



House of Commons Standing Committee on Finance – Pre-budget Consultations 2014

The Funeral Association of Canada (FSAC) is the leading national funeral professional association, and represents 85% of all deaths in Canada through numerous funeral homes, cemeteries and funeral service professionals across the country. In the countless services provided by our members, the most important aspect of a funeral is dignity. FSAC has been providing leadership and guidance to funeral providers for more than 80 years and works to improve the profession through advocacy and education. FSAC has a proud history of working with the federal government and its many departments on issues concerning Canadians.

FSAC's members operate in all corners of Canada and work closely within their communities. The recommendations made here represent hundreds of small business owners and dedicated professionals who would like to see the best services available for all Canadians.

Executive Summary

FSAC is committed to continuing to work with the government to find solutions that offer Canadians quality service in every community during a most difficult time in their lives. FSAC believes that by following through on the following three recommendations, this can be achieved:

- 1. By increasing the current means test limitation for the Last Post Fund to \$17,234.74 and indexing the net asset value to inflation.**
- 2. By encouraging more Canadians to enter this stable profession through existing skills training programs such as the Canada Jobs Grant.**
- 3. By increasing the Canada Pension Plan Death Benefit cap to \$3,440 and indexing it to inflation.**

Reviewing the Means Test Limit for the Last Post Fund

FSAC has been an active supporter of The Last Post Fund for many years. In Economic Action Plan 2013, The Last Post Fund received a funding increase for end of life costs to eligible veterans. In 2014, the conflict eligibility was expanded to include modern-day veterans who qualify for the means test. However, the current means test only allows for a veteran and their spouse to have a combined net asset value of \$12,015 or less, reduced from \$24,030 in 1995. This restriction means that, while the fund is available for veterans of modern conflicts, very few will ever have access to this service because of an overly restrictive means test.

FSAC would like to see a review of the eligibility requirements for the Last Post Fund, as well as indexing of the means test threshold to inflation. If the asset value limit of \$12,015 had been indexed in 1995, it would currently be at \$17,234.74. The Last Post Fund asset value limit should continue to be indexed moving forward.

Canadian veterans and their families would benefit from reviewing the eligibility requirements of the Last Post Fund. Canadian veterans make the ultimate sacrifice for our country often facing mortal danger and spending extended periods of time away from their families. The federal government has a responsibility to ensure these brave men and women receive the appropriate recognition for their sacrifices through the dignified burial that all veterans deserve. The families left behind would benefit from knowing they won't face the added financial strain of paying for the details of a veteran's burial out of pocket.



The standard of living for families of veterans would improve by reviewing the Last Post Fund eligibility requirements and asset value amount because they would receive the benefits they deserve to be able to provide a proper and dignified funeral for their loved one.

Connecting Canadians with Jobs within the Funeral Service Profession

Members of the Funeral Service Association of Canada report that the profession is being affected by Canada's aging population. This means Canada requires more funeral directors than are being trained. It is expected that one quarter of the Canadian population will be over the age of 65 by the year 2051. This will inevitably translate into more Canadians requiring funeral services. In fact, Statistics Canada estimates that the number of deaths in Canada will roughly double in the next half century. While the certification of funeral directors is under provincial jurisdiction, the federal government should partner with the provinces to create incentives for people to enter into the profession to ensure that the high level of service expected by Canadians can continue. FSAC believes it is not only a fiscally responsible decision for the federal government to promote employment in the profession through existing skills training and education incentive programs, but that it will also succeed in meeting the federal goal of maximizing the number of jobs for Canadians.

The funeral service profession is made up of small businesses and employs tens of thousands of Canadians in communities of all sizes across the country. In the profession, there is a shortage of skilled workers. The federal government is committed to connecting Canadians with jobs and, by including the funeral service profession in its employment incentive programs, the government would address the shortage of workers in a field with available, high quality jobs in a secure profession.

FSAC believes that existing skills training and employment programs such as the Canada Jobs Grant would benefit both job seekers and employers in the funeral profession. The Canada Jobs Grant encourages employer, provincial and federal participation which would be in keeping with the funeral profession regulatory governance. FSAC would like to see opportunities for employees seeking to further their skills and enter a stable employment within this framework.

This would benefit grieving families ensuring that Canadians continue to receive the same high level of service they have come to expect. Additionally, the funeral service industry offers steady employment and will only become increasingly important in the future to accommodate the larger population requiring services.

Increase the Canadian Pension Plan (CPP) Death Benefit Cap from \$2,500 to \$3440 and Index it to Inflation

FSAC is concerned about the cap on the Canadian Pension Plan (CPP) Death Benefit. The CPP Death Benefit cap was reduced from a maximum of \$3,580 to a maximum of \$2,500 in 1998. This no longer meets the basic needs for end of life arrangements. As the population ages it is important to strengthen the programs Canadians have come to depend on, like the CPP Death Benefit. This program was designed to offer support to Canadians for the end of life costs. FSAC is suggesting the CPP Death Benefit receive a one-time increase to \$3,440. This reflects the effect of inflation since the cap was last adjusted in 1998. Moving forward, the cap should be indexed.

The reduction was originally made to ensure the fund would be sustainable for future generations, however, due to inflation, the current cap is not sufficient to meet the needs of recipients.



The CPP Death Benefit should also have the option to be dispensed directly to the funeral home. As it stands, funeral homes often extend credit to families of the deceased to pay for the necessary elements of a funeral service on the promise of the CPP Death Benefit. Offering Canadians the option to sign over this Death Benefit directly to funeral homes will reduce red tape and ease the administrative responsibilities for the funeral executor. This will serve to benefit bereaved Canadians and ultimately save administrated costs for the government when the decision can be made and plans can be executed without the need for an executor's intervention.