



August 27, 2018

Honourable Chrystia Freeland, MP
Minister of Foreign Affairs, Ministry of Foreign Affairs
House of Commons
Ottawa, Ontario
K1A 0A6

Dear Minister Freeland,

We are reaching out to you on behalf of five fenestration industry organizations concerning the retaliatory tariffs imposed by the Government of Canada on U.S. imports of aluminum fenestration products.

We are Fenestration Canada, the Siding and Window Dealers Association of Canada, l'Association de vitrerie et fenestration du Québec, Fenestration Manitoba and the Fenestration Association of B.C. Our organizations represent Canadian fenestration manufacturers and commercial glazier contractors. As such, we closely follow the regulatory issues that affect our members. Our associations are the leading resources on all matters that impact the fenestration industry across Canada.

The Government of Canada announced charges of 10 per cent on aluminum window and door products entering the country in response to U.S. tariffs on Canadian steel and aluminum announced in May.

Our members, who are the fabricators, commercial glazier contractors, suppliers and other stakeholders of the fenestration sector, are feeling the effects of these measures.

As you're aware, these counter-tariffs include doors, windows and their frames, thresholds for doors, curtainwall and storefront systems, and many hardware components required during construction that fall under the aluminum products group. This increases the price of U.S. manufactured goods sold in Canada, appearing to give Canadian manufactured goods a competitive advantage.

Although this may seem favorable to Canadian fenestration manufacturers, many raw materials and components used in these windows, doors and related products are affected by the U.S. imposed steel and aluminum tariffs. This increases the cost to manufacture Canadian fenestration products, putting additional pressure on fabricators. It also poses the risk that this will provoke the U.S. to do the same to fenestration products being exported from Canada. This would further disadvantage Canadian fenestration manufacturers who export to the U.S.

In the end, consumers will feel the pressure of rising window and door prices in both countries. We want to take this opportunity to voice our concern with the Government of Canada regarding the trade barriers and their harmful impact on our economies and communities.

65 Overlea Boulevard, Suite 210, Toronto, ON M4H 1P1 T: 613-424-7239 • F: 1-866-605-0657
• E: info@fenestrationcanada.ca • www.fenestrationcanada.ca

Please be assured that we respect the challenges that Canada faces. We are also very supportive of the effort that is being expended by the Government of Canada and your ministry to resolve this issue.

Unfortunately, the Canadian tariffs may prove as damaging to our industry as the U.S. tariffs.

Here is some typical feedback from our members.

“The tariff on aluminum will have a significant impact on DEL Windows & Doors. We will be forced to increase the prices on our product to our customers and in turn they will have no choice but to transfer the increase to the end user.”

-DEL Windows and Doors, Stoney Creek, ON

“Tariffs have increased the cost of our purchases between 5 and 10 percent. This will make it harder for us to compete in the market. We usually adjust when faced with increases at the beginning of the year, but we really can't do anything but absorb the cost when these increases come in the middle of the year.”

-Global Windows, Richibucto, NB

“Screenco supplies many Canadian window and door manufacturers with insect screens. The majority of these products are made from aluminum, and we have been subject to increased costs from our suppliers due to the counter-tariffs imposed by the Canadian Government for imported components and sub-components of the products we purchase. We have been forced to pass on these additional costs to our customers in the height of the busy construction season, which in many cases they cannot pass onto their customers for existing contracts. The longer-term result will be increased fenestration product prices for builders and consumers.”

-Screenco Manufacturing, Concord, ON

We support the five initiatives and policies recommended by the Canadian Manufacturers and Exporters to the Parliamentary Standing Committee on International Trade. Our further recommendation is that the Government of Canada make the first three items its primary focus:

- Number 1: Focus on NAFTA renegotiation and concluding a deal
- Number 2: Exclude manufacturing inputs from retaliatory tariffs
- Number 3: Introduce safeguards to protect the domestic market against third-country dumping
- Number 4: Develop emergency relief funds for distressed industries.
- Number 5: Reinvest tariff revenue into an investment support program.

We would appreciate the opportunity to meet with you to provide further input on this issue. Please refer to Erin Roberts, Executive Director, Fenestration Canada, as a point of contact for the group (erin@fenestrationcanada.ca).

Sincerely,

Jennifer Small
President, Fenestration Canada

Fred Hamilton
President, Siding and Window Dealers
Association of Canada

Lisa Bergeron
Présidente,
Association de vitrerie et fenestration du Québec

Gary Blad
President, Fenestration Manitoba

David Langton
Chair, Fenestration Association of B.C.

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c.c.:

Zana Gordon, Executive Director, Fenestration Association of B.C.;

Nancy Zubriski, Association Manager, Fenestration Manitoba;

Jason Neal, Executive Director, Siding and Window Dealers Association of Canada;

Gilbert Lemay, Directeur général, Association de vitrerie et fenestration du Québec;

Erin Roberts, Executive Director, Fenestration Canada