

Government Orders

East and in some of the comments I made regarding specific programs in terms of the RRAP program.

In conclusion, I reaffirm my support for the RRAP program. I reaffirm my support for the minister responsible in terms of possible additional moneys he might be able to obtain in furthering the objectives of that program, and lessening the restrictions which have been placed on that program, urban versus rural.

I speak in somewhat of a selfish manner if I may, but I think I have a duty and an obligation on behalf of those constituents that I represent to inform the minister and to inform this House that I have a large number of constituents who wish to avail themselves of the RRAP program, but because of the restrictions which have been placed by Canada Mortgage and Housing do not have that opportunity.

I hope that the minister would give serious consideration, if not during second reading but at Committee of the Whole as well as third reading stage to at least entertain the possible intention of going back to cabinet. Perhaps the Minister of State for Small Businesses may have a change of mind and lend his support, as well as the Minister of Communications, to get the necessary kinds of dollars that all of us in this House need.

I congratulate my colleague from London East who has carried the can on this particular bill, Bill C-82, as well as on the housing needs of Canadians for quite some time.

Motion agreed to, bill read the second time and, by unanimous consent, the House went into committee thereon, Mr. DeBlois in the chair.

[*Translation*]

The Assistant Deputy Chairman: Order. House in committee on Bill C-82, an act to amend the Canada Mortgage and Housing Corporation Act and the National Housing Act and to amend another act in consequence thereof.

[*English*]

Clauses 1 and 2 agreed to.

On Clause 3—

Mr. Joe Fontana (London East): Mr. Chairman, perhaps I could ask the minister a question with respect to clause 3(1) which will deal with 28(1)(d)(i) where it makes it possible for CMHC to incorporate subsidiaries subject to an Order in Council approval.

This as I understand it would have the effect of trying to implement fees for services authority under clause 49

as well as existing property development management authority, particularly a joint undertaking with others.

I was just wondering whether or not it is possible for CMHC to do that under its current formation as opposed to having to form a subsidiary company in order to do such undertakings.

• (2110)

Hon. Elmer M. MacKay (Minister of Public Works): Mr. Chairman, to my colleague opposite, this is really designed to deal with a situation like Granville Island, for example, in which it may be more expedient to deal with it in the form of a subsidiary organization. It is not meant to do anything radical to create a plethora of these organizations or anything like that and it may not really be something that is used a great deal. It is more an enabling situation.

Hon. Alan Redway (Don Valley East): Mr. Chairman, since the minister has raised the issue of Granville Island, I would like to ask him whether it would be the intention of CMHC and the government to incorporate a separate body and transfer Granville Island to that separate organization and then privatize Granville Island.

Mr. MacKay: I know of no intention at this time to do that. If the hon. member is making such a representation I will take it under advisement. However, it is not something that CMHC has any immediate plans to do.

Clause 3 agreed to.

On Clause 4—*Profits credited to fund*

Mr. Joe Fontana (London East): Mr. Chairman, I would like a clarification again from the minister with respect to clause 4 which has amendments to the CMHC Act, section 29(2). This is a housekeeping amendment that authorizes CMHC to set aside money to cover future losses. I take it those losses are with respect to any losses in the mortgage insurance fund. This is technical and clarifies that authority.

I am wondering if the minister would care to comment on the need for this additional authority and whether it will stop the government from raiding CMHC of the surplus in its mortgage insurance fund as it did this year to the tune of \$55 million just before the end of the fiscal year in order to make its deficit books look a little better. The needs of the corporation are not as well served as they could be when it is requiring CMHC to set aside moneys to cover future losses. Having said that it turned around and raided CMHC of \$55 million in surpluses.