

has been going on in Canada is the best in the world. We have the right kind of varieties at the right time to deal with many of the problems.

When we were exchanging varieties years ago, I visited Yugoslavia, Poland, Hungary, France and England. We had no problem getting them to exchange genetic material with us. Who does the government think they are kidding? They want to set up a restriction on the sale of new plant varieties so that they can make some money. That is a perfectly honourable thing to do. Why should we let them do it when we already have the best system in the world? It does not make much sense to me, but we will try it. But if they do make some money, someone has to pay for it too. You know who it will be—the farmers.

It is absolutely the most inopportune time to bring in a new cost factor on an agricultural industry that is suffering so terribly under the subsidy wars that are going on between Europe and the United States now. But the government is determined to do it. We will have to sit back and watch what happens.

● (1510)

I want to reiterate in the strongest possible terms what Senator Fairbairn said: You better demonstrate that it is good for Canada, or else.

**An Hon. Senator:** Hear, hear!

**Senator Olson:** I think there is great danger that it will not be good for Canada.

Set aside for a moment the money that it may cost the farmers. It will complicate life, because when Agriculture Canada found a new variety their obligation was to test it in enough geographical regions to ensure that it was superior to anything that was out there before they would register it. It had to meet the test of disease resistance, where that was necessary; drought resistance, where that was a factor; and all the other things. Otherwise, they did not register it. Now what will happen? These people will go around determined that they should have their plants registered. If any of the new varieties of wheat, for example, are visibly indistinguishable from other varieties, they will lower the standards. We will then lose our ability to sell by grade—and that will not be without severe costs.

I should like honourable senators to understand that statement, because in all the presentations that were made the government and its spokesmen conveniently forgot to mention those things. Furthermore, if we had a less than excellent system now, then I suppose we could look to the private breeders to do something. But that is not the case. We have the best system in the world now. I know that someone wants to cash in on that. Let them try it, but let us remember that we need to be vigilant in order to ensure that they do not wreck something that has been extremely useful and profitable to Canadian agriculture.

**Some Hon. Senators:** Hear, hear!

Motion agreed to and bill read third time and passed.

[Senator Olson.]

## APPROPRIATION BILL NO. 2, 1990-91

### THIRD READING

**Hon. C. William Doody (Deputy Leader of the Government)** moved the third reading of Bill C-75, for granting to Her Majesty certain sums of money for the Public Service of Canada for the financial year ending March 31, 1991.

Motion agreed to and bill read third time and passed.

## INCOME TAX ACT

### BILL TO AMEND—SECOND READING

On the Order:

Resuming the debate on the motion of the Honourable Senator Asselin, P.C., seconded by the Honourable Senator Ottenheimer, for the second reading of the Bill C-52, An Act to amend the Income Tax Act and related Acts.—*(Honourable Senator Bosa).*

**Hon. Peter Bosa:** Honourable senators, I am pleased to take part in this debate on Bill C-52. First, I want to congratulate my colleague, Senator Asselin, who has given a detailed explanation of a very complex bill.

Bill C-52 is some 100 pages long. It makes various amendments to the Income Tax Act and related acts and expresses these amendments in highly technical and dry language. I will limit myself to saying a few words on the purpose of the bill in layman's terms and state what the bill is attempting to achieve.

Canada's elderly population is increasing each year. The bottom line of any pension reform is that Canadians must be able to provide for their retirement; people must be able to save for their old age. Federal and provincial governments have developed savings plans to help—specifically, the Canada Pension Plan and the Quebec Pension Plan—as well as a series of tax expenditures that favour certain types of registered retirement savings plans.

To give some idea of the importance of the various retirement programs, by the late 1980s almost 12 million members had contributed over \$7 billion to the CPP and QPP; almost 5 million had contributed almost \$14 billion to employer-sponsored plans; and almost 3.5 million people had contributed \$9 billion to registered retirement savings plans. These statistics are as of December 31, 1987.

The tax treatment of savings in various registered retirement plans has become extraordinarily complex. In part, this is the nature of any tax expenditure. The government establishes a program for some large group—in this case, those retiring—and must add rules so that those outside the target group do not receive an unwarranted tax advantage.

Over time programs can become more complicated and less efficient. At some point the program must be overhauled and made more efficient. We have long since passed that point with respect to the programs for the tax assistance for retirement saving.