

Government Orders

They cannot afford to buy food so they desperately try to get into a care facility.

It is a most pathetic thing to see a woman who could maintain her independence in the community, who could have a quality of life, being forced to humiliate herself by trying to get into an institution because it will look after her.

We have to remember that it is women who earn minimal wages in Canada. In 1967 women earned only 46 per cent of what men earned. In 1986 it had gone up to 57 per cent. That is an improvement. The women are not the \$86,000 wage earners, they are the \$15,000 wage earners, so they are automatically put at a disadvantage with this type of system. They are not going to be the beneficiaries of this.

I think we have to look at alternatives. My colleague has already mentioned one. The government is going to blow another \$350 million on this to help those rich, \$86,000 people have a nice holiday in Dominican Republic or Jamaica or Florida or wherever they go. Why not use that \$350 million and add it to the Guaranteed Income Supplement? Let us give those 600,000 women in Canada, who now have no other income other than Old Age Security and GIS, \$30 a month more. Do you not think that they deserve the \$30 more than the person who has an \$86,000 income deserves another vacation in Hawaii?

This bill is also about the privatization of Canada's pension system. Increasingly companies are abandoning company pension plans. There has been a reduction from 1984 when coverage in the labour force by company pension plans was 39.9 per cent. That is a bloody low percentage as it is, but by 1987 that had been reduced to 36 per cent.

Part of the reason is the costs. It has been estimated that there is going to be a \$60 million to \$70 million initial start-up cost for employers in initiating this bill. According to the vice-president of the Canadian Life and Health Association, small businesses are fleeing pension plans in droves. They can afford a pension plan, but in the new pension environment why would they put up with the hassles of a pension plan when the federal government has offered a perfectly viable, less demanding alternative; group RRSPs. The new tax rules with the pension adjustments and pension adjustment reversals

seem likely to be another administrative nightmare which will squeeze more pension plans out of the system.

It is not accidental. I think there is an intent to privatize the pension system, and part of it is that RRSPs are a big source of investment capital. Really what the Conservatives want to do is give the wealthy a tax break, a tax loophole where they can accumulate investment capital, whether that is investment capital that is lent to corporations or whether it is RRSP self-administered investment capital. It is simply a system through which the Tory government, with the passive support of the Liberals, is saying that it is okay if the wealthy increase their wealth.

Let us look at a few of the alternatives. We have \$350 million extra to spend with this. It has been estimated that this year alone RRSPs will cost \$10.8 billion of government money in lost taxes. Remember, most of that is going to people earning over \$50,000, it is not going to the people earning minimal wages.

Let us do two or three things in the area of pensions; let us look at changing the rules and let us make it a tax credit system so that if the wealthy contribute \$1,000 and the poor person contributes \$1,000, they both get the same tax relief, they get the same tax money back in their hand. Why shouldn't the poor be allowed to accumulate more money? In fact, I would even go so far as to suggest that what we really should do is reverse it. In 1995, if the person who earns \$86,000 makes a contribution they should get a tax benefit of \$4,000 and the poor person should get a tax break of the \$7,500. Let us reverse it. Let us reverse it. Instead, make it that the poor or the minimal income earner is given money back rather than the wealthy. That is the first thing. Let us at least make it a tax credit system. If not a tax credit system, let us be bold enough to go even further and make the benefits to the low and middle income person more.

• (1740)

Second, let's increase our Canada Pension Plan. This is the universal program that is designed to ensure adequate universal pensions for all Canadians. It is only because the rich do not want it that we do not have it. We could be doubling and tripling our Canada pension plans. It would certainly make some of the big life insurance companies a little uneasy because they would not have all these private pension plans floating around.