



Pacific NorthWest Economic Region

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Statement from PNWER Executive Director Matt Morrison: Tariffs Detrimental to U.S. - Canada Relationship

The United States and Canada have a long-standing, interdependent relationship that supports jobs, economic growth and mutual prosperity. The tariffs announced this weekend are not the solution to addressing border security challenges – instead they erode trust, threaten to destabilize the most integrated economy in the world and will negatively impact industries and families on both sides of the border. U.S. and Canadian leadership must work together with public and private partners to more effectively address the security challenges at our shared border and enhance the global competitiveness of our two nations.

The Pacific Northwest Economic Region (PNWER) has for decades recognized the critical importance of robust cross-border security, seamless trade and economic cooperation between the U.S. and Canada. Our region is built on a deeply interconnected economy, where states, provinces, and territories share close economic and cultural ties that are vital to mutual prosperity.

The U.S. and Canada share the world's largest and most comprehensive trading relationship, with nearly \$2.7 billion USD worth of goods and services crossing the border each day. This strong partnership drives economic growth, fosters innovation, and supports prosperity for both nations. Five years ago on January 29, 2020, President Trump signed the United States, Mexico, Canada Agreement (USMCA), which has shaped the North American integrated economy into the envy of the world. This weekend's announcement—U.S. 25% tariff on all Canadian goods and subsequent retaliatory tariffs—goes against the intent of this trade agreement and will have negative cascading economic consequences on both sides of the border, leading to inflation, increased costs and loss of jobs.

PNWER has a long history of creating opportunities for collaboration between governments, businesses, and communities to identify regional solutions to address common issues. We're hearing from businesses across the Pacific Northwest that tariffs will bring higher prices for food, fuel and manufactured goods, raising inflation and negatively impacting communities and families on both sides of the border.

Working together across borders and investing in efforts to combat illicit activities such as drug trafficking and illegal immigration—rather than relying on tariffs—will strengthen North American security and create a more stable economy for both countries. PNWER remains committed to

working across borders to effectively address ongoing border security issues, enhance trade and preserve a healthy U.S.-Canadian relationship within the framework of the USMCA.

A strong, secure U.S.-Canada economic partnership is vital for the economic prosperity and security of both nations. Unintended consequences of tariffs threaten to damage economies, imperil jobs and raise prices for families, and erode the trust that we share as neighbors, allies, and friends. U.S. and Canadian governments must initiate cross-border discussions—including with private industry—to ensure the uninterrupted and legitimate flow of goods, services and people, while effectively addressing security challenges at our border.

Communication and cooperation are critical to building trust, which is at the core of the U.S.-Canada relationship. The path forward lies in collaboration, not confrontation.

Matt Morrison is the Executive Director of the Pacific Northwest Economic Region (PNWER). PNWER is a public/private non-profit organization created by statute in 1991. Member jurisdictions include Alaska, Idaho, Montana, Oregon, and Washington, and the Canadian provinces and territories of Alberta, British Columbia, the Northwest Territories, Saskatchewan, and the Yukon. PNWER's mission is to increase the economic well-being and quality of life for all citizens of the region; identify and promote "models of success" and serve as a conduit to exchange information. For more information on PNWER, visit www.pnwer.org.