NEW TAXES ON NEWSPRINT SUPPLIES WILL REDUCE ACCESS TO NEWS AND COST U.S. JOBS

President Trump announced his America First Trade Policy on Inauguration Day stating that he plans to institute tariffs of 25 percent on all products imported from Canada and Mexico. These crippling new taxes include newsprint used by newspapers, magazines, book publishers and printers. Newsprint tariffs were reversed in 2018 during the first Trump Administration due to the harm caused to publishers and the American public.

Imposing tariffs on paper supply would imperil our news-gathering missions and put jobs in jeopardy in communities that rely upon a healthy newspaper. Newsprint is the second largest expense for small newspapers after human resource costs. Additionally, there is not enough capacity for the U.S. to produce the paper quantities needed. In 2023, Canada produced approximately 80% of newsprint used in the U.S., 2.1 million metric tons, while the United States produced only 409,000 metric tons. U.S. companies do not even supply certain types of newsprint paper, which can <u>only</u> be sourced in Canada. Due to the capital-intensive nature of paper making, new U.S. investment in paper production is considered to be very unlikely. Tariffs will permanently harm numerous other businesses including printers, forcing closures, which will cause even more strain as some printers are already several hours away from where newspapers need to be delivered.

NEWSPRINT TARIFFS WILL RESULT IN A NET LOSS OF JOBS: We support strong trade enforcement to protect U.S. industries and U.S. jobs. However, the tariffs will result in the loss of thousands of jobs in the already-stressed U.S. publishing and printing industries, as well as the U.S. paper industry.

NEWSPAPERS CANNOT ABSORB NEW COSTS: Many newspapers have announced layoffs, and almost all newspapers have implemented plans to reduce newsprint consumption, including the elimination of distribution days and/or news coverage in local communities, hurting seniors who especially rely on the print edition of their community newspaper. Non-tariff suppliers could see this as an opportunity to announce price increases.

SMALL TOWN, RURAL PAPERS WILL BE HIT THE HARDEST: The higher prices and limited supplies are creating a crisis for small-town and rural newspapers. This will result in job losses and less access to news coverage. Some community and rural newspapers may have to permanently shut their doors, leaving news deserts. Once a paper shuts down, it does not come back.

What Can Members of Congress Do to Help? Encourage the Trump Administration to use an exclusions process or pass legislation to limit Trump's tariffs. Our members encourage you to help suspend these damaging tariffs and protect the distribution of local news and other information in our community.

The News/Media Alliance is a nonprofit organization representing more than 2,200 news, magazine and digital media organizations and their multiplatform businesses in the United States and globally. Alliance members include print and digital publishers of original journalism. Headquartered just outside Washington, D.C., the association focuses on ensuring the future of journalism through communication, research, advocacy, and innovation. Information about the News/Media Alliance can be found at www.newsmediaalliance.org.