

U.S. Holds Firm on 15% Tariff Against New Zealand Exports

August 2, 2025

— Categories: Economics



Download IPFS

The United States is standing firm on a newly imposed 15 percent trade tariff affecting New Zealand exporters, despite direct appeals from New Zealand officials. Trade Minister Todd McClay raised concerns with U.S. Trade Representative Jamieson Greer, but the Biden administration has shown no signs of reconsidering the policy.

The tariff, announced on Friday, is part of a broader U.S. strategy targeting countries with trade surpluses in their economic relationships with America. McClay criticized the measure, describing it as a “blunt tool” that could negatively impact key New Zealand industries. He spoke with Greer on Saturday morning to argue that the tariff is “not reasonable,” warning it would hurt New Zealand exporters and urging the U.S. to reevaluate its decision.

Despite the plea, Greer made it clear the tariff was in line with directives from former President Donald Trump’s trade policy, which emphasized tariffs as a means to address trade imbalances. According to Greer, any country with a trade surplus against the U.S. would be subject to the same 15 percent rate, regardless of its size or economic relationship.

New Zealand’s Chief Trade Negotiator Vangelis Vitalis is expected to travel to Washington, D.C., to continue discussions in person. Minister McClay has also signaled plans to visit the U.S. in the coming weeks to reinforce New Zealand’s stance.

Prime Minister Christopher Luxon echoed McClay’s concerns, stating that tariffs are counterproductive to global economic growth. Speaking at the National Party conference in Christchurch, Luxon noted, “The reality is, as a small trading nation, our job is to get out there and hustle, and create opportunities for New Zealand businesses.”

While New Zealand continues diplomatic efforts to reverse or reduce the tariff, the current U.S. position reflects a firm adherence to its broader economic doctrine of correcting trade deficits through protectionist measures. For now, affected New Zealand exporters are left to navigate the financial impact of this shift in U.S. trade policy.