

September 30th, 2016

Dear Wall & Ceiling Association Member,

RE: TRACKING THE GYPSUM BOARD TARIFF

The Preliminary Duty placed on drywall products in Western Canada by Canada Border Services Agency has caused uncertainty in the market place for all levels in the industry. As a result, it is difficult to get a focussed message out to General Contractors and Developers to make them aware of what to expect in current and future jobs. This is especially true when industry participants themselves may not yet fully understand the complete impact of the duty.

For example, one immediate and large impact faced by contractors with existing contracts, is the ability to recover costs. If they are unable to show General Contractors and/or owner the amount of the tariff, it hinders, or thwarts their cost recovery or pass through.

The Wall and Ceiling Associations of the West have been discussing this issue. We as an industry need a way to gather accurate information to assess the impact on our industry in our provinces, and across Western Canada. Showing the tariff as separate line item on every invoice will ease reporting. Some Suppliers are already tracking the duty for their own business purposes, and also for reporting to Contractors, Developers, the CRA and any other party that may require the information. If the duty is overturned, the collected amounts may have to be returned to the source. This tracking may then also be helpful in tax and legal arenas.

It is also helpful to Contractors if Suppliers & Manufacturers are able to support them in their cost recovery efforts by providing them with all the necessary evidence they require.

Thank you for your attention to this important matter. When the flow of information becomes clearer, the industry will be better positioned in its efforts to educate critical stakeholders in and outside of the industry and lobby government.

Regards,

The Alberta Wall & Ceiling Association
The Manitoba Wall & Ceiling Association Inc.
The Association of Wall & Ceiling Contractors of BC

The British Columbia Wall & Ceiling Association
The Saskatchewan Wall & Ceiling Bureau

