

Mortgage Tax Credit

Mr. McCauley: That is right. He cannot do anything right in that role. He does a fantastic job playing all these other roles, however.

The Acting Speaker (Mr. McCain): Order, please. It is the general practice of the House that we restrict the right to speak to one person who, I think, should remain relevant and on the subject. We should let the speaker have the floor to himself.

Mr. McCauley: Thank you, Mr. Speaker. One of the points the Minister of Finance made was when he quoted extensively, for about 15 minutes, from an article by a criminal lawyer by the name of David Greenspan, an article which he used to support the bill and to support his position. Of course, he quoted selectively from the article and neglected to point out something with regard to the property tax credit that I think is worth pointing out to the people of Canada and to the House. Mr. Greenspan said, in the second to last paragraph of his article:

The proposed property tax credit is important to municipal governments because it offers politically acceptable breathing room in which to raise taxes.

The voters of New Brunswick have had some experience with that kind of shifting of the tax bite from one hand to the other. A few years ago we were promised that the provincial government would get out of the property tax business. They were phasing it out while at the same time the municipalities phased it in. This is exactly what is going to happen with this famous property tax credit about which the minister spoke so eloquently. However, he had neglected to mention that the vacuum would be filled by the municipalities and that the Canadian taxpayer would be no better off.

I would hate to use the word "fraud" in describing this tax bill—it is too strong a term although I tend, in my weaker moments, to think of it in those terms.

Mr. Baker (Nepean-Carleton): It might be unparliamentary as well.

Mr. McCauley: "Deception" is a good word, but let us use the word of the Minister of Finance. He called it a scheme. Not being very learned, I looked up the word in my handy pocket dictionary. It says: "artful or underhand design".

An hon. Member: That is right, the scheming minister.

Mr. McCauley: That is a good description of this tax bill. It is an artful or underhand design for a number of reasons. First of all, the minister himself has admitted that he thinks the mortgage interest and property tax credit scheme is "inconsistent"—that is his word—with the goals of his budget. But, as he explained in a radio interview, political parties have to make good on some of their promises sometimes, and that was one of those times. Well, that was okay, I suppose, with the Jerusalem embassy, but perhaps not okay in view of the fact that this country lost \$5 million worth of business. But how can the minister, if he feels that this bill he introduced on Monday night is inconsistent with the government's philosophy, stand up in the House in good conscience and try to

[Mr. McCauley.]

convince the people of Canada that it is a good thing? It is quite beyond me.

The minister went on with his artful or underhand design or scheme to tell us what the people of Canada want and that that is why the people of Canada voted for a Conservative government on May 22. Is that a fact? Who wants it? Do renters want it? Do the elderly who own their own homes want it? Did the people of Canada vote for the Progressive Conservative Party because of that?

An hon. Member: Only 35 per cent of them.

Mr. McCauley: Not even that many. According to a Conservative party poll taken immediately after the election, 2 per cent voted for the PC Party because of the party's promise to bring in mortgage tax deductibility. So only 2 per cent of the voters of this country want it. That is not what you would call a stunning majority.

The other question which I have with regard to this artful or underhand design or scheme is, who pays for it? Where is the money going to come from? That is a question that the Canadian people are concerned about. They want to know the answers to it because they know governments do not hand out anything with one hand without taking something else from their pockets with the other.

Some people are concerned that the government is going to finance this underhand design by abolishing family allowances. As we all know, there is in the air the idea that the government plans to do three things with regard to family allowances. The first is to abolish family allowances entirely; the second is to increase the refundable child tax credit by the amount of the allowance; and the third is to reduce the child exemption by that same amount. The intended effect of all that on the lower income half of Canada's families is roughly nil, zilch. What such families lose of the allowance, they get back from the credit. The tax they would have paid on the allowance is balanced by the tax they would have saved from the matching portion of the exemption.

Higher income families, on the other hand, so the story goes, are to lose benefits, and these will be used to finance their mortgage interest and property tax credits. The government will certainly deny it, but there are many reputable people who believe that this is exactly what will happen.

The other thing about which I am concerned in this underhand design or scheme is the regional bias.

● (1730)

Mr. Munro (Esquimalt-Saanich): On a point of order, Mr. Speaker, I would just like to draw to the hon. member's attention the fact that there are other definitions of the word "scheme". For his selective illiteracy I would like to draw to his attention that "scheme" also means "systematic arrangement proposed in operation; a table of classification or of appointed times, outline, syllabus; a plan of construction, work, action"; and then it goes on to the pejorative use of "scheme". Thank you, Mr. Speaker.