

HOUSE OF COMMONS

Friday, March 17, 1995

The House met at 10 a.m.

Prayers

GOVERNMENT ORDERS

[English]

SUPPLY

ALLOTTED DAY—SOCIAL PROGRAMS

Mrs. Diane Ablonczy (Calgary North, Ref.) moved:

That, this House urge the government to recognize that the present social programs are failing and to investigate more secure options such as the Registered Personal Security Plan (RPSP), a system of personalized, tax-sheltered, RRSP-like savings accounts to which Canadians could contribute funds to be drawn during periods of unemployment, for personal upgrading/retraining and for retirement income.

She said: Mr. Speaker, It is a tremendous honour and privilege for me today to introduce to the House and to the Canadian public an innovative new concept which the Reform Party believes will help preserve long term personal security for Canadians.

With so much talk lately of cutbacks and change to social programs, citizens are naturally concerned that this will threaten the benefits they have been promised. Although the welfare state is crumbling, Reformers believe that we can work together to build a better and stronger way to provide for ourselves during times such as unemployment and retirement.

Today we place before the House a motion which addresses this vitally important issue of how best to preserve and protect the personal security of Canadians:

That, this House urge the government to recognize that the present social programs are failing and to investigate more secure options such as the Registered Personal Security Plan (RPSP), a system of personalized, tax-sheltered, RRSP-like savings accounts to which Canadians could contribute funds to be drawn during periods of unemployment, for personal upgrading/retraining and for retirement income.

The Reform Party unveiled its registered personal security plan proposal in our taxpayers budget which we released on February 21 of this year. This was as a direct result of a

resolution passed by Reform members at our October 1994 assembly:

Resolved that the Reform Party investigate the feasibility of replacing the compulsory, government operated, privately funded taxpayer subsidized unemployment insurance program with a voluntary, personally financed, privately administered, government regulated registered unemployment savings plan.

Since then we have begun the process of discussion and consultation necessary to examine and test the idea both with experts and in the public arena. Through that process we will expand and refine our proposal and determine whether there is support for moving toward this entirely new way of meeting our personal security needs.

The first question Canadians watching this debate will ask is: what is an RPSP or registered personal security plan? Simply put, an RPSP gives us instead of government ownership and control of the moneys we pay into UI and CPP.

The second question Canadians might ask is: why do we need to change; what is the problem with the unemployment insurance program and the Canada pension plan we have now? I suspect that a lot of Canadians have already figured out the answer to this question.

They have seen the report that the CPP fund will run out of money in 20 years. They heard the finance minister in his budget promising a paper on the changes required in the public pension system to ensure its affordability. They know this means something is deeply wrong. It is the same sinking feeling they get when the doctor says: "We need to do a few more tests".

The finance minister also cut unemployment benefits. Of course this was all carefully worded by Liberal spin doctors. The cuts were styled as "unemployment insurance reform" which "will reduce the overall size of the unemployment insurance program by a minimum of 10 per cent".

In spite of this 10 per cent reduction in benefits, Canadian workers will still hand over the same amount of money to the government. The Liberal spin doctors dress this up by promising no increase in premium rates. One would hope not, considering the benefits are being cut.

It would have been more honest for the finance minister to come right out and say that benefits would be cut by 10 per cent or more. In spite of the coy wording, Canadians figured out that they are getting a smaller benefit for the same money. They