Mortgage Tax Credit

certainly is it, and the minister presents it to us with the crazy hope that we will actually go along with it. He hopes we will just say: "Gee, we certainly do not want to vote against that. We will just go along with it. We cannot understand the possible implications of an unfair tax system in Canada so we will just vote it in." Then the minister threatens us. He threatens those of us who had the dubious distinction of listening to members of the then opposition telling us how we were throttling Parliament. They have the dubious distinction of telling us now that if we do not accept this bill right away we are going to have an election. I guess that is the kind of attitude we will have to learn to live with around here for the next while.

Again we note the totally different attitude taken by this group of characters who have become the government. I remember in the last Parliament filibusters on Petro-Canada. I remember how they viciously opposed Petro-Canada as an instrument of Canadian energy policy. For three months we could not get the bill through the House of Commons. Now they present a major tax measure without giving us a budget, without giving us any indication of what kind of economic programs they are offering this country, and with no idea as to what approach to economic circumstances is required. We have an energy crisis with the Prime Minister (Mr. Clark) caving in to the provinces, as reported in every newspaper we pick up, with a gradually quickening dissolution of the central government.

In these circumstances what do we get? The government gets us involved in municipal tax cuts. Talk about the community of communities! Do Canadians really understand—I point out that half a million fewer Candians voted for this scheme than those who voted for it—that this government would not only preside over the dissolution of the central government of Canada, but actually involve itself in municipal taxes? Does the government have any idea what this policy has led to in the United States? It is worse than a tax measure which takes from the poor, or from older people who have bought and paid for their houses and who pay taxes. These people will be paying for this scheme. People who live in apartments and who happen to like apartment living will not be able to make a claim, but they will be paying for this scheme. There are people across this country whose economic conditions are such that they will not be able to take advantage of this scheme, but they will be paying for it.

• (1550)

This scheme is already bad enough for the reasons I have just mentioned, but it is actually worse than that. It is a particularly evil tax measure because it alters the Canadian tax system fundamentally. It takes the worst elements of the U.S. tax system and instils them into the Canadian tax system. It take the worst distortion and puts it into the Canadian tax system. I hope that the finance minister and his government do not think that I will vote for this proposal. If the only way that I could win an election would be to go out and tell people that I was going to give them something that is the worst or the greatest evil that could possibly be taken out of the U.S. tax

system, and in particular the municipal tax elements, then I would not run.

There are people who live 100 miles from any major city in the state of New York, on a practically empty lot with no proper sewage, no electricity, nothing but a fire engine, and who pay \$2,200 in municipal taxes because they can write a percentage of it off. The municipality raises the taxes and the people write the taxes off. This is a government that has talked of creating efficiency in government, but is that what they call efficiency? They have given us a scheme which encourages every municipal council in Canada not to be efficient.

I hope that the government will reconsider and realize what they are doing. This policy will have a very serious long-term effect on the Canadian economy. This is not a tax incentive to an industry or some sector of the economy in order to create jobs. Everybody knows that not one job will be created by this tax measure. Interest rates are so high in this country that the construction industry has come to a complete halt. It will not create one job.

If one asks for the information from the Toronto Real Estate Board he will find that in that city, which has a great deal of excellent housing, house prices are going up, not in areas which have the least expensive housing but in the parts of the city which have the most expensive housing. This is because people are moving to the centre of the city due to the cost of transportation and energy, and are paying more to live near their work place. In terms of economic effect and job creation, this scheme is an absolute zero.

It can be argued that this scheme is inflationary. This government talks about fighting inflation, yet they pass an inflationary tax measure.

Mr. Chenier: They rob the poor.

Mr. Stollery: They rob the poor, as my colleague has pointed out. I would like to take a moment to go over the figures on who will benefit from this scheme which the Minister of Finance provided a week ago Monday. The figures are being disputed, but the minister says that 3.8 million households will benefit from this program. With regard to the mortgage interest aspect of the plan, 2.3 million people will benefit and 1.5 million people will benefit from the property tax credit. In terms of Canadian economic history, this proposal is the worst thing that the government could bring forward at this time.

The minister skips over the fact that 6.6 million families in Canada will not be eligible for the program. He dismisses these people by saying that renters are students and that sort of thing. The largest apartment building in Canada, I believe, is in my constituency in central Toronto and it has 1,000 people living in it. Many of these people have lived there for some time, and they are not necessarily waiting to buy a home. I would say that many of them are there because of marital problems. When a marriage breaks up, the two parties often move into apartments in the central part of the city. They have experienced a difficult adjustment period. What does the government do for these people? It taxes them, penalizes them