

## Ottawa Journal vt David Tilson MP ? Liberal government?s changes to mortgage rules raises concerns

Home ownership is something to which thousands of Canadians aspire.

It's also something the Conservative Party of Canada believes should be supported. However, last October, the current Liberal government introduced changes, which make it more difficult for hard-working Canadians to qualify for a mortgage. The changes are removing the dream of home ownership from thousands of first-time home buyers and what's worse, is that the current government is now considering further changes. Such changes would have negative implications for rural communities and underscores this government's one-size-fits-all approach is not working, raising concerns for Canadians across the country.

In October 2016, the current Liberal government introduced changes that were meant to reinforce the Canadian housing finance system, including changing eligibility criteria for high-and low-ratio insured mortgages, including a mortgage rate stress test. The changes were designed to deal with rising housing prices in Toronto and Vancouver and were implemented without consultation. The results have not been successful. Sadly, these changes have made it much more difficult for first-time home buyers to obtain a mortgage. Moreover, they have hurt local mortgage brokers and credit unions in small towns and cities across Canada.

In early February, Parliament's Finance Committee heard testimonials from concerned groups across Canada. The message was clear: the measures introduced by the current government aren't working and should be rolled back. The measures were intended to address high prices in Toronto and Vancouver; however, this one-size-fits-all approach is instead hurting housing markets across the country.

It is regretful that Finance Canada is now considering further changes which will change the risk-sharing arrangements between lenders and the CMHC. Such changes would make it more difficult for small financial institutions to compete and make it more difficult in rural communities to obtain a mortgage.

Canada's mortgage rules are already considered among the strongest in the world, a fact that helped our economy weather the 2008 recession. Throughout that time, the Conservative government, under the leadership of then prime minister Stephen Harper, took steps to encourage, rather than discourage home ownership. It is interesting the current Liberal government, which professes to represent the interests of the middle-class, has placed considerable obstacles to this stratum of Canadian society in realizing the dream of home ownership and is now considering further obstacles. The Conservative Party of Canada believes the current Liberal government should roll-back their October changes and abandon plans to change risk-sharing in the future.

I encourage you to register your own concerns about the current Liberal government's changes to mortgage rules by contacting Finance Minister Bill Morneau. Minister Morneau may be contacted by e-mail at [bill.morneau@canada.ca](mailto:bill.morneau@canada.ca)

