



OFFICE OF THE PARLIAMENTARY BUDGET OFFICER
BUREAU DU DIRECTEUR PARLEMENTAIRE DU BUDGET

October 14, 2021

Ms. Romy Bowers, President and CEO
Canada Mortgage and Housing Corporation
700 Montreal Road
Executive Floor
Ottawa ON K1A 0P7

rbowers@cmhc.ca

Information Request: IR0610

Dear Ms. Bowers:

As you are likely aware, the Parliamentary Budget Officer (PBO) provides independent and non-partisan analysis to the Senate and to the House of Commons about matters related to the nation's finances and the economy, the estimates, certain other government documents, and the cost of proposals. In carrying out my mandate, I often require information held by government departments and Crown corporations and I am entitled to free and timely access – subject to limited exceptions – to such information under section 79.4 of the *Parliament of Canada Act*.

I am currently undertaking an analysis pursuant to paragraph 79.2(1)(b) of the *Parliament of Canada Act*, which mandates the PBO to prepare reports on matters of particular significance relating to the nation's finances or economy that are listed in an annual work plan.

For this analysis, I am requesting the following information:

- A breakdown of the number of mortgage insurance applications received and accepted by CMHC by loan-to-value ratio (with appropriate bins for 80% to 85%, 85% to 90%, and 90% to 95%) for the most recent fiscal year.
 - An estimate on how these numbers would be impacted if the maximum purchase price CMHC insured increased from \$1 million to \$1.25 million and/or if the insurance premium rate the CMHC could charge decreased.
- The average expenses incurred per dollar of mortgage insurance premium revenue for the most recent fiscal year.
- The average investment income that CMHC is anticipated to earn per dollar of mortgage insurance premium revenue from the most recent fiscal year.
- Information on the timing of when insurance premiums and the products of their investment are recorded as income, and when expenses occur, relative to when the mortgage insurance is issued.

- CMHC's forecasted market share by purchase price of home, in percentage terms of the total market, as well as in terms of the number of homes anticipated to be insured.

In order to provide the analysis to parliamentarians in a timely manner, I ask the information to be provided to my office no later than **November 16, 2021**. If access to the requested information cannot be granted by that date, a response must be provided as soon as possible.


Should you or your staff have any questions about this information request, the analyst responsible, Mark Creighton can be contacted directly at Mark.Creighton@parl.gc.ca, 613-795-1651.

Attached is a reply form. It too should be filled out and returned by October 29, 2021, whether or not you provide access to the requested information. Should you refuse to provide access to the requested information, you must provide a written justification for the refusal as required under section 79.41 of the *Parliament of Canada Act*.

The response letter will be posted on the PBO website and, therefore, it should not be marked "confidential". As well, the requested information should be attached separately. If this information is confidential, please clearly mark it as such, either on the electronic spreadsheet or the hard copy version.

Providing timely and effective analysis to the Senate and House of Commons and promoting greater budget transparency and accountability are the PBO's primary objectives. The degree to which this is possible depends, to a large extent, on free and timely access to quality information held by government departments. In doing so, you are assisting us in better serving the Senate, the House of Commons, and their members.

Yours Sincerely,



Yves Giroux

Parliamentary Budget Officer

c.c.: Antoine Brunelle-Côté, Privy Council Office, Assistant Secretary to the Cabinet, Liaison Secretariat for Macroeconomic Policy, Canada Mortgage and Housing Corporation

Attachment: Reply form for IR0610