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JUL 17 2012

Lieutenant-Colonel J.M.S. Larouche
Director,
Compensation and Benefits Administration
National Defence Headquarters
Major-General George R. Pearkes Building
101 Colonel By Drive
Ottawa ON K1A 0K2

Dear Lieutenant-Colonel Larouche:

**RE: DEPRESSED MARKET ASSESSMENT – BON ACCORD, ALBERTA,
CANADIAN FORCES 7209-97 (DCBA)**

The Canadian Forces requested that Treasury Board of Canada Secretariat consider Bon Accord, Alberta for designation as a depressed market area as specified in article 8.2.13 of the Canadian Forces Integrated Relocation Program (CFIRP) Directive 2009. The designation of Bon Accord, Alberta as a depressed market would authorize the Canadian Forces to reimburse Major Brauer, and potentially other similarly affected Canadian Forces members, up to 100% of the loss on the sale of his home in 2010.

The review of Bon Accord for designation as a depressed market has been completed. For the purposes of the review, Bon Accord was considered to be part of the Edmonton metropolitan area. In conducting the review, all of the information provided was considered, as was information collected from the media, the Provincial government, the Municipality and Statistics Canada.

Although Major Brauer personally lost more than 20% on the sale of his home, the average home cost in the Bon Accord/Edmonton area for all homes only declined by 2.9% between 2007 and 2010. This indicates a market adjustment from an inflated market to a more stable, balanced market and falls far short of the 20% threshold necessary for a market to be designated as depressed as articulated in the CFIRP Directive.

Analysis of all of the data for the period in question, including economic indicators such as unemployment statistics and housing starts, indicate that the economy in Bon Accord was stable and the housing market was balanced. Accordingly, the Treasury Board Secretariat in its capacity as Program Authority for the integrated relocation program has determined that Bon Accord, Alberta shall not be designated as a depressed market for 2010.

Finally, I would like to apologize for the time that it has taken for us to respond to this request. Steps have been taken to ensure that future requests will be treated on a timely basis.

Should you have any questions about this decision, please do not hesitate to contact me at (613)957-9678.

Yours sincerely,



Edith Kehoe
Senior Director
National Joint Council Support and
Union Engagement
Compensation and Labour Relations