

Persons in receipt of the OAS pension, who have little or no other income, may apply for the Guaranteed Income Supplement (GIS). Receipt of the Supplement depends on the pensioner's income other than the OAS. For every \$2 a month of other income, the monthly Supplement is reduced by \$1. The GIS is not paid to persons living outside Canada for more than six months.

In January 1975, the monthly OAS pension stood at \$120.06; the maximum monthly GIS for a single pensioner was \$84.21 and \$74.79 for both partners in a pensionable couple. Both the OAS pension and the GIS are indexed every quarter-year to reflect the rises in the consumer price index.

The Old Age Security program and the Guaranteed Income Supplement are administered by the Department of National Health and Welfare through regional offices located in each provincial capital at which applications for pension are received. The regional office in Edmonton administers the program for residents of the Yukon and Northwest Territories.

#### Canada Pension Plan

The Canada Pension Plan (CPP) is a compulsory, contributory, earnings-related plan, which, with the Quebec Pension Plan (discussed below), covers most employed members of the Canadian labour force between the ages of 18 and 70. Both plans provide: a retirement pension; survivors' benefits, which consist of a surviving spouse's pension, orphans' benefits and a lump-sum death benefit; and disability benefits consisting of pensions for disabled contributors and benefits for their dependent children.

Employees contribute 1.8 per cent of "pensionable earnings" (defined in 1975 as earnings between \$700 and \$7,400 of both employees and self-employed persons), which is matched by employers. Self-employed persons contribute 3.6 per cent of their "pensionable earnings".

#### Quebec Pension Plan

The CPP is in force everywhere across the country except in Quebec, which has its own plan -- the Quebec Pension Plan. Both plans began in January 1966, are closely co-ordinated and have established administrative arrangements for dealing with dual contributors so that pension credits are automatically transferred when a person moves from an area covered by one plan to an area covered by the other (i.e., to or from Quebec).

Persons exempt from contributing to these two plans include those who earn less than the minimum "pensionable earnings", migratory workers in certain primary industries (namely farming and fishing), persons employed by their spouses, and employees of foreign governments and international organizations (unless covered by special agreements).