

Ottawa October 25, 2016

Mr. Chair, Members of the Committee

My name is Herb John and I am President of the National Pensioners Federation. With me is our Counsel, Susan Eng.

The National Pensioners Federation is a national, non partisan, non sectarian organization of 350 seniors chapters, clubs, groups, organizations and individual supporters across Canada with a collective membership of 1 million seniors and retirees devoted entirely to the welfare and best interests of ageing Canadians.

Seniors and those who care about them welcomed the measures announced in the previous federal budget. But more needs to be done.

An estimated 665,000 seniors live under the poverty line today and this is not expected to change unless more is done to provide better income supports and to reduce their critical expenses like home care and drug costs.

The Guaranteed Income Supplement [**GIS**] for **single seniors increased in July 2016**. Single seniors, especially women, face far greater rates of poverty compared to their counterparts in couples. That will benefit 900,000 single seniors across Canada. While absolutely welcome, it is a maximum of just \$2.60 more per day. Much more needs to be done to prevent poverty among seniors.

To prevent and reduce poverty among seniors, we recommend that the government:

1. Increase the rates of OAS and GIS, starting with single seniors
2. Implement the promised Seniors' Index but tie it to wages rates rather than prices to better keep pace with living standards
3. Immediately provide housing assistance. The promised \$200 million over two years to support the construction, repair and adaption of affordable housing for seniors is, of course, welcome but will not have immediate effect on people now unable to pay rent and have enough for food and medicines.

Medication and home care costs are a major source of financial strain for seniors and their families. There exist proposals to address those needs but there is nothing immediately available to families in need right now.

To address the immediate health care needs of seniors, we recommend that the government:

1. Implement the promise to invest \$3 billion in **home care** and **palliative care**. There is an immediate need for sustained funding and national standards on home care. The patchwork of palliative care must be addressed immediately and this new funding will be a major first step.
2. Implement the promise to remove the requirement for a terminal diagnosis to qualify for the **EI compassionate leave benefit** and increase flexibility in how the benefit may be used. The requirement for a terminal diagnosis has in the past stopped people from applying for the compassionate leave benefit. In addition the flexibility in using the benefit better reflects how chronic illnesses play out.

3. Develop a comprehensive National **Pharmacare** system is necessary in order to ensure that every Canadian is able to access needed medications regardless of income and postal code.

I WILL NOW TURN IT OVER TO SUSAN ENG WHO HAS FURTHER RECOMMENDATIONS FOR THE COMMITTEE.

Thank you

Mr. Chair, members of the committee

While seniors today need the several measures to help them with their health and financial concerns today, they are also concerned about the financial security of tomorrow's seniors.

Without reservation, National Pensioners commends the federal and provincial governments on reaching a historic agreement to increase the Canada Pension Plan. We welcome the proposal in Bill C-26 to implement the increase and to amend the Income Tax Act to facilitate deductions for the increased CPP/QPP contributions but especially for the increase to the Working Income Tax benefit to allow low-income Canadians to participate.

The CPP and the previous availability of workplace pensions is largely responsible for the drop in senior poverty over the past two decades. But the CPP effect is done and workplace pensions are disappearing. So poverty is creeping up again. As recently reported¹, senior poverty has increased from a

low of 3.9 per cent in 1995 to 11.1 per cent, or one in nine, in 2013. Fully 28 per cent of singleⁱⁱ female seniors and 24 per cent of single male seniors are living in poverty in this countryⁱⁱⁱ. In human terms^{iv}, that's 665,000 Canadian seniors living in poverty, mostly the oldest, mostly single women.

The issue of financial security, exacerbated by concerns about increasing income inequality, has generated support for a **guaranteed minimum income**.

<https://www.thestar.com/news/queenspark/2016/03/30/ontarians-warming-to-guaranteed-minimum-income-poll-suggests.html>

<http://www.cbc.ca/news/politics/minimum-income-hugh-segal-ontario-budget-1.3740373>

Even the welcome increases to GIS, caregiver tax credits, Compassionate leave allowance, modest reductions in drug costs, and the many discrete tax measures introduced over the years, are insufficient to ensure that no one in this country, of any age, lives in poverty.

We endorse this committee's previous recommendation to consider a **guaranteed minimum income** and we recommend that an expert panel be established to do so.

THOSE ARE OUR RECOMMENDATIONS. WE WOULD
BE PLEASED TO TAKE YOUR QUESTIONS.

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[http://www.broadbentinstitute.ca/an_analysis_of_the_economic_circumstances_o
f_canadian_seniors](http://www.broadbentinstitute.ca/an_analysis_of_the_economic_circumstances_of_canadian_seniors)

ii [https://www12.statcan.gc.ca/census-recensement/2011/as-sa/98-312-x/98-312-
x2011003_4-eng.cfm](https://www12.statcan.gc.ca/census-recensement/2011/as-sa/98-312-x/98-312-x2011003_4-eng.cfm) ;

iii at page 5

iv <http://www.statcan.gc.ca/tables-tableaux/sum-som/101/cst01/demo10a-eng.htm>