

Mortgage Tax Credit

● (2130)

We could also reinforce Canada Works and create jobs in areas where they are needed, and bring Canada Works back into those areas where it has been completely cancelled and create jobs in the centres in Ontario and in other parts of the country where Canada Works no longer exists. Complementary to that, money could be better spent on producing incentives for employers to hire the unemployed, the handicapped, and all those looking for a job but who, for some reason or other, cannot find it at present. We could expand that list ad infinitum. However, the concept remains the same. It is important that Parliament have such an opportunity, having evidently failed to convince the government this time around to reconsider its measure, having failed to make it realize that this is an expenditure that is way above the possibilities that members opposite would accept under normal circumstances. But having made a promise during the campaign, without realizing that because of 36 per cent of the voters they would come to power, they see the necessity of keeping at least one of the many promises they cannot keep. They have to go ahead this year, but at least a year from now let there be here an opportunity to have this amendment adopted by the very people who were once proposing sunset laws. I can see here the President of the Treasury Board who looks the other way and smiles sheepishly because he does not know what to say now that he is on that side. This would give the House an opportunity for a second thought approach to such a policy.

As we all know, and as has been so eloquently described by the hon. member for Winnipeg-Fort Garry and others who have preceded me, this is a measure that disregards social priorities in this country. Also, in terms of the industrial stimulus, in terms of economic advantages for the future, it gives a very limited return, as was explained in an earlier intervention.

Mr. Chairman, we all know who will gain from this kind of measure. We all know that the people who have already paid for their homes will not gain from this measure, nor will the people who rent apartments or houses, and people who have to pay rent or who have to pay for a house will pay one way or the other for higher taxes or for reduced services to make up for this lost government revenue.

Who will gain if we do not have a regular screening of this measure through the House, as a minimum rational concession that the government can make? Obviously the mortgage companies will gain, and so will the banks and the money lenders. We all know in advance that the effects of this measure will, in essence, boil down mainly to the following: the cost of mortgages will go up in all likelihood and so will the cost of houses, so that in order to save a dime on the income tax, those who will benefit from this measure will have to spend \$1 more on mortgage interest. That is really not good economics and it does not make sense.

As many others have said, we would rather have selective policies and social policies which aim at target groups in particular need, rather than this kind of giveaway. Evidently we do not have a majority in this House and we have to

[Mr. Caccia.]

recognize the power of the governing party. Therefore we urge the government at least to accept this very reasonable amendment. There is nothing that the government need fear from having to come back here at regular intervals to scrutinize this measure again and to assess its pros and cons and its effect on the economy, to see whether or not it should be proceeded with for a second year, a third, and a fourth. That would seem to be a logical and non-partisan proposal which we submit to the government.

Mr. Baldwin: Mr. Chairman, I have some sympathy with the principle advocated by the hon. member for Winnipeg-Fort Garry. Given the right circumstances, it might be a measure worth adopting. However, I want to point out to him its fatal defect. This is a tax measure, and as such I think it is quite improper to have a situation arise where a tax measure could be set aside by the other place.

The result of what the hon. member proposes might be the following. It is what is known as a positive resolution, and as such the bill would not continue in existence beyond the time stated unless the order in council was approved by both Houses. I point out to the hon. member that a situation might occur where this House, representing the people, might vote for the continuation of the measure, while the other place, not representing the public, and representing also—let us face the political fact—a considerable majority of the official opposition party, could vote against the measure and we would find that the other place would then be setting tax policy. I think even my friend, the hon. member for Winnipeg North Centre, who has a deep measure of affection for the other place which he manages to conceal quite effectively from time to time, would probably agree with me on this.

If this were in the form of a negative resolution so that the measure continued unless it was set aside by a motion of both Houses, then the hon. member would, I think, be in a much more reasonable position. No doubt the Department of Finance will find ways and means by which this would cause all sorts of problems for the department and the administration. I have always found that department to be most ingenious in performing the right degree of mental and financial acrobatics—at least it did so under the previous government. I think it is much more sensible now. So I am not concerned with that. I believe it is not a bad idea to review the situation once in a while, but I cannot support this amendment which might put the Senate in a position of setting aside a motion of this kind, which would be quite against the constitutional practices of this Parliament.

Mr. Corbin: Mr. Chairman, I rise on a point of order. I wonder if the hon. member who has just spoken would entertain a very short and simple question?