

British Columbia and U.S. Tariffs: An Overview (March 26, 2025)

With frequent changes to U.S. tariffs on Canadian exports, the impact on B.C.'s economy remains uncertain. As the situation evolves, we explore B.C.'s current trade landscape, with a closer look at our trade with the U.S. coming next month.

Where we are today

On March 4, 2025, the U.S. put a 25% tariff on all Canadian imports, except energy products, which were taxed at 10%. In response, Canada added tariffs to U.S. goods worth about \$30 billion (out of a proposed \$155 billion).

The U.S. announced on March 6 that Canada-United States-Mexico Agreement (CUSMA)-compliant goods would be temporarily exempted from tariffs but added potash to the 10% tariff on energy products.

Then on March 12, the U.S. added more tariffs, putting an extra 25% on Canadian steel and aluminum. Canada responded again with 25% tariffs on \$29.8 billion worth of U.S. goods, including steel, aluminum, and other items.

The US is expected to announce additional tariffs on Canadian exports on April 2.

B.C.'s largest exports and markets

In 2024, B.C.'s commodity (physical goods) exports totaled \$54.5 billion¹, 53% of which went to the United States.

Metallurgical coal was B.C.'s top export by value last year, which was exported to various pacific rim countries. Very little (2%) goes to the United States while about 30% is exported to China.

B.C.'s softwood lumber, our second-biggest commodity, gets exported overwhelmingly to the United States – 75% of lumber exports go there.

B.C.'s top five exported commodities in 2024²:

Export	Value	% of Exports by Value	% Exported to the U.S.
Coal (primarily metallurgic)	\$8.6 billion	15.9%	2.0%
Softwood lumber	\$4.5 billion	8.2%	74.8%
Copper	\$4.4 billion	8.1%	0 %
Petroleum and derivative fuels ³	\$4.2 billion	7.7%	50.5%
Pulp	\$3.3 billion	6.0%	14.4%

¹ Source: Statistics Canada, Canadian international goods trade statistics, provided to BC Stats. Current as of February 2025. All values are in Canadian dollars unadjusted for inflation unless otherwise specified.

² See the [BC Data Catalogue](#) for additional information on these and other figures provided in this document.

³ Due to ongoing methodological revisions, the value of petroleum ("Other Energy") exports originating from B.C. and transported through the Trans Mountain Expansion Pipeline may be overstated.

B.C.'s top commodity export markets in 2024:

Export Market	Value	% of Exports by Value
United States	\$28.7 billion	52.8% of exports by value
Mainland China	\$8.5 billion	15.6% of exports by value
Japan	\$5.6 billion	10.4% of exports by value
South Korea	\$3.6 billion	6.6% of exports by value
India	\$1.3 billion	2.3% of exports by value

B.C.'s top imports and their sources:⁴

B.C.'s commodity imports totaled \$73.2 billion in 2024, 35% coming from the United States.

China was also an important source, providing 24% of Canada's imported commodities.

B.C.'s top five imported commodities in 2024:

Commodity Imports	Value	% of Imports by Value
Machinery and equipment	\$31.4 billion	42.9%
Agriculture and food	\$10.7 billion	14.6%
Metallic minerals and metal	\$7.0 billion	9.6%
Miscellaneous commodities	\$6.0 billion	8.2%
Apparel and accessories	\$4.0 billion	5.5%

B.C.'s top commodity imports' sources in 2024:

Imports Source	Value	% of Imports by Value
United States	\$25.2 billion	34.5%
Mainland China	\$17.6 billion	24.0%
Japan	\$4.5 billion	6.1%
Vietnam	\$3.1 billion	4.3%
South Korea	\$2.8 billion	3.8%

What is the value of B.C.'s exported and imported services?

BC Stats estimates⁵ that B.C. exported \$22.5 billion in services and imported \$11.8 billion in services in 2021 (the most recent year for which data has been published). These services include travel, commercial, transportation and government services.

⁴ Note that these figures represent goods clearing customs in B.C.; some proportion may be transported elsewhere in Canada after arriving in B.C.

⁵ Source: BC Stats, British Columbia Trade in Services 2012-2021

Trade in services will not be impacted by any potential tariffs. BC Stats estimates that B.C. exported \$11.1 billion in services to the U.S. in 2021 (the most recent year for which data has been published) and imported \$6.5 billion in services.

What are the potential impacts of tariffs proposed by the U.S. and retaliatory tariffs proposed by Canada?⁶

Clearly, the U.S. is B.C.'s largest trading partner for both exports and imports. The province's top exported products to the U.S. in 2024 were:

Export	Value	% of Exports by Value
Softwood lumber	\$3.3 billion	11.7%
Natural gas	\$2.4 billion	8.3%
Misc. machinery and equipment	\$2.3 billion	8.1%
Petroleum and derivative fuels	\$2.1 billion	7.3%
Misc. agriculture and food	\$1.9 billion	6.6%

How do tariffs hurt B.C.'s economy?

B.C. exports: Tariffs on B.C. goods exported to the U.S. potentially reduce the sales of those goods in the U.S. if there are more competitively priced alternatives available there.

The U.S. is the sole international market for B.C.'s natural gas⁷ and electricity exports (totaling \$3.3 billion in value in 2024, cumulatively), and accounts for over 90% of B.C.'s exports of wood products (shakes, shingles, plywood, value-added products, etc.), paper, vegetables, bread products, lead and zinc. It is the dominant market for many other B.C. goods as well.

Major markets for B.C. exports exist outside of the U.S. Mainland China purchased 61.1% of B.C.'s pulp exports (\$2.0 billion), 44.5% of B.C.'s copper exports (\$2.0 billion), and 31.3% of B.C.'s coal exports (\$2.7 billion) in 2024.

B.C. imports: In response to the announced tariffs, the Canadian government indicated that it would implement counter-tariffs on a number of U.S. goods imported into Canada⁸. Initial rounds of counter tariffs were announced and implemented by the Canadian government on March 4 and March 12, 2025. BC Stats estimates that these counter-tariffs apply to roughly 20% (by value, not quantity) of B.C.'s total imported goods from the U.S.

While tariffs on imports disadvantage U.S. businesses that export their goods to Canada, they also negatively impact B.C. consumers and businesses by increasing the price that British Columbians pay for imported goods. This can raise the cost of living for consumers and increase the cost of production for businesses that rely on U.S. imported goods as inputs for their production.

⁶ Note that the impacts of potential tariffs are subject to change given the high degree of uncertainty and fluidity around the implementation and duration of potential tariffs.

⁷ B.C. exported a small quantity of liquefied natural gas to Mainland China in 2024 comprising less than 1% of natural gas exports by value; the value of liquefied natural gas exports to markets outside the U.S. is anticipated to increase as production capacity increases.

⁸ The full list of imports to be impacted by potential counter tariffs can be found [here](#) and [here](#).

B.C.'s trade statistics

The source of BC Stats' trade data comes from Statistics Canada's (StatCan's) data for Canadian international trade in commodities. Data is provided directly to BC Stats by StatCan each month with a two-month lag. We use our proprietary Trade Research and Inquiry Package (TRIP) application to create and manage custom queries of the source trade data.

BC Stats releases [B.C. exports data](#) monthly, available through the B.C. Data Catalogue. You can also use our [Trade Profiles app](#) to learn more about B.C.'s trade with the U.S and other countries.

B.C. and tariffs in the news

The following articles provide more information on the impact of tariffs in B.C. using data from BC Stats:

- [Perennial uncertainty of tariffs looms over B.C.'s budget](#), CBC News (March 5, 2025)
- [U.S. tariffs on Canada are now in effect. How will they affect B.C.?](#), CBC News (March 4, 2025)
- [B.C. aluminum braces for U.S. tariff fallout](#), Business in Vancouver (February 24, 2025)
- [B.C. exports to Mexico stuck in neutral even amid U.S. trade threats](#), Business in Vancouver (February 20, 2025)
- [Can B.C. survive a trade war?](#) Martlet (University of Victoria) (February 6, 2025)
- [Premier David Eby, finance minister lay out potential \\$69 billion impact of U.S. tariffs on B.C.](#), The Vancouver Sun (January 16, 2025)