

How the 2021 federal budget impacts seniors

By Mike Riley

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On April 19, the Canadian government released its first budget in two years; a 725-page document with \$101 billion in new spending. Federal Minister of Seniors Deb Schulte explains how the budget helps out seniors and gives her reactions, while Laura Tamblyn Watts, the CEO of CanAge, a national seniors' advocacy organization working to improve the lives of older adults through advocacy, policy and community engagement, also reacts and gives her assessment of the budget, both the pros and cons and how it impacts seniors in Canada.

Schulte thinks the new budget is a great budget for seniors, but she said she wants to take a step back and frame it as a great budget for Canadians in general.

"We're continuing to fight the virus, and that's the top of mind of Canadians right now. And we're extending supports to businesses and Canadians to help get through this and everyone was just waiting to make sure they could get the supports they need. And we're also ensuring a robust and fair and greener economy with over 270 measures that have been brought into place. So, it's a great budget," she says.

As for seniors and how they did in the new budget, Schulte is quite excited about what they were able to bring forward for seniors. She mentions the new Age Well at Home initiative, which pledges \$90 million over three years to fund services by community groups that will help seniors stay in their homes longer. The program will match seniors with volunteers who can assist them with things like meal preparation, home maintenance, errands, yard work and transportation and will also help them access local services like grass cutting and shovelling snow.

The increase in Old Age Security for seniors aged 75 years and up is also something she is proud of, an investment of \$12 billion over five years. Benefits would increase for 3.3 million seniors, giving additional benefits of \$766 to full OAS pensioners in the first year and would be indexed to inflation thereafter.

"Seniors are living longer than ever, and they face more complicated issues as they age. They're also worried about running out of their savings. So, this is a concrete program to make sure we're addressing the needs of older seniors that are worried about running out of their savings," she says.

When asked why the benefit did not extend to seniors aged 65 to 74 years, as the Bloc Quebecois and the Conservatives asked and objected to, Schulte said they had already helped those younger seniors with other measures earlier, including reversing previous Conservative government's increase to the age of eligibility for OAS from 67 years back to 65 years, putting thousands of dollars back into thousands of seniors' pockets.

"We've been addressing financial security with seniors all along and this is just another measure because we recognize many of them are living longer and many of them are afraid of outliving their savings. They do face more incidents of disability, they need more supports, they face higher healthcare costs. If they're widowed, and especially if women, they only receive 60 per cent of what they would have with their husbands. We believe this plan helps to address these specific pressures that older seniors face. This is a significant measure and it's a lot of money," she says.

Schulte also mentions the \$400 million to be spent in 2021 and 2022 for charities and non-profits to aid in the economic recovery. She says that throughout the pandemic, they saw charities stepping up and really helping to serve vulnerable Canadians and seniors.

"We saw that in our food banks, saw it in the United Way, we saw that in churches and other charitable organizations that really

leaned in and you could see how powerful it was when communities all come together and support each other through a very challenging time. You could see the value in our community organizations and that's why it's appropriate to continue to work with them and support them," she says.

Some of the other expenditures within the budget include; \$70 billion by 2027/2028 to build, repair and support an additional 35,000 affordable housing units for vulnerable Canadians (including seniors), help more families and people with disabilities access the Disability Tax Credit and other related supports, improve access to palliative care with an investment of \$29.8 million over six years starting in 2021/2022 to Health Canada, an investment of \$100 million over three years to the Public Health Agency of Canada for mental health supports during COVID-19, extend the Canada Recovery Caregiving Benefit an additional four weeks to a maximum of 42 weeks and provide an additional \$15 million over three years to Veterans Affairs to expand and enhance the Veteran and Family Well-Being Fund to support veterans and their families during COVID-19.

With regard to the \$3 billion pledged over five years starting in 2022/2023 to help the provinces improve and regulate long-term care, so that the tragedy of COVID-19 in long-term care doesn't happen again, she says she has already started conversations with her colleagues and with the Minister of Health Patty Hajdu and her colleagues, so they can begin to have those discussions across the country.

"It's very different how long-term care is provided across the country, so as with any discussion, you don't want to come with the outcome at the beginning of the discussion. You want to come with some solid resources to show you're serious and then you come with an open mind to have those discussions. We all recognize the tragedies that occurred and there's no province that I've heard that doesn't want to do better. So, we have a lot of work to do. The Canadian Standards Association and the Health Standards Organization are already working on bringing the experts to the table to understand what those standards should look like and that will be informing our work as well," she says.

Watts, as mentioned, is the CEO of CanAge. They are non-partisan and have a Canada-wide membership base. They made 135 recommendations to the government on the federal budget based upon their policy platform released late last year, VOICES: A Roadmap to an Age-Inclusive Canada.

While Watts liked some aspects of the new budget as it relates to seniors, she says it is not a seniors' budget, but more for young families with a focus on small business, which she says is fine. She says there were some good steps taken, but they were small steps. She cites the \$3 billion over five years earmarked for Long Term Care as an example.

"When it's spread out every province over that time it doesn't go very far when you think of the long list of things that need to be improved. There's also the disparate expenditure between caring for young children, which is a worthy and important cause, and seniors, who have borne the brunt of decades of institutional neglect and have been at the very centre of COVID-19," she says.

Watts also feels this applies to the \$90 million over three years for the Age Well at Home initiative, which she feels is better than nothing, but won't go very far in the long run.

There were also some big misses in the budget for seniors according to Watts, including no money for the long promised national dementia strategy and not enough support for caregivers, many of whom care for aged parents and relatives.

"There were no changes to how caregiving benefits are formulated. We had asked for the caregiving benefit to be made a refundable benefit so you didn't have to earn in the workplace to claim it, which is very hard during COVID-19 and most caregivers can't go into the workforce as they would otherwise do because they're busy caregiving particularly for older people," she says.

Other things missing from the budget mentioned by CanAge were specific investments in the Age Tech sector to support innovation and growth and eradicating the mandatory RRIF withdrawals at age 70.

Some of the good things Watts saw in the budget was the long-promised increase to OAS for seniors over age 75, but even that she

felt didn't go far enough.

?Contrast that with payments to other groups during the pandemic. Seniors have had skyrocketing costs. If they need to go places, they can't take public transit, they've had to have deliveries, the lockdowns and they've been told to isolate for almost the entire time of COVID-19. The one-time payment of \$500 is nice but it won't really address the issue of seniors' poverty or really make up for the significant expenses they've had with COVID-19,? she says.

Watts was also happy to see elder abuse acknowledged in the budget, a \$50 million investment over five years, as it has always been a problem, with one in six seniors suffering abuse and neglect, but has become ever more so during COVID-19.

?Elder Abuse Prevention Ontario reported a 250 per cent increase in abuse and neglect calls that have come to their agencies,? she says.

Watts and CanAge also liked the following facets of the budget; improving access to palliative care with an investment of \$29.8 million over six years, helping seniors with mental trauma due to COVID-19 with an investment of \$100 million over three years, \$45 million over two years to develop national mental health service standards, \$25 million over five years to create national framework for diabetes, \$27.6 million over three years to support front-line health care workers with my65+, a group tax free savings account offered by Service Employees International Union Healthcare and an increase to disaggregated data collection by government agencies which will help seniors be counted and be seen.

Overall, Watts thinks that the funding for seniors is better than nothing, but it wasn't the transformative seniors' budget that the government was indicating. However, with COVID-19 and the impact it has had on the economy, small businesses and families, she's not too surprised, as the government ?has a lot on its plate.? She says that CanAge will be hoping that if an election arises they'll be able to see further investment in seniors.

?But right now, there's not enough here to really transform seniors' care in Canada which we so desperately need,? she says.

Watts indicates that CanAge will keep working and pressing the government for changes, as they have connections both federally, provincially and territorially.

?I had a conversation one on one with Minister Schulte right after the budget was released and gave her our reactions and our thoughts and comments on what needs to happen. We'll be having a further conversation with her one on one going forward. There are open points of discussion. For this budget, seniors fared perhaps better than they might have, but nowhere near where they need to be.?