

*Housing*

it is usually more acceptable for the public to find out things first-hand rather than by rumours. People like to be made aware of the implications of such programs, especially when they are subsidized by taxpayers' money.

Canada is facing severe economic problems right now, and a housing shortage is one of the aspects of the poor state of the economy. The latest budget did little to help Canadians, many of whom continue to struggle in an uphill battle to get ahead. There is a need for federal programs and assistance to get the economy moving again. There is also the need for a comprehensive housing policy to aid various levels of Canadians struggling to acquire or maintain shelter. Such policies must realize the seriousness of the problems facing the country when hardworking families are having a hard time keeping their homes. Programs must be assessed and reassessed to take into account the problems, needs and concerns of all Canadians if they are to be effective and respected in practice. Thank you, Mr. Speaker.

● (2140)

[*Translation*]

**Mrs. Céline Hervieux-Payette (Parliamentary Secretary to Solicitor General):** Mr. Speaker, I appreciate having this opportunity to speak before the House this evening, especially after publicly announcing my interest in the construction industry this weekend. In fact, I should like to point out that although my colleagues from central and eastern Montreal and I may have asked the Prime Minister (Mr. Trudeau) to add further measures to assist the construction industry, our request to the Prime Minister should not be interpreted as a criticism of the bill now before the House, which has my full support.

To me, this bill is extremely important for the operation and administration of the mortgage insurance fund. It will help the government and the Canada Mortgage and Housing Corporation to be more effective in the area of public mortgage insurance. However, I should like to focus on the social aspects of the bill. Bill C-89 is important because it deals directly with two urgent social problems, namely, renewal of mortgage loans and rental accommodation. The bill is also a tool for dealing with other social problems. It enables the Canada Mortgage and Housing Corporation to facilitate the provision of mortgage loans that are adapted to periods when mortgage rates fluctuate considerably. These loans offer greater security with respect to monthly payments, so that people can still consider purchasing a home as a way of increasing their security and providing for their retirement years.

The bill will help to ensure that the mortgage funds required in the long term will be available on the market. I agree with the minister that the bill does not reproduce all his plans for the housing sector. It is a start in the right direction, but again I agree with the minister that we must go further and deal with the problems of rural and native housing and low-income tenants. In fact, in a few weeks I shall be celebrating, with the

people of my constituency, to mark the acquisition of several hundred co-operative housing units by the citizens of the riding of Montreal-Mercier. We have here a federal government program that is helping low-income people to become home owners. Mr. Speaker, it would not be fair to hold up this bill too long because of the provisions it does not contain, since the minister has clearly indicated his intention of dealing with other problems in due time. Members will recall that the decision to set up the plan was first announced in the budget speech by the Minister of Finance (Mr. MacEachen) on November 12. In fact, the previous speaker was asking the minister to elaborate on the programs. Mr. Speaker, I feel that those who attend the proceedings of this House have several times witnessed the indignation and outrage shown by opposition members when the minister made his announcement, and this evening, the same members are asking us to announce the details of these programs. So, Mr. Speaker, what else can I do, except commend a bill aimed at helping our fellow citizens. The first aspect of the bill, Mr. Speaker, is a security provided by the government to those lenders willing to allow home owners with liquidity problems to delay payment of the interest on their mortgage loan. Would-be eligible home owners who must pay more than 30 per cent of the household's gross income in principal, interests and taxes and, as the case may be, half of joint condominium charges. Consequently, those people would have a substantial equity in their home, in that the home has a much higher value than the amount still outstanding on the mortgage loan. The above-mentioned plan will allow them to use their equity to solve their liquidity problems.

This arrangement is not available to everyone. Thus, individuals who do not have a substantial equity in their home, for example, the co-owners of a condominium unit whose value has decreased throughout the years could not resort to that solution. To those who only have a small equity in their home and who have to repay more than 30 per cent of their income in monthly payments, the plan provides a direct grant of up to \$3,000.

Mr. Speaker, I am aware that many hon. members have received letters and phone calls from their constituents who are anxious to know whether the plan would apply to their particular circumstances and how they could take advantage of it. Canada Mortgage and Housing Corporation officials who administer the scheme advise people to first contact their lenders. These lenders, I mean the banks, trust companies, credit unions, etc., which grant mortgage loans, are aware of the terms and conditions of the plan and have the application forms. They are ready to discuss this plan with their borrowers and help them decide whether they are eligible for the assistance provided by way of insurance or a grant, as well as fill out the application form. This form is then sent to a branch of the Canada Mortgage and Housing Corporation. CMHC officials advise me that they have already received a number of