

Supply

but this is certainly not the only job in the country that has volatile tenure for sure.

I am splitting my time with the member for Calgary West, and therefore I would like to just finish up by saying that this program is wrong. It needs to be changed. The government promised it would change it. It did not do it by November 21, trough day. Come on, colleagues, this is the time to take action on this. Let us do the honourable thing. Let us make sure that we get this thing changed. It is unfortunate it has lost so much credibility with the Canadian public and taxpayers. Now is the time to get our trotters out of the trough. It has to be very soon.

Mr. Silye: Madam Speaker, on a point of order, we intended to announce prior to the first speech of the member for Beaver River that we would be splitting our time on this debate, 10 minutes each. We would like to put that request in now.

Mr. Stephen Harper (Calgary West, Ref.): Madam Speaker, I am rather surprised that there are so few questions while there were so many while the hon. member was speaking.

In any case, I am rising to discuss the MP pension plan and just to summarize the obscenity of this plan as the hon. member for Beaver River pointed out. There is a benefit rate of 5 per cent, two and a half times the average in the private sector. There is virtual full indexation, 78 per cent of private plans have no automatic indexation whatsoever. Age of retirement based on years of service, could be at any age, could be as young as 24. Ninety-one per cent of all private sector pensions have a retirement age of 65. Contributions are well in excess of anything allowed under the Income Tax Act and there is the ability to have another federal job while collecting the pension.

All of these things are opposed by the Reform Party and have been opposed for some years now. Our blue book makes clear that we would change virtually all aspects of this plan including the fact that present beneficiaries of the plan should share in part of the costs of those changes.

Let us recognize that under the present plan we have accumulated a liability of \$220 million that is growing rapidly and this liability can barely be touched unless some of these changes are applied to present beneficiaries and to those who are presently qualified. Some will reply that this is unfair on a number of grounds and I want to address those changes to really understand the nature of that kind of argument.

• (1025)

First of all, the statement that this would be retroactive is not true. Retroactive changes are changes to law at a prior time and no one is suggesting that. We are suggesting that there would be retrospective changes which legally speaking are changes that

would only affect the future consequences or only affect the future expectations of law from a prior time which is common to virtually all legislation.

It has also been suggested that these are contractual obligations that are somehow sacrosanct. There is no contractual obligation here. Let us be absolutely clear about that. The MP pension plan is a legislative privilege. Section 42 of the Federal Interpretation Act makes it clear that Parliament has the authority to revoke, restrict or modify any privilege or advantage by repealing or amending the statute that granted that privilege.

The MP pensions were not entered into on a voluntary or commercial basis. There were not even two parties in this case. This is a case of politicians voting something for themselves, something that there was absolutely no reasonable expectation that their contributions would give them.

It has been suggested that it would somehow be inherently unfair to make MPs change their pension plan. In response to that I believe fully and our party believes fully that contributions should be protected. To the extent that MPs have contributed the value of those contributions should be protected. Let us also be clear that contributions to the plan account for less than 20 per cent of the benefit. There is absolutely no fairness in providing such a windfall benefit at the expense of taxpayers.

In terms of charter arguments there would be absolutely no evidence, notwithstanding the pleadings of the Deputy Prime Minister, that members of Parliament or politicians in general constitute a disadvantaged group in our society.

There is no fairness also in suggesting that all of the reduction in pension benefits should fall upon those who are serving now or who may serve in the future. There is no fairness in my view in suggesting that future or present MPs, once the rules are changed, should be treated differently than past MPs. That kind of objection goes more broadly to a philosophy that states that only younger people should pay the costs of the present financial situation in the country, an implication that I reject entirely.

What are the implications of the kind of argument against these changes and these retrospective changes? What these people are really saying is that we can change virtually any plan in this country but not the MP pension plan. The previous government changed old age security to provide a clawback. This Liberal government has not seen fit to change that. Previous governments changed their obligations on equalization payments to the provinces. They changed their obligations and payments in health, in post-secondary education, none of which this government has reversed. This government has also made it clear that it is contemplating changes to RSPs, so far as to even