Canada braces for prolonged trade war as counter-tariffs on US take effect

LEVEL B1


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I. WARM-UP

1. How do tariffs on imports affect shoppers in your country?
2. What products from the US are common where you live?
3. When should governments protect local industry, in your view?

II. KEY VOCABULARY

tariff
A tax that a country puts on imported goods.

counter-tariff
A tax placed in response to another country's tariff.

impose
To officially order and start using a rule, tax or law.

bilateral
Involving two countries or two sides.

retaliation
An action done to punish or answer another action.

pushback
Strong opposition to a plan or decision.

diversify
To add variety so you are not dependent on one thing.

resilience
The ability to recover or keep going after problems.

III. READING

Canada's counter-tariffs on US goods took effect on Tuesday, after talks collapsed in late August. The measures target nearly C$28bn ($20bn; £15bn) of US products and can be as high as 50%. Items include steel, furniture and cotton T-shirts.

After fisheries pushback, fresh fish and lobster were omitted to avoid hurting local jobs. The US has already imposed a 25% tax on Canadian cars and trucks, plus tariffs on steel, aluminium and lumber. In August it added 50% duties on goods such as dairy, alcohol, hockey sticks and perfume.

Ottawa calls its response "dollar-for-dollar" retaliation, although both sides say they want a deal. Economists warn prices may rise on everyday goods. Canada and the US have one of the largest bilateral trading relationships, near $900bn in 2025.

Canada aims to diversify trade; July data show US-bound exports fell to 66%, from about 75% before the trade war. The economy showed resilience earlier this year, but employment fell in August.

Reading text adapted from reporting by **BBC News***: "Canada braces for prolonged trade war as...". Original article linked at theenglishwire.com.*

IV. COMPREHENSION QUESTIONS

1. What value of US products do Canada's counter-tariffs target?
2. How high can the new Canadian tariffs be?
3. Which seafood products were removed after industry pushback?
4. What tax has the US already imposed on Canadian vehicles?
5. What share of Canada's exports went to the US in July?

V. DISCUSSION

1. Should Canada keep retaliating if prices for shoppers rise? Why or why not?
2. Which Canadian or US products will feel these tariffs most? Explain.
3. How can Canada diversify trade so it relies less on the US?
4. What signs show an economy's resilience during a trade dispute?

VI. GRAMMAR FOCUS

Advice vs obligation: should vs must / have to

Use should for advice or suggestions; use must/have to for obligations or rules. Form: should + base verb; must / have to + base verb.

"Exporters **have to fill in** *new customs forms."*
"Shoppers **should compare** *prices before they buy."*

VII. GRAMMAR EXERCISE

Complete each sentence with should, must or have to and the verb in brackets.

1. It isn't a rule, but households (cut) ___ their spending. _____
2. By law, importers (pay) ___ counter-tariffs on arrival. _____
3. It isn't required, but fisheries (train) ___ their staff. _____
4. Under the new rules, factories (follow) ___ customs checks. _____
5. It's only a suggestion, but Canada (diversify) ___ its trade. _____

Teacher's Notes

TEACHERS ONLY

These notes are designed to help you get the most out of this lesson. Please do not share this page with students.


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I. LESSON GUIDE

- Timing: 8–10 minutes warm-up, 10 minutes vocabulary, 12–15 minutes reading, 8–10 minutes comprehension, 8–10 minutes grammar, 12–15 minutes discussion.
- Pre-teach tariff, counter-tariff, bilateral, diversify and resilience with quick examples linked to students' countries.
- Do a first read for gist, then a second read to underline figures (C$28bn, 50%, 25%, 66%) before tackling questions.
- Differentiate: stronger students map winners and losers by sector; others match products to likely price changes.

II. DISCUSSION FACILITATION TIPS

1. If students say simply yes/no, push for who pays more and who benefits short term.
2. Have pairs choose one product and predict price or supply effects with reasons.
3. List current non-US partners on the board, then ask for two practical steps.
4. Elicit two data points from the text, then ask students to add one from their country.

III. EXTENSION ACTIVITIES

Debate: In teams, prepare and deliver a 90-second case for or against dollar-for-dollar retaliation.

Writing: Write a 70-word consumer advice note on how shoppers should respond to higher prices.

IV. ANSWER KEY OVERVIEW

Comprehension questions: short factual answers from the text.

Grammar exercise: Advice vs obligation: should vs must / have to

Discussion: open-ended. Accept any reasonable ideas supported by examples and reasoning.

Answer Key

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IV. COMPREHENSION QUESTIONS

1. What value of US products do Canada's counter-tariffs target?
   Nearly C$28bn ($20bn; £15bn).
2. How high can the new Canadian tariffs be?
   Up to 50%.
3. Which seafood products were removed after industry pushback?
   Fresh fish and lobster.
4. What tax has the US already imposed on Canadian vehicles?
   A 25% tax on Canadian cars and trucks.
5. What share of Canada's exports went to the US in July?
   66%.

V. DISCUSSION

Open answers. Accept any reasonable ideas supported by examples and reasoning.

VI. GRAMMAR FOCUS

Key point: Use should for advice or suggestions; use must/have to for obligations or rules. Form: should + base verb; must / have to + base verb. (Examples constructed.)

"Exporters **have to fill in** *new customs forms."*
"Shoppers **should compare** *prices before they buy."*

VII. GRAMMAR EXERCISE

Complete each sentence with should, must or have to and the verb in brackets.

1. It isn't a rule, but households ___ their spending. **should cut**
2. By law, importers ___ counter-tariffs on arrival. **must/have to pay**
3. It isn't required, but fisheries ___ their staff. **should train**
4. Under the new rules, factories ___ customs checks. **must/have to follow**
5. It's only a suggestion, but Canada ___ its trade. **should diversify**