

Tariff Implications and Recommended Action Plan

Objective

To provide an overview to Council of Peterborough County responses to help mitigate the negative impacts of newly imposed tariffs to Ptbo County businesses.

Background

On Saturday, February 1, 2025, US President, Donald Trump announced crippling levies of 25% on Canadian exports and a 10 percent tariff on Canadian Energy.

To counter these U.S. tariffs, Canada responded by applying 25% tariffs on \$30 billion worth of American goods coming into Canada as of Tuesday February 4, 2025, with further tariffs and non-tariff responses to follow. On February 3, 2025, a temporary pause was announced for 30 days on the implementation of tariffs. It is anticipated the pause will be lifted in the coming days.

While it is important to recognize that this is a fluid situation with many changes and reactions expected daily; the Canadian reliance on trade with the U.S has been fundamentally disrupted and vulnerabilities exposed. Managing this disruption will require both short-term and long-term reactions and will require significant collaboration with partners.

Partners

- Eastern Ontario Wardens' Caucus (EOWC)
- Peterborough & the Kawartha Chamber of Commerce
- City of Peterborough
- Eastern Ontario Mayors' Caucus (EOMC)
- Eastern Ontario Leadership Council (EOLC)
- Community Futures Peterborough
- Industry Associations such as Ptbo County Federation of Agriculture (PCFA), Kawartha Manufacturers Association (KMA), Tourism Industry Association of Ontario (TIAO)

Procurement Recommended Actions:

In response to the imposed U.S. tariffs affecting Canadian goods and to support our local and national economy, it is in the County's best interest to adopt a procurement approach that enables the strategic purchasing of Canadian-made products and suppliers.

Our Procurement strategy will include:

Action	Status
Amendment to Purchasing Policy FI-30 Amendment to include County values statement weighing Local Benefit for County purchases and that Finance staff establish procedures to evaluate.	
Identify key procurement categories that could be most impacted by U.S. tariffs and assess alternatives from Canadian suppliers.	
Review all procurement specifications to allow for "or equivalent" for specifications to be assessed where a specific product has been specified.	
Collaborate with local suppliers, contractors to understand delivery timelines and be flexible as a municipal partner to accommodate as required.	
The County will hold "Doing Business with the County" Sessions for local companies, contractors and suppliers.	
Lobby the Federal and Provincial governments to remove impediments to municipalities preferring Canadian companies and services for capital and other purchases and further that municipalities be indemnified from any potential challenges from buying Canadian, as a result of the U.S. tariffs.	

Economic Development Recommended Actions:

Immediate		
Action	Status	
Warden Clark to issue a statement to the residents and businesses of Peterborough County (written statement as well as video) recognizing that we are in uncertain times, and it will be important for us to identify and support Canadian-made products and businesses – support local.		
Issue a call for Ptbo County-based businesses to register with the County, as well as Ontario Made website for economic development purposes to highlight the locally made products (and services) available, as well as to track imports and exports and identify new opportunities for Ptbo County businesses.'		
Ptbo County will also encourage businesses to register their products with <u>Made in Canada</u> for residents to learn about where residents can buy Canadian made products. Ptbo County will highlight these resources on the PtboCounty website.		
Partner with Peterborough and the Kawarthas Chamber of Commerce to host a series of roundtable talks at the Local Advantage program in townships to encourage local businesses to share how these tariffs are impacting their business and identify what types of support will be most helpful during this time.		
Ptbo County economic development to share regular feedback with the Economic Development Advisory Committee, Warden, Townships and Partners (Chamber etc.) on any information that can be elevated to Chambers, EOWC, and provincial and federal elected officials and other industry associations to elevate messaging of the type of support required from impacted businesses.		
Identify any impacted workers, track the skills of impacted workers and work with local employers to retain impacted workers wherever possible.		
Create and share a "Support Local – Buy Local" campaign in Peterborough County		
Mid-term actions		
Working with the Ministry Economic Development, Job Creation and Trade, Peterborough and the Kawarthas Chamber of Commerce, Industry Associations and Community Futures Peterborough develop and host a series of webinars and education sessions to support businesses to develop exporting diversification plans and consider selling internally to Canadian and interprovincial markets to recover from loss of U.S. sales.		

Create alliances with "sister regions" across Canada to introduce various products and services.	
Ptbo County Economic Development to make recommendations to the EcDev Advisory Committee on potential programs to be created based on feedback received from focus group feedback.	
Create a local spotlight feature at the County and in local media – "Know Your Locals" to create a series featuring local businesses that have adapted and showcased local products.	

Collaboration / Advocacy Activities

Action	Status
Partner with the City of Peterborough, EOWC and EOMC to draft letters to	
reach out to key U.S. states that rely on Eastern Ontario goods and services to	
showcase the importance of products and services from Eastern Ontario and	
encourage them to voice their opposition to these tariffs.	
Collectively create a local education campaign on the collective work being	
undertaken by the partners to support provincial and federal efforts to	
mitigate the impacts of tariffs.	
Lobby the Provincial government to implement a stay local tax break (similar	
to what was done during COVID)	
Lobby for utility cost savings for businesses to offset tariff financial impacts	
Advocate for a CEBA type program that was offered to businesses that was	
offered during COVID.	
Ask Feds/Prov to use their marketing power to promote	
madeincanada.ca resources.	
Ask Feds/Prov to invest in infrastructure programs that reduce reliance on US	
products and services (broadband, energy projects, pharma etc)	

Key Messaging

Peterborough County is committed to collaborating with our partners at all levels of government to advocate for the residents and businesses in our region who will all be affected by the tariffs imposed by the United States. Through our work with the Eastern Ontario Wardens' Caucus as well as the Eastern Ontario Leadership Council, we fully support the actions taken by Ontario and Canada and we will continue to advocate for Peterborough County.

Peterborough County is a strong agricultural and diverse small business-based community, and we have the skills, goods, services, and resources to support ourselves. I encourage you to buy local, buy Ontario and buy Canadian!

Ontario Chamber of Commerce - Peterborough-Kawarthas Chamber of Commerce

Focus of removing internal trade barriers to create opportunities for businesses and lowering costs for consumers in every province and territory.

Canadian Manufacturers and Exporters (CME)

Support for workers - Wage protection, similar to COVID so that industry does not lose good workers during these tumultuous times.

Calling for Government procurement politics – companies that have invested in Ontario and Canada are able to bid on government contracts.

Ontario Federation of Agriculture

Expressing support for \$100 million increase to the Risk Management Program for beef, pork, sheep, veal, and grain, and the Self-Directed Risk Management Program for fruit and vegetable growers.

EOWC

The EOWC is a not-profit organization advocating for 103 small urban and rural municipalities across Eastern Ontario. The EOWC is calling for a renewed strategic alliance between Canada and the United States, calling for stability, security and long-term prosperity. The EOWC has been advocating and lobbying by providing data and economic impact analysis to show the impact if tariffs are implemented. The EOWC has also been working closely with the Great Lakes Cities Initiatives to show the value of collaboration and strategic alliances.