

November 8, 2022

The Honourable Chrystia Freeland, M.P.
Deputy Prime Minister and Minister of Finance
House of Commons
Ottawa, ON
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The Honourable Ahmed Hussen, M.P.
Minister of Housing and Diversity and
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P.O. Box 8777, Postal Station T
Ottawa, ON K1G 1C0
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Dear Ministers,

RE: PROHIBITION ON THE PURCHASE OF RESIDENTIAL PROPERTY BY NON-CANADIANS ACT

On behalf of the Canadian Employee Relocation Council (CERC) I am writing to express our deep concerns regarding the PROHIBITION ON THE PURCHASE OF RESIDENTIAL PROPERTY BY NON-CANADIANS ACT.

The policy directions being proposed by CMHC to implement this legislation will have significant financial consequences to employees who are being relocated for employment purposes by their employer, and for the Relocation Management Companies that manage employee relocation real estate transactions.

The Act may also deter foreign nationals with valid work permits and student visas wishing to relocate to Canada and purchase a home from doing so.

Many of these workers are needed to fill highly skilled positions that are in short supply across all major industries. Restricting foreign nationals who are legally permitted to work and study in the country from purchasing residential property until achieving permanent residency status places Canada in an uncompetitive position when compared with other nations.

While recognizing that the Act is intended to protect and balance the Canadian real estate market from foreign speculators that have inflated home prices in Canada over the years, it will also have negative implications on a key sector of the Canadian Economy.

- In our view the proposed regulations unnecessarily punish thousands of hardworking Canadians and their families that are being relocated by their employer for employment purposes.
- The proposed regulations unfairly treat foreign nationals with valid work and study visas seeking to immigrate to Canada by prohibiting them from owning a home.

- The proposed regulations stifle the competitiveness of Canadian companies looking to relocate staff for business operations.
- The proposed regulations are creating uncertainty for employers, relocation management companies and, most importantly, employees.

There are measures that can be taken to alleviate this situation as the regulations are written and implemented.

1. We encourage the government to continue with the intent to provide an exemption from the Act for foreign nationals that have bone fide job offers and work permits.
2. Provide an exemption from the Act for all real estate transactions related to employer sponsored employee relocations.
3. Provide an open and transparent process for business to review and comment on the regulations

A copy of our submission to CMHC outlining our detailed concerns and suggested recommendations is attached for your full consideration.

We would welcome the opportunity to work with your officials to identify practical solutions and address the clearly unintended consequences of this Act.

The Canadian Employee Relocation Council (CERC) is a membership organization whose goal is to provide leadership, services and assistance to members enabling them to effectively serve relocated families by addressing issues that impact workforce mobility both domestically and internationally.

Founded on October 22, 1982, the Council represents members from across Canada, the United States and internationally. Through our programs, publications, and services, CERC helps members increase their expertise in the field of workforce mobility and provides a forum for corporations and service organizations to effectively communicate and provide a more efficient and cost effective relocation.

Sincerely,



Stephen Cryne
President and CEO, Canadian Employee Relocation Council

c.c. The Honourable François-Philippe Champagne, Minister of Innovation, Science and Industry of Canada
The Honourable Sean Fraser, Minister of Immigration Refugees and Citizenship Canada

Mr. Michael Sabia, Deputy Minister, Department of Finance

Attachment: CERC Submission in Response to the CMHC Consultation Paper:
PROHIBITION ON THE PURCHASE OF RESIDENTIAL PROPERTY BY NON-
CANADIANS ACT