

Date: May 28, 2025

Via Facsimile: 613-941-6900

The Honourable François-Philippe Champagne, P.C., MP.

Minister of Finance and National Revenue
House of Commons
Ottawa, ON K1A 0A6

Dear Minister Champagne,

On behalf of the Canadian Association of Retired Persons (CARP) and our 255,000+ members across Canada, we would like to sincerely congratulate you on your appointment as the Minister of Finance and National Revenue.

As you know, older adults are the fastest-growing demographic in Canada. In 2023, 7.6 million Canadians were aged 65 and older. That number is expected to exceed 10.4 million by 2037, representing nearly a quarter of the population. This seismic demographic shift demands focused leadership, bold policy, and a deep commitment to ensuring older Canadians can age with dignity, security, and purpose. Yet, policy responses remain fragmented and under-resourced.

We are writing to urge your leadership and partnership on two of CARP's highest financial priorities that matters most to older Canadians. As Canada's largest advocacy organization for seniors, our members are calling for bold coordinated federal action in the following areas: protecting Old Age Security (OAS) benefits and the removal of mandatory Registered Retirement Income Funds (RRIFs) withdrawals.

Strengthening OAS Benefits

In an era of economic instability and rising living costs, OAS remains a critical source of income for older Canadians, especially women and those without workplace pensions. For many, it makes up nearly half or more of their annual income. Without it, tens of thousands would be living in poverty. However, inflation and sharply rising cost of living have made it painfully clear that OAS is no longer enough. Despite government support, many seniors still experience financial insecurity – with one in five adults aged 50 and older living at or near the poverty line.

CARP is calling for ending the discriminatory practice of limiting OAS increases only to seniors aged 75 and over - Canadians aged 65 to 74 face the same financial pressures, keeping the

current OAS thresholds, and developing a senior-specific poverty measurement that reflects the true costs of aging which includes healthcare, housing, and caregiving.

Removal of Mandatory RRIFs Withdrawals

These outdated rules penalize Canadians for living longer and have responsibly saved for retirement, forcing seniors to draw their savings at arbitrary rates that do not reflect modern life expectancy or diverse financial needs. Removing these mandates would allow seniors to preserve their retirement income and plan with greater security, especially considering that many seniors are continuing to work past age 65.

Home Equity Tax

Some think tanks have proposed taxing primary residences valued at over \$1 million to address housing affordability. While well-intentioned, such proposals threaten to erode the financial foundation that many seniors have worked their entire lives to build. For countless seniors, their home is not just a place to live but a vital source of financial security as they age out of the workforce and increasingly depend on fixed pension incomes amid ever-increasing living expenses, unexpected healthcare costs and exorbitant long-term care costs. In an era where pensions and savings are diminished by inflation, taxing home equity risks undermining that stability at a time when seniors are least able to recover.

Rather than uniting generations, these proposals create unnecessary division and pit the younger generations against the older generations – an intergenerational war with no winner, a true zero-sum game. CARP stands firmly against imposing a tax on the sale of primary residences. Seniors have earned the right to retire with dignity and financial certainty, not be punished for decades of contribution and savings.

We believe your ministry is positioned to help lead these reforms. As such, we urge you to work with CARP to develop policy responses and federal commitment that reflect the demographic urgency and the lived realities of our aging population. Minister Champagne, this is your opportunity to lead boldly and leave a lasting legacy for Canada's aging population. Our members are engaged, informed, and active—nearly 95% vote in federal elections. They expect a government that not only listens but acts decisively.

Delivering these reforms will require close coordination with your colleagues across government. We encourage you to work in partnership with the Minister of Health, the Secretary of State for Seniors, and the Treasury Board to ensure that the financial needs of Canada's aging population are reflected in fiscal planning and cross-departmental standards. Issues such as income security, retirement savings, and affordability intersect with health care, housing, and caregiving – areas that demand integrated and sustained leadership.

Attached is a backgrounder outlining the importance of strengthening OAS and removing outdated RRIF rules for seniors in greater detail, as well as our recommendations. We welcome the opportunity to meet with you and your staff to explore how we can work together to support the health and dignity of Canada's aging population.

We are also copying this letter to the Honourable Stephanie McLean, Secretary of State (Seniors) for continuity of dialogue.

Thank you for your attention and service. We look forward to your response and leadership.

Yours sincerely,



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