

CUSTC Meeting Minutes

Date: February 28, 2025

Time: 12:00 PM – 1:30 PM

Location: Virtual Meeting

Agenda:

1. Federation of Canadian Municipalities (FCM) Presentation
2. Q&A/Commentary Period
3. Observations from Counsellors and Post-Presentation Discussion
4. CUSTC Business

FCM Presentation

- FCM is seeing worker concerns and the cost-of-living crisis, emphasizing the municipal role in cross-border relations.
- Recent meetings in Washington and Phoenix show growing US willingness to discuss tariff issues, especially in states with strong trade ties to Canada.
- Stressed the importance of leveraging the soft diplomatic power of cities to address bilateral trade issues.
- FCM is working with members to assess the direct impacts of potential retaliatory tariffs on municipalities.
- Urged the need to apply lessons from this moment to encourage nationwide and community resilience through interprovincial trade, trade-enabling infrastructure, modernized approach to city and community funding.
- Key concerns and priorities: job losses, procurement costs, supply chain disruptions, and fentanyl production.

Discussion

- Ongoing dialogue with US counterparts is seen as critical to mitigating potential tariff impacts. The focus is on states with significant economic ties to Canada, where local data has been particularly persuasive.
- Shifts in US priorities toward Ukraine, Russia, and China may reduce immediate pressure on Canada. However, uncertainty remains, making continued advocacy essential.
- Concerns were raised about the future of Canadian oil exports. Noted that there is a small movement in the US that believes that they could reconfigure refineries under US tariffs, but that this is not a credible view.

- Discussed the appointment of the new US Deputy Commerce Secretary, emphasizing their strong knowledge of Canada and potential as a strategic ally.
- Linking tariffs to inflation and consumer price increases was suggested as a compelling narrative for both Canadian and American audiences, potentially increasing pressure on policymakers.
- Calls for closer coordination between municipalities, provincial governments, and the federal government to create a unified advocacy front.

Meeting Adjourned: 1:30 PM