Canadian Home Builders' Association

September 4th, 2026

The Hon. Melanie Joly, P.C., M.P.
Minister of Industry
House of Commons
Ottawa, ON K1A 0A6

Dear Minister Joly,

I am writing on behalf of the members of the Canadian Home Builders' Association (CHBA) regarding the list of products from the United States subject to counter-tariffs, which will come into effect September 8th 2026. As you are aware, Canada is amid a housing supply and affordability crisis. The uncertainty stemming from the tariff war with the United States is causing extreme worry and confusing resulting in lack of consumer confidence.

While CHBA supports the Government of Canada's efforts to secure a fair agreement and resolve this dispute as quickly as possible, the negative impact from this dispute on Canada's overall economy means slowing housing starts, which will have expansive repercussions on housing supply, Canada's residential construction industry, and long-term affordability.

The Government of Canada must not respond to the tariff war with the United States by forcing builders to choose between unavailable products, higher costs and unverified imports. This will only result in higher housing costs for Canadians.

Therefore, in your capacity as the minister responsible for all accredited evaluation and product certification bodies for construction materials, as recognized by the Standards Council of Canada (SCC), CHBA is asking that your department funds and directs a 12-month pilot, delivered through the Canadian Construction Materials Centre (CCMC) with standards and conformity-assessment partners, to give builders a guarded route to use credible non-U.S. products while full Canadian evidence is assembled.

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The pathway would be a triage service, not automatic recognition and not a substitute for provincial or territorial approval. It would screen products in stages, apply increasingly specific evidence requirements, and stop weak or unsuitable applications early. The attached (below) describes the main stages, gateways and outcomes of the proposed model.

CHBA's initial assessment of the Department of Finance's revised list of 629 product categories found 155 of them are directly related to renovation and new home construction. Out of this, 24 categories showed significant imports from the US over the past two years while also exhibiting limited domestic exports to the US and imports from all other trading partners. This means that these products, especially the ones now tariffed at 50%, are going to be impossible to replace at a reasonable cost over the short term. This includes carpeting, drywall, steel fasteners/bolts/fittings, window and door hardware, washer/dryers, and air conditioning HVAC products. These 24 import categories represent over $4.8 billion in direct building materials imported from the US that will be tariffed at a rate of 15 to 50 percent. This can only be partially replaced by the $1.7 billion in domestic exports we send to the US. CHBA does not wish to disrupt the business activity of Canadian exporters service non-US markets. As such, the industry will need to rely on a substantial increase of non-US imports of these 24 product categories, which currently stand at $5 billion per year.

Canada has made no progress this decade in terms of doubling housing starts. Even worse, Canada continues to go **backwards** in creating opportunities for homeownership and stemming the decline in Canada's homeownership rate. CHBA's measure of homebuilder confidence in new home sales conditions has remained overtly pessimistic since 2023. The government adopted CMHC's target of 480,000 homes per year over the coming decade. CHBA will continue to point to CMHC's finding that the composition of the doubling of housing starts needs to be 75% for primary ownership, 21% for primary rental markets, and 4% for the secondary rental markets. If Canadian homebuyers cannot afford the price of a new home, it does not get built. I am happy to discuss this issue in greater detail with you or your staff. I can be reached at Frank.Lohmann@chba.ca.

Sincerely,

Frank Lohmann
CHBA Interim CEO

CC:

The Rt. Hon. Mark Carney, P.C., M.P. – Prime Minister of Canada
The Hon. Gregor Robertson, P.C., M.P. – Minister of Housing, Infrastructure and Communities Canada
The Hon. Dominic LeBlanc, P.C., M.P. – Minister responsible of Canada-U.S. Trade, Intergovernmental Affairs
The Hon. François-Philippe Champagne, P.C., M.P. – Minister of Finance and National Revenue

Ad-hoc Guarded Product Pathway

This is a concept pitch for Innovation, Science and Economic Development Canada (ISED) for a time-limited pathway for CCMC and all accredited evaluation and product certification bodies for construction materials, (as recognized by the Standards Council of Canada (SCC) to evaluate non-U.S. products in tariff-affected building material categories on an ad-hoc basis

The Ask

ISED funds and directs a 12-month pilot, delivered through CCMC and all accredited evaluation and product certification bodies in coordination with standards and conformity-assessment partners, to give builders a guarded route to use credible non-U.S. products while full Canadian evidence is assembled.

CHBA Position

Canada is in a housing supply and affordability crisis. The Government of Canada must not respond to the tariff war with the United States by forcing builders to choose between unavailable products, higher costs and unverified imports. This will only result in higher housing costs for Canadians.

ISED should fund a 12-month ad-hoc pathway that rapidly screens credible non-U.S. building products, recognizes reliable foreign evidence where appropriate, and permits tightly controlled, time-limited use while Canadian evidence is completed. The pathway would preserve Canadian safety and code objectives through product-specific limits, local regulatory acceptance, field monitoring, public reporting and stop-use provisions. It would give industry earlier certainty, develop real alternatives in the most affected tariff categories, and convert an ad-hoc response into a disciplined route toward full Canadian evaluation.

Basis for the concept

This proposal builds on CHBA discussions with NRC and with executive officers of CHBA provincial associations, who face the questions of their builder, developer, renovator and supplier members. Those discussions identified the need for faster consideration of product conformity where no domestic or non-U.S. alternatives exist. The concept relies on the use of foreign evaluation evidence and mutual recognition, a role for CCMC, other SCC accredited product certification bodies and standards bodies, led by ISED.

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Why this is needed

Tariffs are creating even higher costs and supply uncertainty in building product categories where Canadian industry may have limited domestic or non-U.S. alternatives. CHBA's preliminary screening identified roughly 155 tariffed items relevant to new construction and renovation, narrowed to about 40 higher-value categories and approximately 25 priority categories for further analysis. The purpose of the proposed pathway is not to lower Canadian safety expectations. It is to provide a disciplined, transparent way to assess credible alternatives quickly enough to be useful during a trade disruption and safe enough for Canadian conformity assessment.

The proposed model

The pathway would be a triage service, not automatic recognition and not a substitute for provincial or territorial approval. It would screen products in stages, apply increasingly specific evidence requirements, and stop weak or unsuitable applications early.

The following table describes the main stages, gateways and outcomes of the proposed model.

Stage	Decision	What happens?
1	**Country and system screen**	Confirm that the exporting jurisdiction has comparable public-interest objectives for safety, health, accessibility, energy performance and protection of buildings, plus relevant climatic or exposure conditions. This screen establishes eligibility only.
2	**Assurance screen**	Confirm that the product is subject to credible third-party certification, evaluation, surveillance or regulatory oversight in its home market. Identify the responsible foreign body and obtain the underlying evidence.
3	**Conditional use plan**	CCMC or product certification body completes a targeted gap and risk review. If manageable, it issues a time-limited *conditional assessment* for a defined product, use, quantity, project type and jurisdiction.

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Stage	Decision	What happens?
4	**Full evaluation decision**	Based on the conditional assessment, a participating builder/developer or importer can implement an approved field monitoring plan, with informed acceptance by the authority having jurisdiction. CCMC or product certification body publishes a conditional assessment report using foreign evidence, manufacturer data and Canadian field results to determine whether the product can proceed to a regular evaluation, what additional work is required, and whether the conditional assessment should be extended, narrowed or withdrawn. ISED funding ends supporting the evaluation of this product.

Core guardrails for the initiative

- Eligible only in tariff-affected categories where supply, cost or market availability creates a demonstrated housing impact.
- Product-specific decisions. Country of origin and foreign certification are gateways, not proof of Canadian compliance.
- No product use until the manufacturer, importer, builder and authority having jurisdiction accept defined responsibilities and limitations.
- Conditions may limit end use, building type, climate zone, exposure, installation method, quantity, project count and duration.
- Products presenting significant life-safety, structural, fire, health, accessibility or long-term durability concerns would be subject to enhanced review requirements and may be excluded from the ad-hoc pathway where risks cannot be adequately mitigated.
- A public registry identifies each conditional assessment, scope, expiry, monitoring requirements, adverse events and status.
- Immediate stop-use, notification and corrective-action provisions apply if evidence or field performance raises concern.
- ISED funding covers immediate ad-hoc triage and public-interest monitoring. Manufacturers remain responsible for product evidence and the cost of completing a regular evaluation.