

**OFFICE CONSOLIDATION  
OF THE AGREEMENT ON SOCIAL SECURITY  
BETWEEN CANADA AND  
THE REPUBLIC OF FINLAND**

The Agreement on Social Security between Canada and Finland was signed on 28 October 1986. It entered into force on 1 February 1988.

The Agreement was amended by a Protocol which entered into force on 1 January 1997.

The text which follows shows the Agreement as amended by the Protocol.

*The Government of Canada  
and  
the Government of the Republic of Finland,*

*Resolved to co-operate in the field of social security,*

*Have decided to conclude an agreement for this purpose, and*

*Have agreed as follows:*

# PART I GENERAL PROVISIONS

## Article I *Definitions*

1. For the purposes of this Agreement,
  - (a) "Government of Canada" means the Government in its capacity as representative of Her Majesty the Queen in right of Canada and represented by the Minister of Employment and Immigration;
  - (b) "territory" means, as regards Canada, the territory of Canada; and, as regards Finland, the territory of Finland;
  - (c) "legislation" means the laws and regulations specified in Article II;
  - (d) "competent authority" means, as regards Canada, the Minister or Ministers responsible for the administration of the legislation of Canada; and, as regards Finland, the Ministry of Social Affairs and Health;
  - (e) "competent institution" means, as regards Canada, the competent authority; and, as regards Finland, the authority from which the person concerned is entitled to receive a benefit or would be entitled to receive the benefit in question if that person were resident in Finland;
  - (f) "creditable period" means a period of contributions, insurance or residence, or an equivalent period, used to acquire the right to a benefit under the legislation of either Party;
  - (g) "benefit" means any cash benefit, pension or allowance for which provision is made in the legislation of either Party and includes any supplements or increases applicable to such a cash benefit, pension or allowance.
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 Finland:
    - (i) the laws and regulations governing the *National Pensions Scheme*;
    - (ii) the laws and regulations governing the *Employment Pensions Scheme*; and
    - (iii) the *Employers' Social Security Contributions Act*, to the extent that that Act concerns employers' contributions in respect of the *National Pensions Scheme*.
2. Subject to paragraph 3 of this Article, this Agreement shall apply also to any laws or regulations which amend, consolidate, replace, supplement or supersede the legislation specified in paragraph 1 of this Article.
3. This Agreement shall apply to laws or regulations which extend the existing legislation to other categories of beneficiaries only if no objection on the part of either Party has been communicated to the other Party within three months of notification of such laws or regulations.

## **Article III**

### ***Persons to Whom the Agreement Applies and Equality of Treatment***

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

2. Unless otherwise provided in this Agreement, any person who is or who has been subject to the legislation 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. The preceding shall also apply to a citizen of a Party who has never been subject to the legislation of that Party, and to the dependants and survivors of such a citizen.

## **Article IV**

### ***Export of Benefits***

1. Unless otherwise provided in this Agreement, benefits acquired by any person described in paragraph 1 of Article III under the legislation of one Party, 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 they shall be payable in the territory of the other Party.
2. In a case in which a benefit under the *Employment Pensions Scheme* of Finland would be payable by virtue of this Agreement to a citizen of Canada residing in the territory of Canada, that benefit shall be paid to a citizen of Canada residing in the territory of a third State on the same conditions and to the same extent as that benefit is payable to a citizen of Finland residing in the territory of that third State, provided that the third State is one with which Finland has concluded a social security agreement or a comparable instrument.
3. Benefits under the legislation of Canada payable by virtue of this Agreement to a person who is or who has been subject to that legislation, or to the dependants or survivors of such a person, shall be paid in the territory of a third State.

## **PART II**

### **PROVISIONS CONCERNING THE APPLICABLE LEGISLATION**

#### **Article V**

1. Subject to the following provisions of this Article,
  - (a) an employed person who works in the territory of one Party shall, in respect of that work, be subject only to the legislation of that Party, and

(b) a self-employed person who ordinarily resides in the territory of one 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 former Party.

2. A person who:

(a) is employed by an employer who has a place of business in the territory of one Party,

(b) is covered under the legislation of that Party in respect of that employment, and

(c) is sent to perform services in the territory of the other Party in the course of that employment for the same or a related employer

shall, in respect of those services, be subject only to the legislation of the first Party as though those services were performed in its territory. In the case of an assignment in the territory of the other Party, this coverage may not be maintained for more than 36 months without the prior consent of the competent authorities of both Parties.

3. 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 Finland if the ship flies the flag of Finland and only to the legislation of Canada in any other case.

4. An employed person shall, in respect of the duties of a government employment performed in the territory of the other Party, be subject to the legislation of the latter Party only if he or she is a citizen thereof or ordinarily resides in its territory. In the latter case that person may, however, elect to be subject only to the legislation of the former Party if he or she is a citizen thereof.

5. The competent authorities of the Parties may, by common agreement, modify the application of the provisions of this Article with respect to any persons or categories of persons.

6. The consent referred to in paragraph 2, and the agreement referred to in paragraph 5, may be given by an institution of a Party which has been authorized so to do by the competent authority of that Party.

**Article VI**  
***Definition of Certain Periods of Residence***  
***with Respect to the Legislation of Canada and Finland***

1. For the purpose of calculating benefits under the *Old Age Security Act* of Canada:
  - (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 residence in the territory of Finland, that period shall be accepted as a period of residence in Canada for that person as well as for that person's spouse and dependants who reside with him or her and who are not subject to the legislation of Finland by reason of employment;
  - (b) if a person is subject to the legislation of Finland during any period of residence in the territory of Canada, that period shall not be accepted as a period of residence in Canada for that person and for that person's spouse and dependants who reside with him or her 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.
  
2. For the purposes of the *National Pensions Scheme* of Finland:
  - (a) if a person is subject to the legislation of Finland during any period of residence in the territory of Canada, that period shall be accepted as a period of residence in Finland for that person as well as for that person's accompanying spouse and dependants who reside with him or her 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;
  - (b) if a person is subject to the legislation of Canada during any period of residence in the territory of Finland, that period shall not be accepted as a period of residence in Finland for that person and for that person's accompanying spouse and dependants who reside with him or her and who are not subject to the *Employment Pensions Scheme* of Finland by reason of employment.

**PART III  
PROVISIONS CONCERNING BENEFITS**

**CHAPTER 1  
BENEFITS UNDER THE LEGISLATION OF CANADA**

**Article VII**

1. If a person is not entitled to a benefit on the basis of the periods creditable under the legislation of Canada, eligibility for that benefit shall be determined by totalizing these periods and those stipulated in paragraph 2 of this Article, provided that the periods do not overlap.
2. (a) For purposes of determining eligibility for a benefit under the *Old Age Security Act*, a creditable period under the legislation of Finland, or a period of residence in the territory of Finland, after the age at which periods of residence in Canada are creditable for purposes of that Act, shall be accepted as a period of residence in the territory of Canada.
- (b) For purposes of determining eligibility for a benefit under the *Canada Pension Plan*, a calendar year including at least three months which are creditable under the *Employment Pensions Scheme* of Finland or in which contributions have been made to that Scheme shall be accepted as a year for which contributions have been made under the Canada Pension Plan.

**Article VIII**

***Benefits Under the Old Age Security Act***

1. (a) If a person is entitled to payment of a pension in Canada under the *Old Age Security Act* without recourse to the provisions of this Agreement, but has not accumulated sufficient periods of residence in Canada to qualify for payment of the pension abroad under that Act, a partial pension shall be paid to that person outside the territory of Canada if the periods of residence in the territories of the Parties, when totalized as provided in Article VII, are at least equal to the minimum period of residence in Canada required by the *Old Age Security Act* for payment of a pension abroad.

- (b) The amount of the pension payable shall, in this case, be calculated in conformity with the provisions of the *Old Age Security Act* governing the payment of a partial pension, exclusively on the basis of the periods creditable under that Act.
- 2.
  - (a) If a person is not entitled to an Old Age Security pension or a spouse's allowance solely on the basis of periods of residence in Canada, a partial pension or a spouse's allowance shall be paid to that person if the periods of residence in the territories of the Parties, when totalized as provided in Article VII, are at least equal to the minimum period of residence in Canada required by the *Old Age Security Act* for payment of a pension or a spouse's allowance.
  - (b) The amount of the pension or the spouse's allowance payable shall, in this case, be calculated in conformity with the provisions of the *Old Age Security Act* governing the payment of a partial pension or a spouse's allowance, exclusively on the basis of the periods creditable under that Act.
- 3.
  - (a) Notwithstanding any other provision of this Agreement, the competent institution of Canada shall not be liable to pay an Old Age Security pension outside the territory of Canada unless the periods creditable under the *Old Age Security Act* are at least equal to three years and unless the periods of residence in the territories of the Parties, when totalized as provided in Article VII, are at least equal to the minimum period of residence in Canada required by the *Old Age Security Act* for payment of a pension abroad.
  - (b) The spouse's allowance and the guaranteed income supplement shall be paid outside the territory of Canada only to the extent permitted by the *Old Age Security Act*.

## **Article IX**

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

If a person is entitled to the payment of a benefit solely through the application of the totalizing provisions of Article VII, 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; and



- (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 entitlement to that benefit, but in no case shall that fraction exceed the value of one.

## **CHAPTER 2**

### **BENEFITS UNDER THE LEGISLATION OF FINLAND**

#### **Article X**

#### **Benefits under the *National Pensions Scheme***

1. Entitlement to and payment of a pension under the *National Pensions Act* and the *Survivors' Pensions Act* shall, in respect of a citizen of a Party residing in the territory of a Party, be determined according to the provisions of this Article.
2. A person referred to in paragraph 1 of this Article shall be entitled to an old age pension if he or she has resided in Finland for an unbroken period of at least three years after having reached the age of 16.
3. A person referred to in paragraph 1 of this Article shall be entitled to a widow's or widower's pension if he or she and the deceased spouse have resided in Finland for an unbroken period of at least three years after having reached the age of 16, and the deceased spouse was a citizen of a Party and resided in the territory of a Party at the time of death.
4. A person referred to in paragraph 1 of this Article shall be entitled to an orphan's pension if the deceased parent had resided in Finland for an unbroken period of at least three years after having reached the age of 16, and was a citizen of a Party and resided in the territory of a Party at the time of death.
5. If an old age, disability or survivor's pension is granted to a citizen of a Party while residing in Finland and he or she subsequently takes up residence in Canada, that person shall be entitled to receive that pension in Canada if he or she had resided in Finland for an unbroken period of at least three years after having reached the age of 16.

**Article X.A**  
***Benefits under the Employment Pensions Scheme***

1. Unless otherwise provided in this Article, the competent institution of Finland shall apply the legislation of Finland for the purpose of determining entitlement to a benefit under the *Employment Pensions Scheme* and the amount of that benefit.
2. If a person who becomes disabled or dies does not fulfil the condition relating to residence under the Finnish legislation concerning the *Employment Pensions Scheme* for the purpose of meeting the requirement regarding the future period, creditable periods under the *Canada Pension Plan* shall be taken into account for that purpose as though they were periods completed in Finland, provided that they do not overlap.
3. If employment or self-employment in Finland has terminated and the pension according to the Finnish legislation concerning the *Employment Pensions Scheme* no longer includes the future period, and if the contingency giving rise to a benefit occurs during employment or self-employment subject to the *Canada Pension Plan*, creditable periods under the *Canada Pension Plan* shall be taken into account by the competent institution of Finland for the purpose of meeting the requirement regarding the future period.
4. In any case in which paragraph 2 or 3 of this Article applies, the competent institution of Finland shall calculate the amount of the benefit as follows:
  - (a) The amount of the benefit based on the actual creditable periods under the legislation of Finland shall be calculated according to the provisions of the Finnish legislation concerning the *Employment Pensions Scheme*.
  - (b) The amount of the benefit based on the period between the occurrence of the contingency and the pensionable age shall be prorated based on the ratio between the actual creditable periods under the Finnish legislation concerning the *Employment Pensions Scheme* and 480 months.

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

### **Article XI**

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 with regard to the determination or payment of any benefit under this Agreement or 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 insofar as these changes affect the application of this Agreement.
2. The assistance referred to in sub-paragraph 1(b) of this Article shall be provided free of charge, subject to any agreement reached between the competent authorities of the Parties for the reimbursement of certain types of expenses.
3. Unless disclosure is required under the laws of a Party, any information about an individual 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 XII**

1. The relevant 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 XIII**

1. Any exemption from or reduction of taxes, legal dues, consular fees or administrative charges for which provision is made in the legislation of one 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 acts or 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 or similar formality.

## **Article XIV**

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

## **Article XV**

1. Any claim, notice or appeal which should, for the purposes of the legislation of one Party, have been presented within a prescribed period to a competent authority or institution of that Party, but which is presented within the same period to a competent authority or institution of the other Party, shall be treated as if it had been presented to the authority or institution of the first Party.
2. A claim for a benefit payable under the legislation of one Party shall be deemed to be a claim for the corresponding benefit payable under the legislation of the other Party provided that the person concerned, within six months of submitting the claim under the legislation of the first Party, submits a claim for a corresponding benefit under the legislation of the latter Party.
3. In any case to which paragraph 1 or 2 of this Article 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.

4. When, under the legislation of Finland, an additional amount is payable by an institution in Finland because of delay in processing a claim for a pension or other benefit, a claim submitted to the competent authority or institution of Canada shall, for purposes of applying the provisions of that legislation relating to such an additional amount, be deemed to have been presented on the date when that claim, along with all necessary enclosures, is delivered to the competent institution of Finland.

### **Article XVI**

1. The institution or authority 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.

### **Article XVII**

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.

### **Article XVIII**

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

**PART V  
TRANSITIONAL AND FINAL PROVISIONS**

**Article XIX**

1. 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 the Agreement.
2. 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 the Agreement.
3. Subject to paragraph 2 of this Article, a benefit, other than a lump sum payment, shall be paid under this Agreement in respect of events which happened before the date of entry into force of the Agreement.

**Article XX**

The Final Protocol shall form an integral part of this Agreement.

**Article XXI**

1. This Agreement shall enter into force, after the conclusion of the administrative arrangement referred to in Article XII, on the first day of the second month following the month in which each Party shall have received from the other Party written notification that it has complied with all statutory and constitutional requirements for the entry into force of this Agreement.
2. This Agreement shall remain in force without any limitation on its duration. It may be denounced at any time by either Party giving 12 months' notice by a diplomatic note to the other Party.
3. 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.

4. With the entry into force of this Agreement, it shall supersede the Agreement between the Government of Canada and the Government of Finland relating to the *Canada Pension Plan*, signed in Ottawa on December 31, 1966.

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

Done in two copies at Ottawa this 28<sup>th</sup> day of October 1986, in the English, French and Finnish languages, each text being equally authentic.

***For the Government of Canada***  
**JAKE EPP**

***For the Government of the Republic of Finland***  
**MATTI PUHAKKA**

# FINAL PROTOCOL TO THE AGREEMENT ON SOCIAL SECURITY BETWEEN CANADA AND THE REPUBLIC OF FINLAND

*At the time of signing the Agreement on Social Security between Canada and the Republic of Finland, the undersigned have agreed upon the following points:*

1. Paragraph 2 of Article III shall not apply:
  - (a) to extend the right to elect to be subject to the legislation of a Party under paragraph 4 of Article V to a person who is not a citizen of that Party;
  - (b) to extend the entitlement to a Finnish pension under Article X to a person who is not a Canadian citizen;
  - (c) to extend the right to be subject to the *Finnish National Pensions Scheme* to a person working outside the territory of Finland who is not a Finnish citizen.
2. In the application of paragraph 2 of Article III, as regards Finland, no account shall be taken of social security agreements or comparable international instruments concluded between the Republic of Finland and third States, or of laws or regulations which amend the legislation specified in sub-paragraph 1(b) of Article II for the purpose of giving effect to such agreements or instruments.
3. With reference to Article V of the Agreement:
  - (a) only a person who is ordinarily resident in the territory of Finland shall be subject to the legislation concerning the *Finnish National Pensions Scheme*; this shall apply even if, at the time, that person is subject to the legislation of Canada in respect of work done in the territory of Canada;
  - (b) a self-employed person who is subject to the legislation concerning the *Finnish Employment Pensions Scheme* pursuant to paragraph 1(b) in respect of work done for his or her own account shall be subject to that legislation in respect of such work only to the extent that it is done within the territory of Finland; and



- (c) where an employed person is sent from the territory of one Party to perform services in the territory of the other Party as referred to in paragraph 2 of Article V of this Agreement, no contributions shall be payable under the legislation of the other Party in respect of earnings from that employment.
- 4. Article X shall not entitle a person residing in the territory of Canada to a housing allowance under the *Pensioners' Housing Allowances Act*.
- 5. As regards Finland, the Agreement with Canada and understandings with provinces of Canada concluded pursuant to Article XVIII may include any aspect of social security within federal and provincial jurisdictions, respectively, in Canada.

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

Done in two copies at Ottawa this 2<sup>nd</sup> day of November 1994, in the English, French and Finnish languages, each text being equally authentic.

***For the Government of Canada***  
**JAKE EPP**

***For the Government of the Republic of Finland***  
**JORMA HUUHTANEN**