

**2016 PHARMACY SOLUTIONS**  
In Drug Plan Management

**TORONTO** **»»» CLICK HERE FOR DETAILS**  
TUESDAY, OCTOBER 4, 2016 | INTERNATIONAL CENTRE

**»»» Register Now**

**Subscribe**  
to our  
**Newsletter & Magazine**

# Benefits CANADA

Start your search here  **Search**

- News
- Benefits +
- Investments +
- Pensions +
- Events +
- People Watch
- Small Biz Advisor

[Home](#) | [Pensions](#) | [Governance/legislation](#)

PRINT EMAIL COMMENT SHARE:

## OAS eligibility reversal called 'unsustainable,' out of sync with other countries



Jennifer Paterson | August 26, 2016

A **report** released by the Office of the Superintendent of Financial Institutions this month projects that the federal government's plan to cancel the increase in the age of eligibility for old-age security benefits will raise the total program cost by \$10.4 billion by 2030.

The findings aren't a surprise, says Aaron Wudrick, federal director of the Canadian Taxpayers Federation. "I

think, fundamentally, there's no getting around the fact that the current system is unsustainable, without a considerable increase in taxes," he says.

"... The reality is, people are living longer and are healthier into their old age, which is a good thing, but the consequences, of course, is a retirement system that was designed in a different era where people passed on must sooner, especially combined with the aging demographic, makes for a very expensive system. We're very disappointed that the government chose to not leave in place a small step in the right direction... but decided to revert it, which will cost us in the long run."

**Read: OAS and GIS changes to raise program costs by \$11.6B in 2030: report**

The **OAS program actuarial report** also found that the increase in the guaranteed income supplement and allowance expenditures would be \$315 million in 2016 and \$775 million by 2020. The total additional cost to both programs by 2030 would be \$11.6 billion.

"Sooner or later, the reality of improved longevity and higher pension costs need to be faced by all workers — public and private sector," says Joe Nunes, president of Actuarial Solutions Inc. "The sooner we get on with giving younger Canadians notice about the need to plan for a longer work life, the sooner they can start to plan."

Nunes references other countries that have increased their retirement ages in the past few years as examples to consider. "Two or three decades ago, the United States made the decision to gradually move the retirement age for social security to age 67. Today, Germany is talking about moving further to age 69. Whether a later retirement age is what Canadians want, the reality is that it is all we can afford."

**Read: How does Canada's public pension system measure up globally?**

- News - - Related -

[CPPIB adds humans rights as key focus area for engaging with potential investments](#)

[Ontario moving forward to close gender wage gap](#)

[Half of U.S. employees actively seeking a new job: survey](#)

**BenefitsCanada**  
**DC INVESTMENT FORUM 2016**

**Register Now!**

**OCTOBER 5 & 6, 2016**  
**THE RITZ-CARLTON, TORONTO**

**CLICK HERE FOR MORE DETAILS »»**

- Sponsored Microsites -

- Sponsored Supplements -

**THE PERFORMERS**

× CANADA'S INFLUENTIAL THOUGHT LEADERS ×

LATEST

[Chronic Disease Management: A Workable Solution](#)

[Workplace Mental Health Priorities: 2016](#)

[Canada's influential thought leaders](#)

More