



A NEW VISION OF AGING FOR CANADA

December 11, 2013

CARP calls upon the Federal, Provincial, and Territorial governments to take immediate steps to strengthen the retirement income system in Canada by implementing a modest, phased-in enhancement to the Canada Pension Plan benefits for all Canadians.

An overwhelming majority of CARP members support CARP's call for CPP enhancement, with the understanding that any increase in benefits will not help current retirees. CARP members are concerned about poverty among seniors and want CPP enhancement to address this concern for working Canadians now. CPP enhancement is crucial to helping all Canadians, particularly middle-income Canadians, achieve financial security in retirement without undue risk of significant declines in standard of living.

The CPP is the basis of Canada's retirement income system, but the maximum CPP retirement benefit for new retirees is just over \$1,000 per month or \$12,000 per year. Canadians on average currently receive approximately only \$7,000 per year from CPP.

An enhancement to the CPP is critical to ensuring that all Canadians can save adequately for their own retirement through a national, employment-based program that is fully portable, well-managed at low cost, and is sustainable for 75 years.

In 2010, the federal, territorial and provincial finance ministers acknowledged that Canadians were not saving enough and that government had a role to play by proposing a two-part plan: another private savings option and a commitment to modest CPP enhancement. The federal government acted on the first part of that plan when they introduced PRPPs. CARP members want immediate action on the previous commitment to enhance CPP.

It takes two-thirds of the provinces with two-thirds of the Canadian population plus the federal government to implement changes to the CPP. The undersigned CARP Chapter Chairs represent the provinces that have yet to commit to CPP enhancement. CARP members call on Finance Ministers to agree to increase the CPP at the Finance Ministers' meeting on December 16, 2013:

Lee Royko, CARP Montreal, Quebec

Bernice Rempel, CARP Edmonton, Alberta

Bill VanGorder, CARP Halifax, Nova Scotia

Ramona Kaptyn, CARP White Rock-Surrey, British Columbia

Susan Eng, CARP VP of Advocacy

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