



October 24, 2008

The Right Honourable Stephen Harper, P.C., M.P.
Prime Minister of Canada
Langevin Block
80 Wellington St.
Ottawa, ON K1A 0A2

Dear Prime Minister:

The announcement of a First Ministers' Conference to deal with the current financial crisis is appropriate and the meeting must be held as quickly as possible. Seniors, in particular, have little time to recover from the possible consequences of the major economic downturn.

FSNA is the largest advocacy group for federal pensioners, representing members in 84 branches across the country who have retired from the Public Service, Canadian Forces and RCMP and include retired federal judges. We advocate to effect positive change at the policy level and enhance the quality of life for our members and seniors in general.

As millions of working and retired Canadians watch powerlessly as their RRSPs, RRIFs and RPPs deplete day after day, retirement income security must be at the top of the First Ministers' Conference agenda.

In its recent brief for the 2009 federal budget consultations, the Common Front on Retirement Security (of which FSNA is a charter member) recommended that the requirement for minimum annual withdrawals of funds from RRIFs be repealed. The annual minimum withdrawals from a RRIF, at any age, severely impede retirement income security. Freedom from minimum withdrawals would work to the advantage of both tax collector and taxpayer in the longer term. Ironically, the current financial crisis validates this rationale, as the units in RRIF portfolios must now be sold at disastrously low unit values to cover the mandatory minimum withdrawals. Once withdrawn, these units are lost forever as sources of tax free income under the RRIF umbrella.

FSNA believes that the financial soundness of the Canadian banking system is critically important and, on behalf of its 160,000 members and seniors in general across Canada, we urge you to also place the topic of retirement income security at the top of the First Ministers' Conference and find solutions now to support seniors in their retirement years.

Yours sincerely,

G. Dennis Jackson, CD, BBA
National President

GDJ/hc