

Thursday, February 6, 2025

STATEMENT: Vaughan Chamber of Commerce's Responds to U.S. Tariffs

Good Morning,

The recent 30-day pause in the imposition of U.S. tariffs on Canadian goods offers businesses a temporary reprieve. However, a critical window remains for negotiations to resolve trade disputes that threaten businesses across all sectors of our local economy. With 90% of York Region's exports going to the U.S., 85% of which come from manufacturing, these tariffs pose a significant threat to the stability of our businesses, workers, and supply chains.

The automotive sector, which is a cornerstone of Vaughan's advanced manufacturing industry, contributes \$4 billion annually in GDP to our local economy. These tariffs will disrupt deeply integrated supply chains, increasing production costs and reducing competitiveness for Vaughan manufacturers. Transportation equipment, plastics, rubber, and fabricated metal products, sectors that make up 60% of our region's U.S. exports, will be hit the hardest.

For decades, Vaughan-based manufacturers have been a crucial part of North America's auto supply chain, providing high-quality components that keep the industry running efficiently. Undoing these essential connections overnight is self-destructive. Higher costs on both sides of the border will not only hurt Canadian businesses but also make vehicles more expensive for American consumers.

Rather than dismantling strong trade partnerships, we must explore opportunities beyond traditional markets and adapt to shifting economic conditions. This is a critical moment for businesses to pivot and build new trade relationships. The Vaughan Chamber through our Canadian Chamber partners as well as local MPs and MPPs are pushing for leadership to take immediate steps to support local manufacturers, including measures to help businesses navigate rising costs, secure alternative markets, and strengthen domestic trade.

A strong, resilient manufacturing sector in Vaughan means a strong economy for Ontario and Canada. We will continue to monitor policies through the Canadian Chamber and our national partners in this evolving economic landscape, advocating to both provincial and federal governments to protect our businesses. We are committed to ensuring Vaughan remains a leader in advanced manufacturing and will keep you updated as developments unfold.

Sincerely,

A handwritten signature in black ink, appearing to read "AS", with a long horizontal stroke extending to the right.

Abdus Samad

Vice President of Government Affairs and Strategic Initiatives
Vaughan Chamber of Commerce

