

AGING MATTERS

YOUR VOTE COUNTS

PRIORITY AREA: INCOME SECURITY



PRIORITY AREA: INCOME SECURITY

Goal:

Canadians/Manitobans deserve a secure and dignified life in their later years, with a guaranteed and sufficient source of income.

Background:

All Canadians/Manitobans should file a tax return each year. If you do not file your taxes you CANNOT get government benefits such as:

Federal Income Tax Credits:

- GST Credit - a tax-free quarterly payment that helps individuals/families with low and modest incomes to offset all or part of the GST or HST they pay.
- Working Income Tax Benefit - a refundable tax credit for working people with low-incomes.
- Canada Child Benefit (CCB) - a tax-free monthly payment to help support children under age 18. To get the CCB, you have to file your income tax return every year, even if you did not have income in the year. If you have a spouse or common-law partner, they also have to file a return every year.
- Canada Caregiver Credit – A non-refundable tax credit that may be available if you support a spouse or common-law partner or a dependent with a physical or mental impairment.

Provincial (MB) Income Tax Credits:

- Personal Tax Credit - a credit for low-income Manitobans and their dependents.
- Education Property Tax Credit – for those who pay rent or property taxes in Manitoba. Seniors may qualify for additional amounts
- Primary Caregiver Tax Credit – for people who provide ongoing voluntary care and support to family members, friends or neighbours who require help in their home.

Retirement Income should assure citizens a financial income adequate enough to support an active life style. The following is a quote from a form letter sent from the Office of the Minister of Finance on September 25, 2017:

“Canada has a sound retirement income system that is internationally recognized for its adequacy, affordability, and sustainability, and it includes a variety of savings tools separated into three distinct pillars. The first pillar includes the Old Age Security program and the Guaranteed Income Supplement. The second pillar is the Canada Pension Plan (CPP). The third and final pillar is private savings, which includes Registered Pension Plans, Registered Retirement Savings Plans, and Pooled Registered Pension Plans. The Government is committed to helping Canadians achieve a safe, secure, and dignified retirement and making improvements to Canada’s retirement income system that benefit Canadians.”

Current financial supports include:

Old age Security (OAS),
Guaranteed Income Supplement (GIS),
Canada Pension Plan (CPP),
Allowance for the Survivor,
Death Benefit,
Disability Pension,
Pension Sharing, Credit Compassionate Care Benefits,
Primary Caregiver Tax Benefit,
Disability Tax Credit
Retirement Pensions and Private Savings

In a report to the House of Commons in March 2018, twenty-nine recommendations were made to the Standing Committee on Human Resources, Skills and Social development and the Status of Persons with Disabilities:

- Increase telephone and in-person services so that people can access the benefits to which they are entitled,
- Review the indexation of the Guaranteed Income Supplement and Old Age Security.
- Implement a public education campaign to ensure vulnerable people understand the rules related to the GIS and RRSP withdrawals
- Provide information and education to encourage those who are financially secure to delay receiving Old Age Security.
- Increase the amount that GIS recipients can earn before the benefit is reduced, include self-employment earnings in this amount, and explore options to have the claw-back phase in more gradually once the earnings threshold is reached.
- Inform families on their eligibility to claim the Canada Pension Plan Death Benefit.
- Index the CPP Death Benefit
- Develop specific policies and plans for monitoring and protecting people from financial abuse

Information from “PROMOTING THE LABOUR FORCE PARTICIPATION OF OLDER CANADIANS” promising initiatives (May 2018) prepared by a working group of the Federal/Provincial/Territorial Forum of Ministers Responsible for Seniors, suggests the following:

“There is a need to increase the labour force participation of older individuals” because skill shortages are expected to increase in certain occupations, sectors and regions. Many older adults who struggle when trying to stay in the labour market or re-enter the workforce face particular challenges including:

- Ageism
- Lack of education and access to training,
- Difficulty in finding and applying for jobs
- Health issues, work-life balance issues and lack of workplace accommodations; and
- Disincentives or lack of incentives to work in the retirement income system.

Eight broad categories of initiatives that seek to promote labour force participation of older individuals have been identified: awareness initiatives, financial incentives, health and safety, employment legislation, the retirement income system, skill development, workplace accommodations, and employment services.

Actions:

- Eliminate Mandatory Registered Retirement Income Fund (RRIF) withdrawals to better protect the middle class
- Eliminate forced RRSP withdrawals, which punitively tax the growing number of people working past age 71.
- Tighten the rules which allow some employers to under-fund the pensions of their employees, and to ignore their pension obligations under current law. The recent demise of Sears Co. Canada and its payout to managers and shareholders without regard to the pensions of its employees is a graphic example of the need to reach a more equitable balance of dispersing the assets of a company.
- Defined Benefit Plans need to remain the pension of choice in the Pension Benefits Standards Act of 1985. They constitute one of the strongest retirement income systems. They guarantee retirement security to their members, which, in turn, contributes to national prosperity.
- Protect Pensioners from Corporate defaults. Grant the 1.3 million Canadians with corporate defined benefit pension plans super-priority status in the event of bankruptcy or insolvency
- Up-date RRIF rules to recognize increased longevity and decreased returns.
- Improve protections for bank customers and investors
- Bring pension protections in Canada in line with other jurisdictions by supporting Pension Benefit Guarantee Funds for all pensioners.
- Study and support for proposed Basic Minimum Income pilot programs. Many senior citizens would benefit from a basic minimum income such as existed in Manitoba in the 1970s and was recently proposed and then canceled in Ontario. Such a program would benefit all age levels in reaching an improved standard of living and a healthier society. "Better Income Can Lead to Better Health", states a booklet put out by the Winnipeg Health Sciences Centre and the Manitoba College of Family Physicians. On pages 12 and 13, this booklet gives the necessary phone numbers and email addresses for the services which seniors may need. The booklet needs a wide level of distribution.
- Restore the recent mortgage and rent subsidy that was in place for 35 years in Manitoba and has expired July 31, 2018. Now low-renters and non-profit housing groups are required to pay the open market prices for housing without the bridge gap financial support that was afforded them in the past.

AND It is critical that people be made aware of the existing government programs that are in place and that they take advantage of the programs for which they qualify.

Retired Teachers' Association of Manitoba (RTAM)

www.rtam.mb.ca

info@rtam.mb.ca

