



# VIREB

VANCOUVER ISLAND REAL ESTATE BOARD

AN ASSOCIATION OF REALTORS® NEWS RELEASE



Jennifer Lynch  
VIREB President

Jay Cousins  
Commercial Division Chair

FOR IMMEDIATE MEDIA RELEASE  
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## **Island REALTORS® disappointed with federal budget**

NANAIMO, B.C. – The President of the Vancouver Island Real Estate Board (VIREB) is disappointed with the federal budget announced March 19<sup>th</sup>.

Jennifer Lynch says Ottawa failed to provide an opportunity for Canadians to increase their investments in real property.

“This would have come in a proposal from the Canadian Real Estate Association (CREA) to allow the deferral of capital gains tax and recaptured capital cost allowance when an investment property is sold,” she explains.

“The proceeds of the sale would then have to be invested in another investment property within one year.”

CREA represents 88,000 REALTORS® in Canada. It has been calling on the federal government to make such changes to the capital gains tax for several years now.

Jay Cousins, Chair of VIREB’s Commercial Division, says the changes would have provided several economic benefits.

“Small investors are holding onto their real property investments because of the tax consequences associated with selling and reinvesting, and this is unduly influencing typical market activity.

“Changes to capital gains rollover tax would have allowed for expansion of rental housing, and encouragement of urban regeneration,” he says, noting this was promised by the Tories in the last election.

Lynch says REALTORS® were also disappointed to learn that the federal government did not revise the current Home Buyers’ Plan to include a market adjustment for the maximum RRSP withdrawal limit – a move that would have been beneficial to first-time homebuyers.

“The \$20,000 maximum loan limit for a home downpayment has not been adjusted since the plan was established in 1992, which has had a negative impact on its effectiveness.”

Canadians REALTORS® have been calling on the federal government to raise the maximum loan limit to \$25,000 to account for inflationary gains over the past 15 years.

Coincidentally, REALTORS® from across Canada will be gathering for their annual government advocacy meetings in Ottawa March 26 and 27<sup>th</sup>.

“We will be having face to face meetings with our MPs and we will certainly be discussing this budget and the future election,” Lynch says.

“Despite our disappointment, CREA remains committed to working with the federal government to develop a policy that will encourage investment in real property,” Lynch says.

“We also hope the federal government will make improvements to the Home Buyer plan – and the affordability of Canadian housing – a priority in the immediate future.”

VIREB represents approximately 1,100 licensed REALTOR® members in more than 80 member offices on Vancouver Island (north of Victoria).

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