

## Free-Market Coalition Calls on the Department of Commerce to Protect Consumers and Stop the Can Tax

(Alexandria, Virginia) -- Today, Consumer Action for a Strong Economy (CASE) [released a coalition letter signed by 26 free-market leaders and organizations](#) urging the Department of Commerce and the U.S. International Trade Commission to reject a petition filed by steel giant Cleveland-Cliffs calling for the imposition of higher tariffs on imported tinplate steel. In the letter, the coalition raises serious concerns regarding the impact these tariffs would have on American consumers by sparking significant price increases on common grocery store items as well as countless household products.

Higher tariffs would be especially calamitous to lower-income Americans, who disproportionately rely on canned food items due to their affordability and availability at food banks.

Said CASE chairman Gerard Scimeca, "In the strongest of terms we call on U.S. Secretary of Commerce Gina Raimondo to reject this enormously dangerous and unwarranted protectionist proposal, which amounts to nothing more than a can tax that will raise prices on U.S. consumers and lead to job losses in American manufacturing. This cynical attempt by Cleveland-Cliffs to rent-seek on our nation's trade policies to pad their profits should be firmly rejected."

In January, the Cleveland, Ohio based steelmaker filed antidumping and countervailing duty petitions with the U.S. International Trade Commission and the Department of Commerce seeking higher tariffs of up to 300 percent on eight tinplate steel-importing nations. Tinplate is used in the packaging for canned food and products.

The coalition letter points to the historical damage inflicted upon the U.S. economy whenever harsh import tariffs on steel have been imposed. Citing an economic study by The Juday Group, the coalition notes that should Commerce grant Cleveland-Cliffs' request, prices on canned items would rise between 19 to 30 percent, or up to 58 cents per can. Similarly, a Trade Partnership Study found that for every steelworker job the petition claims it will protect there are 600 union and non-union jobs in other industries that could be eliminated, putting nearly 40,000 jobs on the chopping block.

Said CASE president Matthew Kandrach, "Most Americans are still struggling to make ends meet, having suffered through the worst bout of inflation in 40 years. The worst thing the Biden administration could do is green light new tariffs that will lead to double-digit price increases on some of our most basic necessities and food staples, an especially cruel outcome for our nation's poor and elderly on fixed incomes."

Tinplate steel tariffs make U.S. food and can manufacturing less competitive with cheap foreign imports of corn, beans, fruits and other products, contributing to job losses in small towns across America while shifting production away from domestic farmers. Currently these imports are already rising — surging 19 percent each year from China from 2021 to 2023 — and would only increase further if U.S. consumers are forced to wrestle with finding ways to stretch their shrinking purchasing power.

Raimondo and the Department of Commerce are expected to release preliminary findings from their investigation later this month.

The full letter can be found [here](#).