

**Government Response To The Report of  
the Special Senate Committee on Aging:  
*Canada's Aging Population: Seizing the  
Opportunity***

# Introduction

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## The Committee and its Work

The Special Senate Committee on Aging was appointed on November 7, 2006 “to examine and report upon the implications of an aging society in Canada.” The Committee was given a broad mandate to examine the issues in relation to key themes including: “promoting active living and well being; housing and transportation needs; financial security and retirement; abuse and neglect; health promotion and prevention; and health care needs...”

After two and one-half years of study, and hearing from a broad range of individuals and organizations throughout the country, on April 21, 2009 the Committee delivered its final Report, *Canada's Aging Population: Seizing the Opportunity*.

The Government of Canada has carefully studied and reflected on the Report. While the recommendations are addressed primarily to the federal government, the Report has many valuable things to say about aging that merit attention by other levels of government, as well as by the private and voluntary sectors and by all Canadians.

The Government commends the members of the Committee, and the many witnesses who appeared before it, for their valuable perspectives and their commitment to understanding and dealing with the challenges and opportunities inherent in the aging of the Canadian population. The Government supports the positive approach to aging taken by the Committee. In viewing population aging as an indicator of success, in acknowledging seniors as a rich and vibrant element of our nation, and in recognizing the importance of building a society for all ages, the Report offers a perspective that the Government of Canada endorses. Individually and collectively, we must help change the image of the later years as a time of dependence and decline to one that sees aging as a time of potential engagement, activity and contribution to society.

## Seniors and Population Aging

The social and economic challenges posed by population aging – and in particular, by its rapid pace – include the potential impact on the labour market and productivity, new demands for services and changing needs for infrastructure. Population aging could put pressure on public finances, but Canada has already taken steps on several fronts to address these challenges.

A report by the Organization for Economic Cooperation and Development (OECD) notes that Canada is better placed to deal with population aging than many other OECD countries for a number of reasons. First, our population is not expected to age as rapidly or to as great a degree as those of Japan and many European countries. Second, reforms already made have strengthened the financial sustainability of our public expenditures on pensions. Third, the labour market situation of older Canadians has improved considerably in recent years.

The Committee's work makes a contribution to building the knowledge base and vision for federal action to help ensure the well-being of seniors and address the challenges of an aging population. The Government is keenly aware of this profound and unprecedented demographic shift and has given it special attention in the past three years. Among steps taken to address population aging and the situation of seniors was

the appointment of a Minister of State (Seniors) to bring issues of concern not only to the Cabinet table, but to Parliament and to all Canadians.

Another initiative by the Government to address the issues of aging was the creation of the National Seniors Council in 2007 to advise the Government on all matters related to seniors' well-being and quality of life. To date, the Council has reported on elder abuse and low income among seniors; it is currently examining volunteering among seniors, as well as positive and active aging.

To help understand and prepare for the evolving needs of older Canadians, the Government is supporting the Canadian Longitudinal Study on Aging (CLSA). A first for Canada, this large-scale, long-term, comprehensive study will collect information over a 20-year period on the changing biological, medical, psychological, social and economic aspects of participants' lives, starting at mid-life. The CLSA will help governments make informed decisions in responding to the needs of an aging population.

The Government of Canada also provides significant financial support to provincial and territorial governments for social assistance and social services through the Canada Social Transfer (CST). The cash transfer through the CST will be about \$10.9 billion in 2009-10, of which \$6.4 billion is notionally allocated to social programs, and is of substantial benefit to an aging population. This transfer will grow by 3% annually up to 2013-2014.

## Healthy Aging

Population aging is also about "aging well," that is, remaining active, engaged and healthy as long as possible. Fortunately, most seniors in Canada are living longer and enjoying more years of good physical and mental health. They are well-housed, better educated and more economically secure than seniors in years past. The vast majority of seniors report that they are either very satisfied or satisfied with life.

Health policy used to be mainly about the provision and funding of medical care, but this view is changing. Social determinants of health have come to the fore, leading to an increasing concern with how to reshape Canadian society so it is conducive to better health. The Committee's Report reinforces this approach.

The Government of Canada has incorporated a population health approach into many of its health-related policies and programs, including those relating to seniors and aging.

## Partnerships

The Government of Canada is steadfast in its commitment to improving the quality of life and well-being of a growing and diverse seniors' population. Its efforts are part of a network of programs and services available to seniors across the country. Canada's provinces and territories are largely responsible for direct service delivery to seniors, while the non-government and private sectors also provide seniors-related services and engage in advocacy and education.

The Federal/Provincial/Territorial Forum of Ministers Responsible for Seniors meets annually to advance the well-being of seniors. Supporting the Forum are a number of working groups on the safety and security of seniors, financial security, healthy and active aging and promoting positive images of aging. In partnership with provinces and

territories – and respecting their jurisdiction – the Government of Canada will continue to advance the well-being of seniors.

## Commitments

The Government of Canada is committed to ensuring that its policies, programs and services not only meet the evolving needs of seniors but address the larger issues of an aging society. It has taken major steps to improve the financial security of seniors through the tax system and by further strengthening the public pension system. Changes in the Canada Pension Plan, for example, will better reflect the way Canadians live, work and retire. The Guaranteed Income Supplement (GIS) was increased, as well as the maximum earnings exemption to help low-income pensioners keep more of their GIS benefits

The Government's efforts to strengthen research into aging, to combat elder abuse, and to improve the quality of life for seniors and their communities are further evidence of its commitment to understanding and managing the challenges of an aging population. The Government is also supportive of positive and active aging through the Age-Friendly Communities initiative, the promotion of physical activity and construction of affordable housing. It continues to provide support to aging Veterans, First Nations and Inuit and other groups for which it has a special responsibility. Bill C-33 received Royal Assent in June 2009 and amends the *War Veterans Allowance Act* to extend eligibility to veterans living in Canada for more than 10 years who fought for Commonwealth or Allied Forces during World War II or the Korean War.

## The Structure of this Response

This response to the final Report of the Special Senate Committee on Aging is structured around the five "framework recommendations" defined by the Committee in Annex I to its Report. The themes are referred to here as:

- I. Healthy and Active Aging
- II. Coordinating Approaches to Seniors' Care
- III. Financial Security of Seniors
- IV. Aging in the Place of Choice
- V. Federal Population Groups

Under each heading, the response discusses the Government's views and actions, showing how the Government is seizing the opportunities that population aging affords.

## Theme I: Healthy and Active Aging

The first framework recommendation of the Senate Committee Report is that the federal government "move immediately to take steps to promote active aging and healthy aging and to combat ageism."

The Government of Canada has long recognized the value of staying healthy, active and socially engaged throughout life and has worked collaboratively with provinces, territories and other stakeholders to promote this idea to Canadians of all ages. The Government will continue to advance active aging by supporting initiatives that contribute to healthy aging, help overcome ageism, combat abuse and neglect, and support volunteerism.

## Promoting Healthy and Active Aging

The Government's Healthy Living Initiative supports healthy eating, increased physical activity and healthy weight, with a focus on health promotion and chronic disease prevention and on sub-populations experiencing health disparities, including older adults. The program contributes to the Pan-Canadian Healthy Living Strategy endorsed by federal, provincial and territorial governments. To help increase physical activity levels, the Government provides *Canada's Physical Activity Guide for Older Adults*. The Government of Canada also works with a wide range of stakeholders on seniors' issues such as injury prevention, age-friendly communities, emergency preparedness, elder abuse, mental health, and seniors caring for seniors.

The Government understands the critical importance of mental health as part of healthy and active aging. Federal departments providing direct health services to specific populations (see Theme V) have developed a variety of mental health services to meet the needs of seniors within their client populations. The Government also supports the Mental Health Commission of Canada, a non-profit organization created to focus national attention on mental health issues and to improve the health and social outcomes of people living with mental illness. The Commission has a Seniors' Advisory Committee to ensure that the mental health of seniors is included in its work.

The Government recognizes the value of social networks and activities in providing a foundation for healthy aging. The New Horizons for Seniors Program (NHSP) provides financial support to enhance seniors' quality of life through social and cultural activities. The program funds community-based projects that involve seniors in sharing their knowledge, bridging generations and transferring their skills as volunteers, mentors and leaders in their communities. In addition, the NHSP provides support to non-profit organizations to replace outdated equipment or pay for building repairs needed to maintain programs and activities for seniors.

In order to develop a clearer understanding of social support, the Government has undertaken research and statistical surveys examining the social networks of seniors, particularly those who may be vulnerable to social exclusion, such as senior women.

## Competency Rather than Age

The Government of Canada fully supports efforts to combat ageism, the tendency to judge seniors by their chronological age rather than their individual abilities and needs. To emphasize the mental competency, capability and capacity of seniors, the Government is funding research to help improve the health and quality of life of older Canadians. Over \$150 million has been invested in this area to date through the Canadian Institutes of Health Research (CIHR) for work that includes research on the brain, sensory and motor systems, as well as on priorities for health and health systems.

Through CIHR, the Government is also funding the Canadian Longitudinal Study on Aging (CLSA), which will follow 50,000 men and women aged 45 to 85 for a period of up to 20 years. This study will shed light on how work, retirement and family transitions intersect with changes in social support, as well as on how these transitions influence overall health and quality of life. CIHR has committed some \$30 million for CLSA development and implementation.

One challenge is to protect public safety while enabling capable seniors to continue driving. Working with provincial and territorial partners, the Government provides

support through research on such matters as the health of drivers, the environment and infrastructure within which they drive, and options for retraining, graduated licensing and de-licensing. The Canadian Driving Research Initiative for Vehicular Safety in the Elderly (CanDRIVE) is one aspect of this work, while another is support to the Canadian Association of Occupational Therapists for the development of a National Blueprint for Injury Prevention in Older Drivers.

The Canadian Council of Motor Transport Administrators, which includes representatives of federal, provincial, and territorial governments responsible for highway safety, has reviewed aging driver licensing policies, standards and procedures.

## Combating Abuse and Neglect

Abuse and neglect affect seniors of all abilities and education levels, social, economic and ethnic backgrounds, and living arrangements. They affect even more women than men. It is estimated that between 4 and 10% of older adults will experience some form of abuse. The Government of Canada is taking action to combat elder abuse in all its forms – physical, sexual, psychological and financial, as well as neglect. Budget 2008 provided \$13 million over the three years to 2010-11 to help seniors and others recognize the signs and symptoms of elder abuse and to provide information on available support.

Under the *Federal Elder Abuse Initiative* (FEAI), the Minister of State (Seniors) and the Minister of Human Resources and Skills Development in June 2009 launched a national awareness campaign entitled *Elder Abuse – It's Time To Face The Reality* to shed light on an issue that has remained hidden for too long. This reflected work done by the National Seniors Council to examine elder abuse and identify potential areas of action. The campaign was launched on World Elder Abuse Awareness Day to signal Canada's links with other countries in addressing this problem. The FEAI also includes funding to help professional associations, such as legal and health organizations, develop and disseminate information on elder abuse.

Additionally, the New Horizons for Seniors Program includes an ongoing funding stream for elder abuse awareness projects, helping organizations and partners to develop awareness activities for seniors, their families and those who care for them. The federal government will also invest in research over the next two years to develop and improve methods to measure elder abuse and to analyze its causes.

The Department of Justice is working to raise seniors' awareness of fraud risks and to fund regional Public Legal Education and Information (PLEI) organizations to work on legal aspects of elder abuse. The RCMP is developing a police elder abuse network that includes provincial and municipal forces. The National Clearinghouse on Family Violence is providing resources on the prevention, protection and treatment of family violence, including elder abuse.

## Supporting Volunteerism and the Voluntary Sector

Volunteering plays a critical role in the lives of many older Canadians. The federal government has long supported volunteerism in Canada, recognizing the contribution it makes to the lives of both the volunteers themselves and the people they help. Recent actions include:

- Improving understanding of volunteerism through surveys such as the *Canada Survey of Giving, Volunteering and Participating*.

- Establishing an Independent Blue Ribbon Panel in 2006 to streamline Government funding processes for not-for-profit organizations and the development of an action plan.
- Recognizing Canadians who have demonstrated lifelong commitment to volunteering through the annual *Thérèse Casgrain Volunteer Awards*.

The Government has also taken steps to reimburse the expenses of volunteers. The current guidelines of most federal grants and contributions programs allow not-for-profit organizations to reimburse volunteers for reasonable out-of-pocket expenses – such as transportation and other associated costs – required to achieve project objectives.

Furthermore, the Government promotes volunteerism through the Community Participation and Leadership funding component of the New Horizons for Seniors Program, encouraging seniors to contribute as volunteers by sharing knowledge and transferring skills.

## Provisions for Immigrant Seniors

- The Government does not support the Committee's recommendation that the federal government reduce both the immigration sponsorship period and the residence requirement for Old Age Security (OAS) from 10 years to three.
- The 10-year sponsorship obligation for parents and grandparents was designed to uphold the integrity of the Family Class program by ensuring that Canadians who sponsor a foreign national remain financially responsible, and that costs are not borne by the public through tax revenues. Regarding the OAS program, length of residence in Canada has always been one of the central eligibility criteria for the OAS program since its inception.
- The current 10-year period strikes an appropriate balance between an individual's contribution to Canadian society and his or her access to a lifelong, publicly funded benefit. Canada has signed over 50 international Social Security Agreements that may allow a person to use residence and/or pension contributions in the other country to qualify under Canada's *Old Age Security Act*, and vice versa.

## Mandatory Retirement

The Government of Canada will explore options for consultations with relevant stakeholders on the issue of mandatory retirement. Issues could include possible impacts on pension and benefit plans and on human resource management.

## Theme II: Coordinating Approaches to Seniors' Care

The Senate Committee calls upon the federal government to “provide leadership and coordination through initiatives such as a National Integrated Care Initiative, a National Caregiver Strategy, a National Pharmacare Program, and a federal transfer to address the needs of provinces with the highest proportion of the aging population.”

The Government of Canada fully supports the concept of coordinated approaches with partners and stakeholders to a range of issues affecting the well-being of seniors. It seeks to provide leadership and support in critical areas such as health care and caregiving in collaboration with provinces and territories, respecting their jurisdiction while acting as a catalyst for change. In this regard, the Government supports progress

towards a common drug review process, promotes the development of human resources for health and other types of care, and provides major funding for work on the application of information technologies to health and home care. Much of this work is of special significance to seniors.

The Government also believes that the integration of seniors' care through coordination of programs and delivery systems is a highly desirable goal, and is working to demonstrate some of the possibilities in this area through its support for seniors under its jurisdiction (see Theme V).

## Federal Support for Health

Access to quality health care is a matter of critical concern for seniors. Canada's publicly funded health care system, considered to be among the best in the world, is an important feature of our Canadian identity. Roles and responsibilities are shared between the federal government and the provincial and territorial governments, with the latter having primary jurisdiction in the administration and delivery of health care services.

The Government of Canada's role includes setting and administering national principles under the *Canada Health Act*. To assist the provincial and territorial governments, the Government of Canada provides financial support through a series of accords and agreements, most notably the Canada Health Transfer (CHT). The CHT is a block fund that gives recipients the flexibility to allocate funding based on their own needs and priorities. Payments are provided on an equal per capita basis, which is a fair allocation that recognizes the various factors that can influence health care system costs.

Under the agreements currently in place, the funding level for the CHT, nearly \$24 billion in cash in 2009-10, is legislated to grow 6% per year to over \$30 billion by 2013-14. Support for health through the tax transfers, amounting to \$13.9 billion in 2009-10, will grow in line with the economy.

Health accords with provinces and territories have led to important progress in providing coverage for certain home care services, including short-term acute care, short-term mental health care and end-of-life care. All jurisdictions are continuing to improve home care services for Canadians and recognize that seniors form the largest proportion of home care clients.

The Government also works to renew the public health system, preventing disease and injury for Canadians of all ages and promoting and protecting national and international public health.

Excellence in research is fundamental to improving the health of Canadians, and the Government of Canada plays a national role through the CIHR, which has an Institute dedicated to aging. The CIHR Institute of Aging works with researchers, practitioners, voluntary health organizations and different levels of government to understand and promote healthy and active aging. In particular, research is key to developing effective models of integrated care. To this end, the CIHR have committed \$7.4 million by 2013 to an Interdisciplinary Health Research Team, led out of the University of Montreal, which is testing and evaluating a model of integrated care for the frail elderly.

## Caregiving

The Government of Canada recognizes that caregivers are an essential component of the continuum of care, and are critical to the sustainability of Canada's health care system. Close to three million Canadians provide unpaid care for family members or friends with physical, mental or cognitive impairments. At times these caregivers are seniors themselves; in 2006, of Canada's 4.1 million seniors, 670,000 (16.5%) provided some form of unpaid care to another senior.

The circumstances under which families are expected to provide care have changed over the last thirty years. With the aging of the population, an increase in the incidence of disability, more women in the workforce, and the emergence of smaller, less traditional, more dispersed families, it is anticipated that the number of family caregivers needed in the future is likely to increase.

The Government of Canada recognizes that an increasing number of working-age Canadians are faced with the dual pressure of holding down a job and caring for their family and loved ones with disabilities and the valuable contribution they make. The Government of Canada provides a range of direct supports, including the Caregiver Credit, Eligible Dependant Tax Credit and Infirm Dependant Tax Credit which recognize the reduced ability of caregivers to pay income tax. Also, the Employment Insurance Compassionate Care Benefit provides financial support to caregivers who require time away from their jobs to take care of gravely ill family members or friends. The federal government also offers programs that include supportive elements for caregivers of Veterans, offenders in the federal correctional system, and residents of First Nations and Inuit communities. In addition, the Government will invest in research over the next three years to fill knowledge gaps on key caregiver issues, such as economic and employment costs and consequences caregivers incur; institutional supports for caregivers relative to their needs; and projected demand for caregivers in the future. The Government will continue to examine how best to help families caring for loved ones with disabilities and will continue to explore caregiving issues.

## **Other Coordination and Support Initiatives**

The federal government collaborates with participating provinces and territories on the Common Drug Review (CDR), which examines the clinical and cost effectiveness of drugs, and recommends whether those drugs should be publicly funded. The CDR helps to reduce duplication of effort while increasing consistency in how drugs are listed on different public drug plan formularies, thus supporting the principle of a common national formulary.

The Government invests \$38 million per year in the Pan-Canadian Health Human Resource Strategy and the Internationally Educated Health Professionals Initiative. In this way it supports provincial and territorial efforts to ensure an adequate supply of professionals, including providers of geriatric and gerontological health care, as well as home care and home support workers, to meet the future needs of older persons.

The Government also supports the use of technologies such as telehealth to eliminate barriers of distance and time in the provision of health care for seniors and others. Through investments in Canada Health Infoway it has supported the pan-Canadian establishment of electronic health technologies such as telehealth systems, electronic health records and a public health surveillance system. The Federal Healthcare Partnership is collaborating with Infoway to explore linking health programs for populations under federal jurisdiction to the emerging Pan-Canadian Electronic Health Record initiative.

## Theme III: Financial Security of Seniors

In its third framework recommendation, the Committee calls on the Government to “ensure the financial security of Canadians by addressing the needs of older workers, pension reform and income security reform.”

Helping Canadians prepare for and achieve financial security in their later years is a priority for the Government. Since 2006, and most recently in *Canada's Economic Action Plan 2009*, the Government has introduced many new measures to help seniors.

Overall, today's seniors are more financially secure than ever before. Over the past three decades, the proportion of seniors who live below the low income threshold has decreased dramatically. Between 1980 and 2007, the incidence of low income among seniors dropped from 21.3% to 4.8% — a lower rate than most other industrialized countries. This decline is largely attributable to the effectiveness of Canada's retirement income system.

The public pension system is a major component of Canada's retirement income system. In 2008-09, the Government paid \$62.4 billion in OAS and Canada Pension Plan (CPP) benefits. This consisted of \$33.4 billion of OAS, including \$7.5 billion in GIS payments for low-income seniors, plus \$29 billion of CPP benefits (including \$21.1 billion for the retirement benefit). The Government also provides major support for seniors in the form of tax measures.

A key feature of Canada's diversified retirement income system is that risks and responsibilities are shared among governments, employers and individuals. This reduces vulnerability to any change in economic and demographic conditions, including population aging.

There is, of course, still room for improvement in Canada's retirement income system. The Report of the Special Senate Committee on Aging has identified a number of areas for possible strengthening of income support measures, as has the National Seniors Council. In May 2009, Federal/Provincial/Territorial Ministers of Finance established a Research Working Group on Retirement Income Adequacy. The Research Working Group will report to a meeting of Finance Ministers in December 2009.

As the Government addresses the income needs of seniors through public pensions, it also recognizes the importance of early planning by individuals and families. To help Canadians plan and save effectively for their own retirement, *Canada's Economic Action Plan 2009* allocated \$5 million over two years for an independent task force mandated to provide recommendations by fall 2010 for a national strategy on financial literacy.

### Tax Measures for Seniors

Since 2006, the Government has introduced measures that provide approximately \$1.9 billion annually in additional tax relief for seniors and pensioners through provisions for pension income splitting, enhancements in the age credit amount and the pension income credit, and an increase to 71 in the age limit for maturing Registered Pension Plans and Registered Retirement Savings Plans. These measures also include a 25% reduction for 2008 in the required minimum withdrawal from a Registered Retirement Income Fund (RRIF) provided \$200 million in tax assistance by allowing retirees to keep more of their savings in their RRIFs.

Seniors also benefit substantially from general personal tax measures the Government has introduced. These include reducing the Goods and Services Tax (GST) from 7% to 5%, reducing the lowest personal income tax rate from 16% to 15%, increasing the Basic Personal Amount – the amount that Canadians can earn without paying federal income tax – and increasing the upper limit of the two lowest personal income tax brackets.

The Government has also introduced the Tax-Free Savings Account (TFSA), which provides a way for seniors and others to meet their ongoing savings needs on a tax-preferred basis. Based on current savings patterns, seniors are expected to receive one-half of the total benefits provided by the TFSA. The income earned within a TFSA and withdrawals from the account will not affect eligibility for federal income-tested benefits or credits, such as the GIS or the GST credit.

With these measures in place, seniors can earn a significant income before they are required to pay income tax – a minimum of \$18,728 for a single senior and \$37,456 for a senior couple for the 2009 tax year. Seniors, and those who support them, may also benefit from credits such as the Disability Tax Credit, the Medical Expense Tax Credit and the Caregiver Credit.

## The Public Pension System

The public pension system, including OAS and the GIS, in conjunction with the CPP, has, as noted above, contributed significantly to the dramatic decline since 1980 in the proportion of Canada's seniors who are living below the low income line.

The OAS program provides a minimum income guarantee to all seniors who meet the residence requirements. Benefits include the basic OAS pension, GIS for low-income pensioners, and Allowances for low-income individuals aged 60 to 64 who are the spouse or common-law partner of a GIS recipient or who are widowed.

The GIS is a non-taxable, income-tested monthly benefit paid to seniors who have little or no income other than the OAS pension. Benefits under OAS and GIS are adjusted quarterly to take into account increases in the cost of living as measured by the Consumer Price Index (CPI).

The vast majority of GIS recipients are above the Low-Income Cut-Off (LICO) defined by Statistics Canada. Since January 2006, GIS benefits have increased by 7% beyond the normal quarterly indexation, at a cost of \$2.7 billion over five years. In addition, Budget 2008 increased the maximum GIS earnings exemption from \$500 to \$3,500 to help recipients who work to keep more of their GIS benefits, an investment of \$60 million per year.

The CPP is jointly managed by federal, provincial and territorial Ministers of Finance, who conduct a review of the Plan every three years. The purpose of the CPP Triennial Review is to ensure that it is on a sound financial footing and to determine whether changes are required to contribution rates and benefits.

On May 25, 2009, at the conclusion of the 2007-2009 CPP Triennial Review, Finance Ministers confirmed that the CPP is on a sound financial footing. They also agreed to propose a number of changes to the CPP, some of which parallel those recommended by the Senate Committee.

The proposed changes are designed to better reflect the way Canadians live, work and retire. They will provide greater flexibility for older workers to combine pension and work income if they so wish; modestly expand pension coverage; and improve fairness in the CPP's flexible retirement provisions. The proposals may encourage the delayed uptake of pension benefits as the Committee has recommended, but they are mainly designed to improve equity in the Plan's retirement provisions.

Another proposed amendment that supports a recommendation of the Committee is to remove the work cessation test. This will allow CPP contributors to receive their retirement pension prior to 65 without having to interrupt paid work or reduce their earnings. The intent is to improve flexibility for older workers and to allow them to improve their future pension coverage.

Ministers also announced a proposal to increase the general drop-out provision to a maximum of 8 years from 7. This provision removes months of low or zero earnings due to caregiving and/or other reasons from the contributory period, thus increasing the average earnings on which the pension is based. After receiving federal and provincial legislative approval, the amendments to the Plan will begin taking effect in 2011 and will be fully implemented by 2016. This proposed package is affordable within the current CPP contribution rate of 9.9%; indeed, it is expected to further improve the long-term sustainability of the Plan.

## Ensuring that Seniors Receive Benefits

The Government of Canada is committed to ensuring that seniors receive the public pension and other benefits for which they are eligible. It is working to increase public awareness and to reach those who may be eligible but are not receiving them. A variety of approaches are being used, including mail, the Internet, telephone and in-person visits to a Service Canada centre.

Applications for the CPP and OAS are now sent to people who are presumed to be eligible for those programs. Information on programs and benefits is inserted in mailings to groups who are likely to include significant numbers of potential beneficiaries. To complement these efforts, a *Services for Seniors Guide* is available through Service Canada Centres, by telephone and on the Web.

Outreach initiatives are targeted to populations that are hard to reach through conventional channels; these include low-income seniors, homeless and near-homeless persons, immigrants, persons living with a disability, and Aboriginal seniors. To do this, partnerships are established with organizations such as First Nations band offices, settlement agencies, food banks and homeless shelters.

The *Working Together Workshop* is an example of this approach, providing a culturally responsive support system for First Nations, Métis and Inuit communities. The workshop is delivered to service providers who work with Aboriginal seniors, Elders, and people with disabilities. The results have been significant – over half a million dollars in retroactive OAS and CPP payments have been made to beneficiaries as a result of the strategy since its inception in 2007.

The Government is working to reduce language barriers by providing fact sheets on pensions and other programs in 11 Aboriginal and 12 foreign languages, as well as in Canada's two official languages. In addition, on an experimental basis, real-time interpretation services are provided and staff who are able to speak Aboriginal or foreign languages are available at certain Service Canada sites.

In addition, application processes have been simplified and forms have been reduced in length. Once an initial GIS application is made, recipients who file income tax returns do not have to re-apply for the GIS.

To accommodate delays or oversights in applying for OAS and CPP, up to one year of retroactivity is provided. Moreover, the retroactive period can be extended in the case of administrative errors or erroneous advice, or when an individual's application is delayed by incapacity. The one-year retroactivity period is consistent with provisions in other income support programs in Canada.

## Guaranteed Annual Income

Over the years, the Government of Canada has looked at a variety of income support measures for Canadians, including various proposals for a guaranteed annual income to address the income needs not only of seniors but of Canadians generally. However, the Government of Canada currently has in place a wide range of programs to support individuals and families who may be vulnerable. Together these programs comprise an effective system of income security for Canadians.

## Theme IV: Aging in the Place of Choice

The Committee recommends that the federal government “facilitate the desire of Canadians to age in their place of choice with adequate housing, transportation, and integrated health and social care services.”

There is widespread support among governments, seniors groups and Canadians generally for the principle of enabling seniors to continue to live as long as possible in their places of choice, whether this involves staying at home or moving to supportive housing or an assisted living facility. This is a highly desirable objective, both for the individual and for society as a whole, and one that has long been encouraged by the Government of Canada.

Seniors who continue to live at home may need access to various kinds of home care and other services. In particular, many may need support from family caregivers and possibly access to palliative or other end of life care. An estimated 80% of home and community care is currently being provided by family members and friends. Thus caregivers play an integral role in assisting seniors to age in a location of their choice.

The role of the Government of Canada in this area is largely one of support and coordination. The provinces and territories are primarily responsible for ensuring that the service needs of most seniors are met. For those populations for which the Government provides support, programs have been established to promote aging in place. For these reasons, a pan-Canadian Seniors Independence Program modeled on the federal Veterans Independence Program, as recommended by the Senate Committee, might not provide the flexibility required to allow the provinces and territories to determine their own priorities for seniors' care.

## End-of-Life Care

The Government of Canada recognizes the importance of compassionate care at the end of life. Through the *10-Year Plan to Strengthen Health Care*, it has provided major support to provinces and territories to improve the quality and accessibility of such care,

including support for first dollar coverage of certain home care services, such as palliative home care (first dollar coverage means that when the patient is assessed as requiring home care, there is no charge to the patient for the home care services he or she may require).

Collaborative initiatives include the development of accreditation standards and performance measures to assist organizations in assessing and improving their services. Federal investments have also focused on preparing health care professionals to provide care for the dying. Other initiatives have helped provide better public information and awareness regarding end-of-life care issues, as well as support for pan-Canadian initiatives that contribute to capacity-building and knowledge sharing. In addition, through the CIHR, the Government provides major support for research in this area.

## Compassionate Care Benefit

The Government recognizes the challenges faced by caregivers who require time away from their jobs to take care of gravely ill family members. Recognizing the importance of this, the Government made changes to the Employment Insurance (EI) Compassionate Care Benefit (CCB) in 2006. These expanded the definition of family member for CCB purposes to include any individual considered to be family by the gravely ill person (or his or her representative). In considering a potential role for the Government in supporting extended periods of caregiving, it would be important to consider the possible advantages and disadvantages of a range of policy responses, including EI given the temporary nature of the income support provided under the program. The Government will, however, continue to monitor the EI program.

As noted in Theme III, the federal government is working to ensure that individuals are aware of available benefits, including the CCB. Since the inception of the CCB and also when the Benefit was expanded, the Government has undertaken various advertising campaigns. Since 2007, new brochures have been made available in strategically chosen venues where there may be individuals who would benefit from the CCB. The Government will continue to examine how to increase awareness of the CCB to ensure that individuals may have access to it in their time of need.

## Seniors' Housing

The federal government works with provinces and territories, as well as with municipalities, First Nations and other housing stakeholders, to improve housing choice and affordability.

Canada provides \$1.7 billion annually in support of the almost 625,000 low- and moderate-income households residing in existing social housing. About one third of this housing is occupied by seniors. Through the Affordable Housing Initiative (AHI), the Government has committed or announced some \$935 million since 2001 to provide over 42,000 affordable housing units with about 20% of the funding supporting the construction of affordable housing for seniors. The federal AHI investment is matched by provinces and territories, which are responsible for program design and delivery. In September 2008, the Government approved a further investment of more than \$1.9 billion for housing and homelessness over the next five years.

In addition, *Canada's Economic Action Plan 2009* is providing extensive support for safe and affordable housing and related initiatives that, in many cases, will help seniors. Over the next two years, the Plan includes \$400 million for housing for low-income seniors,

\$75 million for housing for persons with disabilities, \$400 million for First Nations on-reserve housing, and \$200 million for social housing in the North. The Plan also provides \$1 billion over two years for renovation and energy retrofits to social housing to help vulnerable Canadians with needed improvements to housing.

Other federal initiatives in this area include a one-time strategic investment in 2006 of \$1.4 billion through three housing trusts to help Canadians, including seniors, access safe, adequate and affordable housing. The federal government's housing renovation programs support the repair and physical adaptation of housing, in many cases for the benefit of seniors.

The federal government also provides mortgage insurance for large rental, retirement and nursing home properties in Canada. In 2008 this covered 122 retirement and nursing home projects representing approximately 15,000 beds or units.

## Age-Friendly Communities

The Government of Canada recognizes the value of encouraging communities to create physical and social environments that address the needs of older people. Building on the Age-Friendly Cities initiative of the World Health Organization, and recognizing the special issues created by Canada's geography, the federal government, working with provincial and territorial Ministers Responsible for Seniors, has created a guide to *Age-Friendly Rural and Remote Communities*. Since 2007, the guide has been disseminated widely to help communities create supportive and enabling environments for seniors. Many communities across Canada are currently engaged in age-friendly initiatives.

The Government continues to play a leadership role in promoting the Age-Friendly Communities model to other levels of government, non-government organizations and the international community. Federal departments are collaborating to advance the model in order to support seniors in making choices that positively affect their health and well-being. These efforts include conferences and related activities, as well as research discussions with international partners and the Canadian housing research community.

## Theme V: Federal Population Groups

The final framework recommendation of the Special Senate Committee on Aging is that the federal government "act immediately to implement changes for those populations groups for which it has a specific direct service responsibility, and in relation to Canada's official language commitments."

The Report identifies four groups of seniors for whom the Government of Canada provides particular support: aging Veterans, First Nations and Inuit seniors, older offenders within the federal correctional system; and seniors who are members of official language minority communities. While in some respects the four groups have very different circumstances and needs, in others they share many of the same challenges and opportunities associated with aging. In assisting them, the Government also helps to develop an understanding of how best governments and other institutions can contribute to the lives of all of Canada's seniors.

## Aging Veterans

Seven percent of all seniors are Veterans. Those who are in receipt of a disability pension or a War Veterans Allowance are eligible for benefits provided by Veterans Affairs Canada, including the Health Care Program and the Veterans Independence Program (VIP).

The VIP was established in 1981 to help Veterans Affairs clients remain healthy and independent in their own homes or communities. When living at home is no longer practical, the program provides for intermediate care in a community facility. The program complements existing federal, provincial and municipal programs by providing eligible clients with necessary health benefits not available to them as residents of their province or territory. Today it is a \$273 million program serving 103,000 clients nationally.

The program provides comprehensive palliative care services to eligible clients. Services include extensive personal care, respite care and caregiver support, special equipment, registered nursing services, and related health benefits (including prescription drugs). The Government notes with satisfaction that the Committee identifies this program as an enhanced integrated model of excellence for home care and home support for seniors.

Budget 2008 expanded the VIP to provide benefits to eligible low-income or disabled survivors of certain traditional war Veterans, thus helping them to remain independent in their homes.

Following advice provided by the Gerontological Advisory Council in its 2006 report *Keeping the Promise*, the Government is, wherever possible, adopting an integrated approach to its programs for seniors. It is also working toward a more flexible application of long-term care policies to provide a continuum of options, from home care to long-term residential care.

## Aboriginal Seniors

The Committee Report notes that the delivery of health and social services to Aboriginal seniors is an area of shared responsibility. While the provinces and territories are responsible for providing services to all residents, including Aboriginal peoples, the federal government supports the provision of certain health and social services to eligible First Nations and Inuit, as well as making some targeted programs available to all Aboriginal peoples. The Government of Canada is committed to doing its part to ensure that the needs of Aboriginal seniors are met.

*Canada's Economic Action Plan 2009* included a number of investments that will benefit First Nations and Inuit, including, over the next two years:

- \$305 million to strengthen on-reserve nursing services and ensure the integrity of the Non-Insured Health Benefits program;
- \$135 million for health services infrastructure for First Nations, such as health clinics;
- \$400 million to support on-reserve housing;
- \$200 million for the renovation and construction of social housing in the North; and
- \$165 million for improvements to water and wastewater treatment systems in 18 First Nation communities across the country.

These investments supplement the Government's ongoing support to First Nations and Inuit seniors through programs such as the First Nations and Inuit Home and Community Care Program (FNIHCC). Supported by investments of over \$100 million annually, the FNIHCC program provides funding for home nursing, personal care, client assessment, case management and respite. On average, First Nations and Inuit people require home and continuing care services 10 years earlier than other Canadians; it is because of this the FNIHCC program defines seniors as persons aged 55 and over. Based on this definition, approximately 60% of program clients are seniors.

Through the Assisted Living Program, the Government provides approximately \$83 million annually to First Nations for the delivery of non-medical support services, such as in-home care, foster care, and institutional care. The Government continues to explore ways to improve and further integrate in-home based health and social services on reserve in order to improve service quality and safety, increase alignment with provincial services and decrease the reporting burden on communities.

The Government has given priority to addressing diabetes among Aboriginal people, a particularly serious problem for older members of this population. With investments of \$190 million over five years, the main objective of the Aboriginal Diabetes Initiative is to reduce the incidence and impact of Type 2 diabetes. The FNIHCC program provides care, support and treatment, including foot care, to a clientele that includes many older diabetic patients.

To help ensure access to clean drinking water and to a safe system for disposing of wastewater in First Nations communities, the Government has invested \$330 million for the First Nations Water and Wastewater Action Plan. *Canada's Economic Action Plan 2009* provided a further \$165 million over two years for infrastructure projects in this area. Such measures benefit all members of the community from the youngest to seniors.

Housing is an important issue for many Aboriginal communities and the seniors who live in them. The Government recognizes the need for improved housing in First Nations and Inuit communities and is working to address these needs. The Government invests approximately \$272 million per year for on-reserve housing. It also provides some \$150 million per year to support the housing of Aboriginal people off reserve.

The Government of Canada supports culturally relevant programming that responds to the unique challenges faced by Aboriginal seniors. For example, through investments of approximately \$95 million over six years, the Indian Residential Schools (IRS) Resolution Health Support Program provides mental health and emotional supports for former IRS students and their families, a significant number of whom are seniors, throughout all phases of the IRS Settlement Agreement. Other components of the settlement Agreement include a Truth and Reconciliation Commission, a Commemorative initiative and funding for the Aboriginal Healing Foundation.

## Older Federal Offenders

Offenders under the responsibility of the Correctional Service of Canada (CSC) include a relatively small but significant proportion of older inmates who require services of the kind available to seniors in the general population. Currently, there are close to 5,000 older offenders (defined as those over 50 years of age) under federal responsibility, about half of them in correctional institutions and the rest on conditional release in the community.

Periodic assessments are conducted of the needs of all offenders, developing an appropriate correctional, educational, vocational and health care plan for each individual. Age-related requirements are built into these plans where needed. For example, medical problems, mobility issues, special nutritional needs, vision or hearing loss, and physical or mental disabilities can all be addressed through treatment, accommodation within programs and activities, or closer medical and nursing attention. Early release may be considered in cases such as terminal illness.

Care for the health needs of offenders is based on professionally-accepted standards. The Palliative Care Guidelines, based on standards set out by the Canadian Hospice Palliative Care Association, were revised in July 2009 with input from the Association.

Initiatives under development will further enhance the accommodation of older offenders. These include implementation of the revised Palliative Care program, further development of the Peer Caregiver program, training of nurses on the provision of care to the aging, and on-line information about best practices in addressing the special needs of aging offenders.

## Seniors in Official Language Minority Communities

The Government of Canada supports the development of official language minority communities and the promotion of the linguistic duality of Canada. In so doing it is aware of the needs of seniors in such communities and maintains close relationships with their representatives, including seniors' organizations.

Seniors from official language minority communities are encouraged to participate at the provincial, territorial and national levels in review committees for the New Horizons for Seniors Program, thereby helping to determine funding priorities and evaluate projects. As well, under the Community Participation and Leadership funding stream of the program, seniors in official language minority communities can apply for support to a wide range of projects to enhance the vitality of their communities.

Likewise, consultative committees for French-speaking and English-speaking minority communities have been created to advise the Minister on health priorities for each group. These committees include seniors or representatives from health institutions delivering services specifically to seniors. The latest recommendations of the two committees helped shape the health component of the *Roadmap for Canada's Linguistic Duality, 2008–2013: Acting for the Future*, under which the Government announced project funding targeted to vulnerable populations, including seniors.

## Conclusion

The Government of Canada welcomes the ideas put forward in the final Report of the Special Senate Committee on Aging. They are part of a dialogue in which Canadians will increasingly be engaged as our society grows older. One of the particular strengths of the Committee Report is its emphasis on aging as a positive experience.

While many of the supports needed by seniors in Canada are provided by provinces and territories, by family and friends, or by volunteers, the Government of Canada plays a number of key roles.

Since 2006, the Government has made substantial investments on many fronts to improve the well-being of Canada's seniors and continues to ensure that its policies,

programs and services not only meet the evolving needs of seniors but address the larger issues of an aging society.

Through the appointment of a Minister of State (Seniors) and the creation of the National Seniors Council, issues that matter to seniors are brought to the Government's attention. The \$13 million *Federal Elder Abuse Initiative* will help focus public attention on an issue that has been hidden for too long.

The Government has taken major steps to improve the financial security of seniors by adjusting the tax system and by further strengthening the public pension system. It has introduced measures that provide approximately \$1.9 billion annually in additional tax relief to seniors and pensioners through pension income splitting, enhancements in the age credit amount and the pension income credit, and an increase in the age limit for maturing Registered Pension Plans (RPPs) and Registered Retirement Savings Plans (RRSPs) to 71, enabling seniors to build their retirement savings. Recent amendments to the Canada Pension Plan proposed by the Ministers of Finance will better reflect the way Canadians live, work and retire. Low-income seniors have been helped through an increase to the GIS and its earnings exemption, along with an investment of \$400 million for the construction of affordable housing in *Canada's Economic Action Plan 2009*.

Active aging is encouraged by providing over \$26 million per year through the NHSP so seniors can remain active and involved in their communities. The Government also works with provinces and territories to promote Age-Friendly Communities for seniors.

The Government of Canada takes seriously its role in supporting aging Veterans, First Nations and Inuit seniors, older federal inmates, and seniors in official language minority communities. In recent years, it has made important strides in improving the various services it provides to all these groups.

As the title of the [Committee Report](#) suggests, there is indeed an opportunity, and the Government is seizing it. We look forward to continuing work with all of our partners in this enterprise.