

## 2. General benefit factors

### (a) Factors applicable where death or disablement occurs at an age less than 65

For various individual ages on January 1, 1966, and various terminal ages (that is, ages at death or disablement), primary benefit factors were developed in the manner described for age retirement benefits in subdivision 3(b)(i) of Appendix 4 except that the primary contribution period was assumed to end at the terminal age instead of at age 65.

By interpolation between the primary benefit factors for individual ages, primary composite benefit factors were obtained for age groups 20-24, 25-29, . . . . . 55-59 and 60-64 for the years 1968, 1970, 1975 and quinquennial years thereafter.

Adjusted composite factors were obtained by multiplication of the primary composite benefit factors by benefit increase factors that took account of increases in the contributory earnings upper limits up to the terminal years.

### (b) Factors applicable where death occurs at age 65 or over

For deaths in the age group 70-74 in 1985, 70-74 or 75-79 in 1990, 70-74, 75-79 or 80-84 in 1995, and so on, both primary and adjusted composite benefit factors are identical with the corresponding factors for age retirement benefits.

For deaths in the age group 65-69 in 1980, 1985, and so on, primary and adjusted composite benefit factors are equal to the corresponding factors for age retirement benefits before multiplication by 0.5 for males and 0.75 for females. (It will be remembered that, for the age group 65-69, multiplication of the age retirement composite factors by 0.5 for males and 0.75 for females was necessary to allow for the fact that not all workers aged 65-69 who have contributed will be in receipt of age retirement pensions because some workers will still be contributing. This contingency is clearly not applicable in the case of deaths.)

For deaths in the age groups 65-69 and 70-74 in 1968 and 1970, 65-69, 70-74 and 75-79 in 1975, and so on, composite benefit factors were developed in a slightly different manner than the factors for age retirement benefits. The difference in development arose because

- (i) the reduction in age retirement pensions by reason of commencement within the first ten years of operation of the Plan does not apply to earnings-related death and widows' benefits, and
- (ii) the circumstance that age retirement pensions are not payable to all workers aged 65 to 69 because of continuation of contributions by some workers does not apply to earnings-related death and widows' benefits.

## 3. Development of death benefits

Numbers of deaths were developed for all of Canada and for Quebec separately for the years 1968, 1970 and 1975 and quinquennial years thereafter and the corresponding numbers of deaths for Canada excluding Quebec were obtained by simple subtraction. The development consisted of

- (i) calculation of one-year probabilities of dying for quinary age groups 20-24, 25-29, . . . . . 85-89 and 90 and over in accordance with the mortality rates of the applicable (Canadian and Quebec) Life Tables, 1950-52 and 1955-57, and the projected mortality rates for the year 2000 and after,
- (ii) determination of the corresponding one-year probabilities for the years 1968, 1970, and so on, by interpolation, and
- (iii) application of the one-year probabilities to projected populations.