Canada Announces Provisional Steel Safeguards

October 12, 2018

The Canadian government has announced the imposition of a provisional global safeguard on certain steel products imported into Canada, effective October 25, 2018. The safeguard imposes quotas on seven categories of steel from most countries (notably excluding the U.S. and Mexico). A surtax of 25 per cent will be imposed once imports exceed the quota limit for each steel category.

What you need to know

The steel products subject to the provisional safeguards are:

- Heavy plate;
- Concrete reinforcing bar;
- Energy tubular products;
- Hot-rolled sheet;
- Pre-painted steel;
- Stainless steel wire; and
- Wire rod.

Full descriptions of each product category and exclusions are provided in the Order-in-Council.

Quotas will be administered by way of shipment-specific import permits; Global Affairs will begin accepting import permit applications on **October 25, 2018**.

While the government has excluded certain products from the safeguard, it has directed the Canadian International Trade Tribunal (CITT) not to hear further product exclusion requests during its upcoming inquiry.

The government has not specified whether or how the quotas and surtaxes will be applied to goods that are in transit as of October 25.

While the government has indicated that existing duties relief programs (duty drawback and duty deferral) remain available, these programs are designed only for

manufacturers that consume imported inputs in production of goods that are subsequently exported from Canada.

What happens next?

The government has directed the CITT to conduct a full safeguard inquiry over the next 175 days. The CITT will make recommendations whether the safeguard should be continued for the longer term (safeguards can be imposed for up to four years including the duration of the provisional safeguard). The inquiry will begin imminently and follows guidelines setting out the process for participation and steps in the inquiry.

Participation in the upcoming CITT inquiry gives companies their only opportunity to provide important information to the CITT about whether a longer-term safeguard is warranted and, if it is, to have their products excluded.

BLG's trade lawyers have represented the interests of steel importers, exporters and foreign governments for over 20 years, including in the last Canadian steel safeguard inquiry in 2002.

By

Milos Barutciski, Jesse Goldman, Matthew Kronby

Expertise

International Trade & Investment

BLG | Canada's Law Firm

As the largest, truly full-service Canadian law firm, Borden Ladner Gervais LLP (BLG) delivers practical legal advice for domestic and international clients across more practices and industries than any Canadian firm. With over 800 lawyers, intellectual property agents and other professionals, BLG serves the legal needs of businesses and institutions across Canada and beyond – from M&A and capital markets, to disputes, financing, and trademark & patent registration.

blg.com

BLG Offices

Calgary
Centennial Place, East Tower
520 3rd Avenue S.W.
Calgary, AB, Canada
T2P 0R3

T 403.232.9500
F 403.266.1395

Ottawa
World Exchange Plaza
100 Queen Street
Ottawa, ON, Canada
K1P 1J9

T 613.237.5160
F 613.230.8842

Vancouver
1200 Waterfront Centre
200 Burrard Street
Vancouver, BC, Canada
V7X 1T2

T 604.687.5744
F 604.687.1415

Montréal

1000 De La Gauchetière Street West
Suite 900
Montréal, QC, Canada
H3B 5H4

T 514.954.2555
F 514.879.9015

Toronto

Bay Adelaide Centre, East Tower
22 Adelaide Street West
Toronto, ON, Canada
M5H 4E3

T 416.367.6000
F 416.367.6749

The information contained herein is of a general nature and is not intended to constitute legal advice, a complete statement of the law, or an opinion on any subject. No one should act upon it or refrain from acting without a thorough examination of the law after the facts of a specific situation are considered. You are urged to consult your legal adviser in cases of specific questions or concerns. BLG does not warrant or guarantee the accuracy, currency or completeness of this publication. No part of this publication may be reproduced without prior written permission of Borden Ladner Gervais LLP. If this publication was sent to you by BLG and you do not wish to receive further publications from BLG, you may ask to remove your contact information from our mailing lists by emailing unsubscribe@blg.com or manage your subscription preferences at blg.com/MyPreferences. If you feel you have received this message in error please contact communications@blg.com. BLG's privacy policy for publications may be found at blg.com/en/privacy.

© 2026 Borden Ladner Gervais LLP. Borden Ladner Gervais LLP is an Ontario Limited Liability Partnership.