

**Table 6**

Percentage of widowed and non-widowed women under age 65 reporting welfare income, 1985.

Widowed	% reporting welfare
no children	15.1
at least one child	25.0
<u>Non-widowed</u>	
no children	4.5
at least one child	7.1

Source: Statistics Canada

In its consideration of changes to the CPP, the Committee was concerned that proposals not result in marked increases to CPP expenditure. As a self-supporting plan, all increases in expenditures must be passed through to Canadian workers and employers in the form of higher premiums. The changes proposed in the Consultation paper would require higher contribution rates at some point before 2026. It is the view of the Committee, that changes to the CPP should not result in significantly higher premiums. For this reason, the enhancements to children's benefits should keep within the overall costs proposed in the Consultation Paper.

By recommending a reduction in the level of the temporary bridging benefits, the increase in expenditure will be markedly reduced. These funds, removed from the temporary benefit, could be provided to dependent children in order to better target survivors' benefits. Thus, enhancements to children's survivors' benefits would not necessarily result in increases above those proposed in the Consultation Paper.

The shift of some survivors' benefits to the dependent children of deceased contributors addresses several concerns raised in the Consultation Paper and by witnesses before the Committee. First, changes in family structure now require the CPP to better target benefits to surviving children. According to the consultation Paper:

...the increase in divorce and remarriage, and in the number of one-parent families, has resulted in marriages that now are often of shorter duration. This has led to an increase in family situations where the dependent child of a contributor may not live in the same household as the surviving spouse, and may not be able to count on the surviving spouse for financial support.

Second, enhanced children's benefits will recognize the continuing labour force adjustment difficulties faced by survivors with dependent children. The need to fulfill the roles of parent, homemaker and breadwinner pose financial burdens on the surviving spouse and make full-time labour force participation more difficult.