



Ottawa, Canada K1A 0G5

MAR 14 2017

2017FIN449788
2017FIN449980

Mr. Rob Lauzon, Assistant Director
Industrial Sector Operations
Mr. Kevin Sheptycki, Assistant Business Manager
The International Brotherhood of Boilermakers Lodge D-11
Western Canada
kevinsheptycki@live.ca

Dear Messrs. Lauzon and Sheptycki:

Thank you for your correspondence of January 22, 2016, written on behalf of the International Brotherhood of Boilermakers, which was referred by the Office of the Prime Minister, the Right Honourable Justin Trudeau, regarding the recommendations made by the Canadian International Trade Tribunal (CITT) concerning anti-dumping duties imposed on drywall imported from the U.S. into Western Canada. We are also in receipt of your correspondence of January 20, 2017. Please excuse the delay in replying.

In October 2016, the Government of Canada asked the CITT to conduct an inquiry into whether the anti-dumping duties are in Canada's economic, trade and commercial interest given the exceptional circumstances of the case, including potential supply shortages that could delay important projects like the reconstruction of Fort McMurray.

In its January 2017 report to the Government, the CITT recommended potential actions the Government could take to address the unintended effects of the anti-dumping duties in Western Canada, while also remedying injury to domestic producers due to the unfairly traded imports.

Further to the CITT's report, on February 27, 2017, the Government announced measures to help Western Canadians.

First, the Government is implementing an ongoing reduction in final anti-dumping duties payable on imported drywall from the U.S. The duties payable will be reduced by lowering minimum import prices applicable to those imports by 32 percent, effective February 24, 2017. As intended by the CITT's recommendation, this duty reduction ensures a reasonable return on sales for domestic producers and will be reviewed one year from now.

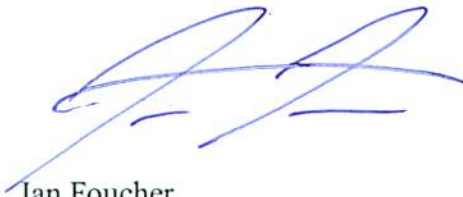
Second, in line with the CITT's recommendation, the Government will provide monetary relief to builders and contractors with fixed-price contracts who were not able to pass on the higher cost of drywall, as well as to Fort McMurray residents, who are rebuilding

their homes as a result of last year's wildfires. The approximately \$12 million in anti-dumping duties collected between September 2016 and January 2017 will be used to provide this relief.

I appreciate your organization's position on the issue. The Government remains committed to a strong and effective trade remedy system and recognizes the importance of addressing market distortions caused by injurious dumping activities.

Thank you for writing on behalf of the International Brotherhood of Boilermakers.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Ian Foucher', with a stylized flourish at the end.

Ian Foucher
Senior Policy Advisor
The Office of the Honourable Bill Morneau – Minister of Finance