



**FOR IMMEDIATE RELEASE
CNW CODE 01 + WEEKLIES**

Minister Nicolas Marceau Suggests the Federal Government Be Cautious Regarding Mortgage Rules

Montréal, November 18, 2013 – On the occasion of his speech at Rendez-vous avec l'Autorité 2013, an event organized by the Autorité des marchés financiers, the Minister of Finance and the Economy, Nicolas Marceau, today suggested that the federal government should exercise caution in deciding whether or not to tighten mortgage rules.

The Minister of Finance of Canada, Jim Flaherty, has suggested recently that he was considering implementing a fifth set of measures to contain rising housing prices. "Québec's housing market is balanced at this time. Further tightening of mortgage rules could have adverse consequences on the market and on Québec's economy," Minister Marceau pointed out.

He stressed that residential construction spending accounted for approximately 7.0% of Québec's GDP. Currently, all available data show that Québec's housing market is in equilibrium. For example, from January to October 2013, the average price of existing homes has barely moved, changing -0.2% compared to the same period in 2012. In addition, pressure on prices should remain limited in the coming months given that the resale market is currently in equilibrium.

"These data indicate that Québec's residential sector does not need new measures to curb it, unlike other Canadian markets that show signs of overheating, such as Toronto and Vancouver. I suggest that Mr. Flaherty avoid implementing pan-Canadian policies that could negatively affect certain markets, including Québec," the Minister concluded.

- 30 -

Source: Mélanie Malenfant
Assistant Chief of Staff and Press Relations Officer
Office of the Minister of Finance
and the Economy
418 643-5270
514 873-5363