

*Oral Questions***FEDERAL MORTGAGE EXCHANGE CORPORATION**DATE OF COMMENCEMENT OF OPERATIONS—NAMING OF  
PRESIDENT

**Mr. John Reynolds (Burnaby-Richmond-Delta):** Mr. Speaker, I wish to direct a question to the Minister of Finance with regard to the long promised Federal Mortgage Exchange Corporation. Will the minister advise whether this corporation will commence business on April 1, 1976, as promised by the government? If not, why not?

**Hon. Donald S. Macdonald (Minister of Finance):** Mr. Speaker, we anticipate it probably will not do so. The principal reason for the delay is that we have had meetings with people familiar with the current secondary market for mortgages in the private sector to discuss ways in which the instrument might be used. These are not yet completed. Given the nature of the market and the demand for setoff mortgages as investments, particularly by pension and trust funds, we hope to be able to work out an effective regime through which the corporation will be an instrument for achieving this.

**Mr. Reynolds:** Will the minister advise the House whether his department has advertised in any of the newspapers in Canada for a president of that corporation and whether he has interviewed anybody through other means?

**Mr. Macdonald (Rosedale):** Mr. Speaker, we have not advertised by newspaper, although representatives of my department have talked to a number of individuals in this context.

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**POST OFFICE**CHANGE IN CRITERIA FOR ESTABLISHMENT OF LETTER  
CARRIER SERVICE

**Mr. Paul Dick (Lanark-Renfrew-Carleton):** Mr. Speaker, my question is to the Postmaster General. It is supplementary to that asked by the hon. member for Restigouche. Until now, the number of postal drops necessary for a community to qualify for letter carrier service has had to be 2,000. I understand the restraint program has put a postponement on the introduction of new applications over 2,000. However, the minister's reply indicated a new criteria. Has the number of postal drops been increased before consideration will be given to door-to-door delivery, or is it just that this is being postponed temporarily?

**Hon. Bryce Mackasey (Postmaster General):** It is a combination, Mr. Speaker. We have postponed temporarily the introduction of new postal walks. We have also weighted a little more heavily the question of density which has, as the hon. member can well understand, an appreciable effect on how many letter carriers and backup staff we would have to hire if we remained with the old criteria.

[Mr. MacEachen.]

**INDUSTRY**CLOTHING—GOVERNMENT ACTION ON REPORT OF TEXTILE  
AND CLOTHING BOARD ON COLD WEATHER CLOTHING

**Mr. Bill Clarke (Vancouver Quadra):** Mr. Speaker, I have a question for the Minister of Industry, Trade and Commerce. Since the recommendations made by the Textile and Clothing Board concerning the impact on Canadian manufacturing of low cost imports of cold weather clothing were submitted to the minister on February 16, and since it will soon be time to place orders for the next cold season, what action will be taken on the report. Will the government be deciding that it is still interested in keeping labour intensive secondary industry in Canada?

**Hon. Donald C. Jamieson (Minister of Industry, Trade and Commerce):** Mr. Speaker, I had a very lengthy and productive meeting on Friday with the representatives of the textile industry. We discussed the whole question of low cost imports. A number of steps have been set in motion. There will be discussions between my officials and spokesmen for the industry. I have also asked the Textile and Clothing Board to give me some specific recommendations as to how present arrangements may be changed. A number of other steps have been launched as well. The hon. member will find that the textile representatives present felt that the meeting was productive. I hope that before the snow flies again, if it ever stops flying this time, we will have some answers to these very important questions.

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[Translation]

**HOUSING**EFFECT OF IMPLEMENTATION OF MONTREAL REPORT ON LOW  
RENTAL UNITS—GOVERNMENT POSITION

**Mr. Armand Caouette (Villeneuve):** Mr. Speaker, my question is directed to the Minister of State for Urban Affairs.

Could the minister tell the House whether he read a report by the Montreal economic research and development board on a program to favour building rental houses through Central Mortgage and Housing Corporation loans? If so, could he comment on the conclusions of this study that this loan program will degenerate into an outbreak of bankruptcies in about a decade when the owners will have to retire the loans and increase their rents to reimburse the Central Mortgage and Housing Corporation?

**Mr. Jean-Robert Gauthier (Parliamentary Secretary to Minister of State for Urban Affairs):** Mr. Speaker, the hon. member should be more explicit on the report. I have no precise information to give on a report concerning a person whose name is not mentioned.