



## THE BASICS ON OLD AGE SECURITY

Along with your group retirement plan and personal savings, government benefits will form a part of your retirement income. Old Age Security (“OAS”) is one of two main government benefits. The other is the Canada Pension Plan (“CPP”)/Quebec Pension Plan (“QPP”). Government benefits are intended to fund a portion of your retirement.

OAS is available to most Canadians and individuals with landed immigrant status, but you may not be sure when to start collecting benefits or how much you will receive at retirement. Here are some facts that can shed some light on OAS.

### **How does OAS work?**

OAS is a Government of Canada pension program paid out monthly which is available to seniors aged 65 or older who have lived in Canada for at least 10 years since the age of 18. You must also be a Canadian citizen or a legal resident at the time your application is approved\*. In addition to the OAS pension, there are three other types of OAS benefits:

- *Guaranteed Income Supplement (“GIS”)* - For people with an income below a certain threshold who receive the OAS pension
- *Allowance* - Seniors aged 60-64 with a spouse/common-law partner who receives GIS and have an income below a certain threshold may be eligible for the Allowance
- *Allowance for the Survivor* - Widows 60-64 years of age may be eligible for this benefit



### **Can you receive this benefit if you are living outside of Canada?**

Yes. However you must be 65 years old or older, have been a Canadian citizen or a legal resident of Canada on the day before you left Canada, and have resided in Canada for at least 20 years since age 18.\*

### **How much will you get when you retire?**

How long you've worked is not a factor in determining your eligibility for this benefit. To find out if you are eligible and how much you might obtain through OAS or related benefits, visit the government website at the bottom of this flyer.

### **When can you start collecting OAS?**

As early as age 65. However, you can defer receiving the OAS pension until age 70 in exchange for a higher monthly amount. When to start collecting your OAS pension is essentially a personal decision, but there are a few key points to keep in mind:

- Whether you are still working
- Your current and future sources of income
- Your health and your retirement plans

### **Can OAS payments be clawed back?**

Yes. If your income exceeds a certain amount in any year you are collecting the OAS pension, you will have to repay a portion of or even all the OAS benefits received.\* The amount of the clawback depends on your income. To review these income limits and how you may be affected, visit the government website at the bottom of this flyer.

### **Do you receive OAS benefits automatically?**

It depends. When you turn 64 years old, you may receive a letter from Service Canada informing you that you are automatically enrolled to receive OAS benefits. If not, you will need to apply to start receiving benefits.

*For more information about OAS and related benefits, call 1-800-277-9914 or go to <https://www.canada.ca/en/services/benefits/publicpensions/cpp/old-age-security.html>*

*You can also learn more about government retirement programs by visiting <http://retirementliteracy.acpm.com>*

\* [www.canada.ca](http://www.canada.ca): Old Age Security – Eligibility