

Government Orders

lion in business taking the total of insurance in force to some \$58.3 billion.

The federal government has been looking into creative ways to attract new sources of funding to respond to the housing needs of low to moderate income Canadians.

Mr. Speaker, I understand that there may have been an arrangement concluded since I began to speak that would involve proceeding through all stages of the bill tonight. If this is the case, I will conclude and simply thank the members from London East and Edmonton East for their understanding in consenting to this rather summary and cursory way of proceeding with this important legislation.

I know that this was not the original intent. I also know that my colleagues opposite had to interrupt important business to come back and facilitate this measure. It is important to Canadians. It is important to the agency and I want to thank them very much for their flexibility.

Mr. Joe Fontana (London East): Mr. Speaker, I thank the minister for those kind remarks. We are trying to facilitate the workings of the House and to deal with legislation that is important to this House and to this country.

Let me take a few moments to speak to this bill. I am glad to have the opportunity to speak on Bill C-82, an act to amend the Canada Mortgage and Housing Corporation Act and the National Housing Act. Both of these acts have a long history in this country and have played a crucial role in the development of housing and the promotion of home ownership for all Canadians.

The federal government made excursions directly into the housing sector when a shortage of accommodation occurred during the Second World War which created some difficulties. In response to this crisis, the government created a Crown corporation, the Wartime Housing Corporation, with a budget for communities where a shortage of housing retarded defence projects.

After the war, in an effort to provide housing for returning soldiers, the federal government transferred the assets of the old Crown corporation to the newly created Central Mortgage and Housing Corporation.

Now called the Canada Mortgage and Housing Corporation, CMHC was legislated to administer the National Housing Act of 1944. This included the administration of

loans for housing and the construction of public housing. As the economic circumstances of Canada changed throughout each decade so did the housing needs of Canadians.

Through amendments to both the acts, the House of Commons addressed these challenges and tackled Canada's housing problems.

In 1949 the NHA was amended to provide social housing for Canadians in need through cost-shared programs between the federal government and the provincial governments.

• (2000)

In 1954, the federal government changed the Bank Act and the CMHC Act and replaced direct lending with a mortgage loan insurance program which provided the foundation for the private mortgage market in Canada.

In 1964, the acts were further amended to address the problems of urban renewal and rapid population growth in urban centres. In the 1970s and 1980s, rapid inflation changed housing affordability forever, as we all know. The price of a home increased over 200 per cent in some areas of the country. In the communities in and around Toronto a family now needs an annual income of approximately \$60,000 to afford the average starter home. In the Vancouver area, the income required is about \$50,000 a year for that starter home. In my home city of London, Ontario, you need an average income of \$42,000 in order to afford a starter home.

Under these tough economic conditions, CMHC has had to adapt to meet the changing requirements of Canadians looking to buy their first home as well as needy Canadians trying to afford the ever-increasing cost of rental accommodation. Canada Mortgage and Housing Corporation has successfully manoeuvred these difficult economic obstacles. Within the confines of the limitations imposed by this government, it has delivered programs across the country.

In 1988, the then Auditor General, Kenneth Dye, named CMHC as one of the eight shining examples of high-performing organizations within the Canadian bureaucracy. As well, in 1988 CMHC was surveyed by an international management consulting firm which found it to have a high level of employee satisfaction. More recently it was listed in the publication called *The Hundred Best Companies to Work for in Canada*.