

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:

No. du point à l'ordre du jour: 15.3.
No. du point 2025-071
Titre: Canada Metal Processing Group - Annonce des mesures à prendre pour répondre aux menaces tarifaires américaines sur le secteur de l'acier
Date: le 27 février 2025

Proposée par: Paul Emile Duval

Appuyée par: Michel Lalonde

Attendu que le maintien d'une industrie sidérurgique nationale saine et de sa clientèle, qui transforme l'acier en produits sidérurgiques, est essentiel à la stabilité économique d'une nation souveraine indépendante et autonome ; et

Attendu que l'acier est une industrie fondamentale pour la production de produits de base et d'infrastructures pour des industries essentielles telles que la défense, l'approvisionnement en énergie, qu'il s'agisse de combustibles fossiles ou d'énergie verte, la majorité des industries manufacturières telles que l'automobile, le transport, l'équipement lourd, ainsi que la construction de logements et d'infrastructures ; et

Attendu que le Groupe de transformation des métaux Canada (« MPG Canada ») de Heico Companies exploite trois entreprises (Ivaco Rolling Mills, Sivaco et Infasco) sur six sites de fabrication au Québec et en Ontario et qu'il emploie environ 1 600 personnes. L'organisation exploite une aciérie à four électrique à arc (FEA) ultramoderne et une coulée de billettes, un laminoir à barres à deux brins, une installation de traitement des barres, deux laminoirs à fil, une installation de fabrication de boulons, une installation de fabrication d'écrous et une installation de revêtement d'attaches en acier. MPG Canada s'efforce d'offrir la meilleure expérience à ses clients en livrant des produits sidérurgiques de grande valeur et de conception durable dans toute l'Amérique du Nord ; et

Attendu que, face aux menaces de tarifs américains, et comme les membres de l'Association canadienne des producteurs d'acier (ACPA) l'ont préconisé, MPG Canada demande au gouvernement canadien d'être prêt à réagir rapidement pour protéger la viabilité à long terme des fabricants canadiens de produits d'acier et la sécurité d'emploi collective de ses employés.

Qu'il soit résolu que le Canton de Champlain appuie le Canada Metal Processing Group (« MPG Canada ») dans sa demande au gouvernement canadien de réagir immédiatement :

- Se préparer à mettre en œuvre des mesures tarifaires de rétorsion correspondantes sans délai de consultation ;
- Soutenir les travailleurs et les entreprises pendant cette crise économique ;
- Empêcher l'augmentation constante des importations déloyales d'autres pays vers le Canada et protéger l'industrie nationale en instituant de larges surtaxes au titre de l'article 53, sans aucune exemption possible ;
- Promouvoir l'achat d'acier canadien, dont l'intensité en carbone est bien inférieure à celle des importations ; et
- Travailler en collaboration avec les États-Unis pour créer un marché nord-américain aligné pour l'acier nord-américain fondu et coulé.

De plus, qu'il soit résolu que la présente résolution soit diffusée auprès de :

- Le très honorable Justin Trudeau (Premier ministre du Canada),
- L'honorable Mélanie Joly (ministre des Affaires étrangères Canada),
- L'honorable Nate Erskine-Smith (ministre du Logement, de l'Infrastructure et des Collectivités Canada),
- le premier ministre de l'Ontario,
- Le ministre du Développement économique, de la Création d'emplois et du Commerce de l'Ontario,
- le ministre des Affaires municipales et du Logement de l'Ontario,

- Fédération canadienne des municipalités (FCM),
- Association des municipalités de l'Ontario (AMO),
- l'Association des municipalités rurales de l'Ontario (ROMA),
- le Caucus des gardiens de l'Est de l'Ontario,
- L'honorable Francis Drouin, député de Glengarry-Prescott-Russell,
- Membre du Parlement provincial, MPP - Glengarry-Prescott-Russell,
- L'Association canadienne des producteurs d'acier,
- MPG Canada,
- L'Association des municipalités de l'Ontario, et
- Toutes les municipalités de l'Ontario

Adoptée

Copie certifiée conforme

Alison Collard, greffière 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:

Frédéric Perron | Director, Marketing and Business Development
Canada Metal Processing Group, part of The Heico Companies
fperron@mpg.heicocompanies.com