Statement

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ACC VOICES CONCERNS WITH SECTION 232 INVESTIGATION INTO AUTO IMPORTS

WASHINGTON (May 24, 2018) – The American Chemistry Council (ACC) issued the following statement in response to the announcement by the U.S. Department of Commerce of its Section 232 investigation into auto imports:

“Any tariffs resulting from the Section 232 investigation into automobile and auto parts imports would drive up the cost to make vehicles here in America and cause the U.S. manufacturing supply chain to slow to a crawl. If auto imports are a national security issue, it is because of their key role as inputs into highly integrated manufacturing processes that have helped make the U.S. more economically secure.

“Cars are made up of thousands of parts, and 20 percent of those parts by weight are made possible by chemistry. By making it more expensive to build cars and trucks here in the U.S., tariffs will send a wave of sticker shock to every dealership across the country as customers realize they can no longer afford to buy ‘American-made’. Demand for U.S. cars and trucks will take a nosedive, and American chemistry will lose one of its biggest customers and end-users of chemicals.

“The numbers the Commerce Department cites in its announcement do not tell the full story. Imports of automotive parts and vehicles have grown in large part because a significant portion of Canadian and Mexican auto production is based here in the U.S.; they are working with us, not against us. Motor vehicle production jobs may have declined over the past few decades, but the U.S. auto industry has experienced significant gains in productivity over that same period. Being able to do more with less is a sign of a leaner industry, not a weakening one.

“We strongly urge Secretary Ross to take a closer look at the data and the negative upstream and downstream impacts that auto tariffs and the resulting retaliation by trading partners would have on American businesses.”

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working closely with government agencies to improve security and to defend against any threat to the nation’s critical infrastructure.