CANADIAN HOME BUILDERS' ASSOCIATION BRITISH COLUMBIA

Leading Advocate of the Residential Construction Industry in BC

CHBA BC Statement on Anti-Money Laundering Reports and Public Inquiry

24 May 2019. Burnaby, B.C. - The Canadian Home Builders' Association of BC (CHBA BC), and its 2,100 member companies across the province, are committed to a high level of professionalism in the industry. CHBA BC accordingly supports the government's review into money laundering, the public inquiry, and any follow up deemed necessary to bring an end to money laundering in this province.

The Association views money laundering and the underground economy very seriously. Such illegal activity can distort housing markets and harms the interests of both our industry, and consumers. More specifically, money laundering, along with other factors such as undersupply of new homes, can contribute to elevated home prices. Our industry believes that housing markets work best when not subject to such distortions.

In the past few months both CHBA BC and CHBA National met with and provided support to Dr. Peter German and the Expert Panel on Money Laundering. We are pleased that CHBA BC's written submission was positively referenced by Dr. German in his report, where he notes "CHBA BC provided some very helpful ideas with respect to dealing with the underground economy and other matters." CHBA BC intends to share these ideas as part of its submission to the provincial Budget 2020 consultations.

At the national level, CHBA has worked with FINTRAC, Canada's national anti-money laundering agency for many years to improve our country's system for detecting and reporting illegal financial transactions. In addition, CHBA operates a homeowner-focused *Get It In Writing!* campaign to educate homeowners on the risks of cash-only deals and the underground economy in general.

CHBA BC will be following up with the Ministry of Finance on the specific recommendation to "require that real estate developers be licensed under a regulatory regime designed specifically for that segment of the real estate industry within the Real Estate Services Act". CHBA BC members and the public will benefit from greater understanding of how this recommendation will affect the existing licensing requirements new home builders must follow under BC Housing. In addition, how it would apply if a developer contracts all of their new home sales to a licensed realtor - a mechanism that is already recognized under current FINTRAC reporting requirements.

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To arrange an interview with CEO Neil Moody, please contact:
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About the Canadian Home Builders' Association of BC
The Canadian Home Builders' Association of BC is the leading advocate of the residential construction industry in British Columbia representing more than 2,100 members through an affiliated network of nine local home building associations located throughout the province. The industry contributes over $25 billion in investment value to British Columbia's economy creating 200,000 jobs in new home construction, renovation, and repair - one of the largest employers in British Columbia.