Press Release

Tariffs Are Increasing Homebuilding Costs

PAULINA ENCK | SEPTEMBER 20, 2022

In new research, AAF's Tori Smith and Tom Lee calculate the rise in tariffs affecting shelter inflation, with a specific focus on their impact on the costs of homebuilding materials.

Key points:

- *Shelter constitutes one-third of the Consumer Price Index and, just as overall inflation is still on the rise, so is shelter price inflation.*
- *This study looks at one of the factors contributing to rising shelter costs: tariffs on products essential to homebuilding, enacted to restrict imports from China.*
- *It finds that trade-weighted average tariff rates for homebuilding products from China were more than nine times higher in 2021 than in 2017 before these tariffs were enacted, and the rate for homebuilding products from all countries increased more than four times over the same period*

Read the analysis