

The Honourable James M. Flaherty
Department of Finance
Ottawa

Mr. Guy Saint-Pierre
CDIC President & CEO
Ottawa

More CDIC deposit protection needed for registered retirement investments

Dear Minister Flaherty, Mr. Saint-Pierre,

The Government needs to recognize that all guaranteed registered retirement investment products, whether it's RRSP, RRIFs or LIFs held at Canada Deposit Insurance Corporation (CDIC) member financial institutions, should carry 100% Deposit Insurance protection.

CDIC coverage protects retirement deposits to a maximum of \$100,000 per individual, per institution. Yet half of provincial deposit insurance schemes across Canada insure retirement accounts to 100% of the accumulating value.

CDIC member insured deposits for retirement accounts are a safe-haven for income-dependent seniors retirement savings. The disparages between types of institutions or location of issuer's, should not be a factor when it comes to retirement income, yet it is. This fact means the majority of retirement accounts are, or could be under insured, thus under protected.

Financial institutions debacles in the 1980s are a fading memory – we need to learn from those experiences.

As you're aware, the additional coverage cost is not an expense of government – it's an operational cost borne by the financial institution. Furthermore, similar to any CDIC expense, it is ultimately included in the price of the financial product purchased – therefore at my cost.

Yours truly,

Signature

Name:
Print

Date:

Address:
Print
