

Alister Jack responds to US tariffs

August 2020

Government response

Alister Jack's response to USTR announcement on tariffs in the ongoing Airbus/Boeing dispute



Speaking in response to the USTR announcement on tariffs, Scotland Secretary Alister Jack said:

While I welcome blended whisky and gin avoiding tariffs and the decision to remove them from shortbread, I am extremely disappointed the United States continues to punish single malt whisky and cashmere.

I share the Scotch Whisky Association's very real concerns over what this will mean for our most famous product. Whisky is a cornerstone of Scotland's economy, employing around 11,000 people, many in rural areas. It is one of our greatest exporting success stories, worth more than \$1.5 billion last year in the US alone.

The UK Government has petitioned the highest levels of the US administration, including the President, on this and we will continue to do so until this is dropped.

We have provided significant support for the industry in the last two budgets through the freeze on spirit duty and we will continue to work with them to promote Scotch whisky across the globe.

International Trade Secretary Liz Truss said:

In Washington DC last week I met my opposite number Bob Lighthizer, the US Trade Representative, to warn against new tariffs being imposed on great British products like gin and blended whisky. I am

pleased that the US has not applied these additional tariffs, and welcome the decision to lift tariffs on shortbread.

However, the announcement does not address tariffs that already exist on goods like single malt Scotch whisky. These tariffs damage industry and livelihoods on both sides of the Atlantic and are in nobody's interests. I am therefore stepping up talks with the US to remove them as soon as possible.

Background

- Liz Truss flew to the US last week and had a series of key meetings with the United States Trade Representative, Robert Lighthizer, and other key members of the US Administration and Congress (spanning 2 – 4 August) to step up free trade agreement talks and protest against tariffs on critical British industry.
- Therefore it is welcome that the US has lifted tariffs on shortbread and decided not to impose additional tariffs on key UK products such as gin and blended whisky, but the continuation of any tariffs on unrelated British industries is completely unnecessary and harms industry on both sides of the Atlantic.
- Liz Truss will now be taking forward further talks with USTR Lighthizer.

Published 13 August 2020