



April 22, 2003

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Bill 213: Canada Pension Plan Opting Out Act

Obtaining a CPP 'opt-out' option has been a key policy objective of the Alberta Chambers of Commerce (ACC) for nearly a decade. As a member of ACC, the Red Deer Chamber of Commerce would like to express support towards the introduction of Bill 213: Canada Pension Plan Opting Out Act.

Bill 213 represents a significant attempt to advance discussions on the issue of an Alberta Pension Plan. Much of the work of the ACC – including that of a number of credible economic researchers – has shown that Alberta's economic and demographic advantage provides a strong foundation on which Alberta could create its own provincial pension plan.

The Alberta Chambers believes that the Province can benefit in numerous ways from forming and improving its own pension plan, including the following:

- We can build an Alberta fund rapidly to ensure the resources exist in future to pay the pensions.
- Our plan can be made more fair for the young and reduce the intergenerational inequities of the CPP.
- Albertans can be rewarded for the positive economic results of our provincial policies, including our higher employment, younger workforce, and low disability use of the CPP. Presently we are penalized for our successes.
- Albertans can gain control over our contributions to the CPP investment board. That fund is anticipated to grow to several hundred billion dollars, and we believe Alberta's share should be managed for the benefit of Alberta rather than focused on the TSE.
- We may be able to actually enhance the benefits we pay, and protect our citizens from reduction in benefits that is likely with CPP.
- We can integrate the disability component of CPP with our WCB to ensure disability claims on the pension plan are fair, and claimants are assisted in transition back to work.
- If we use the net Alberta outflow to fund the plan, we will open up fiscal room to deal with the costs that the aging population will create, and enhance particularly health care.
- We can create actual rights to the pension that do not exist with CPP.
- If Alberta does not remove itself from the plan, and benefits decline or age of receipt is increased, Alberta will likely have to support retirees until pensionable age through increased claims on our welfare and social safety net programs.

I look forward to your reply on this important issue, addressing every Albertan's future.

Sincerely,

RED DEER CHAMBER OF COMMERCE

Don Oszli, CA, CMA
President (2002-03)

cc: Premier Ralph Klein, Finance Minister Patricia Nelson, Revenue Minister Greg Melchin, MLA Doug Griffiths