



NEWSLETTER WINTER

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The opinions expressed in this publication are those of contributors and not necessarily those of the N.P.S.C.F newsletter

National Pensioners and Senior Citizens

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Table of Contents

Table of Contents	1
Federation Executive.....	1
Our History	2
Objectives	2
Message from President.....	3
Art Field.....	3
GOVERNMENT BLUNDER SHORTCHANGED SENIORS: CHARLTON.....	6
From My House to Yours	9
Secretary	9
The Hard Sell: Advertising of Prescription Drugs	10
National Pensioners & Senior Citizens Federation supports Canadian Government Income Trusts Tax and Pension Income Splitting Plan	11
New Long Term Care Legislation.....	13
A NEW SINGLE SECURITIES REGULATOR	14
Answers to E-mails from Mr. Art Field/Ms. Diane Urquhart	15

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Our History

The National Pensioners and Senior Citizens Federation (NPSCF) is a democratic, non-political, non-sectarian organization.

Our mission has remained the same for fifty years. The issues are as important today as when we started.

The NPSCF was started in Saskatoon, Saskatchewan, by provincial organizations from British Columbia, Alberta, and Saskatchewan. Groups from other provinces have since joined.

It is made up of provincial affiliates, groups, clubs, and individuals.

Objectives

The National Pensioners and Senior Citizens Federation is an organization devoted entirely to the welfare and best interests of Canada's elderly.

1. To promote and establish and foster, Seniors' Centres (called Clubs or Groups) and Regional and Provincial Seniors' groups throughout Canada.
2. To provide education for persons in the retired and senior citizens age group and other individuals interested in aging, and the status and well being of seniors.
3. to reach out to seniors who are lonely, or isolated, or at risk..
4. To provide programs, which promote healthy active lifestyles for seniors, thus sustaining mental and physical health.
5. To assist in developing the knowledge that seniors should learn during their aging process, through promotion of educational experiences.

6. To research the aging process, and any problems and benefits pertaining to the aged that might be of interest to the Federation, and to use the knowledge gained from that research to educate seniors and any other party or parties who are or might become interested in these concerns.
7. To provide opportunities for seniors to utilize their volunteer and leadership skills for the benefit of all persons.
8. To consult with other private and public organizations which offer similar services in order to gather any education information that will add to knowledge and be of use in seniors and the public.



Message from President Art Field

Some information on my actions since our last newsletter. I went to Montreal in November for a press conference on income trusts and white collar fraud in the financial services. I went with Diane Urquhart, an independent financial consulting analyst. There were 15 people at this press conference at the Montreal Campus of the University of Quebec. Bernard Landry, former Premier of Quebec, was on the Committee as well as a professor in the financial sector and people who held high positions in the financial world in Quebec. We are after honesty, credibility, and a government-appointed regulation to police the system, so seniors in Canada do not lose their money that they need to live on, by crooked stock brokers.

I also did a 2 minute video on our Federation and income trusts. I met with the vice president of the Faddoc, which is a senior group in Quebec that has over 300,000 members and works with the Quebec government in the interest of seniors. As I grew up on the south shore of Montreal, and worked in downtown Montreal as a teenager, it brought back memories, the office building where I worked was the tallest building in Montreal in the 1950's.

In December I was in Ottawa at the Congress of National Seniors Organizations, which is financed by the Division of Aging, which is part of Health Canada. We had 21 days of meetings with guest speakers from HRDC on pensions, OAS, GIS and CPP. We were to have a meeting with Diane Finlay, MP, who is cabinet minister for HRDC. We were told on the day of the meeting she could not make it, but we could meet with her staff, but it was cancelled when we got to the building where the meeting was to be held. Sure is a nice way to treat people who represent seniors from the great country of ours. There was a retired school teacher from B.C. and the head of Canadian Pensioners Concern, who is from Prince Edward Island and the President from a French organization which represents French-speaking people in Canada. Also, our chairperson, who is an executive director of the FSNA, which represents all retirees of the Federal government employees, and yours truly, representing seniors from across Canada. We hope this government realizes some day that we are a majority group in this country, and will meet with us soon. As a member of the co-ordinating committee of CNSO, we also have conference calls every two weeks.

In January 2007 I was invited back to Ottawa by the Federal government to a meeting of the finance committee on income trust and regulation for financial services. Finance Minister Jim Flaherty appeared before this committee the day before I was there. This committee has members from all parties, I got a fair amount of questions from members of the committee. I was told by a neighbour of mine he saw me on Report on Business TV, which is a program for business.

The NPSCF brief is being done now by a secretary that works for FSNA and will be sent to all MPs when it is ready. We will meet with government and opposition members in March or April. We are arranging an NPSCF Executive meeting for March or April.

I was also at Queen's Park in Toronto in January on Bill 140, which is a bill about retirement homes for seniors. I made a presentation on rights of seniors and guaranteed so many hours of day care and other rules to make life for seniors better. This committee is made up of MPPs from all parties in the Ontario Legislature. There will be an article on that in this newsletter.

We are looking for ideas on how to increase our membership regarding individuals, clubs or chapters. If you have any ideas please pass them on to an Executive member. I saw an article on our convention in a seniors newsletter on the election of your Executive, and because I was re-elected they said we were just a social club. Well, I think what I just told you I did in the last three months, I don't have much time to socialize.

In closing, Praise Loudly and Blame Softly.

First Vice-President's Message

by Don Holloway

Since our last **Newsletter**, a lot has transpired in the Health Care field.

For instance, in Newfoundland and Labrador, over the years we have asked our Government to include both **Oral and Eye Care** in the Health Care mix. Now, Tom Osborne, Newfoundland/Labrador's **Minister of Health**, has announced the development of a plan for Oral health in Newfoundland and Labrador. In his letter, he states that "Oral health is an issue for every resident of the province. Traditionally, oral health has been regarded separately from overall health. In fact, Oral health is a critical component of our overall health and wellness, affecting every stage of our lives and impacting upon our ability to eat, speak, socialize, learn and work. The Department is committed to developing a comprehensive and integrated plan to improve the Oral health of all citizens of the province". Have you got any ideas? If so, just write them down and send them to our **Federal** government and ask the Federal Minister of Health to add **ORAL** and **EYE CARE** as part of the National program on Health care. This should be treated like the National Health Act is. Why not?

Have fun with this one. "Do you need a **Health Care decoder**?" Well, here is one.

Innovation: = Commercialization of health care services in a cut-throat market.

Problem: *Some things don't belong in a market – human life, blood, health care, etc.*

European Model: = U.S. 2-tier, for profit health care disguised as a "Third way".

Problem: *Canada would integrate with the U.S. and not Sweden and Norway.*

Flexibility: = Operating outside of the parameters of the Canada Health Act.

Problem: *The duty of the Minister of Health is to insure that people with money do not buy their way to the front of the line.*

Modernization: = Returning to the old days of life before Medicare.

Problem: *Private health insurance for the healthy and wealthy, and doctors charge whatever they want.*

Choice: = Health Care services treated like any other commodity.

Problem: *Health care is a human right, access should be based not ability to pay. In U.S. over 45 million citizens have no health care and no choice.*

Partnership: = Corporate "partnership" is a parasite that costs taxpayers.

Problem: *Costs go up, quality goes down and there is no accountability.*

Experimentation: = This is no "experiment". Commercialization of health services triggers international trade agreement rules.

Problem: *Once foreign insurers are inside the walls of the Canadian health care system, international trade rules will give them weapons to fight any government, to displace them or even control their market share.*

Want to go private? Here is your chance if you can pay: -

Intensive care room: \$8,000 to 12,000 per day

Angioplasty: \$6,000 to \$7,000

ECG: \$280 to \$360

Cardiac Catheterization: \$40,000 to \$63,000

Defibrillator implant: \$27,000 to \$36,000

Average annual Insurance premium for family coverage: \$13,400

How do you like them apples! Thank goodness for our **Canadian** Health system.

Not the Canadian Medical Association who want "2-Tier" "User Pay", **but the Canadian Doctors for Medicare**, a different breed of physician altogether, believe that Single-payer, public funding of medically necessary services make sense. "It allows us to deliver care to our patients based on their need, rather than their ability to pay. It also allows Canada to maintain some of the lowest administrative costs in the world".

.....continued on page 5

..... continued from page 4, Don Holloway 1st VP

These doctors also believe that “in our own practice and hospitals, we are all aware of problems related to inefficiency, insufficient funding and lack of integration. But as physicians, we should advocate solutions that will improve health care for all of our patients, not just the fortunate few who can afford to jump the queue”.

*Total spending on drugs in Canada during 2005 \$24.8 billion

*Increase in prescription drug costs between 1994 and 2004: = 2.3%

*Percentage of new, more expensive drugs (2000-2004) offering no improvement 97%

*Pfizer's profit on \$48 billion worth of business in 2002 = \$9 billion

*Spent by Merck in 2000 in direct to consumer advertising for Vioxx = \$160 million

*Adverse drug reaction as cause of death in Canada = ranked between 4th and 7th

*Estimated Increase in antidepressant drug costs (mostly SSRIs) 1993 to 2000 = 247%

*Number of Canadians who have inadequate drug insurance = 4.3 million people

*Yearly administrative costs of private drug insurance system. Canada - \$670 - \$800M

MYTH: *Private insurance will increase access and choice for individuals.*

Private insurance provides greater access and choice to the wealthy, **not the rest of us.** In countries with “2-Tier” systems, only a relatively small percentage of the population hold private insurance (for example, 11.% of UK citizens) mostly the wealthy. For the rest, access is limited in a number of ways. Can't afford the premiums. Don't qualify due to pre-existing conditions. Face higher premiums for pre-existing conditions. Find access limited even with coverage due to high out-of-pocket costs such as deductibles and co-co-payments.

Reality Check! For-profit health care facilities ...

- A) have higher death rates than non-profit facilities.
- B) Costs more.
- C) Provides lower quality service.
- D) Engage in schemes to cheat taxpayers.
- E) Compromise access to public services.
- F) Provide less nursing care than not-for-profit nursing homes.

The American group **Physicians for a National Program** compiled the following list of recent **criminal and civil fines** and settlements by **for-profit healthcare insurance companies:**

*NME (Tenet) \$68.3 million for Medicare billings fraud and patient abuse

*Smith Kline, Corning, LabCorp: #800 million for billing fraud

*Caremark: #137 million for kickbacks and fraud in home IV business

*Fresenius/NMC \$486 million for dialysis fraud

*Roach and BASF: \$725 million for price fixing cartel

*Beverly: \$175 million for nursing home fraud

*Noll: \$135 million for suppressing research data on drug Synthroid

*Abbott Labs: \$100 million for faulty lab test kits

*Columbia/HCA \$745 million for alleged fraud in a continuing investigation

Others can also be added to this list. Where there is money to be made – you know the rest

The **Canadian Medical Association's** own review of evidence based on its **own** review of evidence in its June 2006 discussion paper *It's a>About Access, private insurance for medically necessary physician and hospital services*

*Does not improve access to publicly insured services

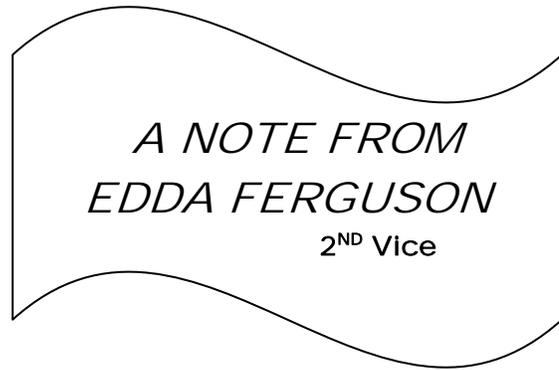
*Does not lower costs or improve quality of care

*Can increase wait times for those who are not privately insured

*Could exacerbate human resources shortages in the public system

So there you have it. Of course you want a private health care system. You just won the lotto 6/49.

It will pay you to add your name to the thousands and thousands of others who believe that in unity there is strength. Gray Power does work. Come! Add your voice. **Win!** God bless you all, Don Holloway, 1st VP



*Report of
the 2nd Vice-President of the NPSCF – January, 2007*

Greetings from Nova Scotia, and we are having beautiful weather here and it is sure going to shorten up the winter.

We are very happy to report that we had many compliments about the National Pensioners & Senior Citizen Convention that was held here in Truro, Nova Scotia in September 2006, at the Best Western Glengarry Trade & Convention Centre.

We had representatives here from Vancouver to Newfoundland and they enjoyed our beautiful fall colors, etc. We had many interesting speakers and entertainment, and a large Banquet.

There were many Resolutions presented at this time and a brief of these Resolutions is being prepared and will be presented to the Government Ministers in Ottawa responsible for Senior's issues at a later date. This is to advise these Ministers of the many problems that Seniors are facing in today Society.

Our Federation of Senior Citizens & Pensioners of Nova Scotia are now making plans to prepare for our own 34th Convention to be held in Truro, NS in May, 2007. We also prepare for approximately 100 Delegates and Visitors from across our Province, with good speakers and entertainment.

So, we hope this finds all our Seniors in good health and look forward to the next Convention in the fall.

Sincerely, Edda Ferguson

GOVERNMENT BLUNDER SHORTCHANGED SENIORS: CHARLTON

Charlton Presses Government to Compensate OAS/CPP Recipients for Error

OTTAWA – The Canadian government has unfairly short-changed ordinary seniors by more than a billion dollars, NDP Seniors Critic Chris Charlton (Hamilton Mountain) charged today in Question Period. Charlton demanded that the Harper government take full responsibility for a Statistics Canada error and re-pay Canada Pension Plan and Old Age Security recipients back what they are owed.

“Average Canadian seniors have worked hard all their lives, they’ve played by the rules, and they have a right to expect that the government isn’t going to play keep-away with their benefit payments,” said Charlton. “A mistake was made. The government must take full responsibility and return to seniors what is rightfully theirs.”

Last August, it was revealed that inflation numbers had been underrated by half a percentage point since 2001. consequently, Canada Pension Plan, Old age Security and the Guaranteed Income Supplement recipients have been underpaid by a compounded half of a percentage point a year. Charlton says that the amount of unpaid benefits could end up totaling over a billion dollars.

Charlton was outraged at HRSCD Minister Monte Solberg’s response to her question, which gave no indication that the Harper government would be moving to correct the error and repay the lost benefits.

“There is a new HRSCD Minister but this is the same story we heard from the last one – a government mistake will be paid for by some of the most vulnerable members of our society,” said Charlton.

Charlton has drawn up a petition calling for the government to repay the lost benefits, and is urging Canadians to log on to her website at; www.chrischarlton.ca to fill it out.

For further information please contact:

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(613) 995-9389 OR charlc@parl.gc.ca
Gaby Senay, Press Secretary 613-295-9228



3rd Vice President
- Lorraine Foster

Hi Senior Friends,

Welcome to 2007! I admit I love Christmas. Banquets and family gatherings have left beautiful memories. Yet, there is nothing quite like the ritual of taking down the old calendar and hanging up a new one to remind us that life is a fast-moving journey! A new year is upon us and with it comes new opportunities and challenges. I'm excited about the opportunity to begin a brand-new year of learning and serving together.

One of the good things about a new year is that it gives us an opportunity to stop and ask ourselves some important questions:

1. Where am I right now in my life?
2. Where am I going?
3. Where do I want to be 365 days from now?

I have been involved in 50+ Clubs for twelve years. Whew! That's a lot of years. The victories have outnumbered the setbacks, to be sure. But there have been both, because both are needed. Victories keep us encouraged and motivated, setbacks keep us holding fast to our Creator.

Locally, I've prepared agendas, financial reports & annual statements, conducted monthly meetings, planned bus tours & banquets, formed committees, and trained members.

As Provincial Secretary, I attend meetings and document minutes (distribute the same), I visited clubs, conducted meetings, elections, and installed officers. I prepared, separated and forwarded our Federation, Municipal Provincial and Federal Resolutions passed in Convention. I delivered a copy of our Provincial Resolutions to each MHA (48). In addition, I was among the group, who met with Government and presented our Resolutions. By the way, our Health Minister is also our Seniors' Advocate. Last year we received eleven positive responses, via budget, to our requests and a written reply to each Resolution.

Nationally, I have interacted with Executive Members, including conference call, e-mails, facsimiles, cards, etc.

I trust we will have a productive year, while looking forward to seeing you again real soon.

Wishing you many blessings,

Lorraine



80 CANDLES AND COUNTING

Today, Dear Lord, I'm 80 and so much I haven't done, I hope, Dear Lord, you'll let me live until I'm 81.

But then, if I haven't finished all that I want to do, would you let me stay awhile until I'm 82?

So many places I want to go, so much to see, do you think you could manage to make it 83?

The world is changing fast, there is so much in store, I'd like very much to live until I'm 84.

And if by then I'm still alive, I'd like to stay until 85.

Then if I get the chance to pick and see if the world gets into a fix, I'd like to live to 86.

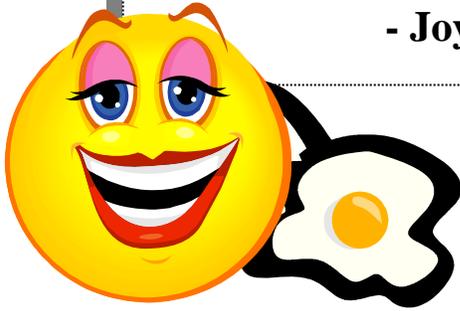
I know, Dear Lord, it's much to ask, and it may be nice in heaven, but really I'd like to stay until I'm 87.

I know by then I won't be fast, and sometimes late, but it would be pleasant to be around at 88.

I will have seen so many things, and had a wonderful time, but you know I'll have a lot of life in me, even when I am 89.

Submitted by Irene Smith, Lacombe, Alta.

**From the Treasurer's Desk
- Joyce Mitchell**



Help me clean up my mistake, please!!!

I really do have egg all over my face.

I incorrectly inserted the wrong dollar amount on the club officer's form and the schedule of dues.

Group's with over 1000 members should have been \$250.00 minimum.

For the groups who realized my error and sent the right amount, thank you, for others I would appreciate a correction.

On the other hand, thank you to all the individual clubs and groups that were so prompt in answering. Approx. 60% have already submitted their 2007 dues.

How busy we are as volunteers, there are so many senior issues out there, it is hard to keep up with them all.

In my particular home area, there is a lot of action about pension cutbacks. As Trenton is a military **city** and a **lot** of retired military, our local papers have articles all the time on this. I hope some of you will give it a lot of thought.

New Horizon Grant time is coming up again, pay attention and see if your club has a need for something that falls under the category and criteria and submit a form, you can get one on line, but if you cannot obtain a form and want one, contact me and I will endeavour to get it out to you as quickly as possible.

Resolutions – we need them, talk about it at your next general meeting and hopefully draft one.

It would be great as well if you would email our President Art Field, with ideas on speakers for the 2007 Convention, we would love to hear your ideas.

Take care of yourselves, spring is coming
YOURS FOR THE BETTERMENT OF SENIORS

Joyce Mitchell



From My House to Yours

Secretary

Greetings to all seniors once again.

Here in Saskatchewan we have had a long, cold winter. There are piles of snow around. We have had six people freeze to death in our January 10th blizzard. The severity of the storm had never been experienced by many of the people of the province. Now we know why the pioneers left the “coal oil” lamp burning at the window during the raging prairie storms.

I have been busy with all three senior organizations that I belong to. Being president of two and secretary for one keeps me on my toes. I must say volunteering is very rewarding. It keeps one’s mind and body active. Both necessary for a long, healthy, life.

Senior citizen clubs are great for helping all seniors stay active and healthy too. They are a place to go when people want companionship. Many seniors are lonely and need someone to visit with. They always are welcome at the senior centre where friendship abounds.

Today seniors centers are undergoing financial difficulties for many reasons. The latest difficulty is the huge burden of having to pay school taxes on their club rooms. Something the new large school districts are imposing upon all non profit organizations. In the past these taxes were waived by the local school units. A lot of senior centres are unable to pay. What will happen now? The doors will close and seniors will be the losers

Seniors are the people who have done their work and have earned the right to enjoy their senior centres. Senior centres should not be burdened with a large school tax bill. **“WAIVE SCHOOL TAXES ON SENIOR CENTRES.”**

Enjoy spring. It is just around the corner.
I can hardly wait.

Respectfully submitted
Fern



The Hard Sell: Advertising of Prescription Drugs

By: Jim Keon

Drug companies are banned from promoting their products through direct-to-consumer advertising (DTC) in Canada, yet drug companies and some private broadcasters continue to lobby the Canadian government to soften these rules.

That is real cause for concern, say the Canadian Medical Association, the Canadian Pharmacists Association, the Consumers Association of Canada, the generic pharmaceutical industry and a study funded by Health Canada

With serious funding problems and exploding prescription drug costs already threatening the health care system, one has to wonder why loosening the ban on mass media advertising continues to be an issue that drug companies and the people that sell advertising want to push onto the federal government's health-care agenda. The reality is that DTC advertising will only add to the problem of skyrocketing prescription drug costs.

It is understandable why this is a priority for Big Pharma. It is also understandable why this is a priority for people who sell advertising. Let's just make sure it does not become a priority for Health Canada.

Research backs up these concerns. In the United States, where direct-to-consumer advertising of prescription drugs has been allowed since 1997, research shows a strong link between advertisements and prescription drug usage.

In its report *Prescription Drugs and Mass Media Advertising*, the National Institute for Health Care Management reported the following:

- A relatively small number of prescription drugs advertised to the public contributed significantly to the increase in pharmaceutical spending in the U.S. from 1999 to 2000.
- Increases in the sales of the 50 drugs most heavily advertised to consumers in 2000 were responsible for nearly half (47%) of the \$20.8 billion increase in retail spending on prescription drugs from 1999 to 2000. Increases in the sales of all other prescription drugs (numbering about 9,850 in the retail market) accounted for 52.2% of the one-year rise in retail pharmaceutical spending.
- Retail sales of the 50 most heavily advertised drugs rose an aggregate 32% from 1999 to 2000, compared to 13.6% for all other drugs combined.
- The number of prescriptions for 50 most heavily advertised drugs rose 24.6% from 1999 to 2000, compared to an increase of 4.3% for all other drugs combined.

Contrary to what drug companies claim, advertising does not provide the impartial, objective information people need to make informed decisions about their health and treatment. Its main goal is to increase product sales. What's more, most often pharmaceutical companies advertise new, more expensive drugs that are not necessarily any safer or more effective.

Not only costs are at risk. In a study funded by Health Canada, Barbara Mintzes led a team of Canadian and U.S. researchers in a study on drug advertising aimed at consumers. The study, published in *British Medical Journal*, found that the emphases on selling the newest drugs also raises safety issues.

As Ms. Mintzes said in an interview with CBC, "There is a concern about pushing very rapid, widespread use of new drugs before enough is known about what their longer term risks are and if you look at their history in the United States we've already seen three products advertised to the public that were later withdrawn for safety reasons: Baycol, which is a cholesterol-lowering drug, a drug for diabetes, Resulin, and then also a drug for night-time heartburn, Prepsid."

Equally disturbing is the study's finding that advertising has a strong influence on what doctors prescribe. The ads prompt patients to ask their doctors for drugs they see on television. Ms. Mintzes team found that three quarters of the time, patients who requested drugs by name got the prescription. But about half the time, the doctors who wrote the prescriptions were not sure whether it was the best treatment for the patient or even if they would prescribe the same drug to another patient with the same symptoms.

For more information about advertising of prescription drugs and other issues, please visit www.canadiangenerics.ca

**Jim Keon is President of the
Canadian Generic Pharmaceutical Association**

National Pensioners & Senior Citizens Federation supports Canadian Government Income Trusts Tax and Pension Income Splitting Plan

February 1, 2007

The National Pensioners & Senior Citizens Federation (1,000,000 members across Canada in 450 chapters and clubs) supports the Income Trusts Tax Plan, with no increase in the grandfathering period beyond 4 years. We ask that the income tax act add new prescribed conditions to stop income trusts from reporting deceptive non-GAAP financial measures. Cash distribution must be defined as income distributions and special return of capital distributions. The cash yield calculation should be restricted, unless there is an equally prominent income yield calculation.

The National Pensioners & Senior Citizens Federations urges the Federal Government to proceed with the pension income splitting and the increase in the age credit.

The National Pensioners & Senior Citizens Federation agrees that there is both short term and permanent government revenue leakage caused by conversion of corporations into income trusts. This means there will be less money available for health care and social security, that are critical to the well-being of seniors.

There will not be double taxation of income trust distributions within RRSPs and RRIFs because of the generous tax benefits already in these excellent programs to encourage Canadians to save for their retirements.

At its National Conference in Truro, Nova Scotia, September 19-23, 2006: the Federation adopted the following resolution:

- **WHEREAS:** The National Pensioners & Senior Citizens Federation is very concerned about pensioners and senior citizens suffering billions of dollars in losses in their retirement accounts due to unsuitable investments and questionable investment products being sold to them on the basis of inaccurate or misleading marketing information, we conclude that our members' interests are not being protected by current self-regulatory and provincial regulatory authorities governing securities and existing accounting and auditing standards.

The federal government should not be giving tax incentives for seniors to purchase an investment that is risky and does not have a proper investor protection regime in place. While seniors need income and may be dissatisfied with the low yields in the marketplace, the income trust product is not providing much higher income yields than the alternatives. The income trust and financial industry say there are high cash yields due to the income trusts not paying any business taxes. But, the cash yield goes beyond the lift from no business taxes and provides a return of capital. The sources of extra distributions are borrowed money, reserves from prior financings and not retaining cash to replace plant, machinery, equipment and software. This imposes excessive risk for seniors, seeking secure retirement income and preservation of their capital. All too frequently, future distribution cuts cause catastrophic losses for seniors.

The NPSCF recognizes that the Canadian government cannot make tax policy to sustain market prices that have been inflated by improper financial reporting, where seniors and other unsophisticated investors were not properly advised. For a properly diversified portfolio with less than 20% invested in income trusts, the damage of the new tax is about 2%. Sophisticated owners of income trusts will use the 6% or so rally from an

....continued on page 12

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announced extension of the grandfathering period to dump their positions onto new seniors and other unsophisticated retail investors.

From its formation, over 50 years ago, the National Pensioners and Senior Citizens Federation has fought for **Universal Old Age Security and the Canada Pension Plan**. Over the years, it has consistently sought to achieve and maintain a decent standard of living of seniors and to provide them dignity in their latter years. The new income trusts tax, pension income splitting and increased age credit plan are on balance very positive for the retirement security of seniors.

Next, the Federal and Provincial Governments need to make progress on reform of Canada's system for investor protection. The NPSCF wants the Federal Government to create two new bodies – a national investor protection agency and an independent accounting standards board. Every other industrialized country of the world has such bodies for the protection of its citizens and foreign investors. We have tried fragmented provincial regulation and self-regulation, where the setting of accounting standards and most investor protection are delegated to industry. The current system is failing seniors and individual Canadians saving for their own retirements.

For additional information:

Art Field, President

Diane Urquhart

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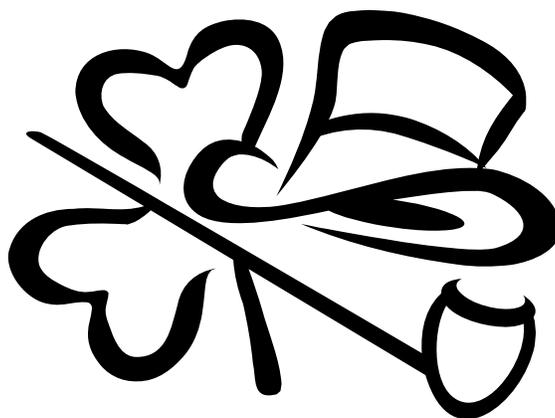
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New Long Term Care Legislation

The Ontario Government has come out with a new Long Term Care Act, Bill 140 that should make us worry because it does nothing to improve nursing or funding levels. Us Boomers live in a time when we can't provide the care our aging parents health needs because it is too complicated and complex. Families' end up choosing to send our seniors to live in a government regulated Long Term Care facility. This reminds me to be nice to our only child because some day he may choose our Nursing Home.

The minister of Health and Long Term Care has introduced this bill to:

1. promote zero tolerance of abuse and neglect of long-term care home resident;
2. offer whistle-blowing protections for staff, residents and volunteers who report abuse or neglect;
3. enshrine in legislation that a registered nurse be on duty in the home 24 hours a day, seven days a week;
4. restrict the use of restraints to limited circumstances where it is absolutely necessary and only with appropriate safeguards
5. defining license terms for long-term care homes of up to 25 years
6. establish the rules as to how licenses can be revoked in cases of non-compliance.

These principles should make advocates for seniors happy that the government is acting towards cleaning up past abuses that had been uncovered in our LTC facilities. The problem is in how they are enforced and the powers that are given to Ministry of Health and Long Term Care staff and accountability. The ministry has always had most of these powers and most are quite laudable but we need to be concerned if they end up forcing the closure of homes right across the province. They could end up placing a huge burden of paper work on staff that does little to increase that level of care or programming activities that the residents receive.

The administrative workload will become quite prescriptive, which means more reporting and recording of data. This may sound great when you are creating an auditing process of building a car but not when you are in the business of caring for people. We all know that there are not enough nurses graduating each year, this paperwork change will regulate their duties so tight that they will have even less time to care for the residents.

Liability and legal concerns will also increase the need for more paperwork. Even the hint or rumour of a problem becomes reportable. You would think that this should improve care for our residents, instead this may create a paper work nightmare. This will take valuable staff time away from care and in the end may just poison the work environment.

Boards of directors should worry about funding issues as Ministry staff will be able to dictate staffing levels and to cover off the lost staffing time because of the new required paperwork for compliance. Families that have Mom or Dad in private Nursing Home should worry because the Corporations that own those homes may simply be forced to close up their business.

All these changes should be seen as a positive move forward for care of resident living in Long Term Care but I think the Ontario Government has missed the mark. A longer period of public consultation could have improved this bill.



A NEW SINGLE SECURITIES REGULATOR

We are on our way to a nation/Quebec securities regulator in the year 2007. Alberta Finance Minister Lyle Oberg said Wednesday, February 22, 2007: "the need for a national regulator would not be as pressing if the provinces can set up a single enforcement agency that plays by one set of rules, he said. However, he added, he would not stand in the way of that happening." Ontario and Alberta have enough critical mass of reporting issuers and financial industry registrants to create a combined securities regulator, that B.C. and the other provinces, except Quebec, would end up joining it or risk being marginalized in the attraction of investment capital to their Province.

The seniors and individual investor associations need to get a place at the implementation table to ensure the following structural design attributes:

- a) Mechanisms for collaboration between the new national securities regulator and the Quebec securities regulator;
- b) Separation of national securities regulator's policing and adjudication functions, through the creation of a new national securities court;
- c) The new national securities court has a simplified procedure for individual investor's remedy claims for losses caused by unsuitable investments, securities offences and criminal offences;
- d) A public oversight mechanism to ensure that the investor protection mandate of both policy-making and enforcement are executed thoroughly and fairly;
- e) Eliminate of delegation of investor protection functions to the current self-regulating authorities, such as the new MR (merged IDA & MRS) and MFDA;
- f) Creation of a new national government-based independent accounting standards board;
- g) Complete separation of the RCMP, provincial and municipal police investigations from the enforcement arm investigations of the national securities regulator;
- h) Creation of programs for readily accessible public input into the development of the national securities regulator's investor protection activities:
 - an investor advisory committee for published recommendations by individual investors to the policy-making functions of the national securities commission, with open public access to the investor advisory committee meetings;
 - a requirement for public town hall meetings to be held regularly at major cities of Canada, with internet web broadcasting and a mechanism for e-mail enquiries from the public unable to attend these town hall meetings in person;
 - no high fee conferences held for the financial industry that do not have a mechanism for public participation in the event through the internet.

If anyone wants to add more structural elements to my list or disagree with the ones I have on my list, please contact me. I would like to see a consortium of seniors and individual investors associations and individual experts joining together for our rightful place at the implementation table for the new single securities regulator. I am hoping Dan Braniff's Common Front members (joined by the National Pensioners & Senior Citizens Federation) might be convinced to stay together for a new mandate – Ensuring Secure Retirement Income from Pension Funds and Individual Retirement Savings. Then, the spokesperson (people) for this Common Front should seek to be in the implementation team. We cannot allow the financial industry's Crawford Task Force to control the new structural design of the single securities regulator for the financial industry's benefit. Our presence in the implementation phase will ensure the new structural design and its selected senior executives are for the benefit of Canadian and international investors and pension plan beneficiaries. Our representation is critical because the government-based single securities regulator exists for the purpose of protecting investors, while the competitiveness and efficiency of the capital markets is a consideration in determining the cost-benefit of new investor protection initiatives.

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Answers to E-mails from Mr. Art Field/Ms. Diane Urquhart

February 13, 2007

Mr. Art Field, Ms. Diane Urquhart
President Independent Consulting Analyst
National Pensioners and Senior Citizens Federation
urquhart@rogers.com
afield1@sympatico.ca

Dear Mr. Field and Ms. Urquhart:

Thank you for your correspondence of October 19 and November 22, 2006 regarding the Tax Fairness Plan for Canadians announced on October 31, 2006. I have also received your correspondence of November 14, 2006 and January 15, 2007, copies of which were referred by the Office of the Minister of International Cooperation and Minister for La Francophonie and Official Languages, the Honourable Josee Verner. Please excuse the delay in replying.

I understand the concerns expressed to me concerning this decision. This decision, while regrettable, was necessary. We were seeing a very troubling trend of acceleration of conversions to income trusts in 2006. In some cases, it was done purely to avoid paying corporate income tax. If left unchecked, this would have resulted in millions of dollars in less revenue for governments across the country to invest in the priorities of Canadians, including more personal tax relief. It was important to act decisively to address what had become a clear danger to our economic productivity as a country

We believe all Canadians should pay their fair share of taxes, including corporations. We do not believe ordinary taxpayers should pay more because corporations were not paying their fair share.

Our Tax Fairness Plan restores balance and fairness to the federal tax system by creating a level playing field between income trusts and corporations and will deliver more than \$1 billion of new tax relief annually for Canadian seniors and pensioners.



Measures in the Tax Fairness Plan include:

- A distribution tax on distributions from publicly traded income trusts and limited partnerships. Distributions of existing income trusts will not be affected by this tax until 2011.
- A reduction in the general corporate income tax rate of one-half of a percentage point as of January 1, 2011. As of 2011, the federal general corporate income tax rate will be 18.5 percent.
- An increase in the Age Credit amount by \$1,000, from \$4,066 to \$5,066, effective January 1, 2006.
- A major positive change in tax policy for many seniors and pensioners: permitting pension income splitting, beginning in 2007.

The proposed new distribution tax will not punitively tax income trusts. Recognizing that many Canadians have savings invested in income trusts, existing income trusts will not be subject to the new measures until their 2011 taxation year. This four-year grandfathering period is both reasonable and appropriate. A grandfathering period longer than four years would continue to provide income trusts with an inappropriate tax advantage relative to their competitors and retain the unlevel playing field that currently exists between income trusts and corporations. In addition, under the new measures, income trust distributions will be

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treated as dividends eligible for the enhanced Dividend Tax Credit. Together, these measures will help remove the existing tax distortion in favour of trusts relative to corporations and let the underlying economics, and not the tax rules, determine business decisions. There will not be any additional government revenue generated from the corporate sector.

The increase in the Age Credit amount and allowing pension income splitting will help many of the most vulnerable Canadians, and many investors. The \$1,000 increase in the Age Credit amount will provide tax relief to low – and middle – income seniors, and increase the income level at which the credit is fully phased out, from \$57,377 to \$64,043. The pension – income – splitting measure will allow Canadian residents who receive income that qualifies for the Pension Income Tax Credit to allocate up to one-half of the income to their spouse or common-law partner, thereby significantly reducing the tax on that income. This is a significant and positive new step that will directly benefit thousands of pensioners and seniors across the country. It will strengthen our social security system even more.

The Tax Fairness Plan builds on steps taken in Budget 2006, in which we delivered significant tax relief for Canadians, with 29 tax cuts amounting to \$20 billion in tax relief over the next two years. We believe that tax relief is one of the keys to ensuring the Canadian Economy remains strong and competitive. Families and businesses still pay too much tax in this country, and our Government will continue to reduce the tax burden on Canadians.

By introducing our Tax Fairness Plan we are acting in the national interest to ensure a stronger, more productive economy in the future. We are significantly enhancing the incentives to save and invest for family retirement security.

Thank you for communicating your concerns.

Sincerely,
James M. Flaherty



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