than machinery of heading 84.37.
8433.52.00	Harvesting or threshing machinery, including straw or fodder balers; grass or hay mowers; machines for cleaning, sorting or grading eggs, fruit or other agricultural produce, other than machinery of heading 84.37.
8433.59.00	Harvesting or threshing machinery, including straw or fodder balers; grass or hay mowers; machines for cleaning, sorting or grading eggs, fruit or other agricultural produce, other than machinery of heading 84.37.

Tariff Item	Harmonized System (HS) Heading
8433.90.00	Harvesting or threshing machinery, including straw or fodder balers; grass or hay mowers; machines for cleaning, sorting or grading eggs, fruit or other agricultural produce, other than machinery of heading 84.37.
8436.80.00	Other agricultural, horticultural, forestry, poultry-keeping or bee-keeping machinery, including germination plant fitted with mechanical or thermal equipment; poultry incubators and brooders.
8436.99.00	Other agricultural, horticultural, forestry, poultry-keeping or bee-keeping machinery, including germination plant fitted with mechanical or thermal equipment; poultry incubators and brooders.
8716.20.10	Trailers and semi-trailers; other vehicles, not mechanically propelled; parts thereof.
8716.20.90	Trailers and semi-trailers; other vehicles, not mechanically propelled; parts thereof.