

Pre-Budget Submission to the Department of Finance

September 2026

Summary of Recommendations

Recommendation 1: Modernize the Canadian Pension Plan (CPP) to include a Pension Delay Guarantee.

Recommendation 2: Increase the Guaranteed Income Supplement (GIS) earnings exemption to \$10,000 per year and index it to inflation.

Recommendation 3: Continue to reform the Disability Tax Credit (DTC) eligibility process to ensure timely and equitable access to federal support.

Recommendation 4: Transform the Canada Caregiver Credit (CCC) into a refundable benefit.

Recommendation 5: Engage community partners in a consultative process to determine how to strengthen the New Horizons for Seniors Program.

Recommendation 6: Adopt a risk-based approach to AI regulation that ensures AI-enabled technologies used in health care, social services, and other essential systems are safe, transparent, accessible, and free from age-related bias.

Recommendation 7: Uphold the human rights of older adults by fully participating in and supporting the proposed United Nations Convention on the Rights of Older Persons.

Introduction

As of 2026, Canada is now a “super-aged” nation, with more than one in five Canadians over the age of 65.¹

The National Institute on Ageing (NIA) is a research and policy institute housed at Toronto Metropolitan University with a mission to improve the lives of older adults and the systems that support them.

We conduct an annual survey of people aged 50 years and over living in Canada. Our 2025 survey reveals:²

- **Social isolation and loneliness are taking a toll:** 43% of older adults in Canada are at risk of social isolation and 57% have experienced loneliness, with no improvement since 2022. Social isolation and loneliness can increase the risk of mood disorders, dementia, cardiovascular disease, malnutrition, falls and premature mortality.³
- **Older adults are struggling to make ends meet:** 20% of older adults have a poverty-level standard of living, as measured by the Material Deprivation Index. Less than one-third (29%) of older adults currently working say they can afford to retire at their desired time (down from 34% in 2024).
- **Older adults are facing significant health challenges:** 90% reported needing health care services and treatments, yet 35% were unable to access the health care services they needed. Close to half (47%) were also unable to access home care services when they needed them.
- **Ageism is widespread in Canada:** 70% had experienced at least one form of ageism, such as assumptions they cannot use technology, have difficulty with memory, and comments that older adults are undesirable or do not contribute anything of value.

The 2025 survey also highlights several promising areas for improvement. Fewer older adults report being unable to afford dental care – suggesting that the Canadian Dental Care Program may already be easing financial pressure for some. The federal government should capitalize on this momentum in Budget 2026 by implementing the following recommendations to tackle the challenges facing older Canadians so they can age with dignity, security, and confidence.

¹ Statistics Canada. (2025, January 28). Population Projections for Canada, Provinces and Territories: Interactive Dashboard. <https://www150.statcan.gc.ca/n1/pub/71-607-x/71-607-x2022015eng.htm>

² Qureshi, Z., Gallant, G., Bronstein, T., Brierley, A., & Sinha, S. K. (2026). *Perspectives on Growing Older in Canada: The 2025 NIA Ageing in Canada Survey*. National Institute on Ageing. pgs. 7, 8, 27, 49, 55, & 59. Available from: <https://niageing.ca/reports/perspectives-on-growing-older-in-canada-the-2025-nia-ageing-in-canada-survey/>.

³ Bull, A., Iciaszczyk, N., Sinha, S.K. (2023). *Understanding the Factors Driving the Epidemic of Social Isolation and Loneliness among Older Canadians*. National Institute on Ageing. Available from: <https://www.niageing.ca/loneliness23>.

Recommendations to Support Canada's Ageing Population

1. Amend the Canadian Pension Plan to include a Pension Delay Guarantee.

The vast majority of Canadians claim their Canadian Pension Plan (CPP) payments by age 65, even though deferring significantly increases their lifelong retirement income. This behaviour is largely driven by concerns of “missing out” if they die before receiving their anticipated benefits.⁴

To address this, the NIA proposes introducing a Pension Delay Guarantee (PDG)⁵ to offer protection: if someone delays claiming CPP and dies before breaking even, their estate receives the difference between what they already received and what they would have received had they claimed at age 60. This acts like a “money-back guarantee,” reducing the risk of losing out due to early death and encouraging people to maximize their CPP.

Endorsed by 76 individuals, including pension and public policy experts, and representatives from associations reflecting the interests of older adults, pension funds, financial institutes, and insurers, the PDG represents a practical modernization of the CPP.

2. Increase the Guaranteed Income Supplement (GIS) earnings exemption to \$10,000 per year and index it to inflation.

We recommend the federal government increase the Guaranteed Income Supplement (GIS) earnings exemption to \$10,000 per year and index it to inflation. This would reduce poverty, promote workforce participation, and align the GIS with other federal benefits. As discussed in the NIA's 2025 publication, *Let Poor Older Adults Work: Recommendations for an Improved GIS*,⁶ recipients currently face steep clawbacks on earnings above \$5,000, discouraging work and disproportionately penalizing those who need income the most.

Raising the exemption will give older adults greater flexibility to work part-time or seasonally without losing core benefits, recognizing the realities of today's labour market, where many older Canadians are working longer by necessity.

Other federal and provincial income support programs offer more generous and indexed exemptions. The Canada Disability Benefit has an earnings exemption of \$10,000, which

⁴ National Institute on Ageing. (2024). *7 Steps Toward Better CPP/QPP Claiming Decisions: Shifting the Paradigm on how we help Canadians*. Available from: <https://niageing.ca/reports/7-steps-toward-better-cpp-qpp-claiming-decisions-shifting-the-paradigm-on-how-we-help-canadians/>.

⁵ National Institute on Ageing. (2024). *Policy Implementation Brief: Pension Delay Guarantee*. Available from: <https://niageing.ca/commentaries/policy-implementation-brief-pension-delay-guarantee/>.

⁶ National Institute on Ageing. (2025). *Let Poor Older Adults Work: Recommendations for an Improved GIS*. Available from: https://rdo.iks.mybluehost.me/website_8ba3989f/wp-content/uploads/2025/10/April-10-2025_Let-Poor-Older-Adults-Work_Report.pdf

could lead to a steep drop in allowable earnings simply by turning 65—an unjust policy gap.

3. Continue to reform the Disability Tax Credit (DTC) eligibility process to ensure timely and equitable access to federal support.

The Disability Tax Credit (DTC) is a key access point to federal income supports, including the Canada Disability Benefit (CDB). In 2024, more than half of Canadians (54%) holding a DTC certificate were aged 55 and over, underscoring its importance for older Canadians. The NIA welcomes proposed improvements in the 2026 Spring Economic Update to expand eligible certifying practitioners and streamline certification for over 60 medical conditions. To build on these changes, we recommend the federal government:

- **Reimburse fees for completing DTC applications.** The federal government reported the average fee charged by medical practitioners to complete a DTC application is approximately \$125. However, frontline organizations indicate that costs are often higher, particularly in complex cases. Previous federal budgets have promised a partial reimbursement system, but this leaves out too many applicants. Budget 2026 should commit to direct federal reimbursement of these practitioners—a system already in place for CPP Disability applications.
- **Recognize provincial disability program eligibility.** Provincial and territorial disability support programs already rely on rigorous eligibility assessments. Recognizing these for DTC eligibility would remove duplication and accelerate support. By establishing a consistent definition of disability and a cross-jurisdictional data-sharing framework, individuals receiving provincial benefits could be granted automatic DTC eligibility.

4. Transform the Canada Caregiver Credit (CCC) into a refundable benefit.

One in four Canadians is a caregiver today.⁷ As a result of insufficient supports to help them balance paid work and caregiving responsibilities, the Canadian economy is losing an estimated \$1.3 billion annually in lost productivity.⁸

Caregivers with lower incomes are most in need of financial support, yet they are least likely to benefit from the current non-refundable CCC, which reduces taxes owed but does not provide cash in hand. The National Institute on Ageing endorses the Canadian Centre for Caregiving Excellence’s National Caregiver Strategy,⁹ and recommends CCC be transformed into a refundable benefit and the maximum amount increased to \$1,250.

⁷ Canadian Centre for Caregiving Excellence. (2024). *Caring in Canada*. Available from: <https://canadiancaregiving.org/caring-in-canada/>.

⁸ Canadian Centre for Caregiving Excellence. (2022). *Caregivers in Canada are at a Breaking Point*. Available from: <https://canadiancaregiving.org/canadian-caregivers-are-at-a-breaking-point/>.

⁹ Canadian Centre for Caregiving Excellence. (2025). *A National Caregiving Strategy for Canada*. Available from: <https://canadiancaregiving.org/national-caregiving-strategy/>

5. Engage community partners in a consultative process to determine how to strengthen the New Horizons for Seniors Program (NHSP).

The Community-Based Seniors Serving (CBSS) sector plays a vital role in delivering the services older Canadians need to age in the place that is right for them. According to NIA's 2025 Ageing in Canada Survey, 81% of older adults want to remain in their own home or a smaller home as they age.¹⁰ However, many require non-medical supports (like transportation, meal delivery, friendly visiting, and help with household tasks or yard work) to maintain their health, independence, and social connection. These services are often delivered by community-based organizations that operate on limited, inconsistent, and patchwork funding.

The CBSS sector relies on NHSP grants to administer critical programming. These programs are the backbone of communities but remain underfunded. We applaud the recent announcement to increase the per-project funding limit from \$25,000 to \$50,000.

Building on the heels of this important change, we echo the recommendation of HelpAge Canada to launch a consultation with the CBSS sector to modernize the NHSP and strengthen mechanisms to assess program accessibility and impact. Given the importance of NHSP, it is important to periodically assess with community partners whether the program is achieving its objectives and how it can be strengthened to meet community needs.

6. Adopt a risk-based approach to artificial intelligence (AI) regulation that ensures AI-enabled technologies used in health care, social services, and other essential systems are safe, transparent, accessible, and free from age-related bias.

As AI is increasingly embedded in health care, social services, financial systems, and other essential public services, the federal government should ensure that adoption of AI-enabled technologies supports and improves, rather than undermines, the health, wellbeing, and economic security of older Canadians. In its recent brief, *Developing an Artificial Intelligence Framework for the Health and Wellbeing of Older Canadians*,¹¹ the NIA calls on the federal government to build on international best practices to implement a principled, risk-based AI regulatory framework that prioritizes safety, transparency, accessibility, and accountability for applications significant to older adults. This framework should include sufficient capacity for AI oversight, safeguards to prevent age-related bias and discrimination, and mechanisms to ensure meaningful

¹⁰ Qureshi, Z., Gallant, G., Bronstein, T., Brierley, A., & Sinha, S. K. (2026). *Perspectives on Growing Older in Canada: The 2025 NIA Ageing in Canada Survey*. National Institute on Ageing. pgs. 7, 8, 27, 49, 55, & 59. Available from: <https://niageing.ca/reports/perspectives-on-growing-older-in-canada-the-2025-nia-ageing-in-canada-survey/>.

¹¹ National Institute on Ageing. (2026). *Developing an Artificial Intelligence Framework for the Health and Wellbeing of Older Canadians*. Available from: <https://niageing.ca/resources/developing-an-artificial-intelligence-framework-for-the-health-and-wellbeing-of-older-canadians/>.

involvement of older adults and caregivers in the design, deployment, and evaluation of AI-enabled technologies.

7. Uphold the human rights of older adults by supporting the proposed United Nations (UN) Convention on the Rights of Older Persons.

As mentioned earlier, 70% of older Canadians report having experienced at least one form of ageism in the past year.¹² According to the Forum of Federal, Provincial and Territorial (FPT) Ministers Responsible for Seniors 2022 report, the most common settings where ageism occurred were the workplace and in health care.¹³ In alignment with the International Longevity Centre Canada, we recommend the federal government support the proposed UN Convention on the Rights of Older Persons by fully participating in its development and working closely with Canadian civil society organizations in the drafting of the convention at the International working group.

Thank you for considering these recommendations to support Canada's ageing population. For more information, please contact:

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¹² Qureshi, Z., Gallant, G., Bronstein, T., Brierley, A., & Sinha, S. K. (2026). *Perspectives on Growing Older in Canada: The 2025 NIA Ageing in Canada Survey*. National Institute on Ageing. pgs. 7, 8, 27, 49, 55, & 59. Available from: <https://niageing.ca/reports/perspectives-on-growing-older-in-canada-the-2025-nia-ageing-in-canada-survey/>.

¹³ Employment and Social Development Canada. (2024). Consultations on the social and economic impacts of ageism in Canada: "What we heard" report. Available from: <https://www.canada.ca/en/employment-social-development/corporate/seniors/forum/reports/consultationageism-what-we-heard.html>