

establish new registered pension accounts and new, more flexible limits for tax-deductible contributions which would give fairer access to tax-assisted retirement saving. The self-employed, those who begin saving for retirement late in their careers, those who drop out of the work force for long periods, and those with fluctuating earnings, could benefit from these initiatives.

Benefits for women

While the proposals put forward by the government would benefit almost all Canadians, they would help women the most. Elderly single women would gain from Guaranteed Income Supplement (GIS) improvements, better survivor benefits, and pension credit-splitting. Working women, including part-time workers, would gain from earlier vesting and portability, inflation protection and any expansion of private or public plans. Married women, both in the labour force and at home, would gain from improvements to survivor benefits, pension credit-splitting and the proposed child-rearing drop-out provision in the Canada Pension Plan.

"Women suffer most from deficiencies in the current pension system and their situation must be improved," said Mrs. Bégin.

The issue of expansion of mandatory pension arrangements is the most important one facing the Parliamentary committee and all Canadians. There is no



consensus on how large any expansion should be or whether it should take place in the public or private sector.

"The government is committed to pension reform as one of its top social policy priorities," said Mrs. Bégin. "We believe that a start on the next stage of the pension reform process must be made now if the momentum that has been built is not to be lost."

Mr. Lalonde added, "The reform process can begin now without adding to government deficits or interfering with the process of economic recovery and the government's goal of reducing inflation to



Changes in Canada's pension system will brighten prospects for senior citizens.



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6 per cent and 5 per cent over the next two years."

"Of course", he added, "the government of Canada recognizes that there could be substantial costs involved in pension reform. Indeed, the existing benefit structure of the Canada Pension Plan will involve higher costs in the long term, even in the absence of reform. We therefore intend to proceed in a way which will ensure that pension reforms avoid a major disruption of the economy. Reforms could be phased in, if necessary, to ensure that additional costs are manageable."