

**AGREEMENT ON SOCIAL SECURITY  
BETWEEN  
THE GOVERNMENT OF CANADA  
AND  
THE GOVERNMENT OF SWEDEN**

*The Government of Canada  
and  
the Government of Sweden,*

*Resolved to continue their co-operation in the field of social security,*

*Taking into account changes to their respective social security legislation since the Agreement on Social Security between Canada and Sweden was signed at Stockholm on 10 April 1985,*

*Have decided to conclude a new agreement for this purpose, and*

*Have agreed as follows:*

**PART I**  
**GENERAL PROVISIONS**

**Article I**  
***Definitions***

1. For the purposes of this Agreement:

“benefit” means, as regards a Party, any pension or cash benefit for which provision is made in the legislation of that Party and includes any supplements or increases applicable to such a pension or cash benefit;

“competent authority” means, as regards Canada, the Minister or Ministers responsible for the application of the legislation of Canada; and, as regards Sweden, the Government or the authority nominated by the Government;

“competent institution” means, as regards Canada, the competent authority; and, as regards Sweden, the authority charged with the implementation of the legislation specified in Article II;

“creditable period” means, as regards a Party, a period of contributions, insurance or residence used to acquire the right to a benefit under the legislation of that Party; as regards Canada, it also means a period during which a disability pension is payable under the *Canada Pension Plan*;

“guaranteed pension” means, as regards the legislation of Sweden, a guaranteed pension to old-age pensions and a guaranteed pension to survivors’ pensions;

“legislation” means, as regards a Party, the laws and regulations specified in Article II with respect to that Party;

“previous Agreement” means the Agreement on Social Security between Canada and Sweden signed at Stockholm on 10 April 1985.

2. Any term not defined in this Article has the meaning assigned to it in the applicable legislation.

**Article II**  
***Legislation to Which the Agreement Applies***

1. This Agreement shall apply to the following legislation:
  - (a) with respect to Canada:
    - (i) the *Old Age Security Act* and the regulations made thereunder; and
    - (ii) the *Canada Pension Plan* and the regulations made thereunder;
  - (b) with respect to Sweden
    - (i) the legislation regarding sickness compensation and activity compensation;
    - (ii) the legislation regarding guaranteed pensions and income-based old-age pensions; and
    - (iii) the legislation regarding survivors pensions and surviving children's allowance.
2. Subject to paragraph 3, this Agreement shall also apply to laws and regulations which amend, supplement, consolidate or supersede the legislation specified in paragraph 1.
3. This Agreement shall further apply to laws and regulations which extend the legislation of a Party to new categories of beneficiaries or to new benefits unless an objection on the part of that Party has been communicated to the other Party not later than 3 months following the entry into force of such laws and regulations.

**Article III**  
***Persons to Whom the Agreement Applies***

This Agreement shall apply to any person who is or who has been subject to the legislation of Canada or Sweden, and to the dependants and survivors of such a person within the meaning of the legislation of either Party.

**Article IV**  
***Equality of Treatment***

1. A citizen of a Party, and the dependants and survivors of such a person, shall be subject to the obligations of the legislation of the other Party and shall be eligible for the benefits of that legislation under the same conditions as citizens of the latter Party.
2. As regards the legislation of Canada, paragraph 1 shall apply to any person described in Article III, without regard to citizenship.

**Article V**  
***Export of Benefits***

1. Unless otherwise provided in this Agreement, benefits payable under the legislation of a Party to any person described in Article III, including benefits acquired by virtue of this Agreement, shall not be subject to any reduction, modification, suspension, cancellation or confiscation by reason only of the fact that the person resides in the territory of the other Party, and these benefits shall be paid when that person is in the territory of the other Party.
2. Benefits payable under this Agreement to a person who is or who has been subject to the legislation of both Parties, or to the dependants or survivors of such a person, shall be paid when that person, or the dependant or survivor, is in the territory of a third State.

**PART II**  
**PROVISIONS CONCERNING THE APPLICABLE LEGISLATION**

**Article VI**  
***General Rule for Employed and Self-Employed Persons***

Subject to Articles VII to X:

- (a) an employed person who works in the territory of a Party shall, in respect of that work, be subject only to the legislation of that Party;

- (b) a self-employed person who resides in the territory of a Party and who works for his or her own account in the territory of the other Party or in the territories of both Parties shall, in respect of that work, be subject only to the legislation of the first Party.

## **Article VII** ***Detachments***

1. An employed person who is subject to the legislation of a Party and who is sent by that person's employer to work in the territory of the other Party for the same or a related employer shall, in respect of that work, be subject only to the legislation of the first Party as though that work were performed in its territory. Subject to paragraph 2, this coverage may not be maintained for more than 60 months without the prior consent of the competent authorities of both Parties.
2. The limitation of 60 months in paragraph 1 shall not apply in the case of a person who is engaged in government employment for a Party and who is sent to work in the territory of the other Party.

## **Article VIII** ***Crews of Ships***

A person who, but for this Agreement, would be subject to the legislation of both Parties in respect of employment as a member of the crew of a ship shall, in respect of that employment, be subject only to the legislation of Sweden if the ship flies the flag of Sweden and only to the legislation of Canada in any other case.

## **Article IX** ***Locally Engaged Government Employees***

A person who is locally engaged in the territory of a Party in government employment for the other Party shall, in respect of that employment, be subject to the legislation of the first Party.

## **Article X** **Exceptions**

The competent authorities of the Parties may, by common agreement, make exceptions to the provisions of Articles VI through IX with respect to any person or categories of persons.

## **Article XI** **Definition of Certain Periods of Residence with Respect to the Legislation of Canada**

1. For the purpose of calculating the amount of benefits under the *Old Age Security Act*:
  - (a) if a person is subject to the *Canada Pension Plan* or to the comprehensive pension plan of a province of Canada during any period of presence or residence in Sweden, that period shall be considered as a period of residence in Canada for that person as well as for that person's spouse or common-law partner and dependants who accompany that person to Sweden, who reside with that person in Sweden, and who are not subject to the legislation of Sweden by reason of employment or self-employment;
  - (b) if a person is subject to the legislation of Sweden during any period of presence or residence in Canada, that period shall not be considered as a period of residence in Canada for that person nor for that person's spouse or common-law partner and dependants who accompany that person to Canada, who reside with that person in Canada, and who are not subject to the *Canada Pension Plan* or to the comprehensive pension plan of a province of Canada by reason of employment or self-employment.
  
2. In the application of paragraph 1:
  - (a) a person shall be considered to be subject to the *Canada Pension Plan* or to the comprehensive pension plan of a province of Canada during a period of presence or residence in Sweden or Canada only if that person must make contributions pursuant to the plan concerned during that period by reason of employment or self-employment;
  - (b) a person shall be considered to be subject to the legislation of Sweden during a period of presence or residence in Canada or Sweden only if that person or that person's employer must make contributions pursuant to

Swedish legislation during that period by reason of employment or self-employment.

**Article XII**  
***Definition of Certain Periods of Residence  
with Respect to the Legislation of Sweden***

For the purpose of calculating the amount of pensions under Swedish legislation:

- (a) if a person is subject to Swedish legislation during any period of presence or residence in Canada, that period shall be considered as a period of residence in Sweden for that person and the person's spouse and children under the age of 18 who have accompanied that person to Canada, provided the family members are not subject to the legislation of Canada by reason of employment or self-employment;
- (b) if a person is subject to the legislation of Canada during any period of presence or residence in Sweden, that period shall not be considered as a period of residence in Sweden for that person and the person's spouse and children under the age of 18 who have accompanied that person to Sweden, provided the family members are not subject to Swedish legislation by reason of employment or self-employment.

**PART III**  
**PROVISIONS CONCERNING BENEFITS**

**CHAPTER 1**  
**TOTALIZING**

**Article XIII**  
***Periods under the Legislation of Canada and Sweden***

1. Unless otherwise provided in this Agreement, if a person is not eligible for a benefit because he or she has not accumulated sufficient creditable periods under the legislation of a Party, the eligibility of that person for that benefit shall be determined by totalizing these periods and those specified in paragraphs 2 and 3, provided that the periods do not overlap.

2. (a) For purposes of determining eligibility for a benefit under the *Old Age Security Act* of Canada, a creditable period under the legislation of Sweden shall be considered as a period of residence in Canada.
- (b) For purposes of determining eligibility for a benefit under the *Canada Pension Plan*, a calendar year for which pension points or pension rights have been credited for purposes of income-based old-age pensions under the legislation of Sweden shall be considered as a year which is creditable under the *Canada Pension Plan*.
3. For purposes of determining eligibility for benefits under Swedish legislation:
  - (a) a calendar year which is a creditable period under the *Canada Pension Plan* shall be considered as a year creditable under the legislation of Sweden;
  - (b) any period which is a creditable period under the *Old Age Security Act* of Canada and which is not part of a creditable period under the *Canada Pension Plan* shall be considered as a period which is creditable under the legislation of Sweden.

**Article XIV**  
***Periods under the Legislation of a Third State***

If a person is not eligible for a benefit on the basis of the creditable periods under the legislation of the Parties, totalized as provided in Article XIII, the eligibility of that person for that benefit shall be determined by totalizing these periods and creditable periods completed under the legislation of a third State with which both Parties are bound by social security instruments which provide for the totalizing of periods for that person.



## **CHAPTER 2 BENEFITS UNDER THE LEGISLATION OF CANADA**

### **Article XV *Benefits under the Old Age Security Act***

1. If a person is eligible for a pension or allowance under the *Old Age Security Act* solely through the application of the totalizing provisions of Chapter 1, the competent institution of Canada shall calculate the amount of the pension or allowance payable to that person in conformity with the provisions of that Act governing the payment of a partial pension or allowance, exclusively on the basis of the periods of residence in Canada which may be considered under that Act.
2. Paragraph 1 shall also apply to a person outside Canada who would be eligible for a full pension in Canada but who has not resided in Canada for the minimum period required by the *Old Age Security Act* for the payment of a pension outside Canada.
3. Notwithstanding any other provision of this Agreement:
  - (a) a pension under the *Old Age Security Act* shall be paid to a person who is outside Canada only if that person's periods of residence, when totalized as provided in Chapter 1, are at least equal to the minimum period of residence in Canada required by that Act for the payment of a pension outside Canada;
  - (b) an allowance and a guaranteed income supplement under the *Old Age Security Act* shall be paid to a person who is outside Canada only to the extent permitted by that Act.

### **Article XVI *Benefits under the Canada Pension Plan***

If a person is eligible for a benefit under the *Canada Pension Plan* solely through the application of the totalizing provisions of Chapter 1, the competent institution of Canada shall calculate the amount of benefit payable to that person in the following manner:

- (a) the earnings-related portion of the benefit shall be determined in conformity with the provisions of the *Canada Pension Plan*, exclusively on the basis of the pensionable earnings under that Plan;

- (b) the flat-rate portion of the benefit shall be determined by multiplying:
- (i) the amount of the flat-rate portion of the benefit determined in conformity with the provisions of the *Canada Pension Plan*

by

  - (ii) the fraction which represents the ratio of the periods of contributions to the *Canada Pension Plan* in relation to the minimum qualifying period required under that Plan to establish eligibility for that benefit, but in no case shall that fraction exceed the value of one.

## **CHAPTER 3 BENEFITS UNDER THE LEGISLATION OF SWEDEN**

### **Article XVII *Calculating the Amount of Benefit Payable***

1. The totalizing provisions of Chapter 1 shall not apply to the basic requirement of three years of residence in Sweden for entitlement to a guaranteed pension or a sickness or activity compensation in the form of guaranteed compensation.
2. When calculating the amount of a guaranteed pension or sickness or activity compensation in the form of guaranteed compensation, benefits under the *Old Age Security Act of Canada* as well as the flat-rate portion of benefits under the *Canada Pension Plan* shall not be taken into account.
3. When calculating the amount of sickness compensation and activity compensation, only income earned during periods when Swedish legislation was applicable shall be taken into account.

### **Article XVIII *Payment of Benefits outside Sweden***

The provisions of Article V shall not apply to surviving children's allowance, and shall apply to guaranteed pension and sickness or activity compensation in the form of guaranteed compensation only for persons who, after applying the totalizing provisions of Chapter 1, have creditable periods of at least 20 years.

**PART IV**  
**ADMINISTRATIVE AND MISCELLANEOUS PROVISIONS**

**Article XIX**  
***Administrative Arrangement***

1. The competent authorities of the Parties shall establish, by means of an administrative arrangement, the measures necessary for the application of this Agreement.
2. The liaison agencies of the Parties shall be designated in that arrangement.

**Article XX**  
***Exchange of Information and Mutual Assistance***

1. The competent authorities and institutions responsible for the application of this Agreement:
  - (a) shall, to the extent permitted by the legislation which they administer, communicate to each other any information necessary for the application of this Agreement;
  - (b) shall lend their good offices and furnish assistance to one another for the purpose of determining eligibility for, or the amount of, any benefit under this Agreement, or under the legislation to which this Agreement applies, as if the matter involved the application of their own legislation;
  - (c) shall communicate to each other, as soon as possible, all information about the measures taken by them for the application of this Agreement or about changes in their respective legislation in so far as these changes affect the application of this Agreement.
2. The assistance referred to in sub-paragraph 1(b) shall be provided free of charge, subject to any provision contained in an administrative arrangement concluded pursuant to Article XIX for the reimbursement of certain types of expenses.

3. Unless disclosure is required under the laws of a Party, any information about a person which is transmitted in accordance with this Agreement to that Party by the other Party is confidential and shall be used only for purposes of implementing this Agreement and the legislation to which this Agreement applies.

## **Article XXI**

### ***Exemption or Reduction of Taxes, Dues, Fees and Charges***

1. Any exemption from or reduction of taxes, legal dues, consular fees and administrative charges for which provision is made in the legislation of a Party in connection with the issuing of any certificate or document required to be produced for the application of that legislation shall be extended to certificates or documents required to be produced for the application of the legislation of the other Party.
2. Any documents of an official nature required to be produced for the application of this Agreement shall be exempt from any authentication by diplomatic or consular authorities and similar formality.

## **Article XXII**

### ***Language of Communication***

For the application of this Agreement, the competent authorities and institutions of the Parties may communicate directly with one another in any official language of either Party.

## **Article XXIII**

### ***Submitting a Claim, Notice or Appeal***

1. Claims, notices and appeals concerning eligibility for, or the amount of, a benefit under the legislation of a Party which should, for the purposes of that legislation, have been presented within a prescribed period to a competent authority or institution of that Party, but which are presented within the same period to an authority or institution of the other Party, shall be treated as if they had been presented to the competent authority or institution of the first Party. The date of presentation of claims, notices and appeals to the authority or institution of the other Party shall be deemed to be the date of their presentation to the competent authority or institution of the first Party.

2. Subject to the second sentence of this paragraph, a claim for a benefit under the legislation of a Party made after the date of entry into force of this Agreement shall be deemed to be a claim for the corresponding benefit under the legislation of the other Party, provided that the applicant at the time of application:
  - (a) requests that it be considered an application under the legislation of the other Party, or
  - (b) provides information indicating that creditable periods have been completed under the legislation of the other Party.

The preceding sentence shall not apply if the applicant requests that his or her claim to the benefit under the legislation of the other Party be delayed.

3. In any case to which paragraph 1 or 2 applies, the authority or institution to which the claim, notice or appeal has been submitted shall transmit it without delay to the authority or institution of the other Party.

## **Article XXIV**

### ***Payment of Benefits***

1. The competent institution of a Party shall discharge its obligations under this Agreement in the currency of that Party.
2. Benefits shall be paid to beneficiaries free from any deduction for administrative expenses that may be incurred in paying the benefits.
3. In the event that a Party imposes currency controls or other similar measures that restrict payments, remittances or transfers of funds or financial instruments to persons who are outside its territory, that Party shall, without delay, take suitable measures to ensure the payment of any amount that must be paid in accordance with this Agreement to persons described in Article III who reside in the territory of the other Party.

**Article XXV**  
***Resolution of Difficulties***

1. The competent authorities of the Parties shall resolve, to the extent possible, any difficulties which arise in interpreting or applying this Agreement according to its spirit and fundamental principles.
2. The Parties shall consult promptly at the request of either Party concerning matters which have not been resolved by the competent authorities in accordance with paragraph 1.
3. Any dispute between the Parties concerning the interpretation of this Agreement which has not been resolved or settled by consultation in accordance with paragraph 1 or 2 shall, at the request of either Party, be submitted to arbitration by an arbitral tribunal.
4. Unless the Parties mutually determine otherwise, the arbitral tribunal shall consist of three arbitrators, of whom each Party shall appoint one within two months from the date of receipt of the request for arbitration, and the two arbitrators so appointed shall appoint, within two months after the last notice of appointment, the third who shall act as president; provided that if either Party fails to appoint its arbitrator or if the two appointed arbitrators fail to agree about the third, the competent authority of the other Party shall invite the President of the International Court of Justice to appoint the arbitrator of the first Party or the two appointed arbitrators shall invite the President of the International Court of Justice to appoint the president of the arbitral tribunal.
5. If the President of the International Court of Justice is a citizen of either Party, the function of appointment shall be transferred to the Vice-president or the next most senior member of the Court who is not a citizen of either Party.
6. The arbitral tribunal shall determine its own procedures, but it shall reach its decisions by a majority of votes.
7. The decision of the arbitral tribunal shall be final and binding.

**Article XXVI**  
***Understandings with a Province of Canada***

The relevant authority of Sweden and a province of Canada may conclude understandings concerning any social security matter within provincial jurisdiction in Canada in so far as those understandings are not inconsistent with the provisions of this Agreement.

**PART V**  
**TRANSITIONAL AND FINAL PROVISIONS**

**Article XXVII**  
***Cessation of the Previous Agreement  
and Transitional Provisions***

1. On the entry into force of this Agreement, the previous Agreement shall be terminated. However, the previous Agreement shall continue to apply in regards to rights to benefits which can be established through the application of that Agreement for periods before the entry into force of this Agreement.
2. Any creditable period completed before the date of entry into force of this Agreement shall be taken into account for the purpose of determining the right to a benefit under this Agreement and its amount.
3. Subject to the second sentence of paragraph 1, no provision of this Agreement shall confer any right to receive payment of a benefit for a period before the date of entry into force of this Agreement.
4. Subject to paragraph 3, a benefit, other than a death benefit under the *Canada Pension Plan*, shall be paid under this Agreement in respect of events which happened before the date of entry into force of this Agreement.

**Article XXVIII**  
***Duration and Termination***

1. This Agreement shall remain in force without any limitation on its duration. It may be terminated at any time by either Party giving 12 months' notice in writing to the other Party.
2. In the event of the termination of this Agreement, any right acquired by a person in accordance with its provisions shall be maintained and negotiations shall take place for the settlement of any rights then in course of acquisition by virtue of those provisions.

**Article XXIX**  
***Entry into Force***

This Agreement shall enter into force on the first day of the fourth month following the month in which each Party shall have received from the other Party written notification that it has complied with all requirements for the entry into force of this Agreement.

***IN WITNESS WHEREOF***, the undersigned, being duly authorized thereto by their respective Governments, have signed this Agreement.

***DONE*** in duplicate at Ottawa, this 30<sup>th</sup> day of January 2002, in the English, French and Swedish languages, each text being equally authentic.

***FOR THE GOVERNMENT OF CANADA***

Jane Stewart

***FOR THE GOVERNMENT OF SWEDEN***

Ingela Thalén