

Subject: Response to CARP's Position on Single Seniors and Pension Income Splitting

Dear Mr. Quinn,

Thank you for sharing CARP's position. I appreciate the important work CARP does in advocating for older Canadians; however, the reasoning presented appears to overlook several key realities and contains some flawed assumptions. I offer evidence and perspective for consideration.

We wish to highlight that our group, Single Seniors for Tax Fairness, is not advocating for changes to benefits that married or common-law seniors receive. We are seeking greater equality for single/solo seniors.

We would like to arrange a Zoom call to discuss these issues with you and your Executive to explore ways that we can work together to raise them up to the politicians and policymakers who can make the required changes.

Please let us know when you are available at singleseniorstax@gmail.com

1. "Single seniors" is a broader category than lifelong singles

CARP's argument frames single seniors as a stable, homogeneous group who have "always supported only one person." This is inaccurate.

- Many single seniors were previously partnered. Among Canadians 55+, 10% are divorced or separated from marriage and 5% from a common-law union. In addition, nearly half are widowed. (Statistics Canada, 2019a, 2019b; Vanier Institute, 2020)
- The average duration of a senior's last marriage was 19 years, and the proportion of divorced or separated seniors has risen sharply (Statistics Canada, 2006).
- The population of seniors who have never been married is growing. According to data from the 2021 census, 477,220 seniors 65 plus have never married. That is up from 314,470 in 2016. [Marital status, age group and gender: Canada, provinces and territories and census metropolitan areas](#)
- There are changes in the perceptions of marriage across generations: Millennials are marrying less than Gen X, while Gen X are marrying less than Baby Boomers. The older Gen X'ers turned 60 last year. Each new generation that becomes seniors brings with it different life experiences and different expectations when it comes to marriage. [How and Why There Are So Many Singles in Canada | Psychology Today Canada](#)
- While divorce rates in Canada have been declining, it is seniors who are stopping that rate from declining faster. Seniors are more likely to divorce than in previous generations due to increases in life expectancies, changes in societal norms and women experiencing greater financial security. Women are more likely to initiate divorce later in life and are less likely to remarry. [The Rise of the 'Gray Divorce': Why More Couples Are Splitting After 50; Why more Canadians are getting divorced later in life | CBC Radio](#)
- Seniors may prefer to go it alone [Why women over 65 prefer to go it alone - The Globe and Mail](#)

Thus, most single seniors are not lifelong singles — they are widowed, divorced, or separated. Tax-policy comparisons between “married seniors” and “single seniors” must reflect this reality.

The word “solo” is a more accurate term to use when discussing seniors who do not have, no longer have, or never had a spouse.

Demographic changes

While CARP’s positions seem based on the “traditional” nuclear family in which the wife stayed home, the reality, since at least the 1980s, has been that the only families which could afford for one parent to stay home with children, were in the higher income brackets — the brackets which can accumulate the highest post-retirement incomes and gain the majority of the benefits from pension income splitting. For example, those retiring in 2025, who are 65-years old, were born in 1960. They entered the workforce in the 1970s/1980s. They were subject to first mortgage rates of around 18%, second mortgage rates of around 21%, and inflation rates of about 12.5% in the early 1980s. Most married women had paid employment especially after their children were in school. The female early baby-boomers, now nearing 80, were also a large part of the workforce and many, if not most, are now single either through divorce, separation or widowhood. Those living common-law (after being married with children) are entitled to use pension income splitting as are same-gender spouses in which the majority of the male partners would not have stayed home with children. Basing income tax law on a family scenario prevalent in the 1950s is not equitable in today’s societal reality.

Single/solo seniors also face the same family obligations as couples. Financial planners may ask soon-to-be retirees to plan for their elderly parents, thanks to increases in life expectancies, or to plan for their adult children. The seniors whom we represent — widowed, separated, divorced and never married — may be involved in the care of their own parents as well as their children and grandchildren. [Four big topics with boomer retirees: Kids, trips, Trump – and aged parents - The Globe and Mail](#)

References:

Statistics Canada. (2019a). *Separation and divorce among seniors in Canada: Highlights from the General Social Survey on Families*. The Daily. <https://www150.statcan.gc.ca/n1/daily-quotidien/190612/dq190612c-eng.htm>

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Statistics Canada. (2006). *A portrait of seniors in Canada* (Catalogue No. 89-519-X).

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Vanier Institute of the Family. (2020). *Divorced and unpartnered: New insights on a growing population in Canada*. <https://vanierinstitute.ca/resource/research-recap-divorced-and-unpartnered-new-insights-on-a-growing-population-in-canada/>

2. All married couples eventually face single-senior taxation

Most married couples will become single-senior households due to widowhood:

- A 65-year-old couple can expect about 12.5 years with both partners alive ([McMaster University, 2023](#)).
- As of 2022, over 2 million Canadians were widowed, a 19% increase over the past decade ([Statistics Canada, 2022](#)).
- Widowhood often causes a sharp decline in income, particularly for women; five years after widowhood, a higher share falls below the low-income threshold compared to those who remain married (Statistics Canada, [2004](#), [2012](#)).

Tax-policy analyses comparing married versus single/solo seniors must account for this sizable and growing population.

References:

- McMaster University. (2023). *Probability of widowhood over time for Canadian couples* (Demographic analysis report). <https://macsphere.mcmaster.ca/items/028b5c53-69e1-4976-a912-7d3a0a7b7824>
- Statistics Canada. (2004). *Income changes among senior widows and widowers* (Catalogue No. 11-621-M). <https://www150.statcan.gc.ca/n1/pub/11-621-m/11-621-m2004015-eng.htm>
- Statistics Canada. (2012). *Income replacement and marital transitions among older Canadians* (Research Paper No. 343). <https://www150.statcan.gc.ca/n1/pub/11f0019m/2012343/part-partie1-eng.htm>
- Statistics Canada. (2022). *Window on widows: International Widows Day*. <https://www.statcan.gc.ca/o1/en/plus/8211-window-widows-international-widows-day>

3. Widows and widowers lose benefits

- They cannot replace lost pension income-splitting after a spouse dies.
- Their estates incur full RRIF/RRSP taxation on death and may have OAS clawbacks.
- There is no compensation for the loss of household economies of scale.
- Many widows/widowers do not receive a CPP survivor benefit if the surviving spouse already receives the maximum CPP benefit.

Statistics Canada data consistently show that single/solo seniors, particularly widowed women, face a higher poverty risk and lower disposable income.

References:

- [Bernard, A., & Li, C. \(2006\). *Death of a spouse: The impact on income for senior men and women* \(Report No. 11-621-M2006046\). Statistics Canada.](#)
- [Li, C. \(2004\). *Widowhood: Consequences on income for senior women* \(Report No. 11-621-M2004015\). Statistics Canada.](#)
- [McDonald, L. \(1997\). *The invisible poor: Canada's retired widows*. Canadian Journal on Aging, 16\(3\), 553–583. <https://doi.org/10.1017/S0714980800008783>](#)
- [McDonald, L., & Robb, A. L. \(2002\). *The economic legacy of divorce and separation for women in old age*. Canadian Research Data Centre Network.](#)
- [LaRochelle Côté, S., Myles, J., & Picot, G. \(2012\). *Income replacement rates among Canadian*](#)

[seniors: The effect of widowhood and divorce \(Research Paper No. 11F0019M, No. 343\). Statistics Canada.](#)

4. "Pension splitting simply ensures that seniors in single-earner households are not penalized for a division of labour that benefited families and society."

The following study identified the cost to Canada of pension income splitting in lost revenue and concluded that:

"The richer the family, the more it stands to gain; the poorer the family, the more it stands to lose. Under any income splitting scenario, the bottom six deciles of Canadian families wouldn't even get an equal share of the benefits. Their benefits would have been shifted to the upper third of Canada's richest families, who would receive \$3 of every \$4 spent on income splitting."

[https://www.policyalternatives.ca/wp-content/uploads/attachments/Income Splitting in Canada.pdf](https://www.policyalternatives.ca/wp-content/uploads/attachments/Income_Splitting_in_Canada.pdf)

5. Evidence contradicts claims that single /solo seniors face no inequity

- Single/solo seniors have higher poverty rates than senior couples; single/solo women 65+ are particularly vulnerable (Statistics Canada, 2024; Maytree, 2025; Ivanova, 2025; BC Policy Solutions, 2025).
- Living alone increases per-person costs for housing, utilities, transportation, and food, creating systemic financial disadvantages.
- While there are tax credits available to seniors facing health challenges — disability tax credit, home accessibility tax credit, caregiver tax credit, multigenerational tax credit, attendant care tax credit — these are available to both senior couples and singles. They do not offset the increase in costs incurred by a single who does not have live-in support and who may be forced to move to an assisted-living or long-term care facility much earlier than a married senior.
- As previously mentioned, single seniors face the same family obligations

References:

Maytree. (2025, April 16). *Seniors' poverty in Canada: Why it exists and why it does not have to.* <https://maytree.com/wp-content/uploads/Seniors-Poverty-in-Canada.pdf>

Maytree. (2025, April 17). *Still left behind: Why 430,000 seniors in Canada live in poverty — and how to fix it.* <https://maytree.com/media-releases/still-left-behind-why-430000-seniors-in-canada-live-in-poverty-and-how-to-fix-it/>

Statistics Canada. (2024). *Poverty rates of older women living in Canada.*

<https://www150.statcan.gc.ca/n1/pub/11-627-m/11-627-m2024057-eng.htm>

Ivanova, I. (2025, November 27). *Rising poverty and economic insecurity among BC seniors.*

BC Policy Solutions. <https://bcpolicy.ca/2025/11/27/seniors-poverty/>

Statistics Canada. (2022, November 9). *Disaggregated trends in poverty from the 2021 Census of Population.* <https://www12.statcan.gc.ca/census-recensement/2021/as-sa/98-200-X/2021009/98-200-X2021009-eng.cfm>

6. RRSP/RRIF taxation at death is relevant to single seniors

- Estate preservation directly impacts seniors' long-term financial security.
- Single seniors face higher marginal taxes on RRIF withdrawals during life and at death, a structural inequity.
- A surviving spouse can spread out the tax incurred on the deceased spouse's RRSP/RRIF value and may take periodic extra withdrawals to help support their adult children. A single senior's last income tax return will result in taxation on their total RRSP/RRIF value and could result in a clawback of the OAS received in the year of death, thus reducing the value of the estate for their beneficiaries.

References:

Canada Revenue Agency. (2025). *Death of a RRIF annuitant, PRPP member, or ALDA annuitant* (Information Sheet RC4178). <https://www.canada.ca/en/revenue-agency/services/forms-publications/publications/rc4178/death-a-rrif-annuitant.html>

Canada Revenue Agency. (2025). *Amounts paid from an RRSP or RRIF upon the death of an annuitant*. <https://www.canada.ca/en/revenue-agency/services/tax/individuals/topics/rrsps-related-plans/transferring/amounts-paid-rrsp-rrif-upon-death-annuitant.html>

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https://ca.rbcwealthmanagement.com/documents/1435520/3126721/NAV0164_Estate_Planning_for_your_RRSP_RRIF_aoda_EN_160924.pdf

TaxTool.ca. (2024). *Registered Retirement Income Fund (RRIF) explained*.

<https://taxtool.ca/registered-retirement-income-fund-rrif-explained/>

Advisor.ca. (2021). *RRSPs, RRIFs and withholding taxes at death*.

<https://www.advisor.ca/tax/estate-planning/rrsps-rrifs-and-withholding-taxes-at-death/>

7. Married single-earner households are not uniquely disadvantaged

- Single seniors must support themselves entirely on one income, without pension splitting or shared household economies.
- Surviving spouses often face higher taxes after a partner's death, even though household expenses drop only marginally.

References:

Canada Revenue Agency. (2025, January 21). *Eligible pension income — Can you elect to split your pension income?* <https://www.canada.ca/en/revenue-agency/services/tax/individuals/topics/pension-income-splitting/eligible-pension-income.html>

Canada Revenue Agency. (2025). *Other topics — Pension income splitting and its tax effects*.

<https://www.canada.ca/en/revenue-agency/services/tax/individuals/topics/pension-income-splitting/other-topics.html>

FBC. (n.d.). *Income splitting between spouses*. <https://fbc.ca/income-splitting-between-spouses/>

BMO Private Wealth. (2022, April). *Pension income-splitting provides tax planning opportunities for couples*. <https://nesbittburns.bmo.com/delegate/services/file/67979/content>

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(Catalogue No. 11-621-M). <https://www150.statcan.gc.ca/n1/pub/11-621-m/11-621-m2006046-eng.htm>

Statistics Canada. (2004). *Widowhood: Consequences on income for senior women* (Catalogue No. 11-621-M). <https://www150.statcan.gc.ca/n1/pub/11-621-m/11-621-m2004015-eng.htm>

8. Conclusion: Policy must consider all seniors

- Widowed and divorced seniors, who represent a growing demographic, face higher taxes, higher living costs, and greater financial vulnerability.
- Widowed seniors lose access to pension income splitting and other tax credits/benefits resulting in higher taxes, despite lower incomes and similar non-discretionary expenses.
- Many widows & widowers do not receive monthly CPP survivors' benefits from a deceased spouse if they are already receiving the maximum CPP benefits from their years of employment
- Evidence shows that single seniors are financially worse off than couples across nearly every income level.

Recommendation: A full, evidence-based analysis should include these realities, rather than focusing on a narrow subset of lifelong singles.

From our interactions with members of other seniors' groups, we are expressing concerns that they have raised through to their Executives. Therefore, there are single members of CARP who will share our concerns. In addition, one member of every senior couple will eventually be single through death, divorce, or separation.

Thank you. We look forward to speaking with you soon.

Elizabeth Brown

Director

Single Seniors for Tax Fairness