believe this government has stated in some of its material, are looked after in their golden years.

In looking at the bill and analysing it and looking at the broader perspective, I cannot help but wonder whether this is the thrust that we should be taking. I wonder whether we should be concentrating a little more on the broader perspective.

I find it very interesting that the minister who is shepherding this bill through is the Minister of State for Privatization and Regulatory Affairs. If we look at the agenda that we have had before us over the last year in Parliament and as far back as 1984 with this particular government, the fact that this minister is the one shepherding this bill one can say it is a comment on where legislation is going. A lot of this can be tied into the privatization thrust and the government's broader agenda. I would like to come back to this later.

First, let us look at what has been happening over the last year. We look at the free trade agreement and some of the forces of harmonization that have already started occurring. I would suggest that this move toward the further privatization of pension funds is another step away from Canada Pension and Old Age Security. Canadians have looked on these plans with some favour for a good number of years, ever since the original Canada Pension Plan and since 1926 when the original Old Age Security came in.

Look at what happened in the past term with the unemployment insurance bill. Again, we see a move away from public sector into privatization and harmonization with the free trade agreement. We see the clawback bill, Bill C-28, that we just finished debating prior to Christmas. Once again, we see the start of that breakdown of universality, the move toward privatization.

Now we have a Registered Retirement Savings Plan bill that, on the surface, appears to be for those in the upper-income levels or upper middle-income levels. It appears to be a bill that is innocuous, and something that perhaps we need, but if we take in in the over-all plan it seems to fit in a mesh with that thrust toward privatization and harmonization that I predict we are going to see more and more in the coming session through the upcoming budget and into the next few years under this particular government.

Let us look for a minute at exactly what the bill is proposing. The government tells us that it is going to be a new system. When one looks at the the proposed legislation we can see that it is a complex bill, one difficult to understand even after reading some of the explanatory notes given to us by the government. My friend in the Liberal party who just spoke mentioned the loopholes. There is a reason why the tax lawyer's dog is called Loophole and that is because that is the job of tax lawyers. It is to look for exactly those types of loopholes that we, as Canadians, who can afford to pay for them, can use. The more complex the legislation, it seems to me that there are more and more loopholes that we will be able to use within the legislation.

• (1650)

The key element of the reform in this particular manner, of course, is changing the limits. Presently, it is $7,500 per year to scale up ultimately by 1995 to $15,500, while we lower the limit to 18 per cent from 20 per cent. Who, in fact, does that help? Dropping on the one hand the percentage and increasing on the other the maximum, we see that the maximum works out ultimately to somewhere in the area of $86,100 at 18 per cent. That makes up a very small percentage of Canadians which this bill will help.

Let me look at figures of those who has been using the registered retirement savings plans in the past. The government has admitted as much in some of the materials it has put out when it asks its own members in one of its documents whether this is a help to the rich and another slight to the poor. The answer, of course, as the government has recommended to its members is that, no, in fact, those who are less well off do not use registered retirement savings plans.

I think the figures bear that out. But the government has missed the point once again. Let us go through some of those figures. All are based on the number of tax filers contributing to the registered retirement savings plans. If we look at those between $10,000 and $15,000, we find that 11.2 per cent of those who file tax returns, in fact, contribute. If you go lower, $5,000 to $10,000, only 3.7 per cent actually contribute to registered retirement savings plans. In the $20,000 to $25,000 range, it is 26.6 per cent, with an average contribution of $2,060.

Then we see it start scaling up until we reach in the $50,000 plus range, 57.8 per cent of those tax filers purchase into registered retirement savings plans with their average contribution being $4,700. It is obvious that first of all, those with less income have to use that income to live on and do not have the ability to pay in toward a registered retirement savings plan, but they can