Old Age Security Program

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February,20, 2019

**Old Age Security Social Program in Canada**

 Social programs are government programs which are set by the state to offer subsidies to the economically disadvantages families. Citizens must prove their income falls underneath the targets set by its government. These social programs significantly impact the lives of citizens. In this term paper, the country of focus will be Canada. In Canada, there are several social programs available. The programs incorporate income security, employment insurance, old age security and guaranteed income, social assistance, allowances for spouse among others. The paper narrows down to one of these programs, that is, the Old Age Security.

The Old Age Security program labeled as OAS is the most significant pension program for the Government of Canada. The program sources its funds from the general tax incomes of the Canadian Government. This implies that one pay does not pay to the program directly to fetch its services. The OAS pension is a payment program availed to senior citizens who are 65 years or above. These seniors are termed bonafide if they have met the residency requirements as well as the legal status of Canada (Béland, Daniel, and Michal pg 594 – 613). OAS pension offers three categories of OAS prosperities. They are; allowance guaranteed income supplement, labeled as GIS, a benefit for the survivor.

**The guaranteed income Supplement**

The guaranteed income supplement renders a non-taxable income benefit each month. The old age security pension beneficiaries enjoy these benefits. These beneficiaries earn this privilege due to their low monthly income and are Canada residents as well.

 **The Allowance benefits**

The minimum age to be considered as a senior citizen in Canada is 65. However, an individual may benefit from allowance benefits when under this age, that is, 60 to 64 years. These individuals who are 60 to 64 years should be earning income lower than the recommended average. Additionally, they should be spouses of individuals who receive a guaranteed income supplement.

**Allowance for the Survivor**

Survivor allowance benefit is meant for the people between 60 to 64 years. These people should be residents of Canada and having a low income at the end of the month. Also, they should be windowed persons, that is, whose common-law partner or spouse has passed away. However, if one has entered into common-law engagement or remarried after the death of their spouse, they are not entitled to these benefits.

The income information of an individual from their federal benefit return along with income tax determines whether that person is entitled to receive the survivor allowance each year. If the person still meets the conditions, they automatically get renewed for the benefit. Each July of every year, a person receives a letter notifying him/her that; your interest will be stopped, you are befitting will be renewed, or your information concerning the capital is needed. This benefit ends one month after the 65th birthday when one may qualify for Old Age Security or maybe Guaranteed Income Supplement. The amount of income of survivor allowance a person earns depends on the history of their income in the previous year. There are tables available demonstrating the amount of survivor allowance rates benefit set. It is advisable to inform the Old Age Security for the cases of lower annual income as a result of retirement and also when you remarry to avoid dynamics in survivor allowance payment.

**Canadians working outside the country for Canadian Employers**

Canada citizens working far from the state for Canadian employers may enjoy time working abroad benefits. To fit for this time working abroad as citizens, you should have gone back to Canada within the six months to retirement or reached 65 years while still in employment. To get this benefit, you should render a proof of jobs emanating from the employer and physically appear a return to Canada.

**Eligibility**

The employment eligibility is never a factor in the determination of one's fitness. One is qualified to receive old age pension whether still working or even having never worked. However, the following conditions must apply; must be sixty-five years of age and above, be a Canadian citizen by the time of pension approval, and having been a residing in Canada since the attainment of age 18 for not less than ten years. Some of these conditions also apply to citizens living outside Canada but must have lived for at least twenty years in Canada since the attainment of 18 years (Béland, Daniel, and Alex Waddan pg 64-92).

**Deferring one's old age security pension**

 After the date of gaining eligibility, one may after that postpone from receiving the OAS pension for a period of five years (60 months). For every delayed month, a 0.6 percent increment is added to the other amount. After a postponement of one's OAS pension, they are no longer eligible for a guaranteed income supplement with also spouses as well as common law partner not being eligible for the benefit for an equal period to the time of delay of OAS pension.

**Examples of differed pension**

Deferring may start from a single year. For instance, Michael was supposed to receive his pension by July 2013 when he turned 65 years but instead decides to delay for a whole year. In this case, his pensions would, therefore, be increased by 7.2 percent. This also applies even to other deferment periods with the same method of pension estimation being used.

 A potential beneficiary who happens to get earnings that exceed the maximum annual income permitted for specific durations are then supposed to give some payment a portion of their perfect OAS pension. However one also have a freedom to delay it till they reach to a slightly lower income where they will afterward be in a position to retain an increased OAS pension with a resultant pension amount rising to compensate the delayed months.

**Situations under which one is not entitled to the increases**

Among the reasons includes a decision by the potential beneficiary to defer from receiving the pension and one is usually incarcerated to a federal penitentiary resulting from a two-year sentence or more. This also applies to those outside Canada with a less of twenty residence years and fails to qualify from the global social security agreement.

**Application of pension deferment for old age security pension**

One should take into personal account situations before receiving the Old age security pension. Such circumstances include; own health, employment status, (both current and future), sources of income, and retirement plans. Generally, one usually has an allowance of a grace period of eleven months prior to the start of actual receiving of the OAS pension. The date indicated on writing on the mandatory application for the same as well as on the guaranteed income supplement. The letters previously sent should show the period by which one wishes to have the OAS pension. After the age of seventy, there are usually no advantages attached to any type of deferring but rather a risk of losing benefits.

**How to apply the old age security pension**

 One can make the application through the client service Centre, a branch of income security program of the development of human resources in Canada. In the government pages, this is usually listed in the telephone book. The requirements for this include a baptismal, or birth certificate, Canada immigration visa, or a passport. The application constitutes the identification number, name, telephone number, address, and date. The identification number is usually found on the first page of the statement letter.

Works Cited

Béland, Daniel, and Alex Waddan. "why are there no universal social programs in the united states?: A Historical Institutionalist Comparison with Canada." *World Affairs* 180.1 (2017): 64-92.

Béland, Daniel, and Michal Koreh. "The fiscal side of social policy: state building, payroll contributions, and pension reform in 1960s Canada." *Journal of Policy History* 29.4 (2017): 594-613.