

REPORT

Finance and Information Technology

To: Mayor Johnstone and Members of Council
Date: February 10, 2025

From: Shehzad Somji
CFO/Director of Finance and Information Technology
File:

Item #: 2025-51

Subject: Procurement Strategy for Canadian Made Products

RECOMMENDATION

THAT the report titled “Procurement Strategy for Canadian Made Products” dated February 10, 2025 from the Director, Finance and Information Technology, be received for information.

PURPOSE

To provide Council with information on the City’s procurement practices as it relates to country of origin.

BACKGROUND

On February 1, 2025, the U.S. President announced that tariffs would be imposed in Canadian imports to the United States beginning February 4, 2025. The U.S. Government would impose 25% tariffs on Canadian goods and 10% tariffs on oil and gas.

The Canadian Prime Minister announced retaliatory measures to the U.S. tariffs on Canadian steel and aluminum and announced that Canada was imposing 25% tariffs on \$155 billion worth of U.S. goods.

An agreement to temporarily pause the tariffs for 30-days was reached on February 3, 2025 between the Canadian Prime Minister and the U.S. President.

SUMMARY

The City's practices around procuring goods and/or services has always been to source Canadian made alternatives first before sourcing foreign made products. There are circumstances where Canadian made products are not available or may be cost prohibitive. If the cost variance is 10% or less, the City would procure the Canadian product. In situations where a Canadian product may not be available, the Supervisor has recently implemented sourcing off shore products prior to American products.

Of the 2,788 vendors the City has or currently uses, 2,699, or 97%, are Canadian vendors.

FINANCIAL IMPLICATIONS

The financial implications are unknown at this time, however it is anticipated that costs may increase and have a budget impact. Further information will be provided to Council in the quarterly financial reports.

OPTIONS

This report is provided for information.

APPROVALS

This report was prepared by:

Shehzad Somji, CFO/Director of Finance

This report was approved by:

Shehzad Somji, CFO/Director of Finance
Lisa Spitale, Chief Administrative Officer