



## News Release / Communiqué

### The Canadian Real Estate Association L'Association canadienne de l'immeuble

344 rue Slater Street, Suite 1600, Ottawa, Ontario K1R 7Y3 613-237-7111 Fax: 613-234-2567

## **REALTORS® welcome tax proposals outlined in Economic Statement**

### **For Immediate Release**

**OTTAWA – November 23, 2006** – The Canadian Real Estate Association (CREA) and its more than 88,000 REALTOR® members across Canada welcomed the federal government's identification of tax, fiscal, and infrastructure issues as key elements to improve the quality of life for all Canadians. The three were among the five Canadian Advantages outlined in the Fall Economic Statement delivered by Finance Minister Jim Flaherty today.

One of the proposals outlined by Minister Flaherty in the Advantage Canada document was the reduction of taxes on savings, including capital gains, to make Canada's tax system more competitive. REALTORS® have been calling on the federal government to implement a capital gains rollover provision for small investors when the proceeds of the sale of real property are reinvested in another real property investment within a set timeframe.

Currently, Canadians who have financial assets or property other than a principal residence must pay tax on the capital gains resulting from the sale of a financial asset or property.

"Small investors are not selling their real property investments because of the capital gains tax consequences, and this is unduly influencing typical market activity," said Pierre Beauchamp, Chief Executive Officer of The Canadian Real Estate Association.

"CREA believes that a capital gains tax deferral for small investors would encourage more Canadians to look at real estate investment opportunities," added Beauchamp. "The Association has conducted a great deal of research in this area, and looks forward to working with the government as it further develops this policy."

### **About The Canadian Real Estate Association**

The Canadian Real Estate Association (CREA) is one of Canada's largest single-industry trade Associations, and represents more than 88,000 REALTORS® across Canada. CREA's primary mission is to represent its members at the federal level of government and to act as a watchdog on national legislation affecting or impacting the real estate industry. CREA also works to defend the public's right to own and enjoy property. Real estate is a major factor in the Canadian economy. A study prepared by Clayton Research for CREA shows that between 2002 and 2004, residential sales made through the Multiple Listing Service® generated \$10.8 billion in ancillary consumer spending annually.

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For further information, contact:

Pierre Beauchamp  
Chief Executive Officer  
The Canadian Real Estate Association  
Office: (613) 237-7111

James Brennan  
External Relations Director  
The Canadian Real Estate Association  
Cell: (613) 884-1460