

From: Clark.MLA, Christy [mailto:Christy.Clark.MLA@leg.bc.ca]  
Sent: Thursday, July 28, 2016 9:26 AM  
To: OfficeofthePremier, Office PREM:EX  
Subject: FW: 15% Tax on Foreign Purchasers

From: s.22  
Sent: July 27, 2016 7:47 PM  
To: Eby.MLA, David ; Clark.MLA, Christy ; deJong.MLA, Mike  
Subject: 15% Tax on Foreign Purchasers

Dear Sirs / Madam: I am writing to express my support for the recent announcements pertaining to the Vancouver real estate crisis, particularly the decision to implement a 15% new foreign buyer tax on August 2, 2016.

First and foremost, please do not grandfather any transactions currently in process and please ensure that the tax is applied to ALL foreign purchasers of our residential housing stock (condominiums, town homes, single family homes, everything). Discipline the real estate agents, lawyers, anyone who advises offshore buyers on how to avoid the tax - this is completely unacceptable and such actions should result in serious consequences. While I welcome the implementation of this long-needed tax, there are important additional measures which still need to be implemented:

- The Quebec Immigrant Investor Program must be shut down once and for all. Likewise, I would urge the British Columbia government to permanently close the immigrant investor stream of the BC Provincial Nominee Program, as there are abuses there as well and it is nothing more than a dollars-for-permanent residence scheme.
- Do not allow family members to act as proxies for foreign purchasers, including an increasingly common practice of having spouses and children of foreigners reside in BC, partaking of the benefits of our society - while the foreign breadwinner works elsewhere and pays no Canadian taxes.
- Close the purchase of our valuable residential housing stock to foreign purchasers once and for all. Limit our residential properties to Canadians and legitimate permanent residents (again, the satellite families with PR who do not pay taxes here should NOT be deemed legitimate permanent residents) only. Give foreign owners 6-12 months to list/sell their Vancouver properties, at which time the government will take control and sell the housing back to our citizens.

The housing crisis in Vancouver is of utmost importance to everyone in the province. Limiting the increased transfer tax to Metro Vancouver only is short-sighted; please expand the tax to the

entire province. Otherwise, the housing crisis is only going to be move to other parts of the province, areas not currently subject to the tax. Victoria's prices are rising alarmingly, as are those in the Okanagan. Why are they not included? What possible reason is there to not have this welcome tax applied province-wide?

Please act decisively and build on this small first step. The electorate is watching and what is done (or not done) will have an impact on the coming elections, provincial and municipal. Please put BC first.

Thank you.

s.22

From: Rochon, Jake PREM:EX On Behalf Of OfficeofthePremier, Office PREM:EX  
Sent: Thursday, July 28, 2016 11:16 AM  
To S.22  
Subject: RE: 15% Tax on Foreign Purchasers

Thank you for taking the time to share your recommendation to expand the proposed changes to the Property Transfer Tax in British Columbia. We appreciate your taking the time to write.

We see that you have already shared a copy of your message with the Honourable Mike de Jong, Minister of Finance. His staff will ensure that your comments are included in any upcoming, related discussions.

Thank you, again, for writing.

From: s.22

Sent: Tuesday, July 12, 2016 6:05 PM

To: OfficeofthePremier, Office PREM:EX; Coleman.MLA, Rich LASS:EX; Sullivan.MLA, Sam LASS:EX

Cc: contact@bcliberals.com

Subject: Quebec immigrant program increases in popularity ... with 'downsides' for B.C. - Vancouver Sun

Hello BC Liberals,

Please read today's article from the Vancouver Sun about the root cause of unaffordability in the Vancouver housing market.

Please be an advocate to the federal government and Justin Trudeau in closing the Quebec Immigrant Investor loophole which is the main cause of foreign capital distorting the Vancouver Real estate market. Please put Canadian families and young people ahead of profits for the real estate industry and close the loophole.

Yaletown Resident

<http://vancouversun.com/news/national/quebec-immigrant-program-increases-in-popularity-with-downsides-for-b-c>

Quebec immigrant program increases in popularity ... with 'downsides' for B.C.

[vancouversun.com](http://vancouversun.com)

The Quebec government, running an immigrant investor program labelled as a cash-for-visa "fraud" and "scam" by critics who say it hurts British Columbia, received a record-breaking number of progra...

Sent from Outlook

From: s.22

Sent: Friday, July 1, 2016 9:29 PM

To: OfficeofthePremier, Office PREM:EX; Minister, FIN FIN:EX; Minister, JAG JAG:EX; Minister, MNGD MNGD:EX; oppositionleader@leg.bc.ca; James.MLA, Carole A LASS:EX; Farnworth.MLA, Mike LASS:EX; Krog.MLA, Leonard LASS:EX; Heyman.MLA, George LASS:EX; Sullivan.MLA, Sam LASS:EX; Anton.MLA, Suzanne LASS:EX; Simpson.MLA, Shane L LASS:EX; Elmore.MLA, Mable LASS:EX; Dix.MLA, Adrian LASS:EX; Stilwell.MLA, Moira LASS:EX; Eby.MLA, David LASS:EX; Wilkinson.MLA, Andrew LASS:EX; spencer.herbert.MLA@leg.bc.ca; justin.trudeau@parl.gc.ca; Diane.Lebouthillier@parl.gc.ca; bill.morneau@canada.ca; Rona Ambrose; Ziad.Aboultaif@parl.gc.ca; Lisa.Raitt@parl.gc.ca; Thomas.Mulcair@parl.gc.ca; PLDusseault; NPDGuyCaron; mayor@victoria.ca; mayor@saanich.ca; barbara.desjardins@esquimalt.ca; oakbaymayor@oakbay.ca; gregor.robertson@vancouver.ca; mayor@surrey.ca; mayorandcouncillors@richmond.ca; dmussatto@cnv.org; MayorandCouncil@westvancouver.ca  
Cc: ian.young@scmp.com; ktomlinson@globeandmail.com  
Subject: Improving BC's Residential Real Estate Market

Dear Esteemed Leaders of British Columbia and Canada,

While I applaud the Government of British Columbia on its recently announcement regarding the end of self-regulation for the BC real estate industry and its commitment to review the recommendations made in the June 2016 Report of the Independent Advisory Group on Conduct and Practices in the Real Estate Industry in British Columbia, these actions are not enough to regain the trust of British Columbians, Canadians, and foreign investors in BC's residential real estate market.

I strongly encourage the Government of British Columbia to immediately implement the following ten recommendations to improve confidence in British Columbia's residential real estate industry:

1. Prohibit the practice of blind auctions in which interested buyers are required to submit their best and final offer upfront without ever knowing the price, conditions, or existence of any other bids.

The process is nothing more than a blind guessing game which unnecessarily drives up prices. More information regarding this currently popular selling method can be found at <http://vibrantvictoria.ca/forum/index.php?/topic/5687-accepting-offers-until/?p=305087>.

2. Implement a secure real-time online bidding system for all offers made during a sale or assignment process where all interested buyers and the seller can monitor, with appropriate privacy protections, all offers that are made on the property as they are submitted. All system users and transaction stakeholders must be properly authenticated and registered.

The system must be accessible to unrepresented buyers and sellers as long as they too are properly authenticated and registered.

The system must include appropriate measures to reduce the probability of fake offers and to clearly identify any detected fake offers to all stakeholders in real-time.

Require that the offer ultimately accepted by the seller must have been submitted via the system in accordance with all applicable procedures.

Require that property ownership be transferred to the party identified in the accepted offer.

The system will enable buyers to confirm that their offer has been submitted and confirm that, in fact, there are multiple offers that have been received on the property, and review the price and any conditions of all offers in an open and transparent manner, while removing the guessing game aspect which is currently frustrating many buyers and encouraging frantic over-bidding. The system will become the electronic registry of all residential real estate transactions in BC.

3. Building on the above recommendation, send online surveys to all registered transaction participants (including unsuccessful bidders) upon the completion of a sale or assignment to confirm whether or not the obligations and duties of all stakeholders were fulfilled.

Use the anonymous survey results to identify potential offences and trends that warrant further investigation / action.

Such proactive surveys will encourage more feedback than the Regular simply relying on reporting hotlines and whistle-blower programs.

4. Require the clear identification and pertinent information (including role, citizenship, country of residence, etc.) of all stakeholders on all transaction-based documents including offers.

Require additional information to identify the true owner(s), controlling partners, etc. of all participating business entities.

5. In addition to prohibiting dual agency and limited dual agency relationships, prohibit double ending where a real estate licensee receives both the buyer and seller portion of the commission on a transaction when either the buyer or seller is unrepresented.

6. Prohibit a real estate licensee from acquiring an interest, by any means, in a transaction for which the licensee is a stakeholder.

7. Require real estate licensees to make disclosures of interests immediately available for review and approval by a licensee's clients, managing broker, and the regulator.

8. Apply more stringent requirements for prospective and renewing real estate licensees.

9. Impose an explicit duty on all industry stakeholders to immediately report potential misconduct to the Regulator.

10. Increase maximum disciplinary penalties to \$2,000,000 for individual misconduct and \$20,000,000 for brokerage misconduct, and increase administrative penalties to a maximum of \$2,000,000.

I also strongly encourage the Government of British Columbia to immediately act on the following thirteen recommendations to help further reduce the unsustainable rise in residential

real estate prices in British Columbia:

11. Demand that the federal government and the Government of Quebec take immediate steps to close the loopholes in the Quebec Immigrant Investor Program (QIIP) which reportedly allows at least 89% of Immigrant Investor Program households to leave the province of Quebec and settle elsewhere, mainly in Vancouver, while Quebec receives an \$800,000 loan from each household. More information regarding the impact of the QIIP on British Columbia can be found at <http://www.scmp.com/news/world/united-states-canada/article/1983336/one-point-plan-tackle-vancouvers-housing>.

12. Eliminate the tax loopholes which allow middlemen to not pay land-transfer taxes on assignment flipping deals because the property is not technically changing hands until a final buyer assumes the title.

More information can be found at <http://www.theglobeandmail.com/news/investigations/the-real-estate-technique-fuelling-vancouvers-housing-market/article28634868/>.

13. When a property is sold or assigned, have BC Assessment automatically set the assessed property value to the sale price (if higher than its currently assessed value) for at least the first year of property tax payments before it is reassessed based on existing procedures.

14. Have BC Assessment assess properties based on the existence of secondary suites, rooms, garden/laneway homes, etc. used by tenants other than relatives of the owners.

15. After establishing clear definitions, have BC Assessment create a new class of property called "Residential Vacant" that would apply to empty and under-occupied properties and allow municipalities to tax them accordingly.

16. Demand that the federal government review the tax treatment of house flipping practices.

17. Demand that the federal government review the tax treatment of residential property ownership particularly by business entities.

18. Follow the lead of Hong Kong, Singapore, and Australia's states of Victoria and New South Wales and introduce a temporary tax on house purchases made by non-Canadian residents.

More information can be found at <http://www.bloomberg.com/news/articles/2016-06-14/sydney-introduces-home-stamp-duty-on-foreigners-after-melbourne>.

19. Considering a simple foreign purchaser tax is too simplistic over the longer term since many people or companies would be willing to act as proxies for the name on title to avoid such taxes, work with the federal government to determine how such proxy loopholes can be eliminated by utilizing Recommendation #2 and other measures.

20. Educate municipalities on the possibility of working with vacation accommodation / sharing economy web sites like AirBNB to collect occupancy taxes and encourage them to use this additional tax revenue for fair and affordable housing initiatives.

More information can be found at <https://www.airbnb.ca/help/article/653/in-what-areas-is-occupancy-tax-collection-and-remittance-by-airbnb-available>.

21. Encourage municipalities to enforce their existing business registration bylaws for residential properties operating as investment properties and/or AirBNB- or VRBO-type accommodation rentals and encourage them to use this additional revenue for fair and affordable housing

initiatives.

22. Encourage municipalities to enforce their existing bylaws regarding the registration of secondary suites and encourage them to use this additional revenue for affordable housing initiatives.

23. Encourage municipalities to implement measures (such as preferential density/height, permit processing) that would lead to the development of more rental housing.

As many admit, the currently unsustainable residential housing market in British Columbia, particularly in the Lower Mainland and Victoria, is a complex issue to resolve however we have already waited too long. Immediate action on all of these 23 recommendations and many of those found in the June 2016 Report of the Independent Advisory Group on Conduct and Practices in the Real Estate Industry in British Columbia will go a long way in help slow down the pace of residential property values.

So please start immediately on these recommended actions so they can be implemented by September 30, 2016.

Sincerely,

s.22



OOP RESPONSE:

Thank you, s.22 for bringing your suggestions forward. Please be assured they will be included in those related discussions.

We appreciate your taking the time to write.

From: s.22

Sent: Friday, July 1, 2016 9:29 PM

From: s.22

Sent: Thursday, July 28, 2016 9:57 AM

To: Kylo.MLA, Greg LASS:EX

Cc: OfficeofthePremier, Office PREM:EX; Clark.MLA, Christy LASS:EX; Minister, FIN:EX; deJong.MLA, Mike LASS:EX

Subject: Vancouver Real Estate CRISIS

Dear Sirs / Madam:

I am writing to express my support for the recent announcements pertaining to the Vancouver Real Estate CRISIS, particularly the decision to implement a 15% New Foreign Buyer Tax on August 2nd. Housing affordability concerns all of us who live in Canada and this tax is a small step in recognizing the critical role that foreign capital has been playing in our market. However, additional measures still need to be addressed. I remain concerned about any opportunity foreign money has to enter the market through proxy families (how will you prove that they're not related?) acting as fronts for foreign purchases, shell companies and, of course, the evil QIIP program, which I strongly feel has been abused and needs to be shut down. In addition, the new tax needs to be activated for the entire province of British Columbia. I live in North Okanagan and we are seeing foreign ownership quickly escalating here as well. Families with small children are having extreme difficulties finding a place to rent within their meager incomes. Others that have moved to this province cannot find homes to purchase for a reasonable a price within their new locale, close to jobs they have been fortunate enough to acquire. A realtor in Kelowna was boasting about his clients from China who have purchased 3 houses within months of each other (\$1.1 million, \$1.3 million and \$1.5 million). They are not planning to live in any of these houses. They are planning to flip them for a profit. They already paid more than the houses were worth, so when they resell them the prices will be excessively higher than they should be. When the realtor asked them how they were going to finance these purchases, they told him "don't worry - we very rich - it no problem - we pay cash" (yes, that's exactly how he said it). This was in KELOWNA. So you can see that this CRISIS is quickly spreading.

Any person with half a brain can see that implementing a 15% New Foreign Buyer Tax in the GVRD only will simply push the foreign buyers into outlying areas, as far as they need to go. They don't care what they're buying or how much they pay, so long as they can get their money out of reach of their own government. As soon as a home is purchased for a higher than listed price, it immediately sets the precedent for the entire neighbourhood and the houses in the area also increase in cost (not value). This does not even benefit the home renovation industry, because people are now realizing that they don't need to fix up their homes in order to sell them - it will sell regardless of the state it's in. You will even see many house listings where there are no photos of the interior of the house (not tear-downs, but houses that are only 10-20 years old) -

that can only mean that it is being sold as a piece of stock to buyers in China.

I urge the government to examine and address these additional issues without delay.

- As more families are forced to move away from the Lower Mainland, more schools will be closed.
- The families that are moving to the interior will find that the housing CRISIS has followed them there. Due to the short-sightedness of local politicians, local area schools are being closed, so there will not be enough schools to accommodate the new families moving to the interior.

Vancouver is a lost cause. It has been sold out to the highest bidders.

If the new tax is also applied to presold condos, hopefully the foreign buyers will forfeit their deposits and the units can be resold to local residents for a decent price. The forfeited deposit can offset the cost.

The Real Estate Housing CRISIS is THE most important issue of all and my vote at upcoming elections will be focused on candidates and parties who present the most effective actions to address this problem.

Sincerely,

s.22

From: s.22

Sent: Wednesday, July 27, 2016 8:36 PM

To: OfficeofthePremier, Office PREM:EX

Cc: deJong.MLA, Mike LASS:EX; Sullivan.MLA, Sam LASS:EX

Subject: Support for action on Vancouver housing crisis

Dear Sirs / Madam: I am writing to express my support for the recent announcements pertaining to the Vancouver real estate crisis, particularly the decision to implement a 15% new foreign buyer tax on August 2. Housing affordability concerns all of us who live in the region and this tax is a positive step in recognizing the critical role that foreign capital has been playing in our market. Having said that, there are important additional measures which still need to be addressed. I remain concerned about any opportunity foreign money has to enter the market through proxy families acting as fronts for foreign purchases, shell companies and of course the QIIP program, which I strongly feel has been abused and needs to be shut down. I urge the government to examine and address these additional issues without delay. I would also like to assure you that the Real Estate Housing Crisis in Greater Vancouver remains the most important issue of all and my vote at upcoming elections will be focused on candidates and parties who present the most effective actions to address this problem.

Further to this, as a well paid professional with a young family, I know that my days are numbered in Vancouver - unless serious action is taken immediately to address housing affordability in the region. Even if the current market conditions remain unchanged from today forward we will be forced to leave the city due to the inability to find suitable, affordable accommodation for a young family. Many, many other people in my age group and earnings bracket are also facing the same dire situation and will be forced to leave the city they grew up in as well. I would hate to imagine this city as a place where families are not able to live and prosper.

Sincerely,

s.22

**Subject:** Re: can i get a comment Steve?

**Date:** Thursday, July 7, 2016 at 1:40:44 PM Pacific Daylight Time

**From:** Smart, Stephen PREM:EX

**To:** O'Neil, Peter

**CC:** Chin, Ben PREM:EX

Hey Peter. S.22 have flipped your request to Ben to get back to you. Cheers!

S.

On Jul 7, 2016, at 1:08 PM, O'Neil, Peter <[poneil@postmedia.com](mailto:poneil@postmedia.com)> wrote:

I'm doing a couple of stories on the Quebec Immigrant Investor Program, and it includes a look at why, as Richard Kurland pointed out, the federal government has no incentive to push Quebec to make changes because the BC government has never made an issue of this.

I just spoke to David Eby and he says it's because the premier is in a conflict in that she is allegedly beholden to the real estate industry that profits from Chinese millionaires coming in via quebec driving up prices. Another area of conflict, according to Eby, is the apparent closeness of the clark govt and RCI Capital CEO John Park, whose Montreal subsidiary Renaissance Capital is the only BC-owned company involved in the Quebec program. The Clark govt doesn't want to upset these interests and therefore doesn't complain about QIIP even though it hurts BC.

Can I get something from you by late Friday morning please?

**Subject:** Re: Quebec IIP

**Date:** Friday, July 29, 2016 at 4:15:30 PM Pacific Daylight Time

**From:** Smart, Stephen PREM:EX

**To:** Ian Young

Hi Ian,

Thanks for reaching out. I'm not sure there is much for the Premier to elaborate on beyond the quote that you have. As she refers, she brought it up and the Premier of Quebec said that they were reviewing the program already. That they understood our concerns and had concerns of their own. Obviously they want to keep investors in QC. So they are looking at program criteria like French language skills as an example. They agreed that BC and QC will stay in touch as they look at those changes.

I hope that helps.

All the best!

Stephen

On Jul 29, 2016, at 11:15 AM, Ian Young <[ian.young@scmp.com](mailto:ian.young@scmp.com)> wrote:

Dear Mr Smart

I'm Ian Young, the Vancouver correspondent for the South China Morning Post newspaper, which is based in Hong Kong. I've attached my card.

I was interested in a segment on Global TV last night in which Premier Clark refers to discussions with Quebec's premier regarding the Quebec Immigrant Investor Programme. A link is here:

<http://globalnews.ca/video/2855002/quebec-immigrant-investor-program-impacts-b-c-real-estate>

I was wondering if you or Premier Clark would be able to elaborate on these discussions in any way?

I can be reached on this email [ian.young@scmp.com](mailto:ian.young@scmp.com) <<mailto:ian.young@scmp.com>> or on my landline 604 8748866, or my cell 778 9609009.

I won't be writing on this until mid next week.

Best wishes

Ian

Ian Young

[ian.young@scmp.com](mailto:ian.young@scmp.com) <<mailto:ian.young@scmp.com>>

[www.scmp.com](http://www.scmp.com) <<http://www.scmp.com/>>

<SCMP\_business\_card.JPG>

**Subject:** Fwd: Quebec IIP

**Date:** Friday, July 29, 2016 at 11:20:12 AM Pacific Daylight Time

**From:** Smart, Stephen PREM:EX

**To:** Chin, Ben PREM:EX

Thoughts?

Begin forwarded message:

**From:** Ian Young <[ian.young@scmp.com](mailto:ian.young@scmp.com)>  
**Date:** July 29, 2016 at 11:15:02 AM PDT  
**To:** "Stephen.Smart@gov.bc.ca" <[Stephen.Smart@gov.bc.ca](mailto:Stephen.Smart@gov.bc.ca)>  
**Subject:** Quebec IIP

Dear Mr Smart

I'm Ian Young, the Vancouver correspondent for the South China Morning Post newspaper, which is based in Hong Kong. I've attached my card.

I was interested in a segment on Global TV last night in which Premier Clark refers to discussions with Quebec's premier regarding the Quebec Immigrant Investor Programme. A link is here:  
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I can be reached on this email [ian.young@scmp.com](mailto:ian.young@scmp.com) <<mailto:ian.young@scmp.com>> or on my landline 604 8748866, or my cell 778 9609009.

I won't be writing on this until mid next week.

Best wishes

Ian

Ian Young  
[ian.young@scmp.com](mailto:ian.young@scmp.com) <<mailto:ian.young@scmp.com>>  
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**South China Morning Post**



Page 05 to/à Page 06

Withheld pursuant to/removed as

DUPLICATE

## Chin, Ben PREM:EX

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**From:** Chin, Ben PREM:EX  
**Sent:** Friday, July 29, 2016 11:34 AM  
**To:** Smart, Stephen PREM:EX  
**Subject:** Re: Quebec IIP

Nothing to elaborate, quote stands. As she refers, she brought it up and pc said reviewing already. To keep investors in QC. Looking at criteria like French language skills f. And bc and QC will stay in touch

Ben Chin  
Executive Director  
Communications and Issues Mgmt  
Office of Premier Christy Clark  
250.588.3113

Sent from my BlackBerry 10 smartphone on the Rogers network.

---

**From:** Smart, Stephen PREM:EX  
**Sent:** Friday, July 29, 2016 11:20 AM  
**To:** Chin, Ben PREM:EX  
**Subject:** Fwd: Quebec IIP

Thoughts?

Begin forwarded message:

**From:** Ian Young <[ian.young@scmp.com](mailto:ian.young@scmp.com)>  
**Date:** July 29, 2016 at 11:15:02 AM PDT  
**To:** "Stephen.Smart@gov.bc.ca" <[Stephen.Smart@gov.bc.ca](mailto:Stephen.Smart@gov.bc.ca)>  
**Subject:** Quebec IIP

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I was interested in a segment on Global TV last night in which Premier Clark refers to discussions with Quebec's premier regarding the Quebec Immigrant Investor Programme. A link is here:

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I was wondering if you or Premier Clark would be able to elaborate on these discussions in any way?

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I won't be writing on this until mid next week.

Best wishes

Ian

Ian Young

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**Ian YOUNG**

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South China Morning Post

## Chin, Ben PREM:EX

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**From:** Chin, Ben PREM:EX  
**Sent:** Friday, July 29, 2016 7:27 AM  
**To:** Harold Fortin; Jean-Louis.Dufresne@mce.gouv.qc.ca  
**Subject:** Fwd: CBUT: De Jong/Horgan - Property Transfer Tax

Bonjour mes amis. Please see below, PCC's response to a question about your investor program

Ben Chin  
Executive Director  
Communications & Issues Mgmt  
Office of Premier Christy Clark  
Government of British Columbia  
250-588-3113

Begin forwarded message:

**From:** "Wolford, Jessica GCPE:EX" <[Jessica.Wolford@gov.bc.ca](mailto:Jessica.Wolford@gov.bc.ca)>  
**Date:** July 29, 2016 at 7:18:32 AM PDT  
**To:** "Chin, Ben PREM:EX" <[Ben.Chin@gov.bc.ca](mailto:Ben.Chin@gov.bc.ca)>  
**Cc:** "Merrifield, Katy PREM:EX" <[Katy.Merrifield@gov.bc.ca](mailto:Katy.Merrifield@gov.bc.ca)>  
**Subject:** FW: CBUT: De Jong/Horgan - Property Transfer Tax

CHAN, 28-Jul-2016 18:06

Clark/de Jong - foreign buyer tax  
By Global BC News Hour

Sophie Lui: There are fears tonight millions of dollars in real estate deals could fall through as a result of the province's foreign buyer tax. And while there are already reports of offers drying up on homes, others still trying to buy are at a loss after being caught in the crosshairs. John Hua explains the tough situation one couple finds themselves in. John.

John Hua: Well, it's a tax net that's supposed to catch foreign investors making homes like this one more affordable for British Columbians, but one local man and his non-resident partner say they might not only lose this house, but also the down payment they worked most of their lives to save.

Mario Chwaja: Wow, look at this house.

Hua: Like many in this market their dream of starting a life together didn't come easy.

Chwaja: We got beaten out at least four times, and finally on our fifth try we got this house.

Hua: Despite their persistence, it was the province that brought it all crashing down. Edyta Czapla, a non-resident, subject of a new 15% foreign buyer tax, a nearly \$50,000 hit from her adopted home.

Edyta Czapla: I want to live in Vancouver. I found the love of my life. I want to make a living here. And I got a very good job.

Hua: But on paper she's a foreign investor, and Chwaja, a resident the tax is meant to benefit, may lose his deposit and much more.

Chwaja: Now all of a sudden losing the \$30,000 would be tragic. I would never be able to own a house in Maple Ridge or anywhere ever again.

Hua: The province insisting the change is meant to help the majority of British Columbians.

Mike de Jong: It is to discourage foreign investment in the residential real estate sector and to free up housing for purchasing by British Columbians.

Hua: The hundreds of people signing this petition disagree, demanding all current deals should be exempt from the tax.

Jonathan Gelderman: They've been living here, they've been paying taxes here, they've been employed here, they've been contributing to the economy here, and these people are innocently getting caught up in this as well.

Hua: Gelderman warns one cancelled deal by a foreign buyer may hurt many others who call BC their home.

Gelderman: If the first deal dies, the second deal dies, and the third deal dies, and the fourth deal dies, you could have a domino where they won't get their new home potentially or they will breach their contract, lose their deposits, and their lives are in upheaval.

Hua: Czapla tried to take her name off the title, but the couple couldn't get proper financing without her.

Czapla: This is unfair that we got caught on this.

Hua: So once again they find themselves priced out of the market just days after buying their first home. Now, there is a loophole in the property transfer tax that allows people to pay based on the percentage they own on title, and in the case of a couple with one non-resident, Minister de Jong says the new tax doesn't have to count against 50% of the price as long as that person is willing to own a smaller portion of the property. Chris, Sophie.

Gailus: All right, thanks very much, John. And Keith Baldrey joins us now with more on the real estate woes in this province and what some people believe or where some people believe they began. Keith, we've heard a lot about this investor immigrant program in Quebec. Today the Premier revealed that she's working to solve the problem.

Keith Baldrey: Yeah, this program is probably not well known to people in BC. It's well known in Quebec. It sees the Quebec government offering \$800,000 interest-free loan to wealthy foreign versus to locate in Quebec and invest there and live. There the problem has been then they come in through Quebec but they buy property in Vancouver. The Premier today revealing that she raised the matter at the premiers' meeting last week with her Quebec counterpart, and they're working to resolve it. Here she is.

Premier: When people come into Quebec as investor immigrants they want them to spend the money there and they want them to stay there. That's the idea of the program. So they're trying to figure out how they can rework the program to make sure people spend there and stay there, so we're going to work together on it and, you know, we're going to try to support him in finding ways to make sure their program -- you know, their investor program is for Quebec and Quebec alone so when people come into Quebec that's where they stay.

Baldrey: Hopefully they work quickly to find a way to close that loophole. In the meantime, this is what it's all about. This is Bill 28 which creates the 15% property tax. I can tell you it just passed in law 20 minutes ago. It's finally law on the books in BC, which means it does take effect August 2. [xrx]

## Chin, Ben PREM:EX

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**From:** Chin, Ben PREM:EX  
**Sent:** Thursday, July 7, 2016 4:11 PM  
**To:** Verge, Kent JTST:EX; Anderson, Erin GCPE:EX; Johnson, Sheldon GCPE:EX  
**Cc:** Mills, Shane PREM:EX; Gordon, Matt GCPE:EX  
**Subject:** Re: can i get a comment Steve?

Re-sending

Ben Chin  
Executive Director  
Communications and Issues Mgmt  
Office of Premier Christy Clark

Sent from my BlackBerry 10 smartphone on the Rogers network.

Original Message  
**From:** Chin, Ben PREM:EX  
**Sent:** Thursday, July 7, 2016 4:09 PM  
**To:** Verge, Kent JTST:EX; Anderson, Erin GCPE:EX; Currie, David GCPE:EX  
**Cc:** Mills, Shane PREM:EX  
**Subject:** Fw: can i get a comment Steve?

Folks, can you respond to O'Neil's request?

Ben Chin  
Executive Director  
Communications and Issues Mgmt  
Office of Premier Christy Clark

Sent from my BlackBerry 10 smartphone on the Rogers network.

Original Message  
**From:** O'Neil, Peter <[poneil@postmedia.com](mailto:poneil@postmedia.com)>  
**Sent:** Thursday, July 7, 2016 3:40 PM  
**To:** Chin, Ben PREM:EX  
**Subject:** Re: can i get a comment Steve?

Yes I would like that, thanks.

Sent from my iPhone  
Peter O'Neil  
Vancouver Sun  
Ottawa Correspondent  
[Poneil@postmedia.com](mailto:Poneil@postmedia.com)

@poneilinottawa

> On Jul 7, 2016, at 6:34 PM, Chin, Ben PREM:EX <[Ben.Chin@gov.bc.ca](mailto:Ben.Chin@gov.bc.ca)> wrote:

>

> Peter, that's not even worth a response to.

> I'm happy to set you up with the Jobs Ministry for a comment on the Quebec Program, the changes the Feds made for Quebec and our position on it. If you like.

>

> -----Original Message-----

> From: Smart, Stephen PREM:EX

> Sent: Thursday, July 7, 2016 1:41 PM

> To: O'Neil, Peter

> Cc: Chin, Ben PREM:EX

> Subject: Re: can i get a comment Steve?

>

> Hey Peter. I'm off this week, but have flipped your request to Ben to get back to you. Cheers!

>

> S.

>

>> On Jul 7, 2016, at 1:08 PM, O'Neil, Peter <[poneil@postmedia.com](mailto:poneil@postmedia.com)> wrote:

>>

>> I'm doing a couple of stories on the Quebec Immigrant Investor Program, and it includes a look at why, as Richard Kurland pointed out, the federal government has no incentive to push Quebec to make changes because the BC government has never made an issue of this.

>>

>> I just spoke to David Eby and he says it's because the premier is in a conflict in that she is allegedly beholden to the real estate industry that profits from Chinese millionaires coming in via quebec driving up prices. Another area of conflict, according to Eby, is the apparent closeness of the clark govt and RCI Capital CEO John Park, whose Montreal subsidiary Renaissance Capital is the only BC-owned company involved in the Quebec program. The Clark govt doesn't want to upset these interests and therefore doesn't complain about QIIP even though it hurts BC.

>>

>> Can I get something from you by late Friday morning please?

>>

>>

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## Chin, Ben PREM:EX

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**From:** Chin, Ben PREM:EX  
**Sent:** Friday, June 24, 2016 7:39 AM  
**To:** Verge, Kent JTST:EX; Gordon, Matt GCPE:EX  
**Cc:** Mills, Shane PREM:EX; Hodson, Blake JTST:EX; Karod, Suneil JTST:EX  
**Subject:** Re: Sun atory5

s.13

s.13

Do we have any numbers from feds yet, and are they

helping to retrieve those numbers?

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**From:** Verge, Kent JTST:EX  
**Sent:** Friday, June 24, 2016 7:30 AM  
**To:** Gordon, Matt GCPE:EX  
**Cc:** Chin, Ben PREM:EX; Mills, Shane PREM:EX; Hodson, Blake JTST:EX; Karod, Suneil JTST:EX  
**Subject:** Re: Sun atory5

Checking with MSB. Assuming there is no direction to directly address change in federal policy?

Sent from my iPhone

On Jun 24, 2016, at 6:39 AM, Gordon, Matt GCPE:EX <[Matt.Gordon@gov.bc.ca](mailto:Matt.Gordon@gov.bc.ca)> wrote:

I am advised these still stand below. MO may wish to confirm .

Immigrant Investor Program:

- Quebec is unique in Canada as the only province that has its own provincial immigrant investor program.
- We know that B.C. has historically been the net recipient of secondary migration of immigrants from across Canada – including Quebec.
- I recognize that this is an issue that is why I raised it with the previous federal government and with Minister McCallum.
- We are in active conversations with the federal government to gather better data on secondary migration and will continue to emphasize the need for consideration of secondary migration when it comes to settlement services funding.
- In the meantime, we have made a number of changes to our own Provincial Nominee Program so we continue to attract high-calibre entrepreneur immigrants.

Settlement funding:

- The province does not receive federal money for resettlement services.

- Immigration, Refugees and Citizenship Canada (IRCC) resumed responsibility for the administration of federally funded immigrant settlement services on April 1, 2014, after 16 years of provincial administration.
- The Province continues to provide \$4 million in funding for services for newcomers that are not eligible for federal services.
- In 2015/16, up to 10,000 clients across BC will access services covered by this provincial funding.
- On average, the province receives 37,000 new permanent residents.

**Matt Gordon**  
**Assistant Deputy Minister**  
 Corporate Priorities & Communications Operations  
 Government of British Columbia  
 250 356.7398 office | 250 896.4923 mobile

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**From:** Chin, Ben PREM:EX  
**Sent:** Thursday, June 23, 2016 8:18 PM  
**To:** Gordon, Matt GCPE:EX; Mills, Shane PREM:EX  
**Cc:** Verge, Kent JTST:EX; Hodson, Blake JTST:EX; Karod, Suneil JTST:EX  
**Subject:** Re: Sun atory5

Good stuff.

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**From:** Gordon, Matt GCPE:EX  
**Sent:** Thursday, June 23, 2016 8:14 PM  
**To:** Mills, Shane PREM:EX  
**Cc:** Verge, Kent JTST:EX; Hodson, Blake JTST:EX; Karod, Suneil JTST:EX; Chin, Ben PREM:EX  
**Subject:** Re: Sun atory5

Shane ,

Sheldon is pulling lines for review but in meantime he flipped me this bond transcript on the issue.

**From:** <tno@gov.bc.ca>  
**Date:** April 6, 2016 at 3:27:48 PM PDT  
**To:** Undisclosed recipients;;  
**Subject:** Scrum: Bond - secondary migration

Scrum  
 Bond scrum prior to PM QP  
 06-Apr-2016 14:00

Shirley Bond: It is important that we get the data. As of today we really don't know how many people end up in British Columbia after landing in Quebec. So I've asked the federal government to work with us to make sure that we have really good data on which to base an argument that says if they move to British

Columbia we might want to consider pro rating the service allocation in terms of finances.

Reporter: Is the answer here to get a similar type of program in BC?

Bond: Again, we wouldn't have the option of actually creating one ourselves. Quebec is unique in that circumstance. The federal government, obviously the new government, will take a look at the programs that exist today. I think there were legitimate concerns about the last one in terms of outcomes and did the program work. So the primary issue that I've taken to the federal table is if there is secondary migration, we need to have a look at that issue. I can tell you that Minister McCallum has been very receptive to hearing issues like that at the federal table, so that discussion will continue. My most important priority at the moment is getting the data that we need to truly understand what is the movement of people across the country, how does it affect the services that are provided to immigrants, and if British Columbia needs more support in that avenue then I think the federal government should take a look at that.

Reporter: At this time it sounds like you will be pushing Mr McCallum to see if BC could get a program [inaudible].

Bond: My first concern is making sure that we understand what happens to those immigrants when they arrive in Quebec and where do they go, making sure we have a good database and a foundation for an argument that first of all says if there is secondary migration, do other jurisdictions need to be compensated in some way? About the future of an immigrant investor program, it's not something we've had a discussion with the federal government about. My primary concern is about secondary migration.

**Matt Gordon**  
**Assistant Deputy Minister**  
Corporate Priorities & Communications Operations  
Government of British Columbia  
250 896.4923 mobile

Sent from my iPhone

On Jun 23, 2016, at 7:38 PM, Mills, Shane PREM:EX <[Shane.Mills@gov.bc.ca](mailto:Shane.Mills@gov.bc.ca)> wrote:

Hi Kent

What's our response to this?

Thanks  
Shane

<http://vancouversun.com/news/politics/feds-wont-fight-sweetheart-quebec-immigration-program-despite-b-c-fallout>

Sent from my Samsung Galaxy smartphone.

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