

Government Orders

[Translation]

Some have suggested that the government should get out of the business of mortgage loan insurance and leave it to private industry. But it is important to know that, without CMHC providing mortgage insurance, Canadians would be forced to deal with a private sector monopoly, which would result in higher prices and fewer choices.

We must also bear in mind that the NHA mortgage loan insurance provides Canadians with equal access to mortgage insurance in whatever part of the country they live in.

GE Capital Mortgage Co, our competitor, does not provide similar services in 18 areas in the country. Competition is the best way to keep prices at the lowest possible level to encourage innovation in the mortgage industry to meet the changing needs of Canadian consumers.

[English]

It has been suggested that CMHC should get out of the mortgage loan insurance business and leave it to the provinces. I would like to point out that the federal government has a constitutional responsibility for banking and finance. CMHC mortgage insurance and guarantee are a demonstration that the federal government is fulfilling this responsibility.

Without CMHC, there would be a federal policy vacuum in the system of housing finance. The result would be unequal access to home loans across the country. Furthermore, borrowers of modest means could pay more for low down payment mortgages or have no access to financing altogether. Housing constitutes an engine of economic growth responsible for creating many thousands of jobs and business opportunities in communities across the country.

Housing accounts for about 7 per cent of the world's domestic product, over half of all construction and one out of every 12 jobs in Canada. House construction and renovations create jobs and business opportunities. For every \$100 million of construction spending, 2,310 person years of employment are created on site and in directly related supply and service industries.

The federal government through CMHC has been providing national mortgage insurance for four decades in Canada. CMHC has remained a significant player throughout this time with a mandate from the federal government to provide mortgage insurance to support loans to all Canadian homebuyers regardless of where they live in Canada at the smallest feasible down payment and the lowest feasible cost.

In conclusion, today the private housing market is able to meet the housing needs of the vast majority of Canadian households. There is no doubt that CMHC's mortgage loan insurance has played a critical role in that achievement.

[Translation]

Mrs. Christiane Gagnon (Québec, BQ): Mr. Speaker, I rise in this House today to participate in this debate on Bill C-108 to remind the hon. members how important social housing is.

Social housing is an issue of great concern to me because I know how much some of the people in my riding who are living under the poverty line—50 per cent of the people in my riding are living under the poverty line and 28 per cent are on welfare—rely on social housing.

That is why, in April 1994, I presented in this House a motion requesting that several major measures be initiated, such as entering into agreements with the Government of Quebec to reactivate the co-operative housing program, putting in place a rental housing renovation assistance program and restoring the public housing program, and that Quebec oversee, of course, every aspect of these programs.

• (1815)

In response to that motion, government members assured me that social housing was a laudable and important principle. In particular, the parliamentary secretary to the solicitor general told me, with a hand on his heart, about the great co-operation between Quebec and its big brother, the federal government. He even criticized me, sardonically, for asking that the province be given back the moneys allocated to social housing, given the harmony that prevailed.

Nothing is settled yet. Worse still, particularly for a government elected on the basis of its commitments to social justice and dignity, nothing was even done. Nothing at all. As we say, nothing not. Sure, the nice principles remain nice. They are still used occasionally to illustrate the virtues of certain policies, particularly federal ones. We no longer believe them. But, for my constituents, for other Quebecers, and even for Canadians, nothing has changed.

Figures do not lie. They do not indulge in nice rhetoric. They do not wax eloquently on noble feelings. Figures are there and they tell the story. What do they tell us or, rather, what do they keep telling us? They tell us that nothing has changed. Last year, the federal government did not build a single social housing unit. This year, it is a repeat performance, zero. You heard me right, zero. The federal government is no longer involved in building social housing units. It is content to express noble feelings.

Figures also tell us that, from 1989-90 to 1993-94, Quebec received barely 19 per cent of the total money spent by the CMHC. Yet, 25 per cent of the country's population live in Quebec. Moreover, during that same period, Quebec accounted for close to 30 per cent of Canadians living in inadequate dwellings.