



HOUSE OF COMMONS
CANADA

CONSTITUENCY OFFICE
4871 DELTA ST.
DELTA, B.C.
V4K 2T9
TEL: (604) 940-8040
FAX: (604) 940-8041
E-mail: cummins@dccnet.com

JOHN CUMMINS, M.P.
DELTA-RICHMOND EAST

OTTAWA OFFICE
ROOM 548 CONFEDERATION BLDG.
HOUSE OF COMMONS
OTTAWA, ONTARIO
K1A 0A6
TEL: (613) 992-2957
FAX: (613) 992-3589
E-mail: cummij@parl.gc.ca

April 12, 2005

Hon. Joe Fontana, P.C., M.P.
Minister Responsible for CMHC
House of Commons
Ottawa, Ontario K1A 0A6

Dear Minister:

Internal CMHC documents that became available to me under the *Access to Information Act* reveal CMHC was aware in 1981-82 there was a serious moisture problem causing "structural damage in housing across Canada," in particular in coastal British Columbia and Newfoundland.

There are estimates that more than 30 percent of new housing in British Columbia was likely to suffer serious damage.

CMHC had a responsibility to issue a warning to the public so that both existing owners of properties at risk and those that might purchase such housing would be aware of the problem. If CMHC had done so there is no doubt that builders would have quickly been forced to address the issue and home owners would have been equipped with the necessary information to address the looming problem.

Instead of informing homeowners, CMHC was silent. The documents show CMHC was more concerned with liability and defaulting mortgages than with the problem being suffered by homeowners. Confounding the problem, the documents reveal, was a National Energy Program initiative promoting faulty home insulation and construction practices.

CMHC had a responsibility to warn the public when it was advised of the problem in 1981. It failed in its public responsibility not because it did not understand the gravity of the problem but because of concerns about "politics", "liability" and "defaulting mortgages". There was nary a word of concern about the misery being faced by homeowners or future homeowners.

I am enclosing copies of these internal CMHC documents that show the corporation's culpability. After you have had an opportunity to personally review these documents I would ask that you let me know what actions you will be taking to address the failure of the Corporation to warn homeowners and potential homeowners of this looming problem.

Yours truly,

A handwritten signature in black ink, appearing to read 'John Cummins', with a long horizontal flourish extending to the right.

John Cummins, M.P.
Delta-Richmond East