ICFMA
INSULATING CONCRETE FORMS MANUFACTURERS ASSOCIATION

Suite 247, 9-2020 Lanthier Drive
Orleans, Ontario, Canada K4A 3V4
jfacette@icf-ma.org | 613.850.2669
icf-ma.org

November 5, 2026

The Honourable François-Philippe Champagne, P.C., M.P.
Minister of Finance and National Revenue
House of Commons
Ottawa, Ontario K1A 0A6

Dear Minister Champagne:

Re: Budget 2026 and investment in Canadian insulating concrete form manufacturing

On behalf of the Insulating Concrete Forms Manufacturers Association (ICFMA), I am writing about three Budget 2026 measures that will shape whether our members invest in their Canadian plants over the next few years, and to ask that your officials help us answer the questions below.

ICFMA represents the companies that manufacture insulating concrete forms (ICF) in Canada and the United States. ICF are interlocking blocks of expanded polystyrene (EPS), made in a factory and stacked on site, then reinforced with steel and filled with concrete. Our members manufacture ICF systems at plants in Quebec, Ontario, Alberta and British Columbia, and their products go into homes, schools and commercial buildings across the country.

The Productivity Mega Deduction is welcome. Permanent immediate expensing for eligible property acquired on or after September 15, 2026, covering about two thirds of capital assets, is the kind of certainty manufacturers need to plan (Chapter 1, pages 111 to 115). We have two questions. First, the illustrative list names equipment used in modular housing factories, but not equipment used to make building products. We would like confirmation that EPS pre-expansion, moulding, cutting and processing equipment qualifies. Second, Budget 2025 provided immediate expensing for manufacturing and processing buildings. Budget 2026 excludes certain long-lived buildings from the Mega Deduction (page 115) but does not say on which side of that line manufacturing and processing buildings fall. For a member weighing a new plant or an expansion, that answer decides the business case.

We also welcome the expansion of the Scientific Research and Experimental Development program to tests, technological validations and studies needed to obtain initial approval or certification of a product (Tax Measures: Supplementary Information, pages 402 and 403). New building products cannot be sold in Canada until they have been evaluated against the building codes. We ask that the guidance make clear that this evaluation and certification work qualifies when it is tied to an eligible project.

Finally, on trade. The budget states that relief from Canadian surtaxes on goods imported from the United States is automatic for non-steel goods used in Canadian manufacturing, under the United States Surtax Remission Order (2025) (Chapter 2, page 176). We would like confirmation that this covers polystyrene resin and blowing agents imported for EPS production, and to understand whether any relief is contemplated for reinforcing steel, which is a core input to every ICF wall. As a North American association, our interest is a stable supply chain on both sides of the border.

We would welcome a meeting with officials in the Tax Policy Branch and the International Trade and Finance Branch. I will call your office in the coming weeks to follow up. In the meantime, I can be reached at jfacette@icf-ma.org or 613.850.2669.

Sincerely,

Jim Facette
Executive Director
Insulating Concrete Forms Manufacturers Association (ICFMA)

c.c. Nick Leswick, Deputy Minister of Finance