



February 8, 2017

Mr. Gord Johns
MP Courtenay / Alberni

Via email:

Re: Canadian International Trade Tribunal - Gypsum Board Inquiry No. NQ-2016-002

Dear Mr. Johns:

The Alberni Valley Chamber of Commerce (AVCOC) is part of the BC Chamber network, the province's largest and most broadly-based business organization driving insights to community partners and government. As part of the network, AVCOC is uniquely positioned to know what's on B.C.'s mind. As such, our Chamber is adding its voice alongside the 36,000 businesses that are part of the Chamber network who find that the anti-dumping tariffs are impacting housing affordability, current fixed-price building contracts, and supply availability for various construction projects.

For this reason, we strongly support the Canadian International Trade Tribunal's recommendation that a 43% duty is large enough to address any injury to the domestic producer. This duty would support a 30% price increase, which has already been seen in western Canada. Any increase above this amount would be more than what is required to offset the injury, and would impose unnecessary costs on industry and, ultimately, consumers. Any other increases would have negative effects on the economy.

We also strongly encourage you to urge the government to implement the Tribunal's other recommendations, including:

- That the duties should be eliminated for six months to address the fixed-price contracts that were at risk due to the sudden imposition of the duties. It will also allow for preparation for potential price increases, should those take place;
- Duties paid to date should be used to refund wholly, or in part, the higher costs paid by end users. Many industry members with fixed-price contracts suffered severe economic harm with the sudden imposition of the duties and the across-the-board price increases as a result; and
- Remission should be granted to negate the duty for drywall needed in the rebuilding of Fort McMurray in the neighbouring province of Alberta.

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There is no doubt that this is a complex issue before the government. While AVCOC and the BC Chamber network does not want to see Canadian drywall producers unfairly impacted by unsavoury trade practices, we are also acutely aware that competition from U.S. imported drywall producers is necessary to ensure competitive prices for those in the overall construction industry in western Canada. For this reason, AVCOC asks you to urge the government to accept the Tribunal's recommendations before the Minister of Finance so that we avoid long-term negative impacts to our broader economy.

Thank you again for the opportunity to provide the Chamber's insights on this important issue. If you have any questions, please don't hesitate to contact Bill Collette – Executive Director.

Respectfully yours,
ALBERNI VALLEY CHAMBER OF COMMERCE

Bill Collette
Executive Director