



JULY

# MONTHLY POLICY BRIEFING

The following information is being provided to you by the United Brotherhood of Carpenters and Joiners of America through our partnership with the National Journal. If you would like more information or have questions, please contact Frank D'Angelo at [fdangelo@flcrc.org](mailto:fdangelo@flcrc.org)

## THE TRUMP ADMINISTRATION MAY BE LEVERAGING TARIFFS TO ACHIEVE DOMESTIC AND INTERNATIONAL VICTORIES

### ALL IS FAIR IN LOVE AND TRADE WARS

- The **idea of fairness in international trade** has been a key talking point of the Trump administration, pointing to tariff rates other countries hold on US products and the growing trade deficit as **unfair for domestic businesses and international competition**, and tariffs have targeted products the US had significant trade deficits with in 2024
- President Trump has implemented reciprocal and targeted tariffs on foreign countries that imposed higher tariffs on US goods, with rates calibrated to the size of the 2024 trade deficit with each nation
- The **Trump administration's interest in tariffs is genuine**: It values the revenue tariffs may generate and the potential balancing of US trade deals too much for tariffs to just be a negotiating tactic; however, the Trump administration may still be leveraging tariffs to accomplish other economic or foreign affairs goals

### What the Trump administration hopes tariffs will accomplish



**Reduce the federal deficit:** The US trade deficit in 2024 eclipsed \$1.2 trillion



**Reduced tariffs on US exports:** Reciprocal tariffs may force countries to review tariff rates on US goods



**Decreased border activity:** Reduce border crossings and the flow of fentanyl



**Increase domestic manufacturing:** The best way for companies to avoid the tariffs would be to produce goods domestically



**Improved trade deals:** The USMCA is up for renegotiation in 2026, and tariffs may provide the US leverage for better terms



**Increased federal income:** The Trump administration values the income tariffs to offset tax cut extensions

## HOW COULD TARIFFS IMPACT PRICES?

### Prices before tariffs are enacted:

A factory in Mexico produces jeans

The jeans are shipped to the US to be sold at stores

The jeans are sold to consumers for **\$60**



### Prices after tariffs are enacted:

A factory in Mexico produces jeans

The jeans are shipped to the US, and the importing company must pay a **25% tariff**

The jeans are sold to consumers for **\$75**





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## NEW TRADE DEAL SETS CHINA'S TARIFF RATE AT 55%

COUNTRY	TARIFF	STATUS
All countries	10% baseline tariff	Enacted
	50% on steel and aluminum (except UK)	Enacted
	25% on automobiles and automobile parts	Enacted
	Reciprocal tariffs on countries the US has large trade deficits	Delayed until Aug. 1
	25% on all countries that import oil from Venezuela	Enacted
	Copper, lumber, timber, semiconductors, pharmaceuticals, commercial aircraft, jet engines, oil, and gas	Proposed
China	55% on all products	Enacted
Canada	10% on energy imports not compliant with USMCA	Enacted
	10% on potash fertilizer	Enacted
	25% on USMCA goods	Delayed
	25% on all goods not compliant with the USMCA	Enacted
Mexico	25% on USMCA goods	Delayed
	25% on all goods not compliant with the USMCA	Enacted
	20.91% tariff on tomatoes	Proposed for July 14
UK	25% on steel and aluminum	Enacted until July 9

## TRADE AGREEMENTS NEGOTIATED BY THE TRUMP ADMINISTRATION

COUNTRY	TRADE DEAL
United Kingdom	10% blanket tariff on imports from the UK
	10% tariff on the first 100,000 vehicles imported from the UK, and 25% on all vehicles after
	25% tariff on steel and aluminum until July 9 as the US evaluates quotas
	Removes 20% tariff on US beef exports within a quota of 13,000
China	New tariff rate on goods imported from China set at 55%
	Tariff rate on goods exported to China 10%
Vietnam	Imports from Vietnam will face a 20% tariff, and those that are transshipped will face a 40% tariff
	US goods will enter Vietnam duty free






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## OBBB PROVISIONS IMPACTING SKILLED TRADES, UNION WORKERS, AND WORKFORCE TRAINING

### Workforce training and education provisions

- The law **expands** the use of 529 education savings plans to cover **skilled trades training**, credentialing programs, and other non-college pathways 
- The bill **redefines** Pell Grant eligibility to include **short-term technical programs**, enabling more students to pursue trade careers without long-term college debt 
- Policymakers estimate this Workforce Pell expansion could **benefit “hundreds of thousands of students per year”** seeking fast-track entry into skilled trades 

### Clean energy cuts and job impacts on skilled workers

- **Trades workers in Maine faced mass layoffs** after OBBB passed, ending a clean energy boom that previously boosted wages and employment for electricians 
- **The Inflation Reduction Act (IRA)** sparked this boom by funding wind, solar, and battery projects, which raised hourly union wages from ~\$30 in 2020 to ~\$39 in 2025 
- **Electricians and other trades workers now face instability**, despite clean energy jobs previously offering steady employment, retirement savings, and wage competition 