



January 17, 2025

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

Dear Minister Joly,

The Canadian Home Builders' Association (CHBA) represents some 8,500 member firms from coast to coast, including home builders, renovators, land developers, trade contractors, product and material manufacturers. Since 1943 we have been the voice of residential construction in Canada, and our members build low-rise, mid-rise, and high-rise homes for both ownership and rental. I am contacting you today on behalf of those members regarding the very serious issue of the threat of a 25% tariff against Canada once a new presidential administration is sworn in.

As your government well knows, Canada is in a severe housing supply and affordability crisis. The sector continues to deal with many challenges including high mortgage rates, labour shortages, high material costs, municipal development taxes and process delays, and other barriers that are resulting in not enough homes being built. These challenges are directly related to affordability issues impacting Canadians who wish to own a home. CHBA's Housing Market Index, a leading industry sentiment indicator, is still falling across the country and has plummeted in Ontario and British Columbia, pointing to further housing start reductions next year, even without tariffs. Tariffs will make the situation even worse, resulting in impacts that will last for years beyond the tariffs themselves.

That is why the home construction sector is extremely concerned with the proposed tariffs by President-elect Trump and the debilitating impact that they will have on housing supply and affordability. Our members, already operating in a challenging business environment, are seeking clarity and a commitment from the Canadian government that helping solve the housing crisis remain a top priority and there will be actions taken to demonstrate that.

Therefore, CHBA is asking that construction materials be excluded from any retaliatory tariffs imposed on the United States. Tariffs on construction materials will cause delays and increase costs to both housing and the infrastructure for the community building needed to accommodate new housing supply. They will also hurt a sector that is a key economic driver representing over 880,000 jobs, \$62.0 billion in wages, and \$182.8 billion in investment, but is already flailing in key regions.





CHBA is also asking for a meeting with you to discuss the impacts of tariffs upon housing supply and affordability. To arrange a meeting, please contact Nicole Streshaw, Director, Government Relations at nicole.streshaw@chba.ca.

Sincerely,

Kevin Lee, P.ENG., M.ARCH.
CEO, CHBA

cc: The Hon. Dominic LeBlanc, P.C., M.P. Minister of Finance and Intergovernmental Affairs
The Hon. Nate Erskine-Smith, P.C., M.P. Minister of Housing, Infrastructure and Communities
The Hon. Mary Ng, P.C., M.P. Minister of Export Promotion, International Trade and Economic Development

