

Enserva Responds to US Tariffs and Canadian Retaliatory Tariffs

March 4, 2025 – Enserva issued the following statement in response to the implementation of US tariffs and the Government of Canada’s counter tariffs on imports from the United States.

“The US tariffs are completely unwarranted and are a devastating blow to all Canadians, and we believe that the federal government was right to respond. However, some of the items on the list of retaliatory tariffs imposed by the Canadian government today were ill-advised. Inputs to industrial processes that affect hundreds of thousands of Canadian jobs should never be used as a bargaining chip.”

Impact of US Tariffs

“While the 10% tariff on energy exports significantly affects the energy industry, it is the 25% tariff on the equipment and other products Canada manufactures and sells to our largest, and sometimes only, market that will be especially detrimental to many businesses.

Enserva is working with our members to understand the full impact of these measures, but we know tariffs will increase costs and reduce competitiveness. There will be supply chain disruptions, project delays and investment deterrence. There is a real risk of production relocation, as well as contractual and business risks.”

Impact of Canadian Retaliatory Tariffs

“The unintended consequences of retaliatory tariffs could end up destabilizing Canada’s energy sector more than the US tariffs. The Government of Canada included inputs that are crucial to energy production in its list of retaliatory tariffs today, some that can only be sourced in the US.

In the past weeks, Enserva cautioned the federal government that tariffs on inputs to energy production, such as frac sand, oilfield chemicals, steel, precision-machined parts, electronic sensors, and industrial equipment, will punish Canadians more than Americans.

Much of our oil and gas production requires sand for pressure pumping. Canada imports about 6 million tonnes of frac sand annually from the US because there is no viable domestic alternative at the levels that we need. Our counter-tariff measure will add \$240 Million a year in additional costs on frac sand alone, significantly impacting drilling operations, creating instability in Canada’s oil and gas sector, and increasing energy costs.

The cumulative effect of these layers of tariffs will be disastrous.



If Canada's resources become uncompetitive in a global market, less will be invested and built here. It could result in thousands of job losses and will drive up the cost of living in Canada, at a time when we are in an affordability crisis.

We call on Ottawa to put Canadians first and immediately remove tariffs on all inputs into energy production.

To lessen the detrimental impact tariffs and counter tariffs will have on Canadians, Ottawa needs to strengthen its own hand. The federal government should commit now to repealing policies that impede investment and energy development and immediately expedite approvals of major energy infrastructure that will expand our access to tide water."

Gurpreet Lail
President and CEO

Enserva is the voice of the energy services, supply and manufacturing sector and its vital workforce. Enserva advocates for its members to enable the continued innovation, technological advancement, and in-field expertise needed to unlock Canadian energy to make the world a better place. In 2022, the organization's brand evolved from the Petroleum Services Association of Canada (PSAC) to Enserva.