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Welcome to Burlington's Trade & U.S. Tariffs Resource Hub

At **Burlington Economic Development and Tourism**, we are committed to helping businesses thrive, even in challenging times. With ongoing shifts in global trade policies, we recognize the difficulties that tariffs and regulatory changes bring to our local businesses.

Burlington's economy is built on resilience, collaboration, and innovation. Whether you're in manufacturing, logistics, technology, or agri-food, we stand with you.

Together, we will navigate these trade challenges, adapt to new realities, and emerge stronger than ever.

Our **Trade & U.S. Tariffs Resource Hub** is designed to equip you with the knowledge, tools, and support needed to stay competitive in the global market.

Overview of the U.S. Tariffs

Tariffs refer to taxes imposed on imported goods, which can lead to increased costs for Canadian exporters. These tariffs will affect various industries, including manufacturing, agriculture, and retail, altering trade dynamics between Canada and the United States.

Current Developments

On March 4, 2025, U.S. tariffs of 25 percent on Canadian goods and 10 percent on energy exports from Canada to the U.S. came into effect. This move has been met with strong opposition from the Canadian government, as officials have raised concerns about the economic impact on trade, employment, and industrial growth.

On March 5th, **2025**, the White House announced a one-month tariff exemption for automakers after President Donald Trump spoke with heads of General Motors, Ford Motor and Stellantis.

Canada has responded to the U.S. imposition of tariffs on Canadian goods by <u>introducing a first</u> <u>set of countermeasures</u> designed to compel the U.S. to remove the tariffs as soon as possible.

On March 7th, 2025, in response to the U.S. tariffs on Canadian goods, the Government of Canada <u>announced a comprehensive support package totalling over C\$6.5 billion</u> to assist affected businesses and workers. Key measures include:

- Trade Impact Program: Export Development Canada will deploy \$5 billion over two
 years to help exporters access new markets and manage challenges such as nonpayment risks and currency fluctuations.
- Favourable Loans: <u>The Business Development Bank of Canada will offer \$500 million in low-interest loans</u> to businesses in sectors directly targeted by tariffs, along with advisory services in financial management and market diversification.
- Agriculture and Food Industry Support: Farm Credit Canada will provide \$1 billion in new financing to reduce financial barriers for the agriculture and food sector, addressing cash flow challenges and ensuring the continued supply of high-quality products.



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- Employment Insurance (EI) Work-Sharing Program: Temporary flexibilities will be introduced to increase access and extend the maximum duration of agreements, helping employers retain experienced workers and avoid layoffs.
- Investment Canada Act Guidelines Update: To protect Canadian businesses from harmful foreign takeovers during this period, the government has updated guidelines under the Investment Canada Act.

Canada's countermeasures include:

Imposing tariffs on \$30 billion in goods imported from the U.S., effective March 4, 2025. Canada's countermeasures list includes products such as orange juice, peanut butter, wine, spirits, beer, coffee, appliances, apparel, footwear, motorcycles, cosmetics, and certain paper products.

Announcing that the government intends to impose tariffs on \$125 billion in imports from the U.S.

This second round of tariffs will be subject to a 21-day comment period prior to implementation, and includes products such as electric vehicles, trucks and buses, certain fruits and vegetables, aerospace products, beef, pork, and dairy.

The Canadian government has emphasized its commitment to continued engagement with U.S. officials to seek a resolution, but if negotiations fail, further countermeasures will be taken to protect domestic industries and jobs. The situation remains fluid, with trade and economic experts closely monitoring developments.

Industry groups, including the <u>Canadian Steel Producers Association</u> and the <u>Canadian Chamber of Commerce</u>, have also raised concerns, emphasizing the possible disruptions to businesses and consumers on both sides of the border.

Burlington's Economic Strategies in Action

Recognizing the challenges posed by these tariffs, Burlington is actively encouraging residents and businesses to **"Buy Canadian."** This initiative aims to bolster the local economy by promoting the purchase of Canadian-made products and services. By prioritizing locally produced goods, the community can strengthen domestic industries and minimize dependence on imports.

The Mayor's Tariff Task Force

To further address the situation, <u>Mayor Marianne Meed Ward</u> has established the Mayor's Tariff Task Force. This task force is dedicated to:

 Advocacy: Collaborating with provincial and federal governments to represent Burlington's interests and seek relief measures for affected industries.



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- **Support Programs**: Developing and promoting resources to assist local businesses in navigating the challenges posed by the tariffs.
- **Community Engagement**: Encouraging residents to support local enterprises through initiatives like the "Buy Canadian" campaign.

For more information and to get involved, please visit the <u>City of Burlington's official</u> announcement.

Key Business Resources for Navigating Tariffs

1. Policy & Legal Insights

These resources provide legal, regulatory, and policy-related guidance to help businesses understand tariff implications, trade agreements, and compliance requirements.

- <u>Bennett Jones</u> <u>Duty Calls: Preparing for US and Canadian Tariffs</u> Analyzes legal and trade considerations for businesses.
- <u>Fasken</u> <u>Knowledge Centre: Canada-Trump Administration 2.0</u> Provides insights into policy changes under the U.S. administration.
- <u>Gowlings WLG</u> <u>Preparing for Tariffs: A Short Guide for Canadian Companies</u> Offers legal strategies for mitigating tariff risks.
- <u>Miller Thomson LLP</u> <u>The U.S. Tariffs and Canadian Retaliatory Measures: What You Need to Know</u> Explores compliance and legal ramifications.
- McMillan LLP Preparing for Potential US Tariffs: Key Dates and Strategic Considerations Outlines major milestones and proactive business strategies.
- Government of Canada <u>Canada's response to U.S. tariffs on Canadian goods</u> Government of Canada's plan to combat U.S. tariffs.
- Export Development Canada (EDC) <u>Harmonized Systems (HS) Code Guide</u> Understanding tariff classification codes.
- <u>Department of Finance Canada</u> <u>Canada's Response to U.S. Tariffs</u> List of countermeasures.
- <u>Business Development Bank of Canada</u> (BDC) <u>Most Favoured Nation (MFN)</u> –
 Tariffs that apply to non-preferential trading partners.

2. Tariffs Trade & Economic Impact Analysis

Reports and tools that assess the financial, economic, and industry-specific effects of the tariffs on Canadian businesses.



Trade & U.S. Tariff Resource Hub

- <u>Canadian Chamber of Commerce</u> <u>Canada-U.S. Trade Tracker</u> Real-time monitoring of tariffs on various goods.
- <u>Central 1</u> <u>Trade War Games: U.S. Tariffs, Canada Responds</u> Examines macroeconomic repercussions and strategic responses.
- RBC <u>A U.S.-Canada Trade Shock Now in Play: First Economic Takeaways</u> Provides an economic analysis of the trade policy shift.
- PwC <u>U.S. Tariff Industry Analysis Under the Incoming Trump Administration</u> –
 Evaluates the sector-specific implications of the tariffs.
- <u>TEC Canada</u> <u>Navigating the Proposed Tariffs: What Canadian Business Leaders</u> <u>Need to Know</u> – Executive-level insights into adapting to trade shifts.
- Government of Canada Canada-United States-Mexico Agreement (CUSMA/USMCA)
 Overview Details on tariff-free benefits.
- <u>Government of Canada</u> <u>Sector-Specific Tariffs Overview</u> Reports for industries including <u>advanced manufacturing</u>, <u>agri-food</u>, <u>clean technology</u>, <u>digital industries</u> and health/bio sciences.

3. Business Risk Management & Financial Planning

Resources designed to help businesses assess risks, develop contingency plans, and implement financial strategies to manage tariff impacts.

- Business Development Bank of Canada (BDC) <u>The Impact of Potential Tariffs: How to Get Your Business Ready</u> Guides companies on risk mitigation and cost management.
- <u>EY</u> <u>Navigating Through the Uncertainty of Potential New Tariffs</u> Helps businesses assess financial risks and tax considerations.
- KPMG KPMG in Canada Supports Businesses Navigating U.S. Tariffs Provides tax and trade policy advisory.
- <u>MNP</u> <u>Tariff Exposure Risk Assessment</u> Helps businesses evaluate their financial exposure to new tariffs.
- <u>Canada Border Services Agency</u> (CBSA) <u>Surtax on Certain U.S. Goods (Effective February 4, 2025)</u> Full list of affected products.
- <u>Department of Finance Canada</u> <u>Foreign Trade Zones (FTZ) Benefits</u> Guide on duty deferral programs.
- <u>U.S. Customs and Border Protection</u> (CBP) <u>Duty Drawback Programs</u> Refund opportunities for tariffs paid on certain goods.



4. Webinars & Expert Discussions

A series of recent, as well as upcoming webinars and virtual events have been organized to help businesses understand and respond to these trade policy changes. These sessions provide expert insights, case studies, and policy updates.

- <u>BDO Canada</u> <u>What the Next U.S. Administration Means for Canadian Businesses (On Demand)</u> A discussion on how trade policies under the new administration will affect Canadian companies.
- <u>MNP</u> *Tariffs, Taxes, and More Trends in 2025 (On Demand)* Analyzes broader economic trends and financial considerations.
- Business Development Bank of Canada (BDC) Running Your Business in 2025:
 Building Resilience in a Changing World (On Demand) Explores strategies for long-term business sustainability.
- **KPMG** *The Tariff Impact: Insights from Canadian Businesses on Building Resilience*(On Demand) Case studies on how businesses are adapting to trade shifts.
- <u>Toronto Region Board of Trade</u> (TBOT) <u>Global Growth Series</u> Empowering
 Canadian business leaders with strategies to overcome export challenges and drive
 global expansion.
- <u>Canadian Manufacturers and Exporters</u> (CME) <u>National Policy Webinar: US Trade</u> <u>and Tariffs (March 5th)</u> – Discussion on policy shifts.
- <u>U.S. Customs and Border Protection</u> (CBP) <u>US Trade Outreach Webinars</u> Sessions on trade enforcement.
- <u>BDO Canada</u> <u>Tariffs & Trade in Focus: Understanding the Economic Landscape</u> (<u>March 20th</u>) Discussion on key business concerns, including evolving tariff threats, and emerging growth opportunities.

Support and Assistance

Burlington Economic Development and Tourism recognize that this is a challenging period for businesses and industries across the region. However, through collaboration, strategic planning, and resource-sharing, we can strengthen our local economy and build resilience for the future.

We encourage businesses to reach out for support, engage in economic discussions, and take proactive steps to adapt to changing trade conditions. Together, we will navigate these challenges and ensure that Burlington remains a thriving hub for business and tourism.

To share tariff impacts on your business and discuss opportunities for support, contact Burlington Economic Development and Tourism at invest@burlington.ca.

You can also access additional supports and resources through the Burlington Chamber of Commerce members portal and resource hub by visiting their <u>website</u>.