U.S. Senator Maria Cantwell

Floor Speech on President Trump's Auto Tariff Announcement March 27, 2025

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Sen. Cantwell: Mr. President, I come to speak about the Trump tariffs and today's announcement about auto tariffs, but before I get to that point, I just want to say I've been visited by many farmers this week, many businesses who feel like they're impacted.

I think we're [on] day 67 of the Trump administration, in which we thought the focus was going to be on lowering inflation and lowering costs -- day one. And now we're seeing that not only is that not happening, that these proposals are actually increasing costs.

Now I hope this administration will go focus on cost issues like more affordable housing. I'm a big advocate for building housing, and it's probably one of the biggest inflationary costs that we haven't addressed, so we could be working on housing. We could be working on cutting prices on pharmaceuticals, and I hope our colleagues will do something to help us.

My colleague, Senator Grassley, on PBMs, and I have legislation that are trying to crack down on the middlemen who are pocketing huge profits -- it's literally costing us pharmacies. I mean, we're having pharmacy deserts in the state, because these people claw back so much of the money the pharmacist can't even exist. So this is not good, and I hope that our colleagues will join us.

But today, [on] April 2, the President saying he will levy a 25% tax on imported sedans, SUV crossovers, minivans, cargo vans, and light trucks, and that it will hit some auto parts too -- is going to cost the American people.

Now this is not something that I believe that we can afford. These tariff costs that are somewhere between \$5,000 and \$15,000 to the American consumer. That's thousands of dollars that basically, all of a sudden, is getting added to the cost of an automobile.

We saw during COVID that the lack of supply chains, the lack of product, cost even a used car \$2,000 more, and we saw how much that did to families that were at a point where they really just needed to buy a car to get to work, to travel, to do the things that helped grow the economic opportunities for their family. And that was horrific just during COVID.

So now we see the same kind of thing, a supply chain of product that we already know is cross-border with the United States and Canada, and we also know is already a big issue, that we're going to see the price of cars go up, and the fact that the American public can't afford grocery costs, health care costs, or housing costs – we certainly don't need to add in auto costs.

Americans are already facing these skyrocketing prices and the President's economic policies, particularly here, with tariffs, I think are going to drive up more costs. What American

consumers want, and businesses, is more predictability. They want rules-based trade. They do not want trade chaos.

If rules are not working, you build consensus and you work together to make sure that those alliances are formed and that we get fairer trade. We build more in our trade infrastructure, as I've tried to do through various bills that we have passed through the Finance Committee and through the Senate, to make sure that we are and have the capacity to fight unfair trade practices in other countries.

Because 95% of consumers live outside the United States, the big economic opportunities are going to be outside the United States. So yes, you should have more lawyers at USTR to go fight trade violations and correct the violations of those countries. I actually got that passed and got that into law to have more capacity.

But it only makes sense, the United States of America is not just going to sell product to the United States of America. We're going to sell it to 95% of consumers who live outside the United States. And innovation is going to matter more than these tariffs.

The United States being able to innovate faster and continue to be successful with our strategy is going to matter more. And guess what matters even more than just the innovation? Guess what matters more? The supply chains. The supply chains, because if you have the supply chains in the United States of America, chances are that ecosystem that is so unique to your country and the innovation that goes with it is going to make you successful.

Well, now we have supply chains that exist within the Midwest region and across the border with Canada that we're throwing caution into the wind, and now we're going to say we're going to make it all 25% more expensive.

I'm pretty sure it's a good deal for Elon Musk and Tesla. Don't know that it's such a good deal for everybody else.

Consumer Confidence is now at its lowest point in 12 years, and there is talk of a recession, or stagflation - persistent inflation and we have countries that are allies in helping to fight China -- countries like Canada, and Japan, and Europe, who are already making plans to retaliate against us. So, the trade wars are going to make it more expensive for U.S. manufacturers, it's going to disrupt supply chains, and it's going to make it more expensive on consumers.

Almost half of U.S. imports are inputs and supplies for the U.S. manufacturing supply chain. So driving up those input costs, drive up the manufacturing costs. And driving up those costs is a challenge. It makes the supply line costly to operate.

And the trade wars limit our ability then to get our exports into those markets. Now maybe automobiles are a little bit different than apples or lentils or some of the other products that we sell. But I can tell you this, if you lose the shelf space and they give it to other countries you don't readily get that back when the trade war is over. And the trade war doesn't just last a few days or even a year, some of the Trump administration tariffs are still in place and still affecting much of my state when it comes to getting access to important markets.

The thing that's changed, Mr. President, though, is the rate of innovation, the rate of information, the rate of a country to go and make up for us not being there to compete.

I'm hearing it from my potato growers who are saying that now India is basically [producing] French fries and selling them into various parts of the world. So, if we think that we can take a year, two years, three years, and think that this is not going to have an impact on our manufacturing base -- whether it's agriculture or heavy-duty manufacturing like cars or aerospace -- we're wrong. We're wrong.

Now is the time to open up alliances in more markets, counter the Chinese in places like South America and Africa, and work to our advantages on alliances so that we have more markets to sell into at cheaper rates and continue the innovation that has been the hallmark of this nation.

Next week, President Trump plans to impose what he calls reciprocal tariffs. He's talked about even more tariffs in the future on timber, dairy, pharmaceuticals, copper, and semiconductors. So where does it end?

I can tell you, Mr. President, on solar it didn't end. It didn't end. And we are many years later, in manufacturing facilities that were in my state now are no longer there. So, the point is, the United States builds alliances to [enter] these markets. We build alliances to counter unfair trade practices. We build alliances to stop the Chinese from doing the things that they do.

And right now, Mr. President, I would have a technology NATO. I would say, take the five biggest democracies and sophisticated technology countries and say, 'no one in the world should buy from countries who don't meet our standards.' Why? Because no one really should be buying from a country that has a government back door. No, we shouldn't be spending taxpayer dollars pulling out Huawei when in reality we should have been on a campaign to say it never should have been there to begin with because no one in the information age should be buying technology with a government back door that has them and their ability to manipulate information at a critical time when data and information is so important.

So next week will be even more important to Americans and all of us. It is time for us collectively to work together on tariff issues, to say that this is the domain of the United States Senate. This is what our Founding Fathers had in Article One the first debates about tariffs. The framers of the Constitution gave Congress this power to set duties and to regulate foreign commerce.

Article One, Section Eight, could not be clearer. It's time for Congress to reassert that authority. We need checks and balances now more than ever. We need to invest in innovation. We need to invest in skilling and training a workforce. We need to invest in modernizing infrastructure and equipment at our factories, and we need to open -- open foreign markets for exports of U.S. autos and aircraft.

American business does not need an endless trade war that creates chaos and raises prices on our consumers at a time when inflation has been too high. We need the president to address these inflationary costs instead of perpetrating tariffs. I thank the President, and I yield the floor the.