

United States Senate

WASHINGTON, DC 20510

March 5, 2025

The Honorable Peter Hegseth
Secretary of Defense
1000 Defense Pentagon

The Honorable Scott Bessent
Secretary of Treasury
1500 Pennsylvania Avenue, NW

Washington DC, 20301

Washington DC, 20220

Dear Secretary Hegseth and Secretary Bessent,

Yesterday, President Trump’s reckless across-the-board tariffs on one of our closest allies went into effect. Although the purported intent of these tariffs is to address the “extraordinary threat” posed by Canada,^{[1][1]} we are deeply concerned they do the opposite. By targeting a partner that is critical to U.S. mineral, food, and energy security, these measures threaten to undermine American national security. Canada provides essential minerals that power our weapons systems, nourish our crops, and heat our homes. Blanket tariffs that restrict our ability to source these minerals and make us more reliant on adversarial partners like Venezuela, China, and Russia raise fundamental national security questions.

Mineral Security

The United States imports more minerals from Canada than any other country in the world, including many minerals that we do not produce domestically. In 2023, Canada provided \$47 billion of United States mineral imports, nearly twice as much as our next largest supplier of minerals.^{[2][2]} Critical to our national security, Canada is our largest supplier of nickel alloys, supplying roughly half of the U.S.’ total nickel needs. Nickel has many military applications due to its strength, corrosion resistance, and ability to form superalloys. It is essential to the jet engines in our military aircraft, the armor plating in our vehicles and personnel equipment, and our missile casings and guidance systems. There is limited alternative supply for nickel outside of China or produced by non-Chinese companies, and Canada is crucial towards our efforts to reduce our reliance on China as it seeks to gain a global stranglehold on the production of such critical minerals.

Food Security

Canada is also the world’s largest producer and exporter of potash, which is a key source of fertilizer-input for American farmers. Over 95 percent of the potash used by American farmers is imported, with 90 percent of that coming from Canada. Although the U.S. has some potash production, it falls well short of our consumption: in 2023, the U.S. produced approximately

^{[1][1]} <https://www.whitehouse.gov/fact-sheets/2025/02/fact-sheet-president-donald-j-trump-imposes-tariffs-on-imports-from-canada-mexico-and-china/>

^{[2][2]} https://www.usitc.gov/research_and_analysis/tradeshifts/2021/minerals

400,000 metric tons of potash and consumed 5.3 million metric tons of potash.^[3][3] No substitutes exist for potash as an essential plant nutrient, and so ensuring a reliable and affordable supply is essential to American food security. After Canada, the next three largest producers of potash globally are Russia, Belarus and China, and so any steps to reduce our access to Canadian potash will almost certainly increase our reliance on these alternate sources.^[4][4]

Energy Security

Finally, Canada is a key partner in supporting U.S. energy prosperity. Although U.S. energy production has never been higher – with the United States producing more crude oil than any country ever in 2024^[5][5] – Canadian crude oil is a crucial part of the U.S. energy mix. U.S. refineries, particularly in the Midwest, rely on Canadian crude to produce the gasoline, diesel and jet fuel that is critical for transportation, agriculture, and American consumers. The United States sources more than half of our crude oil imports from Canada, importing approximately four million barrels a day. As this energy is without a ready substitute, any decrease in imports of Canadian crude oil, could have reverberations down the supply chain and lead to increased imports from adversarial partners like Venezuela.

Given the importance of Canada to our national security, we request that you provide responses to the following questions:

- How will the administration ensure that the additional 10 percent tariff on Canadian critical minerals does not increase costs and lead to shortages or reduced supply? Are there specific steps that the administration intends to take to ensure sufficient supply of critical minerals needed for defense applications?
- How will the administration ensure that the additional 25 percent tariff on Canadian minerals such as potash does not increase the cost of food production and impair the ability of American farmers to fill our dinner tables with affordable and abundant food?
- How will the administration ensure that new tariffs on Canadian minerals and energy products do not lead the United States to increase our sourcing from China, Russia, Belarus, and Venezuela?
- Last month, Prime Minister Trudeau said that Canada was considering imposing non-tariff measures on the United States, potentially relating to critical minerals and energy procurement, in response to any US tariffs on Canadian products.^[6][6] Domestic stakeholders in Canada have also called on their government to cut off U.S. access to

^[3][3] <https://www.realagriculture.com/2025/02/u-s-fertilizer-industry-seeking-tariff-exemption-for-potash-and-nitrogen-from-canada/#:~:text=Over%2095%20per%20cent%20of,approximately%205.3%20million%20metric%20tons>

^[4][4] <https://natural-resources.canada.ca/minerals-mining/mining-data-statistics-and-analysis/minerals-metals-facts/potash-facts/20521>

^[5][5] https://www.eia.gov/outlooks/steo/report/petro_prod.php#:~:text=We%20estimate%20U.S.%20crude%20oil,to%20slow%20notably%20in%202026; <https://www.eia.gov/todayinenergy/detail.php?id=61545>

^[6][6] <https://www.canada.ca/en/department-finance/news/2025/02/government-of-canada-announces-next-steps-in-its-response-plan-to-unjustified-us-tariffs.html>

electricity and critical minerals.^[7][7] Are there any precautionary or preemptive actions that the administration has taken or plans to take to ensure that potential Canadian restrictions or bans on the export of critical minerals do not impair U.S. national security?

- As is the case for many minerals, Western nickel producers are struggling to compete with underpriced product from Chinese companies. In the past year, BHP's Nickel West operations in Australia and Glencore's Koniambo Nickel operations in New Caledonia have been placed in care and maintenance due in part to extreme price competition from Chinese producers. How will the administration ensure that the additional 10 percent tariff on nickel imports from Canada does not lead additional Western miners to shutter and increase U.S. reliance on Chinese companies?
- Critical minerals are inputs in many cutting-edge defense technologies. As the United States works to strengthen our domestic manufacturing of such technologies, how will the administration ensure that the new tariffs on Canadian critical minerals do not undermine our global competitiveness and our ability to lead in the manufacturing of such technologies?
- North American energy markets are highly integrated, and fair trade across our borders is critical for delivering affordable, reliable energy to U.S. consumers. How will the administration ensure that new tariffs on Canada do not work counter to delivering affordable, reliable energy to U.S. consumers?
- Canada is a significant importer of U.S. energy, purchasing \$1.2 billion in electricity from the United State in 2023.^[8][8] How will the administration ensure that any potential Canadian response to US tariffs does not adversely impact these sales?

Our top priority is the security of our nation, and we stand ready to work with the administration on any measures that will safeguard our national security. We remain concerned, however, that the tariffs on Canada actively undermine our national and food security by limiting access to minerals and increasing the costs for U.S. defense technologies and U.S. agriculture. We appreciate your responses at your soonest possible convenience.

Sincerely,

^[7][7] <https://canadianlabour.ca/cut-off-u-s-energy-and-resources-now-no-electricity-no-critical-minerals-no-oil-and-gas/>

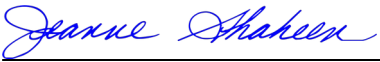
^[8][8] <https://www.eia.gov/todayinenergy/detail.php?id=63684#:~:text=Monthly%20average%20exports%20from%20the,by%2036%25%20to%203%2C315%20GWh>



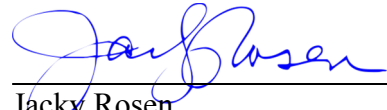
Catherine Cortez Masto
United States Senator



John Hickenlooper
United States Senator



Jeanne Shaheen
United States Senator



Jacky Rosen
United States Senator



Adam B. Schiff
United States Senator



Chris Van Hollen
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