National Office 115 Gordon Baker Road Toronto, ON M2H 0A8



Bureau National 115 chemin Gordon Baker Toronto (Ontario) M2H 0A8

Len Poirier National Secretary-Treasurer Secrétaire-trésorier national Lana Payne
National President
Présidente nationale

Daniel Cloutier Quebec Director Directeur québécois

October 28, 2025

VIA EMAIL

Goldy Hyder President and CEO, Business Council of Canada goldy.hyder@thebusinesscouncil.ca

Mr. Hyder,

RE: Comments on the tariff-impacted Canadian auto industry

I feel compelled to write you after reading your most recent <u>public comments</u> in a CTV News article regarding the Canadian auto sector. Your comments in that article imply the Canadian government ought to back off its efforts to protect the domestic auto assembly sector in the face of brazen U.S. tariffs and threats of relocation to the United States. You suggested that, by doing this, Canada is better positioned to secure a new agreement with the Trump Administration.

On behalf of Unifor's 320,000 members, including more than 40,000 in the automotive sector and supply chain, I want you to know that I fundamentally disagree with your assessment and approach. Further, I object to you speaking publicly on industrial matters to which you are clearly not qualified to speak.

Specifically, I take offense to this statement in the CTV article, attributed to you:

"There are a lot of jobs at stake in the auto industry. There are probably more jobs in the parts sector than the car making sector. They're not coming after our parts sector; they're coming after our cars."

This articulation of the Canadian auto industry is abjectly false. It is incorrect for you to suggest that the auto assembly sector somehow operates in isolation to the automotive supplier parts industry, and that the two are not interlinked.

The Trump Administration has undertaken an attack on the Canadian auto sector by applying tariffs to finished vehicles, while continuing tariff free access to imported parts. This is precisely to keep U.S. auto plants operating, while destabilizing the business model for Canadian production. If the assembly plants leave Canada, so will the parts plants in proximity to them. You seem to misunderstand this basic feature of an industry that is tightly integrated, and that is responsible for hundreds of thousands of goodpaying Canadian jobs. Your statement presents a scenario that is both false and misleading.

The Business Council of Canada has for years pursued a concession-heavy campaign to appease U.S. interests in hopes of securing a renewed CUSMA. Your CUSMA renewal campaign has been riddled with public positioning that has weakened Canada's negotiating hand, and its leverage. As far back as 2023 – even before Donald Trump was elected to his second term – you recommended Canada eliminate its Digital Services Tax, significantly bolster security spending, and accelerate the permitting of critical resource projects – all as a show of goodwill to appease U.S. interests. This was before we even got to a negotiation table.

The tragedy is that after successfully achieving each of these campaign demands, Canada is no closer to securing a new CUSMA deal. The Business Council carries influence in cross-border relations and is a key stakeholder in civil society discourse. Senselessly telegraphing domestic policy disagreements between the business community and our federal government has only made Canada's negotiating position weaker. Presenting CUSMA's renewal with such desperation sends the wrong message to the U.S. negotiators. Your persistent, self-defeating public comments are putting thousands of jobs at risk.

I am buoyed by the messages of solidarity and support our union has received these past weeks by many in the Canadian business community, including small business owners and local Boards of Trade. The individuals and organizations that have written to me have expressed a common refrain: protecting the Canadian auto sector and our industrial economy must be a national priority. The auto industry is a critical piece of Canada's advanced manufacturing footprint, and it generates outsized domestic investment, innovation and economic activity. Canada is also main export market for U.S.-built vehicles. Thankfully, federal and provincial governments understand the significance of the auto industry and are heeding calls for support by autoworkers. Contrary to your statements, a bad Canada-U.S. deal is far worse than no deal at all.

Canada must not back away from U.S. trade threats and stand its ground with necessary government supports and a strong negotiating position. In a <u>recent poll</u> commissioned by our union, 70 percent of Canadians feel Canada should not sacrifice the auto sector to get a good trade deal with the United States. Clearly, Canadians are with our union. Canadians agree our industrial jobs are worth fighting for.

I understand that these are challenging times. The crisis we face today is an extraordinary one – something both you and I can likely agree is the most significant we have faced in our lifetimes. But Unifor is not giving in to this extortion agenda from the Trump Administration, and we are urging our federal government to follow suit. We are working hard with our local unions and many employers to find pathways to sustain operations and protect jobs. We are also making sure corporations are held to account for any decisions that hurt the economic interests of Canada. If automakers want access to the Canadian vehicle sales market worth approximately \$100 billion, they will need to build here. That sort of policy will spur major domestic supply chain activity, not the

reckless suggestion that by handing over our assembly plants to Trump we can focus on manufacturing auto parts.

The Business Council would be wise to join us in this effort. We need a full-on Team Canada approach in this fight. This challenge runs much deeper than the auto sector. If Trump gets what he wants, he will set his sights on other critical value-added industries.

Now is the time to stand firm in our collective resolve to defend our industries and our workers, not to hedge our bets on a bad deal that could fundamentally and irreparably harm the country we love.

Sincerely,

Lana Payne

National President, Unifor

/klcope343