

ECONOMIC VIEWPOINT

This report discusses tariffs. To learn what tariffs are and how they work, check out this [explainer](#).

Which Sectors of the Canadian Economy Are Most Vulnerable to Trump's Tariffs?

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HIGHLIGHTS

- ▶ Donald Trump surprised many on November 25 by declaring that he wanted to impose universal tariffs of 25% on imports from Canada and Mexico. His previous announcements suggested that 10% tariffs would be part of his first actions as president.
- ▶ With Trump set to take office on January 20, Canadian companies are rightly highly concerned. Some should be more worried than others.
- ▶ In this Economic Viewpoint, we analyze the potential impact of possible tariffs on different sectors of the Canadian economy. (See summary table.) This impact is weighted according to our estimate of the likelihood of tariffs being imposed on a given industry. For example, we believe that the energy and automotive sectors are likely to benefit from tariff exemptions, though there's still a lot of uncertainty around that. But this is unlikely to be true for other sectors where Americans have access to alternative suppliers (both foreign and domestic).
- ▶ We conclude that the sectors likely to be most affected by potential tariffs are primary metals (including aluminum), food and beverage manufacturing, chemicals, machinery and aerospace. (See industries with a red dot in the summary table.) The wood, pulp and paper, non-ferrous metals and plastics industries could also be hit hard by tariffs. (See industries with a yellow dot in the summary table.) The transportation and wholesale trade sectors would also suffer significant indirect effects from potential tariffs, as would agriculture, fishing and forestry. Industries less exposed to trade should fare better, including many service sectors. However, they could still experience ripple effects of any tariff-induced economic slowdown.

SUMMARY TABLE

Industry	Vulnerability index
Primary metals	●
Food and beverage	●
Chemicals	●
Machinery	●
Aerospace and parts	●
Pulp and paper products	●
Wood products	●
Plastics and rubber products	●
Crop and animal production	●
Fabricated metal products	●
Mining and quarrying	●
Non-metallic mineral products	●
Fishing, hunting and trapping	●
Transportation and warehousing	●
Wholesale trade	●
Forestry and logging	●
Petroleum and coal products	●
Oil and gas extraction	●
Motor vehicles and parts	●
Professional, scientific and technical services	●
Information and cultural industries	●
Utilities (including electricity production)	●
Administrative services, office admin. services, head offices	●
Arts, entertainment and recreation	●
Construction	●
Accommodation and food services	●
Finance, insurance, real estate, rental and leasing and holding companies	●
Retail trade	●

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Legend: ● Highly negative impact
● To watch
● Likely limited impact

Introduction

The election of Donald Trump to the White House has generated a very high level of uncertainty in Canada, and the president-elect’s multiple statements since then have done nothing to alleviate fears. The possibility of tariffs is the biggest threat to the Canadian economy, as more than 70% of our exports of goods and services are destined for the US. Trump’s most recent assertion suggested that a universal tariff of 25% would be applied to all imports from Canada and Mexico—at least if border security measures are not deemed sufficient. He has since said he is considering using “economic force” against Canada, though he didn’t specify what means could be used.

While our baseline economic scenario is for universal tariffs (but with multiple exceptions), a US policy of targeted tariffs for certain products is also plausible. It would somewhat limit the damage to American businesses and consumers. There are precedents under the last Trump administration of using targeted tariffs as a means of negotiation. Tariffs were temporarily applied to Canadian aluminum, iron and steel ahead of the renegotiation of NAFTA (now CUSMA¹) in 2018–2019. At the same time, the Trump administration also imposed tariffs on imported washing machines, though [Canada was exempt](#) (unlike Mexico).

Canada’s oil extraction and auto and parts manufacturing sectors are the most dependent on exports to our neighbour to the south (graph 1). But we don’t believe they’re the most at risk under the new Trump administration. In the case of crude oil, US production is insufficient to meet domestic needs. And with imports from Canada representing 58% of US oil imports, tariffs risk significantly raising prices, which would run counter to Trump’s promises to reduce energy prices. In the case of automotive manufacturing, the US industry is highly reliant on Canada and Mexico, as we’ll detail later. The

North American auto industry is particularly integrated, with over 50% of Canada–US trade involving parent companies, a third of US supply directly dependent on imports, plus a fifth of US production relying on imported intermediary inputs. Indeed, the credibility of the tariff threat depends on a series of factors (table 1). We’ll analyze the vulnerability of different Canadian industries through the lens of these factors, assigning an overall vulnerability index based on the industry’s exposure to US demand and the likelihood that a tariff will be imposed on that industry.

Table 1
For Each Industry, Different Factors Could Influence the US Government’s Decision to Impose Targeted Tariffs or Not

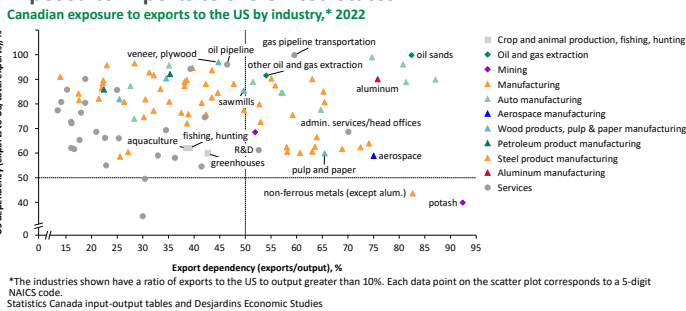
FACTOR	QUESTIONS
1. US domestic production capacity	Can the US produce the goods/services itself? Are there available domestically-produced substitutes?
2. Source countries of US imports	Are there alternatives/substitutes available from non-tariffed countries (i.e., not Mexico)?
3. Reliance on imported intermediary inputs	How much of the industry’s production is dependent on intermediary inputs sourced abroad? From Canada?
4. National security concerns	Is the imported product critical to US national security?
5. Potential adverse impact on key/large constituencies	Are key US states likely to oppose? Which ones?
6. Extent of parent company trade	Is there a high volume of Canada–US trade between related companies? Are major companies likely to lobby against tariffs?

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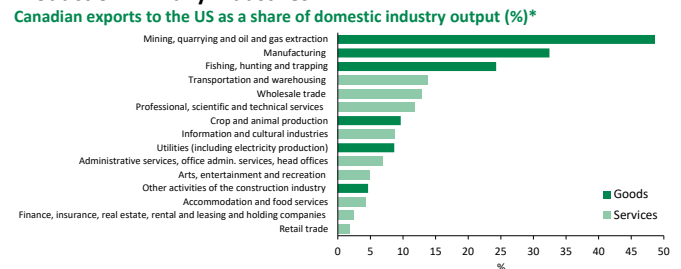
Our Dependence on the US Is Particularly High in the Manufacturing and Raw Materials Industries

About half of the value of Canadian domestic production in the mining, oil and gas industry is exported to the US (graph 2 and box 1 on page 3). In the manufacturing sector as a whole, that number is about one third, but it is more than 50% for the automotive sector and over 40% in aerospace. The agri-food sector (fishing, agriculture and processing) is also highly exposed, as are the wood and paper, metal processing and chemical

Graph 1
Oil Extraction and Automobile Manufacturing Are the Most Exposed to Exports to the United States



Graph 2
Exports to the US Represent a Significant Share of Canadian Production in Many Industries



¹ NAFTA: North American Free Trade Agreement; CUSMA: Canada–United States–Mexico Agreement.

BOX 1

Input-Output Tables: A Tool for Calculating Industry Interdependence

Input-output tables examine the impact of exogenous changes in final demand on output while accounting for interdependencies between different industries and economic regions and economic leakage related to imports and taxes (Statistics Canada, 2022). Using these tables, we calculated the ratio of exports to the US to domestic production. Domestic production (or domestic output) is a statistical concept that essentially refers to the sales of an industry. This ratio provides an estimate of the percentage of revenues coming from exports to the US. We can therefore estimate that a 10% decline in Canadian aerospace exports to the US would result in a roughly 4% drop in Canadian aerospace revenues if those exports aren't redirected to other markets (graph 3).

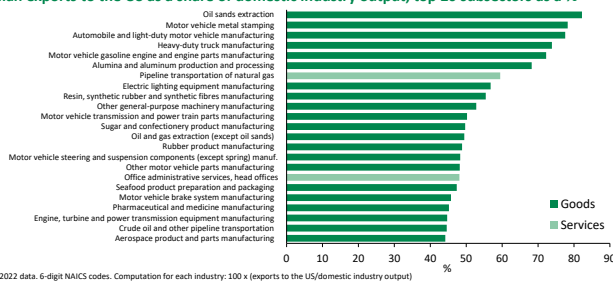
sectors (graph 3). And any shock to these industries would spill over to those that depend on them, including transportation and warehousing, wholesale trade and professional services. It's estimated that about 10% to 15% of the value of domestic production in these industries is exported to the US.

about 22% of Quebec manufacturers' sales. (The figure is 33% for aerospace specifically.) Fortunately, Quebec transportation equipment manufacturers have diversified their export markets outside the US, particularly in Europe.

Then there are the indirect effects. Given Canada's industrial structure, second-round effects are to be expected if Trump follows through on his tariff threat. These effects would be non-negligible considering the industries providing intermediate inputs. Key inputs to the manufacturing sector (which depends on the US for a third of its sales) include mineral ores, metals (steel and aluminum), forestry activities and lumber, and agricultural, livestock and fishery products (for food processing) (graph 5). Not to mention the industrial machinery, heavy vehicles, trucks and chemicals used in manufacturing.

**Graph 3
Manufacturing Subsectors Are Particularly Exposed**

Canadian exports to the US as a share of domestic industry output, top 20 subsectors as a %*

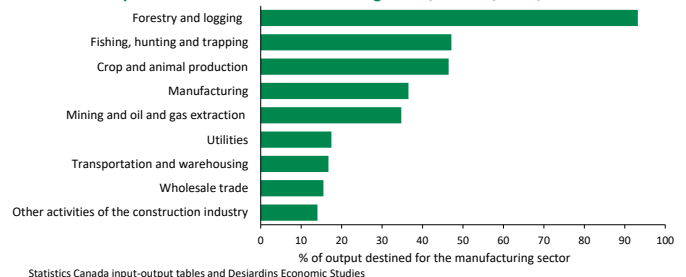


*Based on 2022 data. 6-digit NAICS codes. Computation for each industry: 100 x (exports to the US/domestic industry output)
Statistics Canada input-output tables and Desjardins Economic Studies

In Quebec, the most pronounced dependence is on primary metal products, pulp and paper, chemical products and wood products (graph 4). In the case of primary metals (including aluminum), more than 50% of domestic production, or more than \$16 billion, depends directly on US demand. In the transportation equipment industry, exports to the US account for

**Graph 5
Any Shock to the Manufacturing Sector Would Have Ripple Effects Across the Economy**

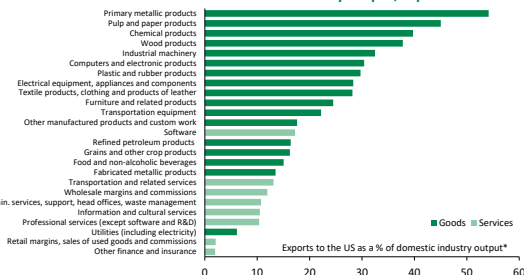
Share of output destined for the manufacturing sector, Canada, 2022, %



Statistics Canada input-output tables and Desjardins Economic Studies

**Graph 4
Quebec: Metals, Chemicals, Wood and Paper Products Are Highly Exposed**

Quebec exports to the United States as a share of domestic industry output, top 25 subsectors*



*2022 data. Top 25 Quebec exports to the US. 3-digit NAICS codes.
Calculation: Quebec domestic exports to the US as a share of Quebec domestic output. For services industries, data is estimated based on Canadian data.
Statistics Canada input-output tables and Desjardins Economic Studies

Is the Threat of Tariffs Credible for All Industries?

To answer this question, let's look at things from an American perspective. Can we really do without Canada for certain imported products? Do we have alternatives, either domestic production or imports from commercial allies? Could the lobbying efforts of certain states or large influential companies yield exemptions? If so, which exemptions are most likely?

From the point of view of American multinational corporations with operations in Canada, import tariffs would entail significant costs—especially since more than half of the total value of Canada’s exports to the US involves related companies, meaning the exporter and importer have a common owner (Tombe, 2024). For example, half of the pickup trucks sold by General Motors in the US are actually imported from its plants in Canada or Mexico (The Economist, 2024). Another avenue for manufacturers and other multinationals—albeit less easily implemented in the short term—would be to repatriate production to the US or at least minimize investments in Canadian subsidiaries. That would have a very damaging impact on investment in Canada. The other option would be to maintain supply chains as they are and to absorb the additional cost either by cutting profits or by trying to pass on the cost increase to end users, who would pay higher prices.

When it comes to the states, Canada is the largest supplier of imports for almost half of them (23 out of 50) (exhibit 1). For states such as Montana, Maine and Vermont, which get more than two thirds of their imports from Canada, the impact of tariffs would be significant. Crude oil and motor vehicles and parts are the main products imported by US states, as are petroleum products, aircraft products and parts, aluminum and non-ferrous metals (graph 6).

Considering the increase in operating costs associated with possible tariffs, it’s conceivable that large multinational corporations such as automakers or other manufacturers could pressure their representatives in Congress or the Trump administration directly to obtain exemptions. These efforts could be bolstered by participation from their employees and representatives of communities where they have operations. The governors of border states could also try to exert their influence to thwart tariffs.

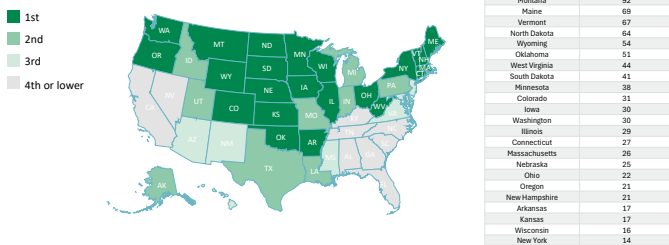
Analysis by Product and Industry – US Point of View

We looked at three factors to determine the likelihood of a Canadian import tariff being imposed on an industry: 1) dependence on imports to meet domestic demand for that product (or, conversely, the availability of abundant domestic production), 2) dependence on imports of intermediate inputs for domestic production, and 3) the availability of substitutes from other countries (other than Mexico, since it would be subject to the same tariff barriers as Canada).

First, exemptions would be more difficult to negotiate for products that the US doesn’t rely on heavily for imports due to fairly abundant domestic production (graph 7). This is the case for wood products (Canadian softwood lumber is already subject to countervailing duties of 14.54%), but also transportation equipment other than automobiles, paper and cardboard products, agri-food products and petroleum-based products. (Less than 15% of the US’s supply of these products depends on direct imports.) In contrast, a tariff on motor vehicles and parts is less likely, as 35% of supply in the US domestic market comes from direct imports. (14% of imports come from Canada and 38% from Mexico.) The same is true for industrial machinery and crude oil, of which 34 % and 31% is imported, respectively.

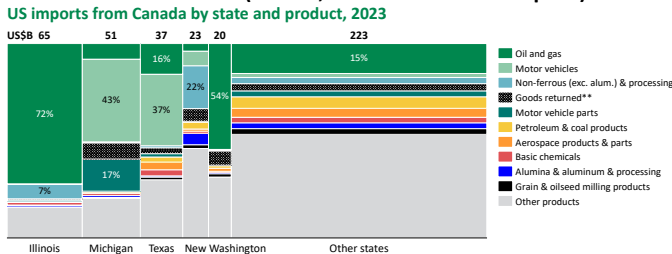
Exhibit 1
Canada Is the #1 Source of Imports for 23 States

Canada’s rank as a source of goods imports by US state, 2023



US Census Bureau, Bing (map) and Desjardins Economic Studies

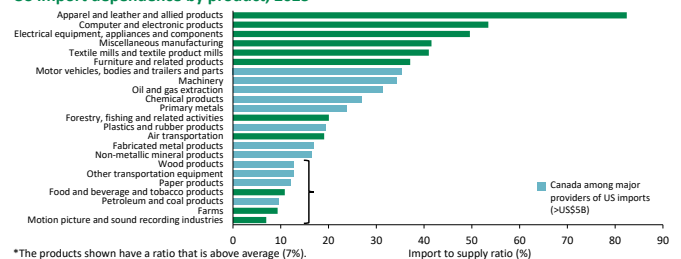
Graph 6
US States Rely on Canadian Oil, Motor Vehicles and Several Other Manufactured Products (Metals, Chemicals and Aerospace)



*Re-imports of goods (exported to Canada then re-imported to the US). Includes returned goods. US Census Bureau and Desjardins Economic Studies

Graph 7
Tariff Exemptions Could Be a Harder Sell Where US Domestic Production Is Abundant

US import dependence by product, 2023



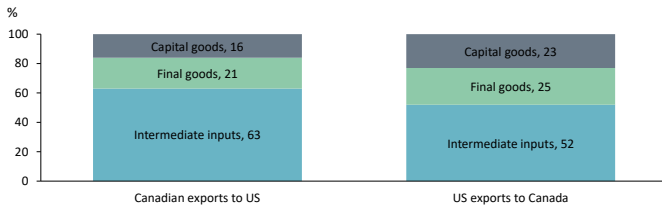
*The products shown have a ratio that is above average (7%). US Bureau of Economic Analysis (BEA) make-use tables and Desjardins Economic Studies

Second, these dependency ratios don't take into account imported inputs, which are essential to US domestic production. Indeed, 63% of Canadian exports to the US are intermediate inputs, while 21% are finished goods (graph 8). This US dependence on imported inputs is particularly pronounced in three industries (graph 9): automotive manufacturing, petroleum product manufacturing (made from crude oil, particularly from Canada), and primary metals, which depend on imported mined ores. Even industries such as air transportation and construction depend to a considerable extent on imported inputs (fuel, metal and lumber).

Third, while domestic substitutes aren't always readily available, alternatives from other countries can make it relatively easy for American companies to switch suppliers. A quarter of the top 20 products currently imported by the US from Canada are at risk of such substitution (table 2). While oil and gas, the automotive sector (vehicles and parts) and wood products appear to be relatively safe (Mexico is the other key auto supplier), others are in a more precarious position. US importers can turn to other suppliers for pharmaceuticals, basic chemicals, machinery and processed petroleum products relatively easily.

Graph 8
The Majority of Canada-US Trade Involves Intermediate Inputs

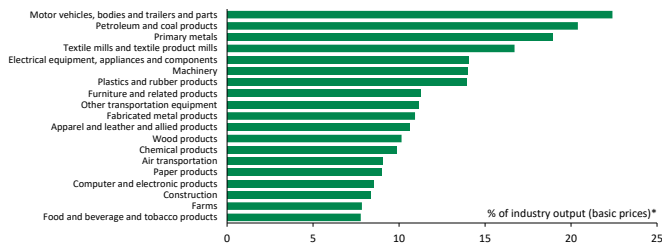
Broad economic categories of Canada-US Trade, 2023



Tombes (2024), Statistics Canada and Desjardins Economic Studies

Graph 9
Inputs Used in US Domestic Production Have High Import Content

Imported intermediary input content of selected industries, US, 2023*



*Estimate based on import content of commodities (supply table) and usage of these commodities by industry (use table). US Bureau of Economic Analysis (BEA) supply-use tables and Desjardins Economic Studies

When we look at direct imports and intermediate inputs together, we see that a significant share of US domestic supply and production is dependent on imports, particularly the automotive sector, computers and electronics, electrical appliances, as well as apparel, industrial machinery and primary metals. However, the US's lower import dependence for certain products makes them more vulnerable to tariffs. These products include wood and paper products, non-metallic mineral products (with some exceptions, including potash), non-automotive transportation equipment (including aerospace), and agriculture and agri-food products.

Table 2
Top US Imports from Canada and Substitution Risk

RANK	INDUSTRY (NAICS CODE)	SUBSTITUTION RISK	SHARE OF US IMPORTS (%)		OTHER SUPPLIERS COUNTRIES
			CANADA (RANK)	CAN. + MEXICO	
1	2111 Oil & gas	Low	58 (1)	69	Saudi Arabia, Iraq, Brazil
2	3361 Motor vehicles	Low	16 (2)	50	Japan, South Korea, Germany
3	3363 Motor vehicle parts	Low	11 (2)	57	China, Japan, Germany
4	3314 Non-ferrous (exc. alum.) & processing	Medium	25 (1)	35	Switzerland, South Africa, Chile
5	3241 Petroleum & coal products	High	22 (1)	28	South Korea, India, Netherlands
6	3364 Aerospace products & parts	Medium	25 (1)	30	France, Germany, UK
7	3251 Basic chemicals	High	15 (1)	18	China, Ireland, Germany
8	3313 Alumina & aluminum & processing	Low	48 (1)	51	UAE, Bahrain, India
9	3112 Grain & oilseed milling products	Low	44 (1)	49	Indonesia, Italy, Spain
10	3311 Iron & steel & ferro-alloy	Medium	22 (1)	32	Brazil, South Korea, Germany
11	3339 Other general-purpose machinery	High	11 (4)	23	China, Germany, Japan
12	3261 Plastics products	Medium	16 (2)	28	China, Vietnam, South Korea
13	3254 Pharmaceuticals & medicines	High	3 (12)	3	Ireland, Germany, Singapore
14	3221 Pulp, paper & paperboard mill	Low	48 (1)	51	Brazil, Finland, Sweden
15	3116 Animal slaughtering and processing	Medium	31 (1)	44	Australia, New Zealand, Brazil
16	3252 Resin, synthetic rubber & artificial & synthetic fibres	Medium	27 (1)	34	South Korea, Germany, Japan
17	3211 Sawmill & wood products	Low	71 (1)	71	Germany, Sweden, Brazil
18	3253 Pesticides & other agricultural chemicals	Medium	41 (1)	44	Russia, Saudi Arabia, Trinidad & T.
19	3118 Bakery & tortilla products	Low	49 (1)	68	Italy, France, Germany
20	3331 Agricultural, construction & mining machinery	High	10 (3)	18	Japan, Germany, China

US International Trade Administration (2023 data) and Desjardins Economic Studies

Fortunately for Canada, it would be more difficult for the US to find alternatives for aluminum, pulp and paper, grains and oilseeds, and bakery products, as nearly half of these imports come from Canada. Other sectors are in between, with about 30% to 35% of imports from Canada and Mexico. This is the case for iron and steel products, as well as non-ferrous metals (excluding aluminum), plastic products and synthetic resins. The aerospace sector is relatively vulnerable given the availability of European and Asian alternatives. Obviously the dynamics in each industry would shift if the US applies tariffs to other supplier countries as well.

Critical Materials and National Security

In the above analysis, we looked at relatively broad industrial categories. But we think some products within those categories deserve special consideration given their critical role for the US: uranium ore (used in US nuclear power plants as well as weapons and medical applications), potash (for fertilizer), cobalt and graphite.²

² Uranium ore is included in NAICS 2122 (Metal ore mining). Natural graphite is classified under NAICS 2123 (Non-metallic mineral mining) and artificial graphite under NAICS 3279 (Other non-metallic mineral product manufacturing). Potash is included in NAICS 2123 (Non-metallic mineral mining). Cobalt is found in NAICS 2122 (Metal ore mining).

Uranium ore is likely to be exempt from tariffs, as almost all of US demand is met by imports, including [27% from Canada](#), 25% from Kazakhstan and 12% from Russia. Canadian uranium mining is entirely concentrated in Saskatchewan.

Potash, a key ingredient in potash fertilizers used in agriculture, could also be exempted, since it's used extensively on American farms but isn't mined in the US and there are few substitution options. For one, farmers generally use a [combination](#) of all three of the main types of fertilizer (nitrogen, phosphorus and potash). Second, Canada is the world's largest producer of potash (33%), followed by Russia (19%), Belarus (15%), China (9%) and Israel (5%) ([Natural Resources Canada, 2023](#)). Canadian production comes entirely from Saskatchewan, [one of Canada's most trade-diversified provinces](#).

Cobalt and graphite are two critical minerals used in the manufacture of lithium-ion batteries and electronic and aerospace equipment. China is the leading producer of graphite, responsible for 77% of global production, while the Democratic Republic of Congo produces 74% of the world's cobalt ([USGS, 2023](#)). In Canada, most cobalt mining projects are in Ontario, while most graphite projects are in Quebec. Considering that the US Department of Defense has invested in Canadian projects to secure access to these two metals to reduce US dependence on Chinese supplies, it's likely that Canada would benefit from import tariff exemptions ([Bloomberg, 2024](#)).

What Would Be the Direct and Indirect Effects on Canada and Quebec?

Based on everything we discussed above, here are our conclusions. They're also outlined in table 3 on page 7. Tariffs are more likely to be imposed in sectors where the US has access to substitutes to meet its needs. This is particularly the case in several subsectors of manufacturing and mining, as well as livestock and fishing. Of these, the decline in Canadian revenues would be most pronounced in industries where a large percentage of production is destined for the US.

Thus, the sectors that are likely to be most affected by potential tariffs would be primary metals (including aluminum), food and beverage manufacturing, chemicals, machinery and aerospace. The wood, pulp and paper, non-ferrous metals and plastic industries could also be hard hit. This is also the case for the transportation and wholesale trade sectors, which would suffer significant indirect effects from potential tariffs. Agriculture, fishing and livestock would not be spared the indirect effects of lower demand for processed food product exports. Industries less exposed to trade should fare better, including many service sectors. However, they could still feel the ripple effects of any tariff-induced economic slowdown.

It's not easy to estimate how much the revenues of individual industries could fall. But we can use industries' relative exposure to the US as a share of their production to assess their vulnerability to a contraction in American demand for Canadian products (see box 2). Clearly, businesses need to plan ahead as they navigate today's shifting trade winds and find strategies to mitigate their risks, like boosting interprovincial trade, diversifying exports away from the US and investing in innovation and modernization. (See our [recent analysis](#) for more details.) One factor that's likely to ease the blow of lower US demand—even in the event of tariffs—is the depreciation of the [Canadian dollar](#). Our products would cost less in US dollars, partially offsetting the negative effect of tariffs.

Conclusion

While it looks like Canadian exports ended 2024 [on a strong note](#) as the prospect of tariffs encouraged US companies to build up their inventories, this trend could reverse course in 2025 after Donald Trump takes office on January 20. (See our latest [Economic and Financial Outlook](#) for more information.) The president-elect's many unpredictable statements are forcing companies to be cautious. We'll be closely monitoring the president's executive orders and announcements over the coming weeks. They may shed light on the credibility of his tariff threats and any other "economic force" that could affect our economy.

BOX 2

How to Interpret Table 3: The Case of Primary Metals

Canada exports about 41% of its primary metal production to the US, while Quebec exports 54%. This is the equivalent of about \$44 billion and \$16 billion, respectively. The US produces a substantial quantity of these metals domestically, though not nearly enough to meet its needs. But there are other possible international suppliers, which increases the risk of tariffs. Given this "medium" risk of tariffs, combined with the industry's heavy reliance on exports to the US, we conclude that the total weighted impact is high. If tariffs reduce US demand for Canadian primary metals by 10%, industry revenues could decline by about 4.1% in Canada and 5.4% in Quebec.

TABLE 3
Weighted Impact of Tariffs by Industry

	NAICS	Vulnerability index ¹	Exports to US (\$M)		Exports to US/output (%)		US point of view		
			Canada (2022)	Quebec (2021)	Canada (2022)	Quebec (2021) ²	Self-sufficiency ³	Substitution risk ⁴	Risk of tariff ⁵
Industries (non-exhaustive list)									
Mining, quarrying and oil and gas extraction	21		172,493	953	49	5			
Oil and gas extraction	211	●	163,612	2	66	69	Low	Low	Low
Mining and quarrying	212	●	8,533	951	11	5		Medium	Medium
Metal ore, including iron, gold, silver and copper	2122	●	1,405	673	4	3	Medium	High	Medium
Uranium ore		●	1.5	0	..	0	Low	Low	Low
Cobalt		●	..	..	..	..	Low	Low	Low
Non-metallic mineral mining	2123	●	6,802	278	26	16		Low to Medium	Medium
Potash	212396	●	5,912	0	37	0	Low	Low	Low
Graphite		●	..	..	..	..	Low	Low	Low
Manufacturing	31-33		313,186	66,199	32	29			
Motor vehicles and parts	3361-3362-3363	●	55,146	2,629	65	76	Low	Low	Low
Aerospace and parts	3364	●	10,205	4,728	44	33	Medium	Medium	Medium
Primary metals	331	●	44,180	16,389	41	54	Low	Medium	Medium
Iron and steel products and foundries	3311-3312-3315	●	11,540	1,326	34	27	Low	Medium	Medium
Aluminum production and processing	3313	●	13,547	9,005	68	73	Low	Low	Medium
Non-ferrous metals (excl. aluminium)	3314	●	19,093	6,029	36	44	Low	Medium	Medium
Non-metallic mineral products	327	●	2,682	629	12	10	Medium	High	High
Fabricated metal products	332	●	10,570	2,211	17	14	Medium	High	High
Food and beverage	311-312	●	36,904	5,577	22	14	Medium	Medium	Medium
Grain and oilseed milling products	3112	●	8,721	522	39	24	Medium	Low	Medium
Animal slaughtering and processing	3116	●	6,633	1,072	16	13		Medium	High
Bakery products	3118	●	5,723	417	38	15		Low	Medium
Sugar and confectionery products	3113	●	2,706	1,389	50	55	Medium	Medium	Medium
Seafood product preparation	3117	●	3,428	394	47	62	Low	High	High
Machinery	333	●	20,081	5,251	39	32	Low	High	High
Chemicals	325	●	30,588	5,205	37	40	Low	High	High
Basic chemicals	3251	●	7,881	1,858	32	52	Low	High	High
Pharmaceuticals	3254	●	7,343	1,244	45	40	Low	High	High
Resin and synthetic fibres	3252	●	7,816	719	55	29	Low	Medium	Medium
Plastics and rubber products	326	●	13,563	3,361	32	30	Medium	Medium	Medium
Wood products	321	●	19,855	5,804	37	38	Medium	Low	Medium
Pulp and paper products	322	●	12,696	4,924	36	45	Medium	Low	Medium
Petroleum and coal products	324	●	24,807	2,528	20	16	Medium	High	Medium
Fishing, hunting and trapping	114	●	785	37	24	4	Low to Medium	High	High
48-49		●	35,074	4,905	14	13			Low
Transportation and warehousing	486	●	8,504	..	52	..			Low
Transportation of oil and gas (pipeline)	481	●	1,372	..	5	..	Medium		Low
Other transport. (truck, rail, water)		●	25,199	..	13	..			Low
Warehousing	49	●	1,259	..	13	..			Low
Wholesale trade	41	●	28,743	4,757	14	12			Low
Professional, scientific and technical services	54	●	31,669	4,473	12	10			Low
Software	5415, 5112	●	17,361	1,954	16	17			Low
R&D	5417	●	4,098	733	32	8			Low
Crop and animal production	111 & 112	●	11,184	1,020	10	8		Medium	High
Crop production	111	●	7,502	930	11	16		Low	Medium
Greenhouses, nursery, floriculture	1114	●	1,770	102	26	21		Low	Medium
Animal production and aquaculture	112	●	2,814	90	7	2		Medium	High
Information and cultural industries	51	●	11,634	1,013	9	11			Low
Utilities (including electricity production)	22	●	6,058	958	9	6		Low	Low
Administrative services, office admin. services, head offices	56	●	7,534	2,830	7	11			Low
Arts, entertainment and recreation	71	●	1,626	133	5	3			..
Construction	23	●	..	..	..	..			..
Accommodation and food services	72	●	4,672	301	4	2			..
Finance, insurance, real estate, rental and leasing and holding companies	52, 53, 55	●	12,095	755	2	2			..
Retail trade	44-45	●	3,752	895	2	2			..
Forestry and logging	113	●	108	13	1	0			..

Legend: ● Highly negative ● To watch ● Likely limited

Legend (US view): Medium Low Self-sufficient

Statistics Canada, US Census Bureau, US BEA, US International Trade Administration and Desjardins Economic Studies

Notes:
 1. The vulnerability index is a weighted impact. It is a function of the magnitude of the impact on the domestic industry if tariffs are imposed and the relative risk of tariffs actually being imposed. Includes indirect/supply chain considerations.
 2. Data for services industries is estimated. Quebec exports correspond to domestic exports.
 3. Based on import dependency (direct imports and imported intermediary inputs). Detailed data at the 4-digit level is based on 2017 IO table (latest available for this level of detail).
 4. Substitution risk is based on the assumption of 25% tariff applied to Canada and Mexico; this risk would be lower in the event of tariffs being applied to a broad range of countries.
 5. Disclaimer: The likelihood of tariff (and therefore weighted impact) remains highly uncertain and hypotheses are based on latest available data (as of January 10, 2025). In the case of aluminum, iron and steel, historical precedents were considered.
 .. : Not available or not applicable.