

November 3, 2025

The Right Honourable Mark Carney, P.C., M.P.  
Prime Minister of Canada  
80 Wellington Street  
Ottawa, ON K1A 0A2

Dear Prime Minister,

As members of the Ontario Business & Trade Leadership Coalition, we represent businesses and chambers of commerce in all Ontario regions, and in all trade-exposed sectors. We are writing today as a unified business community to share our priorities for the renewal of the Canada-United States-Mexico Agreement.

This negotiation is unlike any other. With the very idea of the agreement threatened by the U.S. government, it is important to reiterate that people and businesses in all three countries believe free trade is good for them and their economies. According to a 2024 [survey](#) conducted by Canadian Manufacturers & Exporters (CME), 94% of manufacturers in Canada, Mexico and the U.S. support the agreement and rely on it as part of their supply chains. A more recent [survey](#) showed that eight in 10 Americans (79%) and the majority across party lines said the agreement was good for the U.S. economy.

It is now up to governments in all three countries to listen and act on this consensus.

### **Extending and refreshing CUSMA: Our priorities**

The first priority is preserving the agreement as a **trilateral, legally binding instrument**, with a **functioning and fair dispute settlement process**. To proceed otherwise would strand billions in capital for companies that have invested in good faith, needlessly hurting a trillion-dollar trade region to the immediate benefit of North America's competitors.

Our second priority is the **end of sectoral tariffs**, for the benefit of all regions and sectors. Despite your government's efforts to negotiate a resolution, jobs across Ontario remained impacted by current or threatened tariffs under Section 232 of the Trade Expansion Act, especially in the steel, aluminum, automotive and forest product sectors. Further, the chaotic application and constant threats of tariffs and related investigations are creating economic instability and harming the investment climate in all three countries.

Third, Canada's negotiating approach should shift from a legalistic "comprehensive review" to a more limited **"extend and refresh" strategy, rooted in the mutual interests** of all CUSMA partners. For example:

- **Automotive:** Strengthen rules of origins to ensure Canadian and U.S. workers and suppliers are not undercut by low-wage jurisdictions.
- **Steel:** Continue to pursue action on Chinese oversupply, while seeking to narrow the application of sectoral tariffs and expansion to derivatives that inflate costs for manufacturers in both the U.S. and Canada.
- **Biosecurity cooperation:** Preserve duty-free access for life sciences firms and medical products to strengthen defence and health networks against threats from geopolitical adversaries.
- **Energy:** Maintain the 40% diluent threshold in the Agreement to preserve the continuity and support of trade flows. Modernize and simplify the certification requirements to reduce administrative burdens to reflect the operational realities of the sector. As such, we recommend recognizing existing Canadian government tracking systems as valid evidence of origin for aggregated energy products.
- **Forest products:** Ontario's lumber manufacturers have been paying U.S. duties since 2016, which currently stand at 35%. The imposition of a further 10% s. 232 tariff represents a cumulative 45% market entry cost. The binational panel process under Chapter 10 of CUSMA remains Canada's most effective tool for challenging unjustified trade remedies. We encourage Canada to defend and strengthen Chapter 10.
- **Border integrity:** Continue to build on Bill C-2 to combat transnational organized crime, stop the flow of illegal drugs and firearms, crack down on money laundering, and improve the integrity of our immigration system, while preserving labour mobility provisions protecting the ability of businesspeople to travel.

### Measures needed to strengthen Ontario's economy

As you work with businesses and elected representatives to secure good, negotiated outcomes for Canada, we urge you to keep improving the supports to help businesses adapt to the new trade environment. Building on the \$5 billion Strategic Response Fund announced on September 5, we recommend:

1. **Support impacted communities predictably.** Beyond the needed direct support provided by FedDev and FedNor through the Regional Tariffs Response Initiative, the Government of Canada should maintain broad tax relief to help impacted industries without attracting countervailing duties. One way to achieve this is to **match the Ontario Made Manufacturing investment tax credit (recently expanded to 15% by Ontario)**. This would provide an attractive, combined 30% credit on productivity-enhancing equipment purchases and facility improvements. If the uptake is good, the credit will pay for itself in the form of retained investment, economic activity and employment in Canada's trade-exposed heartland.

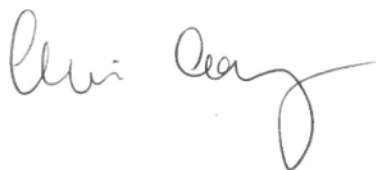
2. **Avoid using critical industries and resources as bargaining chips.** Oil and gas, electricity, and minerals are significant sources of leverage for Canada in this negotiation. However, efforts to exercise this leverage can backfire when integrated Canada-U.S. supply chains leave us exposed to retaliation. To avoid further escalation in the trade conflict and compounding costs on domestic industries, we ask that you refrain from further export bans or similar measures.
3. **Proactively shore up domestic supply chains for critical supplies.** This can take the form of increased preference for domestic materials in procurement, including local timber and steel, alternative uses for timber or agricultural products in energy generation, or targeted development of domestic manufacturing capabilities for food ingredients and containers such as glass bottles and tin cans or input for pharmaceutical products.
4. **Think outside the box to create sovereign sources of growth capital.** This can start by expanding the mandate of the Canada Infrastructure Bank to provide support in conventional energy or mining projects, or to grow life sciences firms as they move to commercialize beyond the start-up phase.

From January 25 to 27, our Coalition will travel to Washington, D.C., to advance Ontario's business interests and shore up U.S. allies from the Great Lakes region. We would welcome the opportunity to meet with you in advance of this visit, or at any time.


Sincerely,



Daniel Tisch, President and CEO,  
Ontario Chamber of Commerce



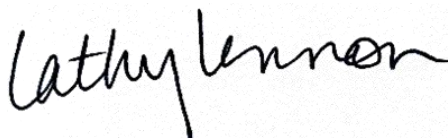
Chris Conway, Chief Executive  
Officer, Food and Beverage Ontario



James Scongack, Chief Operating  
Officer and Executive Vice-  
President, Bruce Power



Andrew Hurd, Executive Director,  
Association of Consulting  
Engineering Companies, Ontario



Cathy Lennon, General Manager,  
Ontario Federation of Agriculture



Dennis Darby, President and Chief  
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Manufacturers and Exporters

Signed



Greg Dunnett,  
Hamilton Chamber of Commerce



Ian Dunn  
President and Chief Executive  
Officer, Ontario Forest Industries  
Association

Graham Henderson, Chief Executive  
Officer, London Chamber of  
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Jason Field  
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Jeff Guthrie, President & CEO,  
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JP (Jean-Pierre) Giroux, President  
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Laura Dawson, Executive Director,  
Future Borders Coalition



Lauren Tedesco, Chief Operating  
Officer, Automotive Parts  
Manufacturers' Association (APMA)

Signed

Lisa Baiton, President & CEO,  
Canadian Association of Petroleum  
Producers

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Priya Tandon, President, Ontario  
Mining Association

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Sandro Perruzza, Chief Executive  
Officer, Ontario Society of  
Professional Engineers

A handwritten signature in black ink, appearing to read 'S. Laskowski'.

Stephen Laskowski, President,  
Ontario Trucking Association

A handwritten signature in black ink, appearing to read 'V. Brescia'.

Vince Brescia, President and Chief  
Executive Officer, Ontario Energy  
Association

CC :

Hon. Anita Anand, Minister of Foreign Affairs  
Hon. François-Philippe Champagne, Minister of Finance  
Hon. Mélanie Joly, Minister of Industry, and Minister responsible for Canada Economic  
Development for Quebec Regions (Minister)  
Hon. Maninder Sidhu, Minister of International Trade (Minister)  
Hon. Doug Ford, Premier of Ontario  
Hon. Peter Bethlenfalvy, Minister of Finance, Ontario  
Hon. Vic Fedeli, Minister of Economic Development, Job Creation and Trade, Ontario