



## **For Immediate Release**

### **B.C. is collateral damage with new national rebar tariff**

Vancouver, Dec. 8, 2014 - British Columbia's construction industry is feeling the effects of the newly imposed national tariff on rebar (reinforcing steel). This preliminary national tariff means construction costs in B.C. will increase unnecessarily without offsetting the protection of jobs in Canada.

“Unfortunately, our province has become collateral damage,” said Philip Hochstein, president, Independent Contractors and Businesses Association of B.C. “This tariff means construction projects of all sizes in B.C. are affected. It will increase the cost of building Site C and LNG facilities as well as increase the cost of buying a new home.”

The national tariff placed on rebar was introduced by the federal government as a result of a complaint by foreign-owned eastern Canadian steel mills who do not service British Columbia's market. Currently, the Canadian International Trade Tribunal (CITT) is investigating the dumping of rebar from China, Turkey and Korea. The CITT will be holding a hearing in Ottawa on December 15 and is expected to make a final determination in January 2015.

“The biggest issue here is our province relies exclusively on imports from outside Canada because eastern mills do not have capacity to supply our market,” added Hochstein. “A significant number of our members are gravely concerned about the impact this will have on their business and that it is slowing and crippling construction in B.C.”

ICBA is intervening in this case and asking the CITT to exempt B.C. from this tariff for a number of reasons including:

- There are no rebar producing steel mills in British Columbia;
- B.C. is an isolated market unserved by Canadian rebar producers; and,
- B.C.'s rebar market is supported by US suppliers (60 per cent) and non-NAFTA imports (40 per cent).
- Having these tariffs in B.C. will not protect jobs here as the foreign-owned eastern steel mills cannot service B.C. It will simply inflate the price of the U.S. supply of rebar in our province.

Rebar accounts for approximately eight per cent of the cost of all concrete structures. The current preliminary tariff will increase the cost of construction by up to six per cent. The shortage of

rebar in B.C. will impact construction not only with increased costs, but project delays and cancellations. B.C.'s small independent businesses that support these industries will face serious losses in business, profits and employment.

The closest mills that produce rebar for the B.C. market are: Nucor Seattle Washington, Cascade McMinnville Oregon, Alta Steel Edmonton Alberta and Gerdau Rancho Cucamonga.

The Independent Contractors and Businesses Association of B.C. services and represents B.C.'s construction sector. Our 1,200 members build in the multi-family residential and Industrial, Commercial and Institutional (ICI) construction sectors and are involved in virtually all major capital projects in British Columbia.

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