

*Job Creation*

bution. Hundreds of retail clerks are being laid off. Retail stores are reducing inventories. Those who serve retail stores are caught in the trap of having to supply; their inventories are not moving and all their profits are being drained off by high interest rates. The tragedies among the working people, the manufacturers and the creators of this country are all too real.

My tax dollars, \$50 million of them—not that all \$50 million are mine—are being spent on an advertising program. Every time I open up the newspaper I see people's money wasted on feeding propaganda to the press and controlling the press of this nation. The media of this nation are being controlled through tax dollars.

**Mr. Kelly:** What paper is that?

**Mr. Huntington:** The government is controlling the media. People are terrified about publishing a report against the government; they fear they will lose their money. They fear they will lose Canada Council grants.

**Some hon. Members:** Oh, oh!

**Mr. Huntington:** Hon. members opposite can laugh, but they should not get themselves locked in. That is the situation today in this country. The minister opposite should not laugh about this. He should cry in shame because, like mine, his freedom is threatened. The only difference is that he sits on the government side of the fence.

In 1968 we heard about a just society. There was a great call for a just society. In 1971 we were going to have a new taxation base which would allow equity and fairness across the country. The Carter principle was finally delivered to the land. We have had a decade of high legal costs, accounting costs and economic costs trying to adjust to that taxation base. We were just beginning to come out of the woods, but this Liberal government did not want that stability. Otherwise it would not have presented the budget it did on November 12. That budget removes stability. The hon. member opposite can shake his head—I think it is a head—but that budget in fact changes the taxation philosophy of this country.

**Mr. Chénier:** It is fair. That is what you do not like.

**Mr. Huntington:** Let us talk about fairness. The budget violates and offends the basic ability to pay tax. Is that fairness? Let the hon. member wait until we get into Committee of the Whole; he will find out that this government's twisted and perverted use of the words "fairness" and "equity" in this budget will fall down around his head. Never has an instrument been put to this House which has caused such overnight anguish and concern in the country. The Canadian Labour Congress is up in arms. Every single chartered accountant who is a tax expert in this country is up in arms and furious. Lawyers are furious. The Canadian Federation of Independent Business has a list of grievances which the Minister of Finance (Mr. MacEachen) wanted to wipe off the slate today as being inconsequential.

I have been in the small business game all my life.

**An hon. Member:** So what? You are a millionaire.

**Mr. Huntington:** So what? Millionaires usually work two shifts a day and go without holidays for the first 15 or 20 years of their working lives. They are entitled to be millionaires. They are the ones who create capital and jobs. They are the ones who buy the machines that improve the productivity of the land. How many times have we heard the Minister of Finance tell us in this session that the only way to address the problem of inflation is by increasing productivity? That is the essential element today, but there is not one single item in the budget which addresses the national productivity problem.

In 1980 the economic performance of this nation was one of the worst in the western world after a decade of this government. There was 0.1 per cent economic growth in Canada compared with an OECD average of 1.2 per cent. Our economic performance last year ranked 21 among that of 24 OECD nations. We used to be third. We are now twenty-first out of 24. Our standard of living used to be third only to that of Sweden and the United States. Now our standard of living is thirteenth, behind The Netherlands and Finland. That is the decade of inheritance we have had since 1971. We had finally begun to adjust to the last budget, but where in this one has the problem of productivity or the problem of inflation been addressed? Nowhere. This budget has ripped out from under the Canadian industrial community its decision-making base.

There are two central themes in the MacEachen budget which are causing great concern. One is the retroactive effect of Resolution No. 9, which is the accrued investment income resolution, and the other is Resolution No. 23, which is the restricted interest expense resolution. That delivers retroactivity back on people who were law-abiding citizens under the laws prior to November 12, and they have been trapped, raped and crucified by this budget.

• (1600)

This budget removes one of the fundamental cornerstones of a fair and equitable tax system. It has removed the ability to pay one's tax. Just wait until the hours of debate come out on this across the nation. That is what the government has done to the nation as a result of its November 12 budget.

The government has created a terrible illusion with the top rate of tax being limited to 50 per cent. That reduces the tax rate of the wealthy. However, it has ballooned up all the other expenses that employers paid the cost of for employees across Canada. It ballooned up their gross income and their taxable income. The government is playing a very deceitful game with half-truths in this area.

When the government says the top rate is 50 per cent, all it is doing is shifting the burden on to the provinces. On budget night my province said it will have to find another \$95 million. Over five years the federal government, through this budget, is taking \$600 million from my province.

How many minutes do I have left, Mr. Speaker? None. I am only half-way through.