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The purpose of pensions is people, not politics

It's not a new idea, but it's an idea whose time has come--Alberta should opt out of the Canada Pension Plan (CPP) and establish its own provincial alternative.

The reasons are quite simple: Albertans would have a better pension plan at a lower cost, which they would manage themselves, not entrust to Ottawa. The plan would be more sustainable, accountable, and affordable. It could be tailored to the priorities of Albertans, and would help restore legitimate provincial responsibilities as outlined in the constitution.

You'd think that any discussion of something as boring as the Canada Pension Plan would be pretty calm and collected. Perhaps even a bit of a snoozer. But not if you suggest that Alberta set a new direction by creating its own alternative; in that case just watch the Nation's regional resentments boil over.

The best way to take the political heat and high blood pressure out of the discussion is to begin with a very basic and sensible question: why do people have pension plans at all? The practical reason, of course, is to provide themselves with as much income as possible after they retire, at the lowest possible cost during their working years.

If this is the rationale for pensions, there is not the slightest economic doubt that Albertans should create their own provincial plan, and the sooner the better. At present it would yield an annual saving of about \$500 per household.

If, however, the purpose of a pension plan is not practical but political--not retirement income but national unity, Canadian identity, federal control and regional wealth transfer--then Alberta should not opt out. It should not even be allowed to.

Fortunately, our ancestors were quite clear-headed on this point. Pensions, like all public social programs, are the responsibility of provincial legislatures. The Fathers of Confederation gave Ottawa no social mandate whatever except insofar as the provinces allow. Provinces may decide (as nine of them did with pensions in 1966) to throw in together with Ottawa. And they may change their minds (as the CPP statute allows) and go it alone, as Quebec has done all along.

If Albertans do opt out, however, they will be bombarded with federal propaganda urging them to stay with the CPP. There will be nonstop television ads featuring Canada geese, cowboys on horses, visible minority women in down-

town Calgary, and legions of children singing and blowing dandelions. "The Canada Pension Plan..." a friendly federal voice will intone, "Good things happen when Canadians work together."

When this great artillery barrage begins, let's not forget some fundamental realities. The Canada Pension Plan has always been a badly designed, poorly managed arrangement of political convenience between nine provinces looking for more money from Ottawa and a national government operating on a borrowed constitutional mandate. It is a one-size-fits-all attempt to let Ottawa do something that provinces, working individually or in regional groups, could do better for themselves.

Instead of being intimidated, Albertans should lead all Canadians in a new and more promising direction. They should start to restore the kind of Confederation our forebears envisioned when they took their few scattered wilderness colonies and fashioned from them a modern federal nation.

- Link Byfield

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