

*Government Orders*

Mr. Speaker, knowing the kind of person you are, I would suggest that it would make more sense to you, if we are going to lose at least \$350 million, to take that money and give it to those people, particularly those single, retired elderly women, most of whom are living below the poverty line. We could give every one of them an extra \$30 a month.

It may not sound like much to some people, but when you are on that kind of pension, living in poverty, an extra \$30 a month would be very welcome. It would make a tremendous difference in the the kind of lives that they have. But, oh no, the government cannot afford that. The government cannot afford to give poor, elderly, retired women an extra \$30 a month. But it can afford to give a nice little windfall by allowing those whose incomes are in excess of \$86,000 to avoid paying tax on \$15,000 or, in other words, a cash benefit of about \$7,500. That the government can afford.

Therein lies the Conservative government agenda. Therein lies the theme of what it means to have a Conservative government in Canada. The very wealthy and privileged benefit, the poor become poorer and the middle-class become squeezed more and more in terms of taxes that they must pay and, as a result, their earning power is lessened.

Not only is this unfair to working Canadians, and particularly those Canadians who are at the lower income levels, but it is also unfair to women directly. We recognize from the statistics now available that in 1986 women only earned 57 per cent of what men earned. In other words, on balance women are paid a lot less, which means they have a lot less money at the end of the year to set aside to put into an RRSP, if they have any in savings. I wonder how many people who might be watching or listening today or reading *Hansard* know of women whose incomes are in excess of \$86,000 a year. I think you would have to look long and hard to find those few select women in the country whom this is really going benefit.

I see my friend of long-standing, the chairman of the finance committee, is here. I suspect he is going to stand up shortly and explain why it is so important that those at the upper-income levels receive more tax benefits. He will tell us that if they do not have to pay any income tax,

then they will invest in more things and they will buy more and they will help the economy. Well, that is his view of the world, it certainly is not mine.

Let me go on and show you how this is unfair to women. Of those contributing to registered retirement savings plans last year, it turned out that 61 per cent were men and 39 per cent were women. In other words, almost twice as many men take advantage of this rather lucrative tax loophole. Again, obviously there is a bias against women. Sixteen per cent of women tax filers use the RRSP contribution option and 24 per cent of men tax filers use the RRSP contribution. Statistically it becomes clear that it is men, upper income earners, that take advantage of this tax provision, significantly more than women. In a very indirect way there is a real bias against enabling women to provide for their retirement years.

Also in many cases this is biased against small and medium-sized businesses that are trying to establish company pension plans for their employees, because many of them see these now rather lucrative opportunities in terms of the tax loophole system that the Conservative government has introduced and prefer to remove themselves from company pension plans and take advantage of these lucrative opportunities, making it difficult for the small business sector to provide for the employees' retirement.

• (1210)

It was rather funny and I guess we all had a laugh when the government introduced this legislation yesterday. We expected the Minister of Finance to stand up and introduce it because the bill is obviously a piece of legislation to change the tax system to benefit upper income earners. But who was it who introduced the legislation and represented the government? The Minister of State (Privatization and Regulatory Affairs) introduced the legislation, which again betrays the real agenda which is, rather than focus on the Canada Pension Plan and improve that, rather than focus on old age security and improve that, the government is moving towards more privatization of the pension system.

Why would this surprise anybody? We need simply recall that not too many years ago the very first thing the Conservative government tried to do when it became the government was to reduce pensions. That is the very first