



CARP Advocacy

Highlight of CARP's Current Work & Issues And How They Affect You

1. Tax Filing

CRA decided to stop mailing out tax forms just before the current tax season without adequate notice. This created problems for people, especially seniors, who do not have internet access or are unable or uncomfortable filing taxes online, as well as Canadians who are limited in accessing post offices to pick up paper forms because they live in remote or rural areas.

CARP called CRA to immediately mail a paper form to those who filed on paper last year with a clear option to choose a paper form for next year, something the government should have done last year.

CARP has sent a letter to the Minister of National Revenue who already said no in Question Period. Maybe there'll be a different response before this tax season is over. Meanwhile, if individuals cannot file their taxes online, they are encouraged to pick up forms at the post office or Service Canada office or order a copy by calling 1-800-959-2221.

2. Caregivers

CARP called on the government to implement a National Family Caregiver Strategy to support the millions of Canadians who are providing informal care to an older loved one by providing financial support, ensuring workplace protection, and formally integrating personal caregiving into health care system.

The federal government in 2011 announced the Caregiver Tax Credit, which provides up to \$300 annually as a non-refundable tax credit.

CARP is now advocating that the tax credit be made refundable, so that Canadians who have no income to report will also be able to receive the credit. Provinces also have a role to play. The Ontario government has proposed a bill that if passed would allow employed caregivers up to eight weeks of unpaid leave.

3. OAS/GIS auto enrollment

CARP has long advocated for auto enrollment of OAS/GIS benefits. Statistics Canada reported in 2010 that approximately 150,000 Canadians did not receive their benefits, due partly to the complicated application process. The 2012 federal budget delivered the change. Proactive enrolment will be implemented in a phased-in approach from 2013 to 2016. People who are eligible for OAS/GIS will be notified personally by mail.

The change in OAS/GIS enrolment is positive, but CARP's larger fight to reverse the federal government's decision to change the age of eligibility for OAS is ongoing.

4. Mandatory Retirement

The federal government acted on CARP's advocacy last year when it ended mandatory retirement in federally regulated industries, benefitting approximately 800,000 employees. Mandatory retirement is all but abolished across Canada, with notable exceptions.

The federal law is not retroactive, leaving out recently retired employees from the change. New Brunswick still allows mandatory retirement under certain pension plan exemptions, which still affect a large portion of the province's workforce.

Ontario repealed general mandatory retirement in 2006, but in 2011 the province exempted firefighters from the law. Firefighters are now required to retire at age 60, regardless of ability to perform the job.

CARP will continue with efforts to completely eradicate age-based mandatory retirement.



5. TFSAs

Tax-Free Savings Accounts (TFSA) fit CARP's comprehensive approach to pension reform. Canadians now have up to \$25,500 of contribution room. This includes \$5000 for each of the four years since the introduction and an additional \$5,500 for 2013, after the federal government increased the yearly contribution room by \$500.

CARP is calling for retroactive contribution room going back to age 18 for all Canadians. Canadians who were 18 in 2009 can expect a minimum contribution room of \$160,500 by age 50. Older Canadians will have considerably less room despite having to make up for losses suffered in the 2008 crash.

6. Elder Abuse

CARP secured an election promise for greater protection against elder abuse in the run up to the 2011 federal election. Bill C-36, An Act to Amend the Criminal Code (Elder Abuse), fulfilled that promise. It was introduced in the spring of 2012 and became law in December of 2012. The Criminal Code now allows judges to add vulnerability due to age as an aggravating factor, allowing increased sentencing convicted abusers.

Changing the Criminal Code won't be enough to end elder abuse. CARP is now taking the issue to the provinces, fighting for specialized investigative and prosecutorial support, victim support services, elder shelters, and greater support for caregivers.

7. Pension Reform – PRPP & CPP

CARP has been calling on governments to improve the current design of PRPPs (Pooled Registered Pension Plans) and enhance the CPP. On December 5th, CARP issued an open letter to Canada's Finance Ministers calling on them to fulfill their 2010 promise to enhance CPP. The ministers reaffirmed their support for PRPPs and agreed on the importance of harmonizing across jurisdictions and committed to revisiting CPP enhancement in June 2013.

8. Paper Bill Fees and No Fee Accounts

CARP called on banks, telecommunication, utility, and cable companies to reverse their billing policies, now charging a fee for access to paper bills, which is unfair for those on fixed incomes, not online, or just not comfortable with online commerce. However, more banks and service companies are moving towards online billing and charging fees for paper bills.

Bell and TD Canada Trust responded to CARP's letters, stating that they will not reverse their policies but will provide options for customers to avoid the fee, mainly through individually appeals. Individuals would need to approach the companies directly to have fees waved and to contact their local branches for better options to meet their banking needs. Most banks should have a low fee account while others may have seniors' accounts with no fee.

9. Investor Protection

Investor protection remains a big issue. Late 2011, the Supreme Court ruled against the federal government plan for a National Securities Regulator that had an ancillary investor protection and enforcement agency.

Last year, the Ombudsman for Banking Services and Investments (OBSI), the banking mediator, suffered a blow when RBC and TD withdrew their participation from their banking complaints service, removing one recourse option for retail bank clients (They are still required by law to use OBSI for investment complaints).

CARP is now participating in the Canadian Securities Administrators' public consultation on a statutory best interest duty for advisers and dealers. CARP will be supporting a statutory best interest standard, and if it is adopted, it is anticipated that investors will be better protected.

