

REGISTERED RETIREMENT SAVINGS PLANS

By Garry W. Beckman, B.A.

A previous column, "A Look From the Future", outlined some of the long-term RRSP considerations that an investor should consider. This article will cover some current RRSP matters.

On December 11, 1989, the Federal Government tabled legislation with respect to pension reform, including important amendments to registered retirement savings plans. As of this writing (February 19, 1990) not much has been heard of this legislation despite a first of March 1990 deadline for late contributions for the 1989 calendar year.

For 1989 RRSP contributions, you have until 01 March 1990 to make contributions. Income earners who do not have pension plans can contribute up to 20% of their earned income to a maximum of \$7,500. Those who belong to either a Deferred Profit Sharing Plan (DPSP) or a Registered Pension Plan (RPP) can contribute 20% of earned income to a maximum of \$3,500 less any individual contributions to the RPP.

The proposed legislation has the following provisions that you should note:

(1) In 1991, RRSP contribution limits for those who are not members of DPSPs or RPPs



will be 18% of the previous year's earned income to maximums as follows:

- 1991 - \$11,500
- 1992 - \$12,500
- 1993 - \$13,500
- 1994 - \$14,500
- 1995 - \$15,500

(2) Those who are members of DPSPs or RPPs will have the same contribution limits which will be reduced by an amount termed the pension adjustment, or PA. The PA will be supplied by your employer and will basically be the total of employee and employer contributions in the previous year. Don't expect much room, if any, for additional contributions.

(3) Starting in 1991 an income earner will be permitted to delay RRSP contributions and to carry forward unused portions up to seven years.

(4) 1989 will be the last year in which Old Age Security

and Canada Pension Plan payments can be placed in an RRSP and be free of tax. However, from 1989 to 1994, up to \$6,000 of DPSP or RPP income can be placed in a separate spousal RRSP.

Keep tuned to the media for late developments regarding pension reform. Remember, your Financial Advisor is monitoring. Moreover, a Financial Advisor should have ready access to and, if desirable, be able to refer you to professionals who specialize in delicate matters of taxation.

Here is my four-point RRSP strategy, to be actioned early each year:

- (1) start contributing as soon as possible in your working career;
- (2) make the contributions;
- (3) contribute early in the taxation year;
- (4) contribute to your maximum limit.

You have the basic RRSP guidelines. You have an annual RRSP strategy. Now is the time to make an appointment with your Financial Advisor for RRSP planning and action. For your future benefit, do it now.

(Garry Beckman is a Financial Advisor with Midland Capital Corporation, Ottawa branch, toll-free at 1-800-267-9345. He serves residents of the Rideau Lakes.)

MARCH IS KIDNEY MONTH IN CANADA ... CONQUER KIDNEY DISEASE WITH YOUR DONATION TODAY.

Excerpts from a talk given by, Dr. Louis Laplante, Chairman of the National Medical Advisory Board, at the 1989 Annual General Meeting held at Toronto.

" The Kidney Foundation of Canada, celebrated its' 25th Anniversary in 1989. During this twenty-five years, there were several fields of kidney-related research where funding by The Kidney Foundation of Canada was instrumental in major break-throughs.

- Microperfusion and micropuncture studies in kidney function evaluations;
- The kidney regulatory role in salt and water metabolism;
- The understanding of the rejection phenomenon;
- The evaluation of the present major drug in transplantation-Cyclosporin;
- New knowledge in hereditary diseases such as diabetes insipidus and renal polycystic disease;
- Knowledge of hypertension in children. The first real statistics were established with Kidney Foundation monies;
- The funding of registries that are immense tools in studying results of treatment and population characteristics.

Yes, the Kidney Foundation of Canada has in the past 25 years, invested in a most worthwhile research program."

In Leeds County, the March Campaign of The Kidney Foundation of Canada, has grown from a one-person endeavour in 1984, to a program in 1989 of ten Team Captains and sixty-one Canvassers.

The dollars collected too, have grown from \$170.00 to \$5,963.00. These dollars have been used to purchase life-saving machines, and to fund research. With your financial support, scientists have realized a long-sought dream. They have confirmed the cause, AND found an effective treatment, for the type of anaemia suffered by patients on dialysis.

There will be several Special Events in our area during the month, including a Dance on March 3rd at the Gananoque Legion Hall; and on March 5th, Dr. Toffelmire will be the guest speaker at the Lions Club; on March 13th, at the Legion Hall in Westport, there will be a guest speaker. Please watch for further events.

Anyone wishing to help canvas, please phone Mrs. Edna Harris at 387-3444.

If you are not home when the canvasser calls, you may mail your donation to: The Kidney Foundation of Canada, 100 Stuart Street, Kingston, K7L 2V6. The cheque should be payable to: The Kidney Foundation of Canada.

Those of us who are patients on Dialysis, do sincerely thank you all for your interest and support.

Mrs. Edna Harris, Co-Ordinator
Leeds County.



A DREAM COME TRUE

End Stage Renal Disease is associated with anaemia. This fact, was well recognized before the days of Dialysis.

Anaemia continues to be a major source of symptoms for Dialysis patients, even when all other factors are well controlled. The Hemoglobin of a normal person is in the range of 12-18, whereas, the average Hemoglobin for Dialysis patients is less than 10. And there are many dialysis patients who routinely live with a Hemoglobin range of 5 - 7.

The dream of many people in the dialysis field has been to find the cause, and an effective treatment for this type of anaemia, to allow patients with renal failure to function more normally. It has become clear that the major cause of this anaemia, is a deficiency of Erythropoietin.

Erythropoietin - nicknamed EPO - is a natural hormone which is produced by the normal kidney to tell the body's Bone Marrow how much blood to make. If the kidney is not working not enough EPO is made and the body's Bone Marrow does not know that it is not producing enough blood to maintain a normal Hemoglobin.

With extensive scientific experimentation using genetic engineering techniques, EPO has now been synthesized artificially.

For many years we suspected that the anaemia associated with renal failure was caused by the deficiency of Erythropoietin. Now that EPO is available we have proved that this theory is correct. The quality of care that we can provide to kidney patients, has reached a new milestone.

A long-sought dream has come true!

By Dr. E.B. Toffelmire M.D., D.M., F.R.C.P. (C)

KNOW THE SIX SIGNS OF KIDNEY DISEASE:

- Burning, or difficulty during urination.
- More frequent urination, particularly at night.
- Puffiness around the eyes, swelling of hands and feet, especially in children.
- Passage of bloody-appearing urine.
- Pain in small of back just below the ribs, not aggravated by movement.
- Hypertension.



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