



INVESTMENT INDUSTRY ASSOCIATION OF CANADA
ASSOCIATION CANADIENNE DU COMMERCE DES VALEURS MOBILIÈRES

News Release

For immediate release

Retirement Income in Canada: Enhancing A System That Works

Toronto, May 5, 2010 - The Investment Industry Association of Canada (IIAC) stated in its [submission to the Department of Finance](#) that the existing retirement system works well for most Canadians. However, the IIAC identifies several policy measures to strengthen the calibre of the retirement system.

The IIAC comments were in response to the Department of Finance's consultation paper entitled [Ensuring the Ongoing Strength of Canada's Retirement Income System](#). "The current retirement income system generally works well for most Canadians by providing them with adequate replacement income upon retirement," said Ian Russell, President and CEO, IIAC. "However, the federal government should undertake further analysis to determine the appropriate public policy solutions required to assist Canadians in meeting their retirement income objectives."

The IIAC's recommendations to the federal government include developing a national strategy to increase financial literacy among Canadians. "The national Task Force on Financial Literacy created by the federal government is an important first step on the road to a more financially literate population in Canada. The securities industry looks forward to participating in initiatives suggested by the Task Force," said Mr. Russell.

The IIAC also recommends reforming the RRSP and TFSA contribution limits to assist middle income Canadians in bolstering their retirement savings, and to help alleviate the inequality between Canadians who save in RRSPs and those who have access to defined-benefit pensions. Another recommended area of reform is the removal of mandatory withdrawal amounts for RRIF accounts to provide retired Canadians with more flexibility to manage their savings.

The Investment Industry Association of Canada (IIAC) advances the position of the Canadian investment industry on regulatory and public policy issues. As the professional association for the industry, IIAC has a mandate to promote efficient, fair and competitive capital markets for Canada while helping its member firms across the country succeed in the industry.

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