

Guide to Social Security and Retirement

in Canada

The Canadian government has a retirement income system that pays monthly benefits to:

- 1) retired workers;
 - 2) workers with a disability;
 - 3) survivors of deceased workers.
- Foreign workers with valid work permits and social insurance numbers may collect benefits if they otherwise qualify.
 - Workers without valid permits and valid social insurance numbers do not qualify for retirement benefits.
 - Retired workers can get benefits under the Old Age Security program (OAS) or the Canada Pension Plan (CPP) or both. Both programs are run by Social Development Canada (SD).
 - Quebec has its own, separate program for people who work in that province. It is called the Quebec Pension Plan (QPP), which is run by the Quebec Pension Board.

This guide will give you information about retirement and survivor benefits. For information about disability insurance and health care see [Guide to Disability and Health Care in Canada](#).



How can I qualify for Old Age Security benefits?

- The Old Age Security program provides retirement benefits only.
- You must be aged 65 or older and you must be a Canadian resident.
- Residency requirement:
 - 1) If you are now living within Canada, you must have been a legal resident of Canada for at least 10 years after age 18.
 - 2) If you are now living outside Canada, you must have been a legal resident of Canada for at least 20 years after age 18 before leaving the country.

- OAS benefits are based on residency in Canada, so even people who have never worked at all in Canada may be able to collect benefits.

How do I qualify for the Canada Pension Plan?

In addition to OAS benefits, you may be able to get a second monthly retirement pension from the Canada Pension Plan.

The CPP is different from OAS because benefits are based on money you have earned from working.

- To receive the CPP, you must be at least 65 years old. You may receive the CPP if you are 60 to 64 and your work income is less than a certain amount. In 2003, that amount was about \$800 per month.
- You are eligible only if you have worked long enough and paid enough into the system.
- You must have worked in Canada for at least one year and earned at least \$3,500 that year.

What happens if I have paid into the Quebec Pension Plan in the past?

- Workers pay into the plan of the province where they work, not where they live.
- If you have worked in Quebec and now work in another province, then you probably have paid into both the Canada Pension Plan and the Quebec Pension Plan.
- The two plans are very much alike. When you retire, you must apply to the plan according to where you are living.
- If you are living outside Canada, you apply for benefits according to the province where you last lived in Canada.

How do I contribute to the CPP?

- The CPP (and the QPP) is supported by premiums paid by employers and workers (from age 18 until age 70).
- If you make at least \$3,500 in any year, by law your employer must deduct CPP premiums from your pay, match the amount equally, and send the funds to the government of Canada.
- The CPP uses your social insurance number to keep track of your earnings and give you “pension credits,” which determine how much you get in benefits.

How does the CPP keep track of my earnings?

- The Canada Pension Plan keeps a record of earnings for people who pay into both the QPP and the CPP.
- The Canada Customs and Revenue Agency (the government office that collects taxes) provides the CPP with the information about your earnings.

- To make sure that your contributions are paid into your CPP account, check to make sure that your name and social insurance number are the same on your T-4 slip and your social insurance card.

What is the T-4 slip?

The T-4 slip is a document showing how much you have earned in the year while you worked in Canada. Your employer sends the T-4 slip to you each year.

- Your employer sends out the T-4 slips annually. You should receive one from each employer you worked for.
- Your employer should keep a record of your earnings and CPP payments. Then he or she should report these amounts to the government of Canada.
- It is very important that your employer report all of your earnings and CPP contributions.
- If you find a mistake, or if you change your name, contact the Social Development Canada office nearest you right away.

I am in Canada on a temporary work visa. Do I have to contribute to the CPP?

Yes. If you have a valid work visa, your employer must make CPP deductions and report your earnings.

If I die, will my family be able to get my CPP benefits?

- If you have worked in Canada and made contributions to CPP for three years, your spouse and children may be able to get survivor benefits if you die.
- Survivor benefits are paid to the deceased worker’s surviving spouse or common-law partner and dependent children.
- The amount of the benefit will depend on how long and how much you paid into the system.
- There are three types of benefits.
 1. The one-time death benefit goes toward funeral costs.
 2. The survivor benefit is a monthly benefit paid to the surviving spouse or common-law partner of the deceased contributor.

3. The children's benefit is a monthly payment to dependent children under age 18 or children who are between 18 and 25 and in school or university full-time in Canada.

Are there any other government programs that might help me?

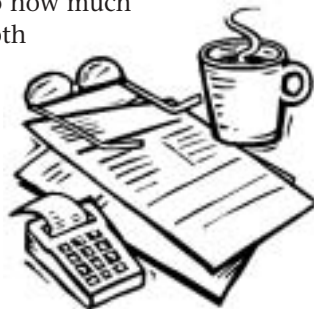
- If you receive an Old Age Security pension and have little or no other income or resources, you may be able to get an extra monthly "allowance" from the Guaranteed Income Supplement (GIS) program.
- Both married and single persons who receive OAS can apply. The amount of your benefits depends on your income and whether you are married.

How can I make sure that my employer is making contributions into the system?

- You should receive a Statement of Contributions from the CPP every once in a while. But you can request up to one extra copy per year.
- The statement tells you the total amount of your contributions and your earnings by year. If you are age 30 or older, it will also show how much your monthly CPP benefits would be if you were eligible now.
- If you notice any mistakes on your statement, contact the CPP at your nearest Social Development Centre right away. A mistake can affect your future benefits under the CPP.

How much will my benefits be?

- The amount will depend on how long you have worked and the amount you have paid into the system during your contributory period (age 18-70).
- Usually, workers who earn more get more.
- There are limits to how much you can get for both OAS and CPP.



What about my health care costs?

For information on health care for retired and disabled workers in Canada, see [Guide to Disability and Health Care in Canada](#).

How do I apply for retirement benefits?

- If you reside in Canada you can apply for CPP or OAS benefits at your nearest Human Resources Centre or call 1-800-277-9914. If you reside in the United States, you can apply by calling the same number.
- If you reside outside Canada and the United States, you can do any of the following.
 1. Contact CPP or OAS directly by writing to the government regional office in the province where you last worked.
 2. Contact the Canadian Embassy in the country where you reside.

What happens if I apply for benefits and I am denied or do not understand the decision?

You have the right to ask for an explanation or review of your case if your application is denied or if you have a concern about the amount of your pension.

You should be aware that each stage in the appeals process may take months to complete and that rules for the process are specific and complicated.

For the Canada Pension Plan, you can appeal in writing.

- 1) Request reconsideration from the Minister of Social Development within 90 days.
- 2) If you do not agree with the Minister's decision, appeal within 90 days to the Office of the Commissioner of Review Tribunals.
- 3) If you still do not agree with the decision, appeal within 90 days to the Pension Appeals Board. They can choose not to review your case. Their decision is final.

For Old Age Security, you can appeal in writing in the following manner.

- 1) Request a reconsideration or explanation from the Regional Director of Income Security Programs within 90 days.

- 2) If you do not agree with that decision, request an appeal from a Review Tribunal within 90 days. BUT, if your problem deals with the amount of your income, then your appeal will be sent to the Tax Court of Canada.

For the Quebec Pension Plan, you can appeal in writing.

- 1) Request review by La Régie des rentes du Québec (Quebec Pension Board) within one year.
- 2) Your request for review must be filled out on the “Application for Review” form.
- 3) If you do not agree with the new decision, you have 60 days to file an appeal with the Quebec Administrative Tribunal, whose decision is final.

For more information on appeals made to the QPP or any matters relating to the QPP, call 1-800-463-5185.

Can I receive my CPP payments outside of Canada?

Yes. If you are eligible you can receive your benefits anywhere in the world if you lived at least 20 years in Canada after age 18.

All payments are made in Canadian dollars.

Can I get benefits if I live in Canada now but worked in another country?

- If you or your deceased spouse lived or worked in another country, you may be able to get benefits from Canada or from the other country if there is an agreement that makes this possible.
- If you have not worked long enough in Canada to qualify for benefits, the time you worked in the other country might count.
- To find out if a country has an agreement with Canada, call: 1-877-454-4051

For more information on the Old Age Security Program and the Canada Pension Plan, call

1-800-277-9914 (1-800-277-9915 for French speakers). For more information on the Quebec Pension Plan call 1-800-463-5185 Calls can be made toll free from anywhere in Canada or the United States. From other countries, contact the government of Canada through a regional office in the province where you last worked, or contact the Canadian embassy in the country where you currently reside.

What about migrant and seasonal farm workers?

- If you are a migrant or seasonal farm worker, it is possible that you work only during parts of the year.
- This might make it hard for you to pay enough into the CPP system to get pension benefits later.
- Farm workers must earn at least \$250 a year and work more than 25 days a year for the employment to be counted.

CCMSAWP workers

- If you are working in Canada as a foreign temporary worker under the Commonwealth Caribbean and Mexican Seasonal Agricultural Worker Program (CCMSAWP) you may have a better chance of getting benefits.
- Your government agent should be able to assist you with any questions you have about receiving CPP or OAS benefits.
- Most CCMSAWP workers return to Canada each year. Over time, many CCMSAWP workers will pay enough into the CPP system to get retirement benefits later.
- For more information on your rights as a CCMSAWP worker, see [Guide to the Commonwealth Caribbean and Mexican Seasonal Agricultural Worker Program \(CCMSAWP\) in Canada](#).
- Only residents of Canada are eligible for Old Age Security benefits, so most migrant and seasonal farm workers are not able to get OAS benefits when they retire.
- *Foreign workers who have entered Canada illegally are NOT eligible for any retirement benefits.*



Commission for Labor Cooperation