

May 5, 2011

The Honorable Jack Layton, PC, MP
Leader of the Official Opposition

Dear Mr. Layton,

Congratulations on your historic gains and becoming Leader of the Official Opposition. Clearly, the political landscape has changed in Canada, and we hope for the better.

One of the things you spoke of during your election night speech was your preference for “proposition, not opposition.” We couldn’t agree more.

As such, we propose that you and Prime Minister Harper set the tone of this new Parliament by agreeing to reform MP pensions. We believe this would dramatically improve the respect, credibility and sincerity of yourself and Parliament as a whole.

Why MP pensions as your first proposition?

The Canadian Taxpayers Federation estimates that defeated and retired MPs from the May 2, 2011 General Election will cost taxpayers nearly \$112 million dollars in pension and severance payments over their lifetime. Their pensions are paid for with taxpayers contributing \$4 for every \$1 that MPs do. This is completely divorced from the reality facing the vast majority of Canadians.

As the leader of a party dedicated to helping working-class families, we have little doubt you understand the injustice of such a rich and extravagant pension plan. As the leader of a party responsible for holding the government to account in the way it spends public money, we expect that you understand that this is disrespectful to taxpayers.

Gold-plated MP pensions have been a long-standing campaign of ours and we know Canadians share our concerns. Our efforts have resulted in provincial governments recognizing the double standard and instituting meaningful reforms. NDP governments in British Columbia and Saskatchewan, for example, commendably turned their MLA pension plans into defined-contributions plans where taxpayers matched MLA contributions dollar for dollar. We recommend that our federal Parliament follow suit.

Specifically, we would like to see MP pension reform include: 1) replacing the four-to-one taxpayer-to-politician ratio for contributions with a dollar-for-dollar matching contribution towards a RRSP-style defined-contribution plan, and 2) raising the age of eligibility from 55 to match the CPP eligibility.

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It's easy to say that your party is willing to work across the aisle to move important issues forward, but you have an opportunity here to actually demonstrate your willingness to do so. We are sending this same message to Prime Minister Harper.

Let's start something new today. Enact a specific, concrete action in cooperation with other parties that demonstrates sincerity of purpose and commitment to do politics different in our great country.

We look forward to your response and working with you in the next Parliament.

Yours truly,

A handwritten signature in cursive script, reading "Derek Fildebrandt".

Derek Fildebrandt
Acting Federal Director
Canadian Taxpayers Federation