

CHAPTER 6

SOCIAL SECURITY

Canada's social security system ensures that all Canadians have at least a minimum of resources available to meet their basic needs, and essential services to maintain their well-being. This goal is attained through a range of income security and social service programs. (Although social security may be considered to encompass health care, this chapter does not discuss health programs. See Chapter 3.) Within the scope of income security, financial benefits are available to particular target groups such as seniors, families, workers and disabled persons. Additionally, a safety net program (provincial social assistance) ensures that no person will have to live in need. Thus, through a network of programs, the financial well-being of Canadians is assured. Social services provide a supplement to this network, by fulfilling other needs which cannot be met by income assistance.

All three levels of government are involved in providing social security; the Canada Constitution Act, 1867, sets out jurisdictional responsibilities. The federal government administers certain programs for the aged, families and other selected groups, and shares the funding for several provincial initiatives. It is also solely responsible for social security for veterans of the armed forces and registered Indians and Inuit. The provinces (the term "province" includes provinces and territories, unless otherwise noted) and municipalities provide most direct services and a variety of financial assistance programs to Canadians. Voluntary agencies provide additional support.

Canadian social programs have roots in charitable activities of the churches and early attempts to organize relief services at the municipal level. Generally, the programs have evolved to meet the needs of Canadians in the context of a changing society. The current system focuses on particular groups within the population who are most likely to require support. Examples of these target groups are the elderly, families, the unemployed and the disabled.

This chapter describes the individual programs which make up "social security". It is organized initially, by level of government. Within this framework, programs are described by target group or program type. The descriptions are complemented by a series of tables presenting the number of beneficiaries and expenditures for component programs and the social security system as a whole.

6.1 Federal income security programs

6.1.1 Senior citizens' benefits

The three programs, Old Age Security (OAS), Guaranteed Income Supplement (GIS) and Spouse's Allowance (SPA), administered by the Department of National Health and Welfare, ensure a minimum level of income for the elderly. The basic Old Age Security pension has been in effect since 1952. It provides monthly benefits to all persons aged 65 years and over who meet the residence requirements. Since 1967, pensioners with little or no other income have also been eligible for the Guaranteed Income Supplement. Application for GIS is required annually. Since October 1975, the Spouse's Allowance has been available to the spouse of a pensioner who has little or no other income. The applicant must be between 60 and 64 years old and must meet residence requirements. In 1979, SPA became available to a low-income surviving spouse of a deceased OAS pensioner. This provision was expanded in 1985 to include widows and widowers aged 60 to 64 years, subject to an income test. Benefits cease at age 65.

In order to be eligible for a full OAS pension, applicants must have resided in Canada for 40 years after the age of 18 or, if age 25 or over as of July 1, 1977, for 10 consecutive years immediately prior to application. In July 1977, the basis for eligibility was modified to introduce partial pensions based on years of