

Township of Champlain

Resolution Regular Council Meeting

Agenda Number:

15.3.

Resolution Number

2025-071

Title:

Canada Metal Processing Group - Announcement on steps to respond to U.S. tariff

threats on the steel sector

Date:

February 27, 2025

Moved By:

Paul Emile Duval

Seconded By:

Michel Lalonde

Whereas maintaining a healthy domestic steel manufacturing industry and its customer base, who transform steel into steel products, is critical to the economic stability of an independent and autonomous sovereign nation; and

Whereas Steel is a foundational industry to produce core products and infrastructure for essential industries e.g., defence, energy supply both fossil fuels and green energy, majority of industrial manufacturing e.g., automotive, transport, heavy equipment and essential for housing and infrastructure construction; and

Whereas the Heico Companies' Canada Metal Processing Group ("MPG Canada") operates three businesses (Ivaco Rolling Mills, Sivaco, and Infasco) over 6 manufacturing sites in Quebec and Ontario and employs approximately 1600 individuals. The organization operates a state-of-the-art electric arc furnace (EAF) steel plant and billet caster, a two-strand rod mill, a rod processing facility, two wire mills, a bolt manufacturing facility, a nut manufacturing facility and a steel fastener coating facility. MPG Canada strives to offer the best customer experience by delivering high-value and sustainably engineered steel products across North America; and Whereas, in the face of U.S. tariff threats, and as the Canadian Steel Producer Association (CSPA) members have been advocating, MPG Canada calls on the Canadian government to be prepared to react quickly to safeguard the long-term viability of Canadian steel product manufacturers, and the collective job security of its employees.

Be it resolved that the Township of Champlain supports The Canada Metal Processing Group ("MPG Canada") in its request to the Canadian Government to immediately:

- Prepare to implement matching retaliatory tariff measures without any consultation delay;
- Provide support for workers and businesses during this economic crisis;
- Prevent the ever-increasing unfairly traded imports from other countries into Canada and protect the domestic industry by instituting broad Section 53 surtaxes, without any possible exemptions;
- · Promote buying Canadian steel, with its much lower carbon intensity than imports; and
- Work in collaboration with the U.S. to create an aligned North American steel trade market for melted and poured North American steel.

Be it further resolved that this Resolution be circulated to:

The Right Hon. Justin Trudeau (Prime Minister of Canada),

- The Hon. Melanie Joly (Minister of Foreign Affairs, Canada),
- The Hon. Nate Erskine-Smith (Minister of Housing, Infrastructure and Communities, Canada),
- · Premier of Ontario,
- · Ontario's Minister of Economic Development, Job Creation and Trade,
- Ontario's Minister of Municipal Affairs and Housing.
- Federation of Canadian Municipalities (FCM),
- · Association of Municipalities of Ontario (AMO),

- · Rural Ontario Municipal Association (ROMA),
- · Eastern Ontario Wardens' Caucus,
- The Hon. Francis Drouin, MP Glengarry-Prescott-Russell,
- Member of Provincial Parliament, MPP Glengarry-Prescott-Russell,
- The Canadian Steel Producer Association,• MPG Canada,
- The Association of Municipalities of Ontario, and
- · All of Ontario's municipalities.

Carried

Certified True Copy of Resolution



Alison Collard, Clerk

Date:



Source: Canada Metal Processing Group

February 24, 2025 10:32 ET

Canada Metal Processing Group announces steps to respond to U.S. tariff threats on steel sector

BROSSARD, Quebec, Feb. 24, 2025 (GLOBE NEWSWIRE) — Canada Metal Processing Group (MPG Canada) and its subsidiaries, Ivaco Rolling Mills, Sivaco, and Infasco, are announcing the difficult but necessary steps to respond to the current challenging market environment and the threat of incoming tariffs from the United States on steel and steel derivatives. These measures will help maintain the majority of MPG Canada's footprint and workforce while reacting to the impact that these threats are already having on the company's demand for its products destined directly and indirectly, via our Canadian customers, to U.S. customers.

In light of lower anticipated demand and production volume, due to U.S. tariff threats and trade challenges in Canada with increasing imports, the measures include a workforce reduction of 140 production and office employees in Ontario and Quebec, implementation of cost savings actions, and the cancellation or pause of some projects. These steps will enable MPG Canada to remain competitive to service our customers and protect the business in the short-term.

"This was an extremely difficult decision for our company, and not one that was made lightly, but necessary for the business in the current environment," said MPG Canada President Matt Walker. "Our employees are the backbone of our operations. They work hard, day in and day out, to create steel products which are recognized for their quality and good customer service while being an integral part of the Canada-U.S. supply chain."

Soft market in 2024, weak North American macroeconomic demand linked to a U.S. election year, the increased challenge of unfair trade imports into Canada, and now the imminent threat of 25% U.S. tariffs on steel sector and 25% on all Canadian products into the U.S., are having serious impacts on the demand for MPG Canada products.

"While it is impossible at this juncture to predict how long these actions by the United States will last, the Canadian government must be prepared to react quickly to safeguard the long-term viability of Canadian steel product manufacturers, and the collective job security of our employees," said Walker. "Maintaining a healthy domestic steel manufacturing industry and their customer base, who transform steel to steel products, is critical to the economic stability of an independent and autonomous sovereign nation. Steel is a foundational industry to produce core products and infrastructure for essential industries e.g., defence, energy supply both fossil fuels and green energy, majority of industrial manufacturing e.g., automotive, transport, heavy equipment and essential for housing and infrastructure construction."

In the face of U.S. tariff threats, and as the Canadian Steel Producer Association (CSPA) members have been advocating, MPG Canada calls on the Canadian government to immediately:

- Prepare to implement matching retaliatory tariff measures without any consultation delay.
- Provide support for workers and businesses during this economic crisis.
- Prevent the ever-increasing unfairly traded imports from other countries into Canada and protect the domestic industry by instituting broad Section 53 surtaxes, without any possible exemptions.

- · Promote buying Canadian steel, with its much lower carbon intensity than imports.
- Work in collaboration with the U.S. to create an aligned North American steel trade market for melted and poured North American steel

About Canada Metal Processing Group

The Heico Companies' Canada Metal Processing Group operates three businesses (Ivaco Rolling Mills, Sivaco, and Infasco) over 6 manufacturing sites in Quebec and Ontario and employs approximately 1600 individuals. The organization operates a state-of-the-art electric arc furnace (EAF) steel plant and billet caster, a two-strand rod mill, a rod processing facility, two wire mills, a bolt manufacturing facility, a nut manufacturing facility and a steel fastener coating facility. Canada Metal Processing Group strives to offer the best customer experience by delivering high-value and sustainably engineered steel products across North America.

For media inquiries, please contact:

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