

*Government Orders*

**Mr. Gardiner:** That is even more serious than Premier Getty. Do you want to add to the list? Pretty soon Premier Vander Zalm will declare the Liberal flat tax policy as a distinct tax policy for Canada.

It is probably in the dinosaur museum already. After hearing the hon. member from the Liberal party who has clearly indicated such a responsible group of people who have endorsed his tax proposal, I suppose we will see where it will go in the future.

What is the purpose of Bill C-52? An article in the *Toronto Star* deals the distribution of income in Canada. It is a very important issue for us to deal with because when we talk about RRSPs we are dealing with the distribution of income. We are talking about what measures a government implements to either raise funds or not raise funds.

Some years ago the Liberal government at the time was taking anything that was not currently being taxed that should be taxed and considering it as a loss to the government. One would either be taxed for parking a car, or the government considered it lost tax revenue. That is the kind of thinking you get from the Liberal party.

Let me refer to this important editorial. The distribution of income in Canada is highly unequal. In 1981, the 20 per cent of Canadian families with the highest incomes ended up with 41.8 per cent of the total income pie. By contrast, the 20 per cent of families with the lowest incomes got less than 5 per cent. What does the Conservative finance minister try to do? He takes a look at this problem. He takes a look at poor people in this country. I think it is an obligation and a duty that members of Parliament become aware of the concerns and the needs of people who are less fortunate, probably than most of us in this House. What does he do? He brings in Bill C-52, an amendment to the Income Tax Act.

This editorial is not NDP propaganda. It is an editorial commenting on the minister's proposals.

Under the finance minister's new proposals, Ottawa would provide tax assistance to all employed Canadians to create a nest egg that would allow them to maintain their incomes in retirement up to a pension limit of \$60,000 a year. To do so, he would provide the greatest assistance to those at the upper end of the income scale. That is very important.

Someone earning \$20,000 a year would get an annual tax break worth about \$1,200, compared to a break of about \$7,500 for those earning more than \$86,000 a year.

We do not know yet whether the Liberals support this bill. They want to go into committee. Knowing the Liberals, they will make it even better for the wealthy, knowing their style.

The finance minister says the change is necessary to restore equity to the way in which our tax system treats retirement savings. A high income earner working for a corporation with a pension plan of its own, for example, currently gets more tax assistance than a self-employed person with the same income or a person who works for a company with no pension plan.

This is the point I was mentioning about the lost revenue to government. The finance minister's proposal, when fully implemented, would drain an estimated \$300 million a year from the federal treasury, which the finance minister has said on numerous occasions, as we have all heard in this House and in the news across the country, is stretched to the limit.

**Mr. Kristiansen:** I thought they had to cut back.

**Mr. Gardiner:** The hon. member says he thought they had to cut back. Let us refer to the comments made by the member from Esquimalt—Juan de Fuca, about the kind of revenue and capital that is available in the country.

What would \$300 million do? I can give you an example from my own province. It is something I have spoken about a lot and something we hope to hear about in the budget tomorrow night. That \$300 million would nearly fund the federal—provincial forest agreement in British Columbia. I have talked about this before. This is an example of the different ways funds can be used. In this particular case, the funding of that forest agreement with that \$300 million, one should consider this investment for the long term benefit of this country.

The points we are making about Bill C-52 are not that we are against RRSPs. It would be good to have an RFSP, a registered forest saving plan. My friend from Esquimalt—Juan de Fuca talked about municipal loans infrastructure in Canada. We have examples in the United States where municipal infrastructure is falling apart. In Canada, municipalities put together infrastruc-