



For Immediate Release

United in support for B.C.'s construction industry

(January 27, 2015 - Vancouver)

VANCOUVER - The Government of British Columbia and the Independent Contractors and Businesses Association (ICBA) are united in their commitment to stand up for B.C. and support competitiveness.

Together with the ICBA, the B.C. government will be requesting a Public Interest Inquiry regarding the decision earlier this year to increase tariffs on rebar imports.

In June 2014, a trade dispute triggered by the rebar industry outside of B.C. initiated an investigation of dumping and subsidizing of rebar imported into Canada from China, South Korea and Turkey. British Columbia's construction industry relies on imports from China and South Korea, as shipping by land is costly and pointedly, Canadian rebar suppliers have been supplying B.C. in very limited amounts.

The Province supports the ICBA in its efforts to receive a Special Regional Exclusion from the Canadian International Trade Tribunal (CITT) because shipping costs across land far exceed those by water. ICBA has determined that even with the duties added, it will not be cost-effective for the industry to ship rebar across land when ocean access is cheaper.

According to the ICBA, the proposed import duties could raise construction costs significantly (rebar represents 6% to 10% of average construction costs). For example:

- It could add \$10,000 to the price of a new two-bedroom condo in Vancouver.
- A project such as the George Massey Tunnel Replacement (bridge and corresponding overpass work) could result in increased costs to taxpayers by as much as \$20 million to \$32 million.

A request for the CITT to undertake a Public Interest Inquiry (PII) must be made by Feb. 23, 2015. A PII is warranted when there is a public interest that merits the reduction or elimination of duties, such as increased public infrastructure construction costs and/or impacts on investment decisions. If an inquiry is successful, it could result in the reduction or elimination of duties for imports into B.C.

The effect of the ruling by the Canadian International Trade Tribunal (CITT) is that effective Jan. 9, 2015, rebar duties (up to 41%) will be applied to imports from China, South Korea and Turkey.

Quotes:

Minister of International Trade Teresa Wat -

“The decision fails to understand the realities on the ground in British Columbia. If allowed to stand, it will increase the costs of construction. We have reviewed our options and together with the Independent Contractors and Businesses Association, we are committed to stand up for B.C. and support competitiveness.

The B.C. government and ICBA will be requesting a Public Interest Inquiry regarding the decision earlier this year to increase tariffs on rebar imports.

This issue should be a concern to every British Columbian, as these costs get passed along to consumers and taxpayers. It not only affects commercial construction and public infrastructure projects but our competitiveness as a jurisdiction for investment for major industry projects.”

Philip Hochstein, president, Independent Contractors and Businesses Association of B.C. -

“Unfortunately, B.C.'s unique regional characteristics were not recognized. In a country as big as Canada, a one-size-fits-all approach does not make sense. With this new tariff, our province has become collateral damage with no offsetting gains for the rest of Canada. With tariffs that could be as high as 41%, this hurts our competitiveness.”

Quick Facts:

- The Canadian International Trade Tribunal found future injury only. This means:
 - Reasons for finding were released Jan. 26, 2015.
 - Duties became applicable as of Jan. 9, 2015.
 - Provisional duties applied prior to Jan. 9, 2015, will be refunded.
 - A request for the CITT to undertake a Public Interest Inquiry (PII) must be made by Feb. 23, 2015.

Learn More:

The tribunal’s decision and reasons for finding can be found here: www.citt.gc.ca/en/node/7150

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