

Federal Transfers to Provinces

I would love to see a higher level of responsibility taken by the opposition in these matters. I would like to see consistency. If hon. members opposite want to reduce the deficit when they are in government, then let them recognize the need for doing so when they are in opposition.

Mr. Crosby: You are the one who stopped the hospital tax.

Mr. Regan: As usual, I am more concerned about the positions taken by the Conservatives than I am about the positions taken by the New Democrats.

Mr. Jarvis: Don't fight with your friends, Gerry.

Mr. Regan: I am just trying to call it as I see it, Mr. Speaker, and the way I see it is that—

Mr. Crosby: Tell us about stopping the hospital tax.

Mr. Regan:—there is a very serious thing happening in this country. It is not a creeping thing but a galloping growth, sponsored by some elements of the Conservative Party, of the worst form of McCarthyism, a disease which spread across the United States back in the fifties. We are seeing it again today.

Mr. Lewis: Smear. That is what you are doing right now.

Mr. Regan: You are seeing it today in great measure. Let us look at several examples of it. There has been a letter sent out by the Dominion Life Assurance Company signed by John Mahn.

Mr. Kempling: Is that relevant to the bill?

Mr. Regan: It certainly is. The letter was sent out to all that company's clients across the country saying the same thing that some members of the Conservative caucus have been saying across this country. It suggests that the Department of Finance was considering taxing the imputed value of renting a home instead of owning in it.

Mr. Lewis: It is.

Mr. Regan: The sad thing about this is that it has never been considered by the Minister of Finance. He has never contemplated that, and he has made that quite clear in a letter and in statements he has made in the past few days when this particular red herring has been brought forward.

Mr. Lewis: Budget documents.

Mr. Regan: I am glad the hon. member opposite mentions budget documents because I would like him to look at the December, 1979 budget document of the hon. member for St. John's West entitled "Government of Canada Tax Expenditures Account", which lists imputed rent among tax expenditures. That is exactly where this idea originated. It originated not with the present Minister of Finance but with the former minister of finance.

Mr. Lewis: Tell the truth.

Mr. Kempling: It has been in every Liberal budget since 1967.

Mr. Regan: I would be happy to send a copy of that document from the Crosbie budget to anyone in the country who would like to write to me asking for it.

Mr. Lewis: Tell us about Adrienne Clarkson.

Mr. Regan: I am starting to get to them over there, Mr. Speaker. They are getting all worked up. One thing they cannot take is the truth, because they live on insinuations.

Let me mention a couple of others. Another insinuation they have been living on these days is the insinuation respecting internment camps. They insinuate that this government has some plan to lock people up in internment camps. They do not come out and say that, but they ask questions around the edges of the fact that we in this country have always had regulations relating to what to do if a war should break out and if there were people about who were subversive. They say, "This will fit in with our pattern of trying to say these guys are quasi-socialists and against free enterprise".

Mr. Kempling: Read the order in council.

Mr. Regan: They try to suggest those kinds of lies.

They also spread around the country the idea that the government will restrict the right of people to own property and that we are against private enterprise.

Mr. King: Absolutely.

Mr. Regan: This nonsense is also a type of McCarthyism, but that is the only way they can find to fight the government today.

I want to deal today only with those distortions which relate to this bill. However, I want to say that we are fighting inflation, but we are doing so in a way which protects the social system which has been built up. We want to protect our ordinary citizens, medicare, hospitalization, the Canada Pension Plan, family allowances and the Canada Assistance Plan. These are programs the Liberal government has built up over the years. We are fighting inflation in such a way as to protect the interests of the people.

One would think we were living in many solitudes, because no matter how often it is repeated, hon. members opposite will not take note of the fact that transfers for education and health have not slackened and will not decrease. They will continue to grow. Equalization continues to grow. I have figures here which show, for instance, that transfers from the Government of Canada to my province of Nova Scotia will increase this year from \$513 million to \$606 million.

As I said earlier, more than any person in this House, the Minister of Finance has shining credentials of Liberalism and of protecting our working people, and I believe that stands to his credit when he is forced by economic circumstances to restrain and to cut back expenditures.