

**The Acting Speaker (Mr. Paproski):** It being 4 p.m., the House will now proceed to the consideration of Private Members' Business as listed on today's Order Paper.

## PRIVATE MEMBERS' BUSINESS--MOTIONS

[English]

### HOUSING

#### ADVISABILITY OF ESTABLISHING NATIONAL MORTGAGE CORPORATION

**Mr. Ernie Epp (Thunder Bay—Nipigon)** moved:

That, in the opinion of this House, the Government should consider the advisability of establishing, with the provinces, a National Mortgage Corporation, financed through contributions paid into the Canada Pension Plan.

He said: Mr. Speaker, may I note that it is three minutes past four o'clock and the 10 minutes allotted to me will expire at 13 minutes after four o'clock.

The proposal which I have the pleasure of putting forward this afternoon is a proposal to establish a National Mortgage Corporation which would be financed by using the premiums which Canadians pay into the Canada Pension Plan. My intention with this proposal is to have the Government consider the possibility of establishing such a National Mortgage Corporation as a basis for a sound housing policy for Canada.

We have experienced in these last years astonishing fluctuations in interest rates. At the moment I confess, and I do it with pleasure on behalf of Canadian homeowners and buyers, that interest rates are at a very happy level.

**Some Hon. Members:** Hear,hear!

**Mr. Epp (Thunder Bay—Nipigon):** I am always astonished at how members of the Government take credit for good news while never accepting any of the blame for bad news. High unemployment rates in various parts of the country and so on are presumably the fault of the Government too. It is international developments, particularly the difficulties in which the U.S. Government finds itself, that have produced low interest rates. I do not think there is anything the Canadian Government has done that is responsible for the low mortgage rates that prevail these days. That is why I am surprised the Government is taking credit for this particular piece of good news.

Interest rates fluctuated very, very sharply in the first years of this decade. We had rates that were very, very difficult for Canadians to meet. In many parts of the country people lost their homes and had to give up mortgages. It was very difficult for people to enter the housing market, for people to move from being tenants to buying homes. It is in recognition of that kind of problem that I put forward this proposal to put Canadian housing policy on a sound basis to provide funds on a regular basis at steady interest rates, which the Government would set at reasonable levels in recognition of the importance

### *National Mortgage Corporation*

of housing to Canadians. This would have several happy results. It would obviously reduce, if not end, the kinds of disruptions that people experienced in the early 1980s. It would ensure that people were able to finance their mortgages, meet interest payments, pay off the principal and pay off their mortgages. People would be able to keep the homes they were buying. It would make it possible for others to consider buying homes much more easily than is now the case. It would have happy results, not just for those Canadians who want to buy homes, but also for those who are involved in construction and want the jobs, the important good jobs that can be obtained in the construction industry. It was those problems of unemployment that so many of my constituents experienced, which I discovered graphically when I was calling on them in the spring and summer of 1984, that made me think about the possibilities of doing something like this.

It seems to me that it is only by provisions of this sort that we will achieve the kind of regularity of conditions, the predictability of conditions required, to make the construction industry as efficient as it needs to be on the supply side for being able to provide homes, and for contractors to be able to carry on with all the efficiency of regular operations. Only by these means are we going to ensure that Canadians are able to acquire better housing, more space, more comfortable arrangements of which they dream, the kind of living conditions people need to raise families in happy circumstances.

Space makes an enormous difference. The quality of housing needs improvement. By putting the construction industry in Canada on an efficient basis and by putting housing on a sound basis through such means as this, we can make a real contribution to the living conditions of many Canadians.

But how can we do this, Mr. Speaker? That is where the proposal to finance this corporation comes in. It could easily operate within the orbit or under the umbrella of the Canada Mortgage and Housing Corporation and the Government could consider the possibility of using Canada Pension Plan contributions to provide the capital required. Canada Pension Plan contributions are made regularly by Canadians, generally month by month. They represent a very large in-flow of money. By the end of the current fiscal year, the Department of National Health and Welfare expects that Canada Pension Plan investments will be near \$33 billion. That is a great deal of money and is an indication of what might be available if a National Mortgage Corporation were able to use these funds from the outset. But the federal Government agreed with the provinces that the moneys paid in in the various provinces of Canada would be available to the respective province for it to use for its own purposes. In province after province this money has been used for public investment purposes. I have no criticism to make of those plans in any general terms. The social investments of the provincial Governments are certainly important. But there are a couple of aspects of this situation that make this a sound proposal to consider. Provincial Governments could, I think, find their capital needs in the financial markets of our country. We are sometimes told that