



CANADIAN TOOL & DIE LTD.

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Attn: House of Commons Standing Committee of International Trade.

Canadian Tool & Die has been a manufacturing staple in Winnipeg, Manitoba for over 75 years. We have grown to become one of North America's top manufacturers of hubs, spindles, wheels, hitches, and welded hydraulic cylinders. Proudly serving world class OEM's in the agricultural, construction, mining, and oil & gas industries around the globe. We are writing to you today to advise you of the impact that the tariffs/surtaxes are having on our company.

The competitive edge that Canadian manufacturers have in North America is a shorter lead time for domestic purchase, versus our non-domestic competitors. The tariffs that the United States government has implemented, along with the countermeasures from the Canadian government, has caused volatility in the supply and demand of steel. This has significantly increased lead times, and price of materials. This leaves us vulnerable to offshore or non-domestic finished goods supply, as our competitive edge is eroding.

In order to combat the supply and demand issues, we are being forced to search for alternate sources of materials from overseas instead of Canada, as some of our Canadian mills cannot provide the steel material that we require. In order to set-up alternate supply from these sources, it can take over six months, which will have additional negative impact on prices and lead times.

It is true that the Canadian government has put certain programs in place to attempt to provide relief or rebates to these tariffs and surtaxes, but there is no guarantee of licensing or approval. The process to obtain licensing for the programs is significant and very cumbersome to both apply for and manage. If a Canadian manufacturer cannot obtain relief or rebate from these tariffs/surtaxes, at the very least, the proceeds must go back to these impacted companies.

All of the items outlined above, negatively impact a Canadian manufacturers sustainability. We are asking the Canadian government to do their due diligence to protect and safeguard our Canadian companies and the employees that work for them.

Regards,

Carla Nicholson

Director of Supply Chain