



RESPONSE TO PETITION

Prepare in English and French marking 'Original Text' or 'Translation'

PETITION No.: **421-00576**

BY: **MR. STEWART (BURNABY SOUTH)**

DATE: **SEPTEMBER 21, 2016**

PRINT NAME OF SIGNATORY: **MR. CHAMPAGNE**

Response by the Minister of Finance

SIGNATURE
Minister or Parliamentary Secretary

SUBJECT

Foreign ownership

ORIGINAL TEXT

REPLY

The Government of Canada is committed to supporting a healthy, competitive and stable housing and mortgage market for all Canadians.

Data

In order to better understand and address certain regional vulnerabilities, Budget 2016 committed \$500,000 to develop methods for gathering data on purchases of Canadian housing by foreign homebuyers.

Policies and Tools

The Government recently took a series of prudent actions to protect the financial security of borrowers and help ensure a more stable housing sector and economy, including measures to help ensure new homeowners can afford their mortgages, even when interest rates begin to rise.

The Government also announced measures to improve tax fairness and the integrity of the tax system, by ensuring that the principal residence exemption is available only in appropriate cases, and in a manner consistent with the Canadian resident and one-property-per-family limits.

Federal policies and tools apply at the national level, which limits their ability to address issues in specific markets. By contrast, provincial and municipal governments have policy tools that can better respond to concerns in local markets. This is why we have launched a federal-provincial-municipal working group on housing issues, to share perspectives and consider solutions.

The Government will continue to monitor the housing market to make sure it remains healthy, resilient, competitive and stable for new and existing homeowners.

Anti-Money Laundering

The Government is also committed to a strong and comprehensive regime that is at the forefront of the global fight against money laundering and terrorist financing.

The core elements of Canada's Anti-Money laundering and Anti-Terrorist Financing (AML/ATF) Regime are set out in the Proceeds of Crime (Money Laundering) and Terrorist Financing Act (PCMLTFA) and its regulations.

The Act requires financial institutions and intermediaries, including realtors, to identify their clients, keep records, report suspicious and prescribed transactions and have an internal compliance program in place.

The Financial Transaction Reports Analysis Centre of Canada (FINTRAC) carries out its responsibilities through the issuance of guidance, outreach activities, compliance examinations and, when it has reasonable grounds to suspect money laundering or terrorist financing will make disclosures to the police for investigation and if appropriate, enforcement actions to prevent the use of illicit funds entering into the housing market.

FINTRAC continues to work closely with the Canadian Real Estate Association and members of the real estate sector to support understanding and meeting their compliance requirements.