

## **Real Property Association of Canada**

### **Responses**

#### **1. Economic Recovery and Growth**

*Given the current climate of federal and global fiscal restraint, what specific federal measures do you feel are needed for a sustained economic recovery and enhanced economic growth in Canada?*

REALpac believes that 'Canada's Economic Action Plan' has been successful to date in moving the economy in the right direction and establishing an environment for which Canadians can continue to prosper. As part of the next step, REALpac and its member companies believe that the following four legislative changes and initiatives will provide the economy with the boost needed to continue this positive progression: (1) Enable productive capital formation in real estate through enactment of the final set of legislative changes to Real Estate Investment Trusts (REITs) REALpac encourages the government to streamline the passing of the REIT legislation (announced December 16th, 2010). REALpac and its REIT members plan to move the industry forward as a result of these proposals, while retaining the historically safe and profitable structure that has been a trademark of Canadian REITs since their inception. It would benefit our industry as a whole if FINA recommended the expediting of these rules. (2) Remove unnecessary fees and legislative red tape by reducing or exempting non-complex real estate transactions from Competition Bureau merger review fees REALpac requests that the Competition Bureau eliminate or significantly reduce its review fees for non-complex real estate transactions to better reflect the resources needed to complete the review. This would eliminate the incentive for Canadian capital to invest in U.S. real estate and send any review fee savings back into the Canadian economy. (3) Become a global leader in commercial green building through new and improved legislation, initiatives, and grants REALpac recommends that the government invest in green building incentive and grant programs that will support and encourage that creation of sustainable buildings. (4) Protect Canada's bird populations through investments in research, grants, and incentive programs to help retrofit buildings REALpac recommends that a federally funded subsidy/incentive program be created that would help mitigate the cost associated with purchasing and installing bird deterrent products for the exterior of existing buildings as well as new construction. This program would be offered to building owners, managers, and landlords on a voluntary basis once an effective and feasible product is developed.

#### **2. Job Creation**

*As Canadian companies face pressures resulting from such factors as uncertainty about the U.S. economic recovery, a sovereign debt crisis in Europe, and competition from a number of developed and developing countries, what specific federal actions do you believe should be taken to promote job creation in Canada, including that which occurs as a result of enhanced internal and international trade?*

Canada's priority in the short and long term should be to allow burgeoning industries to expand through favourable legislation and government support. Canada has the potential to move to the forefront and lead globally in many fields, however harmful technical aspects of legislative language can damage these efforts. While new and risky industries should always be monitored closely by the government, others that have proven strong and stable should be allowed to expand. For REITs, an investment vehicle that is risk adverse with proven returns for investors, more legislative freedom should be granted. These types of priorities allow industries to maximize their potential, and produce positive externalities for the

economy. In the same regard, by moving forward with modern legislation that truly reflects the business environment, Canada can be a global leader, attracting investment and praise from the private sector worldwide. At present, Canada is on the cusp of leadership in the commercial real estate industry worldwide, and with more favourable government policies and legislative changes, the return effect on the economy can be significant. Canada managed to survive the economic crisis admirably well, particularly in the commercial real estate sector. The current track to balance the budgets by 2015-2016 is a target that the Canadian government should strive towards. REALpac believes in a well planned, sensible approach to this goal, and trusts that 'Canada's Economic Action Plan' can achieve its goals by this date. In order to do this however, the federal government must encourage industries across Canada to continue to innovate, maximize their profits, and infuse the economy with services, jobs, and products. The government must act as a partner in this process, creating sensible, business friendly policies and encourage investments and new business opportunities through incentives, favourable taxes, and rebates. REALpac firmly believes that when government and business work in unison, the country reaps the rewards.

### **3. Demographic Change**

*What specific federal measures do you think should be implemented to help the country address the consequences of, and challenges associated with, the aging of the Canadian population and of skills shortages?*

### **4. Productivity**

*With labour market challenges arising in part as a result of the aging of Canada's population and an ongoing focus on the actions needed for competitiveness, what specific federal initiatives are needed in order to increase productivity in Canada?*

### **5. Other Challenges**

*With some Canadian individuals, businesses and communities facing particular challenges at this time, in your view, who is facing the most challenges, what are the challenges that are being faced and what specific federal actions are needed to address these challenges?*