



Citation: *PY v Minister of Employment and Social Development*, 2025 SST 1335

**Social Security Tribunal of Canada
General Division – Income Security Section**

Decision

Appellant: P. Y.
Respondent: Minister of Employment and Social Development

Decision under appeal: Minister of Employment and Social Development
reconsideration decision dated June 20, 2024 (issued by
Service Canada)

Tribunal member: Shannon Russell
Type of hearing: In Writing
Decision date: July 23, 2025
File number: GP-24-1235

Decision

[1] The appeal is dismissed.

[2] The Appellant, P. Y., can't have his RRSP income from 2022 disregarded when calculating his estimated income for 2023.

Overview

[3] The Appellant's spouse passed away in 1995.¹ In late 2021, the Appellant applied for the Allowance for the Survivor.² The Minister of Employment and Social Development (Minister) approved his application. The Appellant began receiving the Allowance for the Survivor in June 2022, the month after he turned 60.

[4] Usually, an applicant's entitlement to the Allowance for the Survivor is calculated using his income from the calendar year before the payment period starts. This is called the "base calendar year". So, for example, entitlement to benefits for the payment period of July 2023 to June 2024 would usually be based on the applicant's income in the year 2022.

[5] However, the *Old Age Security Act* (OAS Act) has special rules for people who retire or have a loss of pension income in the year after the base calendar year. When this happens, the person can file a statement of estimated income.³ This allows the Minister to use a different method of calculating entitlement to the benefit. However, the different method doesn't mean the applicant's income from the base calendar year is no longer relevant. The Minister is required to calculate entitlement to the benefit based on the estimated income but also the applicant's actual income from all other sources during the base calendar year.

¹ See page GD2-7.

² See page GD2-6.

³ See sections 14(2) to 14(7) of the *Old Age Security Act*.

[6] In May 2023, the Appellant filed a Statement of Estimated Income for 2023. In that Statement, he said his only income is his CPP income. He also said that he retired in May 2022, and that his pension income reduced or stopped in April 2022.⁴

[7] In August 2023, the Minister sent the Appellant a letter explaining that he was eligible for a monthly benefit of \$390.28 as of July 2023. This was based on his **actual** income for 2022, which totalled \$19,142.00. Most of that income was RRSP income.⁵ At the same time, the Minister sent the Appellant a Questionnaire about his Statement of Estimated Income.⁶

[8] The Appellant filled out the Questionnaire. He said he retired from self-employment in May 2022, because that is when he stopped looking for work and decided to retire. He also said he had a pension reduction in 2023, but when asked the date of the reduction he said it happened in May 2022. He explained that he considered his RRSP to be his pension, and he stopped making monthly withdrawals from his RRSP in April 2022.⁷

[9] After receiving the Appellant's Questionnaire, the Minister informed the Appellant that his Statement of Estimated Income was not helpful to him. The Minister tried to explain why but used wording that was hard to understand. The Minister said the Appellant's estimated income for 2023 (\$19,363.80) was higher than his actual income for 2022 (\$19,142.00).⁸

[10] Naturally, this was confusing to the Appellant and so he asked the Minister to reconsider its decision. He said that he reported his income for 2023 as \$305.40 a month, and so he didn't understand how the Minister calculated his estimated income as \$19,363.80.⁹

⁴ See page GD2-18.

⁵ See page GD2-20.

⁶ See page GD2-22.

⁷ See pages GD2-25 to GD2-26.

⁸ See pages GD2-30 to GD2-31.

⁹ See page GD2-34.

[11] The Minister replied by explaining that the law about income estimates changed in July 2008. Before July 2008, all income was estimated when calculating the amount of a benefit. However, as of July 1, 2008, only pension income and employment income from the current year is estimated. All other income from the preceding calendar year is added to the estimated income.¹⁰

[12] The Appellant appealed the Minister's reconsideration decision to the Social Security Tribunal's General Division.

Procedural Matters

This is not a Charter appeal

[13] The Appellant filed a Charter Challenge Notice in January 2025.¹¹ In April 2025, I issued an interlocutory decision finding that the Appellant's Notice didn't comply with section 1(1) of the *Social Security Tribunal Regulations, 2022*. I explained that the Appellant's appeal would continue as a regular (non-Charter) appeal.

What the Appellant must prove

[14] The Appellant previously confirmed that he is not disputing the Minister's finding about his income or income from a particular source.¹² He's disputing the method or formula the Minister used to determine his estimated income for 2023.

[15] To succeed with his appeal, the Appellant must prove that the Minister didn't follow the law when it estimated his income for 2023.

My findings

[16] The Appellant hasn't proven his case.

¹⁰ See pages GD2-37 to GD2-38.

¹¹ See GD22.

¹² See page GD10-2.

– **The date of retirement**

[17] The Appellant explained that the Covid-19 pandemic affected his ability to find a job. In early 2022, he withdrew money from his RRSP account because he didn't have any other money to live on.¹³ He decided to retire in May 2022, when he reached age 60.

[18] The Minister accepts that the Appellant retired in May 2022. The Minister says this is when the Appellant began taking steps to completely stop work.¹⁴

[19] However, the Minister says the Appellant did not suffer a loss or reduction in pension income in 2022. This is because RRSP income is not considered pension income.¹⁵

– **How the Minister calculated the Appellant's actual income for 2022**

[20] The Minister calculated the Appellant's actual income for 2022 as follows:

Type of Income	Amount of Income
CPP retirement pension	\$3,443.00
Interest	\$21.00
RRSP	\$15,678.00
Total:	\$19,142.00

[21] To calculate the RRSP income as \$15,678.00, the Minister explained that it subtracted the RRSP contributions of \$1,573 from the RRSP income of \$17,251 to arrive at the total of \$15,678.00.

¹³ See page GD4-1.

¹⁴ See GD18.

¹⁵ See GD18.

– **How the Minister calculated the Appellant’s estimated income for 2023**

[22] The Minister calculated the Appellant’s estimated income for 2023 as follows:

Type of Income	Amount of Income
CPP retirement pension	\$3664.80
Interest	\$21.00
RRSP income from 2022	\$15,678.00
Total:	\$19,363.80

– **What the Appellant disagrees with**

[23] The Appellant disputes the inclusion of his 2022 income to determine his estimated income for 2023.¹⁶

– **What the law says about how to calculate estimated income**

[24] The OAS Act says that when a person retires before a payment period (as is the case here), then the Minister is to calculate the estimated income by totalling:

- any pension income received in the calendar year ending in the current payment period;
- Employment income (except employment income from the job that was stopped) for the calendar year ending in the current payment period; and
- Other income - the person’s income for the base calendar year calculated as though, for that year, the person had no employment income and no pension income.¹⁷

¹⁶ See pages GD4-1 and GD7-1.

¹⁷ See section 14(5) of the *Old Age Security Act*.

[25] This means that when calculating estimated income for 2023, the Appellant's actual income for 2022 (excluding pension income or employment income) must be included.

[26] The OAS Regulations set out a defined list of the types of payments or benefits that are pension income.¹⁸ RRSP income is not included on that list. The Appellant hasn't disputed this.

[27] The Appellant may disagree with what the OAS Act says about how estimated income is calculated. However, I can't change or amend the law. Only Parliament can do that.

Conclusion

[28] The appeal is dismissed.

Shannon Russell
Member, General Division – Income Security Section

¹⁸ See section 14 of the *Old Age Security Regulations*.