

2025 Issue No. 48
25 September 2025

Tax Alert – Canada

CBSA releases notice of preliminary determinations with respect to steel strapping

EY Tax Alerts cover significant tax news, developments and changes in legislation that affect Canadian businesses. They act as technical summaries to keep you on top of the latest tax issues. For more information, please contact your EY advisor or EY Law advisor.

On 16 September 2025, the Canada Border Services Agency (CBSA) made preliminary determinations of dumping respecting steel strapping originating in or exported from the People's Republic of China (China), the Republic of Korea (South Korea), the Republic of Türkiye (Türkiye) and the Socialist Republic of Vietnam (Vietnam), and the subsidizing of steel strapping originating in or exported from China, pursuant to subsection 38(1) of the *Special Import Measures Act* (SIMA).

For goods released by the CBSA on or after 16 September 2025, provisional duties ranging from 2.3% to 48.8% will now apply to the import of these goods.¹

Background

On 12 May 2025, the CBSA initiated investigations, pursuant to subsection 31(1) of the SIMA, respecting the alleged injurious dumping of steel strapping originating in or exported from China, South Korea, Türkiye and Vietnam, as well as the alleged subsidizing of steel strapping originating in or exported from China.²

¹ <https://www.cbsa-asfc.gc.ca/sima-lmsi/i-e/ss2025/ss2025-np-eng.html>

² <https://www.cbsa-asfc.gc.ca/sima-lmsi/i-e/ss2025/ss2025-ni-eng.html#app1>



Shape the future
with confidence

For the purposes of the investigations, the subject goods were defined as:

“Steel strapping, of carbon or alloy steel, with or without seals, whether or not in coils, whether or not punched, whether or not waxed, regardless of surface finish (including whether or not coated, painted, galvanized or “blued”), with a nominal width of 9.5 mm (3/8”) to 50.8 mm (2”) inclusive, and a nominal thickness of 0.38 mm (0.015”) to 1.12 mm (0.044”) inclusive (with all dimensions being plus or minus allowable tolerances), originating in or exported from the People’s Republic of China, the Republic of Türkiye, the Republic of Korea, and the Socialist Republic of Vietnam.”

Following the CBSA’s conclusion, the Canadian International Trade Tribunal (CITT) began a preliminary inquiry to determine whether available evidence discloses a reasonable indication that the alleged dumping and subsidizing of the subject goods have caused or are threatening to cause injury to Canadian industry.

On 10 July 2025, the CITT made a positive determination of reasonable indication of a threat of injury,³ following which the CBSA made its preliminary determination of dumping of subject goods from China, South Korea, Türkiye and Vietnam, and subsidizing of subject goods from China, and began to levy provisional duties as of 16 September 2025.

Provisional duties

The subject goods are normally imported under various tariff classification numbers in Chapters 72 and 73 of the *Schedule to the Customs Tariff* (S.C. 1997, c. 36).

The CBSA identified four exporters that have been assigned specific provisional rates of duty ranging from 2.3% to 41.7%; all other exporters are subject to a provisional duty rate ranging from 33.4% to 48.8% during the provisional period.

Next steps

The CBSA will issue a Statement of Reasons within 15 days of the date preliminary determinations were made.

The CBSA’s investigations are expected to conclude by 30 December 2025, at which point either final determinations will be made or the investigations will be terminated.

If the CBSA makes final determinations of dumping and/or subsidizing, the CITT will continue its inquiry, and public hearings with respect to the question of material injury to the Canadian industry will be held. The CITT’s final determination is expected to be issued on 14 January 2026.

³ <https://citt-tcce.gc.ca/en/news/tribunal-issues-determination-reasonable-indication-threat-injury-steel-strapping-china-south>

Importers of steel strapping from the affected jurisdictions should assess the impact of these provisional duties on their supply chains and pricing strategies and consider engaging with trade advisors to navigate the implications of the ongoing investigations.

Learn more

For more information, please contact one of the following EY Global Trade professionals:

Sylvain Golsse, Partner

+1 416 932 5165 | sylvain.golsse@ca.ey.com

Kristian Kot

+1 250 294 8384 | kristian.kot@ca.ey.com

Denis Chrissikos

+1 514 879 8153 | denis.chrissikos@ca.ey.com

EY Law LLP (Canada)

Helen Byon, Partner

+1 613 598 0418 | helen.byon@ca.ey.com

Peter Jarosz, Counsel

+1 613 563 6256 | peter.jarosz@ca.ey.com

Nadja Momcilovic

+1 613 598 6928 | nadja.momcilovic@ca.ey.com

Jackie Leahy

+1 604 899 3534 | jackie.leahy@ca.ey.com

Carolyn Wong

+1 403 206 5022 | carolyn.wong@ca.ey.com

EY | Building a better working world

EY is building a better working world by creating new value for clients, people, society and the planet, while building trust in capital markets.

Enabled by data, AI and advanced technology, EY teams help clients shape the future with confidence and develop answers for the most pressing issues of today and tomorrow.

EY teams work across a full spectrum of services in assurance, consulting, tax, strategy and transactions. Fueled by sector insights, a globally connected, multidisciplinary network and diverse ecosystem partners, EY teams can provide services in more than 150 countries and territories.

All in to shape the future with confidence.

EY refers to the global organization, and may refer to one or more, of the member firms of Ernst & Young Global Limited, each of which is a separate legal entity. Ernst & Young Global Limited, a UK company limited by guarantee, does not provide services to clients. Information about how EY collects and uses personal data and a description of the rights individuals have under data protection legislation are available via ey.com/privacy. EY member firms do not practice law where prohibited by local laws. For more information about our organization, please visit ey.com.

About EY's Tax Services

EY's tax professionals across Canada provide you with deep technical knowledge, both global and local, combined with practical, commercial and industry experience. We offer a range of tax-saving services backed by in-depth industry knowledge. Our talented people, consistent methodologies and unwavering commitment to quality service help you build the strong compliance and reporting foundations and sustainable tax strategies that help your business achieve its potential. It's how we make a difference.

For more information, visit ey.com/ca/tax.

About EY Law LLP

EY Law LLP is a national law firm affiliated with EY in Canada, specializing in tax law services, business immigration services and business law services.

For more information, visit eylaw.ca.

About EY Law's Tax Law Services

EY Law has one of the largest practices dedicated to tax planning and tax controversy in the country. EY Law has experience in all areas of tax, including corporate tax, human capital, international tax, transaction tax, sales tax, customs and excise.

For more information, visit <http://www.eylaw.ca/taxlaw>

© 2025 Ernst & Young LLP. All Rights Reserved.

A member firm of Ernst & Young Global Limited.

This publication contains information in summary form, current as of the date of publication, and is intended for general guidance only. It should not be regarded as comprehensive or a substitute for professional advice. Before taking any particular course of action, contact EY or another professional advisor to discuss these matters in the context of your particular circumstances. We accept no responsibility for any loss or damage occasioned by your reliance on information contained in this publication.