



The Corporation of the Town of Tecumseh

Financial Services

To: Mayor and Members of Council

From: Tom Kitsos, Director Financial Services & Chief Financial Officer

Date to Council: Tuesday, March 25, 2025

Report Number: FS-2025-06

Subject: Tecumseh Response to U.S. Tariffs on Canadian Exports

Recommendations

It is recommended:

That Report FS-2025- 06 entitled “Tecumseh Response to U.S. Tariffs on Canadian Exports” **be received**;

And that Options 1, 2 and 3 outlined in Report FS-2025-06 for a Tecumseh response to U.S. Tariffs **be endorsed**;

And further that Administration **report back** to Council with further measures as they develop.

Background

In response to U.S. tariffs imposed upon Canadian exports, which the Canadian and Provincial governments have deemed unwarranted and unreasonable, and which will inflict economic hardship on many Canadians, Administration is working with peers and professional associations to develop options that Town Council may consider implementing that will support local, regional and Canadian businesses and help to mitigate the financial hardship resulting from U.S. import tariffs.

Administration has proactively collaborated with or researched initiatives by Associations such as Association of Municipalities of Ontario (AMO), Ontario Public Buyers Association (OPBA), Windsor-Essex Economic Trade Task Force and Border Mayors Alliance who have organized to mount a response to the widespread imposition of tariffs. Based on information gained to date, options Administration could initiate are proposed for Council's consideration and direction.

Comments

Administration presents the following options that Council may endorse for implementation:

1. Implement a temporary amendment to the Town's Purchasing By-law and Policy that enables the municipality to favour procurement of local/Canadian goods and services for Municipal consumption.

The Town's procurement practice is subject to trade agreements and legislation that prohibit discriminatory procurement practices based on geographic origin of goods or services.

In response to the imposition of tariffs by the United States on Canadian goods, the Town may implement a Buy Canadian Procurement Policy to serve as an addendum to the existing Purchasing By-law and Policy.

The intent is to create a structured framework that enables the Municipality to prioritize Canadian products and services where feasible, while maintaining compliance with applicable trade agreements and procurement regulations.

Furthermore, Administration shall explore opportunities for collaboration with other municipalities in Ontario and across Canada to strengthen procurement policies that benefit local economies, create jobs and support the competitiveness of Canadian industries on a global scale.

The County of Essex passed Motion 057-2025 on February 19, 2025:

"That the County of Essex begin the process to examine the viability of a "Buy Canadian" procurement strategy, ensuring Canadian content is reviewed and clearly defined in terms of percentage requirements within procurement. Additionally, the County will establish a clear definition of "Canadian Content" for the procurement of goods and services."

Furthermore, County Council asked that County Administration take the lead on preparing a compliant procurement policy and share it with the Local municipalities.

County Administration anticipates a report to Council for April 16, 2025.

Administration recommends the Town follows the County's direction once their Buy Canadian Procurement Strategy is developed.

2. Use the Town's website to promote "Buy Canadian" practices for residents.

In conjunction with the above, the Town can also use its website to promote "Buy Canadian" and "Buy Local" practices for residents. Tecumseh residents represent the buying power of 23,000 people who are not restricted by trade agreements and legislation for their purchases.

A concerted awareness of the origin of goods and services and commitment to support local, regional and national businesses, can help to support and stabilize our economy during this time of uncertainty, one resident at a time.

There are several tools readily available to consumers that can provide the origin of a product by scanning the product code and there are several websites that connect citizens to Canadian/Ontario/local suppliers for various products and services.

What does the label mean? According to the [Competition Bureau Canada](#):

- Product of Canada: At least 98% of the product contains Canadian ingredients and materials.
- Made in Canada: At least 51% of the product is made in Canada in our factories and businesses.

Sites that identify Canadian/Ontario or WindsorEssex-made products:

- [Ontario Made | Local Products You Will Love](#)
- [Made in Canada Directory | The Most Canadian-Made Products](#)
- <https://sourcewindsoressex.com/>
- <https://trilliummfg.ca/>
- <https://www.ngen.ca/>

Examples of municipal websites that are taking this approach include Mississauga and Burlington. Once the Town has received direction on the County's procurement policy noted above, this opportunity can also be pursued on the Town's website in collaboration with our Communications team.

3. Continue collaboration with Associations such as Association of Municipalities of Ontario (AMO), Ontario Public Buyers Association (OPBA), Windsor-Essex Economic Trade Task Force and Border Mayors Alliance who have held information sessions, are actively engaging with affected businesses and are lobbying Federal and Provincial Governments to act.

Initial actions that the Town can implement include:

- Supporting resolutions and correspondence from other jurisdictions/AMO/ROMA to the federal and provincial governments in support of their ongoing efforts to oppose the tariffs, impose retaliatory measures, remove interprovincial trade barriers and negotiate better trade arrangements with US trading partners.
- Endorsing the efforts of the Windsor-Essex Economic Trade Task Force and amplifying their message through the Town's website and social media.
- Participating through the Mayor's Office in the Border Mayors Alliance (BMA); recently County Council passed a motion in support of paying annual BMA membership fees on behalf of the seven area municipalities of Essex County.

As additional opportunities arise, Administration will report back to Council for further direction.

4. Assess the Town's exposure to tariffs.

This complex exercise delves into cost structures and supply chains, identifies second and third-tier suppliers and considers unintended consequences. The Town does not have sufficient resources to undertake this type of initiative. Accordingly, Administration does not recommend this option for implementation.

Consultations

Chief Administrative Officer
County of Essex

Financial Implications

Tariffs are known to cause cost inflation in the near-term.

A Buy Canadian Procurement Strategy may also increase costs.

Administration will work with suppliers, buying groups, municipalities, senior levels of government and professional associations to minimize the impact to the Town's budget.

Cost/project deferrals will be considered, if necessary.

Link to Strategic Priorities

Applicable	2023-2026 Strategic Priorities
<input checked="" type="checkbox"/>	Sustainable Growth: Achieve prosperity and a livable community through sustainable growth.
<input type="checkbox"/>	Community Health and Inclusion: Integrate community health and inclusion into our places and spaces and everything we do.
<input type="checkbox"/>	Service Experience: Enhance the experience of Team Tecumseh and our citizens through responsive and respectful service.

Communications

Not applicable

Website Social Media News Release Local Newspaper

This report has been reviewed by Senior Administration as indicated below and recommended for submission by the Chief Administrative Officer.

Prepared by:

Tom Kitsos, CPA, CMA, BComm
Director Financial Services & Chief Financial Officer

Reviewed by:

Margaret Misek-Evans, MCIP, RPP
Chief Administrative Officer

Recommended by:

Margaret Misek-Evans, MCIP, RPP
Chief Administrative Officer

Attachment Number	Attachment Name
None	None