Survey shows new financial policies still unknown to Canadians by Reyan Hunt

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Mortgage rules in Canada have changed but it is not known to half of the Canadians. This report was found after a survey was conducted to know about the knowledge of Canadians regarding financial changes. Now equity lenders can sanction loan of an amount of eighty percent, which was earlier eighty-five percent. The period of amortization has also been changed and now it has come to twenty-five years, which was earlier thirty. This change has lead to having less time for repaying the loan amount. The federal government has capped the dept ratio to a maximum level of one million dollars. The government insurance schemes have also faced some downfalls. In addition, mortgage ration is even on a downfall, which will hamper the chances of getting loans.

The federal government has announced these changes have been done because they want to induce the feeling of responsibility and effectiveness when people of Canada are about to buy a property. A survey was done by Pollara for Montreal Bank and the results stated that, only half of the families, which knew about the changes that occurred. Experts from the bank stated that, it has been two years since the bank is make announcement regarding the changes in policies, but still it is unknown to people. In addition, the experts from the bank stated that, the changes would make the Canadians come to the banks and other lending institutions to know about the changes.

The survey, which was conducted, showed that only forty-five percent of Canadians knew about the change in amortization rate. The finance minister of Canada made the changes in the law and policies as the rate at which people were taking the loans was increasing at a rapid pace and reached a toll of more than one hundred and fifty percent, which was more than what they earned. The changes in policies for home loans along with various other mortgage loans has saved the head of various debtors as the number was increasing at a rapid pace. This statement was given by the governor of central bank, Carney Mark.

The Canadian bank has decreased the rate of arrears to 1.3 percent, which was three percent earlier. This change happened because of the toll in unemployment. Even the resale value of houses has been redefined along with the insurance rules for mortgage. Experts from the financial industry stated that if the changes are not known to the Canadians, then there is a danger of economic downfall.

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