

Adjournment Debate

Canadians but will also be consistent with our international obligations.

I hope this additional information will be satisfactory to the member.

UREA FORMALDEHYDE FOAM

Mr. John Finlay (Oxford): Mr. Speaker, on June 1 I put a question regarding urea formaldehyde foam and I would like to put on record a little bit of the investigation that I have undertaken in this regard.

I am interested in this because a constituent has been having some trouble selling a home with urea formaldehyde foam in it.

I contacted Canada Mortgage and Housing Corporation and was assured that whether a house had UFFI foam, as it is known, in it or not made no difference to their loaning money or insuring such a mortgage. I was told that the banks take a similar view. However, apparently some real estate boards in their agreement to sell a home require that it be stated if the home has urea formaldehyde foam in it. This has caused my constituent and others some concern.

I might just review very quickly that this insulation was approved in Canada for use in exterior wood frame walls. It has a good "R" value and in fact under the Canadian Home Insulation Program in 1975 to 1978 the government paid \$500 to home owners who would install this insulation.

Apparently during the curing process, some formaldehyde comes off the cure. Formaldehyde is colourless, with a strong odour and can generally be detected at parts above one part per million. Unfortunately, formaldehyde is found in dry cleaning chemicals, paper products, no iron fabrics, diapers, pillow cases, the glue in particle board and plywood, cosmetics, paints, cigarette smoke, exhaust from automobiles, gas appliances, fireplaces and wood stoves. It may well be that some of the crimes attributed to urea formaldehyde foam arise from other household products.

The irony of the situation is that the federal government banned this insulation in 1980 and then spent \$272 million in the ensuing seven years to assist home owners in replacing urea formaldehyde foam at a cost of \$8,500 per home.

• (1905)

A further irony is that the longest civil suit in Canadian history ended on December 13, 1991, when Mr. Justice Rene Hurlbise from the Quebec Superior Court handed down a decision saying that the owners of the homes who brought the case had failed to prove that UFFI had made them sick, offered no proof that UFFI should be removed and did not prove that leaving UFFI in place reduced the value of their homes. This

finding has been echoed by pathologists and many others who have tested these homes.

I will conclude with the conclusion from a report by Carson Dunlap and Associates Limited, consulting engineers, that says: "We believe that those who have urea formaldehyde foam insulation in their homes should enjoy their houses and sleep well at night. It is the sincere hope of the authors that the marketplace will respond appropriately. The owners of properties with this type of insulation should not be penalized financially and no stigma should be attached to these homes. We would further urge real estate associations and boards across Canada to consider dropping the UFFI clause from purchase contracts. Similarly, we would ask mortgage lenders not to penalize those who have UFFI in their homes. UFFI is simply not the problem it was once feared to be".

I would hope that the minister would be able when the current appeal which I believe is in process happens that we could get this matter sent to rest.

Mr. Mac Harb (Parliamentary Secretary to Minister for International Trade): Mr. Speaker, it is my pleasure to rise in the House and address the issue of urea formaldehyde foam insulation and in particular its effect on market value of homes insulated with UFFI.

As my hon. colleague pointed out, during the 1970s many homes were insulated with UFFI. Let me assure everyone that no Canadian whose home has been insulated with UFFI has been denied mortgage insurance from Canada Mortgage and Housing Corporation. In fact during the past few years homes insulated with UFFI have been trading on a regular basis.

I would also like to point out that for the past year a UFFI declaration has not been required for the purpose of obtaining mortgage insurance under the National Housing Act. Through mortgage insurance CMHC provides Canadians with equal access to mortgage financing anywhere in Canada.

I would further like to add that the fact that CMHC is providing mortgage insurance on homes that have contained UFFI even though remedial action has been taken has helped to minimize any negative perceptions.

As my hon. colleague may know, the six UFFI cases determined by all of the parties involved to be representative of all the issues at stake are still before the Court of Appeal of Quebec. An appeal date of September 11, 1995 has tentatively been scheduled. I would further point out that in their factum the plaintiffs have removed all their claims related to health.

My apologies for my voice, Mr. Speaker. I had my tonsils out.

MAGAZINE INDUSTRY

Mr. Simon de Jong (Regina—Qu'Appelle): Mr. Speaker, I wish to raise again the question I had raised some months ago