



Human Rights do not have a best before date  
Support a U.N. Convention on the Rights of Older Person

**International Longevity Centre (ILC) Canada**  
**Defining the Normative Content for the OEWG 12th Session:**  
**Responses to Guiding Questions**  
**January 29, 2023**

**Overview**

By most objective standards, approximately 7 million older Canadians (OCs) aged 65 and over can access income security programs. Unfortunately, many “fall through the cracks”, including up to 20% of OCs with mental health conditions and / or psychosocial disability, unstable housing, or a suitable trustee. A UN convention on the rights of older persons (UN Convention) can codify economic security and enhance economic protection, particularly for the most vulnerable OCs. A UN Convention could protect OC from attacks to income security programs attempted in the past e.g., by changing the age of eligibility, which would have plummeted over 100, 000 OC, particularly women, into extreme poverty, raising poverty rates for OCs from rising from 6% to 17% <sup>1</sup>

**Definition**

The Canadian government casts economic security in terms of poverty reduction, but “economic security” is not defined formally in legislation. The system of financial supports for OCs is manifested in the retirement income system: a residence-based social pension with supplements linked to low income; mandatory public contributory pensions and workplace pensions offered by some employers; and private savings facilitated by government tax and other measures to encourage saving for retirement.

UNDESA links economic security to Article 25 of the Universal Declaration of Human Rights, which says that everyone has the right to an adequate standard of living and “the right to security.”

Both imply a system of income supports for older people.

**Scope of the Rights**

Canadians’ fundamental rights are defined in the *Charter of Rights and Freedoms* and include two rights relevant to economic security for OCs: 1. protection from discrimination based on age; 2. freedom of movement and the pursuit of a livelihood within the country.

Federal and provincial income support and related programs are the main source of economic security for OCs, with eligibility starting at age 65 (60 for those married to a low-income pensioner), and rights

defined in the legislation governing each program. The *Old Age Security (OAS) Act* creates the universal right to a social pension, based on years of residence, and decreases as income increases. The *Act* also provides for income supplements for those with little or no other income.

Recently, basic OAS benefits have been increased for those with the lowest incomes, with quarterly indexation based on prices and retention of value against inflation. Eligibility for income supplements is also linked to income and other support programs administered by provinces and territories.

OAS is the main contributor to OCs' economic security, providing an adequate standard of living to those who have no other income, and is the largest federal government expenditure program; there is no budget cap as all eligible OCs are entitled to benefits. However, maximum benefits payable under the program only brings an older person's income to just under 20,000 CAD per year, approximately the low-income line for single people.

The *Canada Pension Plan (CPP)* legislation governs the mandatory contributory pension plan, replacing about 25% of workplace earnings, and benefits are indexed annually based on price increases.

Federal and provincial governments oversee the Plan, with administration the responsibility of the federal government. In 2016 contributions were increased, as was the band of earnings on which contributions are made, thereby increasing the benefits and economic security of future retirees.

The *OAS Act* allows for employment income to be deducted from an older person's income when calculating income-based benefits and also permits deductions that do not apply to younger taxpayers. The CPP work cessation test, previously required as part of the process for retirement benefits, was removed, and the Post Retirement Benefit allows CPP pensioners to work and make contributions, leading to an annual increase to their pension.

Among best practices, the federal government operates outreach programs, providing information about the programs in many languages, and with directed outreach to especially vulnerable groups. In recent years intensive efforts have been made to identify and 'auto-enroll' those who are eligible for OAS and/or GIS benefits, and annual renewal is automatic if the pensioner files a tax return.

All applicants and beneficiaries have access to the Social Security Tribunal, an independent third party empowered to make decisions about cases.

Finally, both the federal and provincial governments provide tax relief for private retirement savings for those who have sufficient income to participate in these programs. These measures mainly benefit the higher income quintiles, so contribute to overall economic security but are less relevant to the most economically insecure.

## **Conclusion**

Canada's income security program could benefit from the protections of a UN Convention by providing an international framework to protect OCs' rights.

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<sup>1</sup> Jean-Yvette Duclos, Human Resources, Skills and Social Development and Status of Persons with Disabilities Committee, House of Commons, June 6, 2017.)