House of Commons
Chambre des communes
Canada

House of Commons Standing Committee on Finance – Pre-budget Consultations 2013

This brief is submitted by:

(•) **an organization** **Organization name:** The Funeral Service Association of Canada (FSAC)

or

( ) **an individual** **Name:** _____

Topic: Education and skills training

*Recommendation 1: Please provide a short summary of your recommendation.

The funeral service industry is being affected by Canada's aging population. This means Canada requires more funeral directors than are being trained. While, the certification of funeral directors is under provincial jurisdiction, the federal government will need to partner with the provinces to create incentives for people to enter into the industry to ensure that the high level of service expected by Canadians can continue. FSAC hopes the federal government will help promote employment in the industry through existing skills training and education incentive programs.

Expected cost or savings: From the pull-down menus, please indicate the expected cost or savings of your recommendation to the federal government and the period of time to which the expected cost or savings is related.

other: please provide your estimated amount Included in existing $1.95 bi

Immediately

Federal funding: Please provide a precise indication of how the federal government could fund your recommendation. For example, indicate what federal spending should be reallocated, what federal tax measure(s) should be introduced, eliminated or changed, etc.

The federal government could allocate a portion of the Canada Job Grant introduced in Economic Action Plan (EAP) 2013 to include the funeral service industry. $19 million was reallocated over 2 years to promote education in fields where the demand for employees is high. $70 million was allocated in EAP 2013 to support 5,000 additional paid internships. Many jobs in the funeral service industry require an apprenticeship, ranging in duration from 1-3 years.

Intended beneficiaries: Please indicate the groups of individuals, the sector(s) and/or the regions that would benefit by implementation of your recommendation.

The funeral service industry is made up of small businesses that employ tens of thousands of Canadians in communities of all sizes. In the industry there is a shortage of skilled workers. The federal government is committed to connecting Canadians with jobs. By including the funeral service industry 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. This would benefit grieving families ensuring that Canadians continue to receive the same high level of service they have come to expect.

General impacts: Depending on the nature of your recommendation, please indicate how the standard of living of Canadians would be improved, jobs would be created, people would be trained, etc.

By providing hiring incentives and educational grants for Canadians looking to enter the workforce, this recommendation would increase the standard of living for Canadians who are looking for high quality jobs. Students would benefit from being able to learn from industry professionals in paid internships without the financial burden. This will see additional skilled workers joining the labour market. Small businesses would benefit from the ability to train new employees on the job, allowing them to expand their businesses as the need for funeral services grows with the aging population.

Topic: Retirement, pensions and seniors

Recommendation 2: Please provide a short summary of your recommendation.

FSAC is also 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. The cap no longer meets the basic requirements for end of life arrangements and should be reviewed.

The CPP Death Benefit should also have the option to be paid out 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.

Expected cost or savings: From the pull-down menus, please indicate the expected cost or savings of your recommendation to the federal government and the period of time to which the expected cost or savings is related.

unknown

Immediately

Federal funding: Please provide a precise indication of how the federal government could fund your recommendation. For example, indicate what federal spending should be reallocated, what federal tax measure(s) should be introduced, eliminated or changed, etc.

The federal government has been reviewing the Canada Pension Plan for a number of years. 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 end of life costs. FSAC suggests that the CPP Death Benefit receive a onetime increase to $3,400. This figure reflects what the cap of $2,500 would be had it been indexed in 1998. To avoid such disparities in the future, the cap should be indexed moving forward.

Intended beneficiaries: Please indicate the groups of individuals, the sector(s) and/or the regions that would benefit by implementation of your recommendation.

Increasing the CPP Death Benefit would assist families who receive a contribution towards end of life expenses and are responsible for organizing funeral services. This would have particular benefit to seniors on fixed incomes and with limited means. Allowing the CPP Death Benefit to be paid directly to the funeral home would ease the strain on grieving families by allowing the funeral homes to take care of the necessary arrangements. Finally, the funeral homes would benefit from having the payments up front to be able to book funeral costs and disbursements without having to extend credit.

General impacts: Depending on the nature of your recommendation, please indicate how the standard of living of Canadians would be improved, jobs would be created, people would be trained, etc.

The death of a loved one is difficult. By ensuring the final resting arrangements maintains dignity for all Canadians, the federal government will be improving the quality of life for the surviving family. The average cost of a funeral in Canada is $5000. All CPP contributors who meet the current regulations should receive the necessary funds to provide a dignified funeral without worry of where the additional funds will come from. By allowing the CPP Death Benefit to be paid directly to the funeral homes, there is significantly less stress on the families responsible for planning the funeral.

Topic: Poor, poverty and income inequality

Recommendation 3: Please provide a short summary of your recommendation.

FSAC has been an active supporter of The Last Post Fund for many years. In EAP 2013, The Last Post Fund received a funding increase for end of life costs to veterans who qualify.

However, only about 10% of modern-day veterans qualify for the means test. If they do, a current means test limits a veteran and their spouse to a combined net asset value of $12,015, which was reduced from $24,030 in 1995.

The eligibility requirements for the Last Post Fund should be reviewed and the means test should be indexed to inflation.

Expected cost or savings: From the pull-down menus, please indicate the expected cost or savings of your recommendation to the federal government and the period of time to which the expected cost or savings is related.

$10 million-$99.9 million

Immediately

Federal funding: Please provide a precise indication of how the federal government could fund your recommendation. For example, indicate what federal spending should be reallocated, what federal tax measure(s) should be introduced, eliminated or changed, etc.

The Last Post Fund is currently funded by Veterans Affairs Canada and this small increase should be included in this funding. If the asset value limit of $12,015 had been indexed in 1995, it would currently be at $16,851.14. When looking at the veterans who qualify, lifting the restrictions in place would be a small price for the men and women who have risked their lives. By this same token, including more recent conflicts would also only cost Veterans Affairs Canada a small amount, given the cost of bravery.

Intended beneficiaries: Please indicate the groups of individuals, the sector(s) and/or the regions that would benefit by implementation of your recommendation.

Canadian veterans and their families would benefit from reviewing the eligibility requirements of the Last Post Fund. Canadian veterans risked their lives for our country and often spent extended periods away from their families. The federal government has a responsibility to ensure these brave men and women receive the appropriate recognition for their sacrifices. This includes ensuring a dignified burial, regardless of means. 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.

General impacts: Depending on the nature of your recommendation, please indicate how the standard of living of Canadians would be improved, jobs would be created, people would be trained, etc.

By ensuring that the appropriate funeral services for all veterans of limited means are covered through the last post fund, the government will remove a financial cost from veteran's families.

Please use this page if you wish to provide more explanation about your recommendation(s).

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 been working with Veterans Affairs Canada for more than ten years to support Canada's veterans through the Last Post Fund. 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 who would like to see the best services provided for their communities.

Please visit www.fsac.ca for additional information.

*Please note that at least one recommendation must be provided