

Government Orders

the backs of the workers and of the small business employers.

We have seen a government that does not fully index its own provisions in the Income Tax Act. We know that it has not fully indexed the clawback provisions for senior citizens who are receiving the Old Age Security. The goods and services tax credit that they are proposing is not even fully indexed. As that tax applies, we all know that inflation will deteriorate year after year the position of the poorest Canadians.

They have not fully indexed the refundable child tax credit. Again, in conception, a good tax measure designed to help the families who need it most. Again, it is being eroded by inflation because this government does not have the compassion or humanity to fully index it.

Yes, let us be very clear. This program will help the rich and the almost rich to achieve self-sufficiency in retirement if they do not squander their money. As indicated, in only 25 to 30 years, a person having taken advantage of the maximum contributions, be it for four or eight years, can have \$1 million in capital and live off the income. It is doing nothing for Canadians at the lower end of the totem pole, for the working poor, for those in poverty, and for those who do not have the money to put away.

When you are in a lower than 50 per cent tax bracket and you put money away for your retirement, as frugal, prudent Canadians will do, the government does not contribute 50 per cent through tax savings for the poor. It might contribute 20 per cent, 25 per cent or 30 per cent. It is only when you are in the upper class tax brackets, the rich tax brackets, that the government is contributing a full 50 per cent.

I wish, in retrospect, the government had considered in this time when we must be prudent with taxpayers' money the real needs of Canadians who are retiring. The real needs lie not so much with the rich and the well-to-do, they lie with those living in poverty. That is where their priorities should have lain, in fully indexing pensions, in making pensions available to homemakers, in providing for rollovers, so that pensions can be transferable. This is the question of portability. Even more so, addressing the retirement needs of our seniors

who are living in poverty or the people tomorrow who will be our seniors living in abject poverty if this government continues.

I would like to make one more point, Mr. Speaker. This government is fond of saying that they have no money for any public purposes in Canada. This is the government that is prepared to see Lumonics sold to the Japanese and to see Connaught sold to the French government. This is the government that is cutting back on research and development, that is cutting off grants to our best doctoral and post-doctoral students in the sciences. It is cutting back money to the NRC. This is a government that has even cut back tax advantages to small Canadian corporations that might want to undertake research and development. They do not have the money, they said, to help a key company like Connaught stay Canadian. They are happy to see it go into the hands of the French government.

We have in Canada over \$25 billion in registered retirement savings plans and pension contributions, all of which have been partially paid for at the expense of the taxpayers. Surely some of these funds could be put to valuable public work. Surely some of these funds could be invested in Canada's technological and economic future. Surely, because these funds are tax paid, we could insist that just a small portion of them every year, maybe 1 per cent or 2 per cent, be directed to help struggling Canadian companies, threshold firms, become world players. These are some of the things that we should be thinking of.

In conclusion, let me say that this bill does deal with the real problem of poverty in retirement. This bill helps the rich. It helps the almost rich, but it does not address the true retirement needs of Canadians.

Mr. Milliken: Mr. Speaker, the hon. member for Willowdale is well known for his erudition on matters relating to pensions and the speech we have just listened to is an excellent example of his fine presentation and clear thinking. I know he has listened patiently to some of the speeches made this afternoon, particularly by members of the New Democratic Party who seem to get very confused on the issue. Has the member done any studies on the various attitudes of the New Democratic Party toward this kind of bill?