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September 4, 2020

To: fin.tariff-tarif.fin@canada.ca

RE: Aluminum Countermeasures

To whom it may concern:

On behalf of the Canadian Home Builders' Association (CHBA), I am writing today to identify several items listed as potentially subject to countermeasures, that, if included, could have a serious impact on housing affordability at a critical time for Canada's economic recovery.

The residential construction industry is currently facing critical shortages and price increases for lumber, which has led to project delays, cost increases that must be absorbed by the builder, and an increase in house prices or costs of renovations. An additional cost on aluminum, particularly to those with established fixed-price contracts, would be even more prohibitive at this time. The additional costs that would result from tariffs will create challenges for those with existing projects, and those looking to plan new projects and developments. It will cause challenges in budgeting for products and materials, and establishing long-term pricing for new contracts and sales. This is particularly concerning as the duration of the tariff countermeasures on aluminum is uncertain, and sector recovery and housing affordability remain major concerns.

CHBA encourages the federal government to implement as few tariffs as possible on items implicated in residential construction. In general, this includes essential materials sourced through American suppliers such as windows (including wood and fiberglass), doors and their frames, flashing and roofing products, wiring and electrical parts, and photovoltaic racking and supplies (other than solar panels) that are made in, or require raw materials from the United States.

Below is a list of the items that have been identified from the list proposed by your department as impacting residential construction. Other items on the list may have some impact as well, though less directly.

| Pigments used in manufactures of paints and dyes |
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| Aluminum wire, not alloyed, of which the maximum cross-sectional dimension exceeds |
| 7 mm |
| Aluminum wire, not alloyed, other |
| Aluminum wire, of aluminum alloys, of which the maximum cross-sectional dimension |
| exceeds 7 mm |
| Aluminum wire, of aluminum alloys, other |
| Aluminum plates, sheets and strip, of a thickness exceeding 0.2 mm, rectangular |
| (square), not alloyed |
| Aluminum plates, sheets and strip, of a thickness exceeding 0.2 mm, rectangular |
| (square), of aluminum alloys |
| Aluminum tubes and pipes, not alloyed |
| Aluminum tubes and pipes, of aluminum alloys |
| Aluminum doors, windows and their frames and thresholds for doors |
| Refrigerators, household type, compression type |
| Refrigerators, household type, other |
| |

| 8450.11.10 | Household washing machines, not including machines which both wash and dry, of a dry linen capacity not exceeding 10 kg, fully-automatic |
|-------------|--|
| 0.450.44.00 | |
| 8450.11.90 | Household or laundry-type washing machines, including machines which both wash |
| | and dry, of a dry linen capacity not exceeding 10 kg, fully-automatic, other |
| 8450.12.00 | Household or laundry-type washing machines, including machines which both wash |
| | and dry, of a dry linen capacity not exceeding 10 kg, with built-in centrifugal dryer |
| 8450.19.00 | Household or laundry-type washing machines, including machines which both wash |
| | and dry, of a dry linen capacity not exceeding 10 kg, other |
| 8450.20.00 | Household or laundry-type washing machines, including machines which both wash |
| | and dry, of a dry linen capacity exceeding 10 kg |
| 9406.90.90 | Prefabricated buildings, other than of wood |
| 9506.99.00 | Articles for sports and general physical exercise (e.g., bats, hockey sticks, playground equipment) |

While we recognize the need for the Government of Canada to respond to detrimental trade actions by the U.S. we hope that the aluminum countermeasures can be restricted to items with limited impact on housing costs and affordability in Canada.

If you have any questions, please ask your staff to contact Nicole Christy, Manager of Government Relations, at 613-230-3060 x 241 or nicole.christy@chba.ca.

Sincerely,

Kevin Lee, P.ENG., M.ARCH. CEO, CHBA

c.c. The Hon. Chrystia Freeland, Deputy Prime Minister and Minister of Finance