



**CANADIAN ASSOCIATION
OF RETIRED PERSONS**

Standing Committee on Finance

**Written Submission for the Pre-Budget Consultations
in Advance of the Upcoming Federal Budget**

Submitted By:

The Canadian Association of Retired Persons (CARP)

May 22, 2026

RECOMMENDATIONS

- **Recommendation 1:** That the government maintain the integrity of the Old Age Security (OAS) Benefit and extend the 10% OAS increase to all seniors aged 65+.
- **Recommendation 2:** That the government end the exploitation of retail investors by holding banks and regulators accountable, enforcing fiduciary standards and ensuring fair competition and investment choice, especially for seniors.
- **Recommendation 3:** That the government strengthen the Criminal Code and enforcement against frauds and scams, targeting seniors treating them as serious criminal offences, with dedicated resources for investigation, prosecution and penalties.
- **Recommendation 4:** That the government accelerate the approval and timely public access to new medicines, treatments, and adult vaccines needed by older Canadians, while supporting made-in-Canada pharmaceutical manufacturing to strengthen Canada's supply capacity and protect seniors from treatment delays and shortages.

Recommendation 1

OAS is a promise and the backbone of retirement income for millions of Canadians. For many seniors, particularly those without private pensions or substantial savings, OAS makes up nearly half or more of their annual income. Undermining it in any form would be a direct assault on retirement security in this country.

Canada's retirement system is no longer supported by the pillars it once relied on. Historically, workplace pension plans have helped bridge the income gap by providing a reliable lifetime income. But this is no longer the reality. Approximately 12 million working Canadians are heading toward retirement without a workplace pension and a median retirement savings of just \$3,000.

Even with OAS and the Guaranteed Income Supplement (GIS), financial insecurity persists. One in five Canadians aged 50 and older lives at or near poverty levels, according to the Material Deprivation Index. Senior poverty rates are increasing - more than tripling from 3.1% in 2020 to 9.9% in 2022. Women, immigrants, and single seniors face the highest risk. CARP's National Omnibus Poll, conducted April 14-24, 2026, with 7883 respondents, exposes the reality of seniors' financial struggles as only 2.84% of respondents said that current OAS payments were "fully adequate", 25.38% claim it was "somewhat adequate", 34.26% say "not very adequate", and 33.06% say it is "not adequate at all".

Prime Minister Trudeau promised to increase OAS at CARP headquarters in 2015 for all seniors. Instead of delivering on universality, the government divided seniors into two cohorts, granting a 10% OAS increase only to those aged 75 and older, while denying the same support to millions of seniors aged 65 to 74 - they face the same rising costs of food, housing, and healthcare as those aged over 75. By withholding this increase, the government has effectively penalized an entire decade of older Canadians, many of whom are struggling on fixed incomes in an era of high inflation. This arbitrary age cutoff is unjust and ageist.

Compounding the issue, the federal government's Consumer Price Index fails to reflect the reality of the true cost pressures seniors face, such as out-of-pocket medical expenses, home and long-term care (LTC) costs, and rising rents. Trudeau also promised a Seniors Price Index to better track inflation for older Canadians, but this pledge never materialized.

CARP urges the federal government to make an unequivocal commitment to protecting OAS in full:

- No increase in the ages of eligibility and no changes to income thresholds or clawback levels.
- Extend the 10% OAS increase to all seniors aged 65+, ending the current discrimination policy that excludes seniors aged 65-74.
- No reduction in benefits.
- Continued full indexation to inflation.

If the government attacks OAS, senior poverty will worsen. If there are cuts or delays in OAS, the consequences will be immediate and devastating. Canada cannot build a fair or sustainable future by hollowing out the financial foundation of those who built this country and who are also the fastest-growing demographic.

Recommendation 2

Canada's financial system is failing retail investors, especially seniors. At a time when older Canadians are doing everything right by saving, investing and seeking advice to maintain financial independence in retirement, they are being routinely steered into low-return investment products (net of fees) by bank advisors, who are not legally obligated to act in their clients' best interests and are pressured by head offices to sell only bank funds. This exploitation is well known to both banks and regulators, yet no meaningful action is being taken.

CARP's National Poll highlights how serious this problem is, with 62.39% of respondents saying they use one of the "Big Five Banks". Many seniors rely on financial advice provided at the bank branch level, often as loyal customers - 82.42% of respondents have stayed with their current financial institution for 20-40+ years. Yet these branch-level advisors do a disservice to their customers by being required to push underperforming, in-house investment products with limited transparency, little choice and no fiduciary duty. In fact, a joint Canadian Investment Regulatory Organization (CIRO) and Ontario Securities Commission (OSC) survey of bank branch advisors published in July 2025 revealed:

- The vast majority (94%) of representatives report that they are only able to offer clients bank mutual funds (i.e., proprietary mutual funds) and are not able to offer external (i.e., third-party) mutual funds.
- When asked '*if there were comparable third-party funds available with a similar cost to those available at my bank - but with better performance - it would be in my clients' best interest [to] offer these,*' more than two-thirds of representatives agreed with this statement.

- 25% of representatives across banks reported that clients have been recommended products or services **that are not in their interests at least ‘sometimes’**, which suggests that product recommendations may not always be in the interests of clients.

In Canada’s financial industry, seniors are left with shrinking returns and eroding nest eggs while these banks post record-breaking profits annually at the expense of the very customers they are meant to serve. This is ageism in action, where vulnerable investors are left to fend for themselves in a financial system, especially as there is a lack of financial literacy and access to resources needed to evaluate investment choices.

The cost of federal inaction is not abstract. When seniors lose their savings for retirement, the burden falls back on public government support, taking away income support for other overburdened areas, such as healthcare. In the long run, a stronger, fairer financial system is not just good for seniors; it is sound long-term fiscal policy.

CARP calls on the federal government to act decisively to protect senior retail investors by:

- Requiring stronger competition and expanding investment choices at banks and firm regulatory accountability.
- Working cooperatively with provinces and territories to close jurisdictional gaps and create unified, enforceable protections for retail investors.
- Ensuring the 2025 Bank Act Review enhances competition and choice at the retail level, including at bank branches where most seniors access financial advice.
- Legislating a fiduciary standard requiring financial advisors and banks to act in the best interest of clients, particularly vulnerable investors such as seniors.
- Directing the Competition Bureau to review the big banks’ oligopolistic power and collective decision to restrict retail investor choice at bank branches.

Recommendation 3

Frauds and scams are a relentless and serious assault on older Canadians, and yet Canadian authorities continue to turn a blind eye. In 2025 alone, the Canadian Anti-Fraud Centre reported \$704 million in fraud losses, a figure dwarfed by the several billions likely stolen and unreported annually. Seniors, targeted for their perceived vulnerabilities, are treated as expendable by a system that shrugs at their plight, allowing criminals to flourish. Seniors aged 60+ accounted for 17,000 reported cases and \$138 million in reported losses in 2024. At this stage of life, there is often no practical ability to re-enter the workforce, rebuild capital, or recover from the loss. CARP asserts this aversion to pursuing justice for senior victims is rooted in ageism. Canada’s

decade-long reliance on education over enforcement has failed, leaving fraudsters free to prey on seniors with impunity.

CARP's National Poll provides current evidence of the scale of fraud exposure among older Canadians. More than 82% of respondents report that someone has attempted to scam them by phone, in-person, online, or through another channel. Telephone scams remain the most common form of contact, reported by 88.51% of respondents who had been targeted. Email scams were reported by 68.51%. Online scams through websites or advertisements were reported by 49.93%. Text-message scams were reported by 48.89%.

CARP members strongly support stronger government intervention. In the same poll, 88.66% of respondents said the government should do more to protect Canadians from fraud. More than 90% said the government should require phone and mobile service providers, including companies such as Rogers, Bell, and Telus, to do more to protect customers from robocalls, caller ID spoofing, and fraudulent text messages.

Fraud is no longer an isolated consumer-risk issue. It is organized, technologically enabled, and distributed through the systems Canadians rely on every day: banks, payment systems, telecommunications networks, digital platforms, social media. If the system allows fraud to be carried through its infrastructure, the system must share responsibility for the outcome.

CARP calls on the federal government to:

- Classify senior-targeted fraud as a serious offence under the Criminal Code with stronger penalties.
- Mandate accountability from banks and financial institutions that fail to flag or prevent suspicious transactions.
- Increase resources for fraud investigation and recovery of lost funds - stop abandoning seniors to billion-dollar losses.

Recommendation 4

CARP has been sounding the alarm: governments must make significant and targeted investments in healthcare services to meet the growing demands of Canada's aging population.

Right now, Canadian patients wait an average of two years for Health Canada approval to access new drug treatments, even when the need is great, and the treatment is already available in other

jurisdictions. For seniors, these delays are not just administrative; they can directly affect health, independence, dignity, and quality of life.

Alzheimer's disease and dementia show why timely access matters. More than three-quarters of a million Canadians are currently living with a form of dementia, and many families are already struggling with the emotional, financial, and caregiving burden of these conditions. When a new classification of disease-modifying drugs for Alzheimer's could provide real relief or help slow decline, seniors and their families should not be left waiting while Canada's approval and access systems lag behind.

Even after federal approval, patients can face additional delays before these therapies are publicly reimbursed. Provincial and territorial listing timelines can range from as little as 44 days to 662 days, creating fragmented and inequitable access depending on where a patient lives. For a senior living with Alzheimer's or another form of dementia, a delay of months or years is not a minor policy issue. It can mean lost time, greater decline, more strain on caregivers, and higher pressure on the healthcare system.

A more responsive healthcare system is needed if Canada is to meet the needs of its aging population, especially when serious and progressive conditions are at stake. This includes accelerating access to treatments that can improve outcomes for seniors and ensuring that adult vaccination strategies are prioritized and supported to improve uptake. Vaccines remain one of the most effective and cost-efficient public health tools available, particularly for older adults who are more vulnerable to infectious diseases and complications.

Strengthening domestic pharmaceutical manufacturing capacity is also critical to ensure a stable supply of medicines and vaccines. Recent global pandemics have highlighted the risks of overreliance on international supply chains. For older Canadians, supply disruptions are not abstract. They can mean delayed treatment, missed doses, or added stress for patients and caregivers. Investing in made-in-Canada solutions should be understood first and foremost as a way to protect Canadians' access to the treatments they need, especially seniors who are most at risk when the system fails.

Respectfully submitted,

Anthony Quinn, President
The Canadian Association of Retired Persons