

## **Canada hits backs at US with retaliatory tariffs on metals, summertime essentials**

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The new measures targeting 12.6 billion US dollars in American steel, aluminium and consumer goods Will come into effect from Sunday.

**The tit-for-tat tariffs are response to the punishing US steel and aluminium tariffs imposed at the start of June.**

**Ottawa:** Canada on Saturday hit back at the United States with retaliatory tariffs on US summertime essentials including Florida orange juice, ketchup and Kentucky bourbon in its opening salvo in a trade war with President Donald Trump.

The new measures targeting 12.6 billion US dollars in American steel, aluminium and consumer goods will come into effect from Sunday. The tit-for-tat tariffs are a response to the punishing US steel and aluminium tariffs imposed at the start of June.

Ottawa also unveiled Can\$2 billion (US\$1.5 billion) in aid for the two sectors and their 33,500 workers.

Ottawa "had no choice but to announce reciprocal countermeasures to the steel and aluminum tariffs that the United States imposed on June 1, 2018," Prime Minister Justin Trudeau told Trump in a call on Friday, according to a statement from his office.

"The two leaders agreed to stay in close touch on a way forward," it said.

Canadian Foreign Minister Chrystia Freeland announced the tariffs at a steel facility in Hamilton, Ontario where she was flanked by brawny workers in yellow hardhats.

"We will not escalate and we will not back down," she said while noting that this trade action was the strongest Ottawa has taken since World War II.

But she said the move was made with "regret" and "very much in sorrow, not in anger" against a close ally.

The list of more than 250 US goods subject to Canadian duties -- including Florida juice, Wisconsin toilet paper and North Carolina gherkins, which are labor intensive to produce -- aim to pressure Trump supporters key states in November's US midterm elections.

The penalties will add 25 percent to the cost of US steel, and 10 per cent to aluminium and consumer goods.

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