

New Zealand visitor

New Zealand Deputy Prime Minister Brian E. Talboys (also Minister of Foreign Affairs and Minister of Overseas Trade) visited Ottawa January 29 and 30, following meetings in Brussels, London and Washington D.C. He met with several Canadian ministers to discuss multilateral trade negotiations and other topics of interest to both countries, including bilateral issues.

Cosmos claim presented to U.S.S.R.

Secretary of State for External Affairs Don Jamieson has presented to the Ambassador of the Union of Soviet Socialist Republics Canada's claim for compensation for damage caused by the break up over Canadian territory of the Soviet *Cosmos 954* satellite on January 24, 1978.

Extensive search and recovery operations were undertaken by the Department of National Defence and the Atomic Energy Control Board to locate and remove hazardous radioactive debris. Canada's claim is in the amount of \$6,041,174.70, representing those costs of operation which would not have been necessary had the satellite not entered Canadian territory.

The Department of External Affairs expects to enter into diplomatic negotiations leading to the settlement of the claim.

Bravery decorations

The Star of Courage has been awarded to Denny Andrews, 18, of Acton, Ontario, who saved two youngsters from drowning after they fell through thin ice while skating near their home in Point Leamington, Newfoundland. Firemen had been unable to reach the pair of young cousins.

Government House, which recently announced the award, also named eight recipients of the Medals of Bravery for acts of heroism.

The Governor General will present the decorations to the recipients at a Bravery Investiture to be held at Rideau Hall.

Three decorations for bravery exist in Canada: the Cross of Valour, the Star of Courage and the Medal of Bravery. Since they were first created seven years ago, 347 persons have received them.

Changes in National Housing Act include subsidies for low income housing

A bill that will alter the name of Central Mortgage and Housing Corporation to Canada Mortgage and Housing Corporation and which modifies low-income housing programs and community services under the National Housing Act, was introduced in the House of Commons by Urban Affairs Minister André Ouellet in December.

Payment of subsidies to groups prepared to provide housing to people with low incomes is authorized under the new legislation, including private, provincial or municipal non-profit housing corporations.

Sponsors of housing for senior citizens and low-income families will now obtain full financing from private lenders. The Federal Government will provide increased subsidies equivalent to a reduction in the rate of interest payable on these loans to as low as 2 per cent.

Mortgage insurance

The bill also provides, for the first time, that NHA mortgage insurance will be available for the purchase or improvement of existing rental properties. Existing non-residential buildings which can be converted for housing purposes will also qualify for assistance. Previously such insurance was available only for the construction of new properties.

In addition, private loans made to non-profit housing corporations covering up to 100 per cent of the value of such projects will be eligible for mortgage insurance under the National Housing Act.

The bill extends the mortgage insurance provisions in a number of other programs, as well, to encourage private investment in housing and to give effect to budget-reducing measures which were announced recently.

Loans made by a provincial government or guaranteed by a provincial government, for purposes of the Act will be exempt from the insurance fee.

The bill will also allow the federal housing corporation to increase from \$25 billion to \$40 billion the limitation on the total amount of all loans for which insurance can be issued.

Rehabilitation assistance

The new bill provides NHA insurance for landlords seeking to rehabilitate their rental properties. CMHC direct loans and

subsidies based on income will continue to be available under the Residential Rehabilitation Assistance Program to individual home-owners. Co-operative housing groups and non-profit associations will also be eligible for RRAP assistance. The bill will remove all restrictions in areas where the program applies, whereas the program was previously restricted to designated areas. The bill also removes the \$500-per-unit limitation on subsidies available for the rehabilitation of hostel or dormitory type accommodation.

Native housing and co-operatives

The bill provides for the first time that loans made to Indians living on reserves — either individuals, groups of Indians or band councils — may be insured to help buy, improve or build housing on the reserve. With the consent of the Minister of Indian Affairs and Northern Development, private loans to such persons under the RRAP program may also be insured.

The bill eases the constraints on private, insured lending to co-operatives. Up to now, private loans for co-operative housing projects could not be insured unless CMHC was satisfied that at least 80 per cent of the housing units would be occupied or owned by members or shareholders of the co-operative. The provision will be modified to reduce this requirement from 80 per cent to "a majority".

Graduated payment mortgage

The bill modifies the Graduated Payment Mortgage Program, in providing that where a borrower defaults on the repayment of a GPM insured loan made by an approved lender, CMHC may take over the loan and make a quick settlement with the lender.

Community services

The bill seeks to amend the National Housing Act to allow for a Community Services Program which will assist provinces and municipalities to provide improved public services. The program will start in 1979 with a funding level of \$150 million. As of January 1, 1980, it will increase to its long-term level of \$250 million.

The change of name to Canada Mortgage and Housing Corporation is intended to identify more clearly the corporation as an agency of the Government of Canada.