



Alexander Gerol (centre) listens as Mississauga South MP Don Blenkarn (left) introduces him to Finance Minister Michael Wilson shortly after the federal budget was presented. Gerol told Wilson, "I'm the guy that's suing you."

Spunky senior glad for RRSP break in budget

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84
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By JOHN STEWART
Staff Reporter

Alexander Gerol was probably the happiest man in Canada last week when the federal budget was handed down.

Gerol, the 71-year-old Mississaugan who challenged Canada's Registered Retirement Savings Plan (RRSP) provisions in court, was personally on hand in the public gallery last Wednesday to see the budget delivered.

He had been invited to attend by Mississauga South MP Don Blenkarn, his longtime ally in fighting for more flexible RRSP laws.

Gerol heard news that pleased him. Senior citizens who turn 71 will no longer be faced with the requirement to convert their funds into an annuity or place them in a Registered Retirement Income Fund (RRIF) under the strict provision which had been required.

A nationwide campaign was mounted by senior citizens after Gerol took the issue to court, claiming that the requirement to take action on the RRSP funds at age 71 amounted to discrimination based on age. Blenkarn said the law assumed senior citizens became "nincompoops" who couldn't make their own financial decisions after age 71.

"We won hands down," a delighted Blenkarn said after the budget was delivered. "Every conceivable request was granted."

The RRIF has been completely restructured to make it much more attractive. "You can take out as much money as you want, as many times as you want," says Blenkarn, "provided that you take at least the minimum out."

There is no limit on the number of RRIFs you can have, whereas only one per lifetime was allowed previously. Even the life insurance provisions have been changed so that a shorter-term annuity can be taken out.

"Now, you don't need to die to draw your money," Gerol commented of the changes. The sponge company owner who lives in Orchard Heights got to meet both Prime Minister Brian Mulroney and Finance Minister Michael Wilson after the

budget presentation. He introduced himself to Wilson as "the guy who's suing you."

Gerol estimates he got 98 per cent of what he was after. It's likely he'll now drop his suit, although he says he wants to examine the details of the changes before making any final decision.

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Mar 12 86
Gerol, Alexander