

ans' legislation and in ensuring that the contribution made to the national interest by those we refer to as veterans is adequately recognized. I believe that the bill before us reflects that concern of this government and of this House. I hope the House will ensure speedy passage of this bill for early incorporation in the veterans' charter.

Mr. William Knowles (Norfolk-Haldimand): Mr. Speaker, it gives me pleasure, on behalf of the official opposition, to speak in support of Bill C-86 as presented by the Minister of Veterans Affairs (Mr. MacDonald). This is a routine bill to amend the Veterans Insurance Act and the Returned Soldiers' Insurance Act. It will allow insured persons and beneficiaries to opt for certain variations in the manner of payment under contracts of insurance. It will also deem designated beneficiaries, under prescribed circumstances, to be surviving spouses of the insured.

As the acts now stand, payment to a beneficiary under an insurance contract is as a lump sum not exceeding \$2,000 with the remainder, if any, payable in some form of annuity as decided on by the insured person. The amendments in Bill C-86 would give the insured person the option to decide that the beneficiary should be paid the full face value of the policy or a lesser amount with the remainder to be paid in some form of annuity as decided on by the insured person.

Additional amendments in Bill C-86 give the beneficiary the right, after the death of the insured person to opt to be paid the commuted value of all future annuity payments in a lump sum or to opt for some other combination of lump sum and annuity payments. In other words, the beneficiary can, after the death of the insured person, alter the terms of payment of the policy. I think this removes the rather paternalistic way in which the act has had to be administered in its present form. It has been sort of a "father knows best" situation, a situation in which only the department knew how these benefits should be distributed. I think a realistic approach has been taken in respect of this change. I think it is a realization of the fact that the veteran's beneficiary has better knowledge of the financial situation in which he or she may find themselves after the death of the insured.

Clause 4(2) and clause 6(6) amend the acts for the benefit of common law spouses. We know the officials of the department have run into some difficult situations where the surviving spouse has perhaps lived with a veteran for up to 30 years as man and wife, but on the basis of the present legislation was deprived of benefit under the act. These amendments, as I say, provide that an insured person may designate as a beneficiary, as if that person were his spouse, someone with whom he had been living immediately prior to his death for a period of not less than three years if a previous marriage of one of the persons prevented their remarriage, or not less than one year if there was no prohibition against their marrying. This provision—I think this is an important aspect—is subject to the discretion of the minister who must be satisfied that the two lived together and represented themselves as man and wife. A new amendment to the acts would allow payment to be made to the deemed spouse even if the insured misrepresented his relationship to that spouse.

I think this clause which gives ministerial discretion is a mechanism to correct any obvious injustices arising out of

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a common law relationship and greatly changes the position of a surviving spouse of a legal marriage. There has been some question about this, but it seems to me that the ministerial discretion here is most important. I am sure the minister will exercise the proper discretion should some dispute arise between the spouse by a legal marriage and the common law, surviving spouse. It appears that nothing in this legislation affects the validity of any payment of insurance money made to a beneficiary under the terms of the Veterans Insurance Act of the Returned Soldiers' Insurance Act prior to the coming into force of this new act.

This bill allows greater flexibility to both the insured person and the beneficiary in respect of how insurance should be paid. It also meets the case of common law spouses. We in the opposition see no reason to oppose passage of this bill. The members of the official opposition who are interested in this legislation have discussed it with veterans. I can indicate to the minister that there will be no opposition to its passage. I assure the minister we will give third reading to the bill this day or, I might say, at this hour.

Mr. Knowles (Winnipeg North Centre): Five o'clock.

PROCEEDINGS ON ADJOURNMENT MOTION

[English]

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

Mr. Speaker: It being five o'clock, it is my duty, pursuant to Standing Order 40, to inform the House that the questions to be raised at the time of adjournment this evening are as follows: The hon. member for Calgary Centre (Mr. Andre)—Government Administration—Alleged discrepancy between item in estimates and in pamphlet "How your tax dollar is spent"; the hon. member for Winnipeg North (Mr. Orlikow)—Research—Suggested reconsideration of freeze on funds; the hon. member for Surrey-White Rock (Mr. Friesen)—Penitentiaries—British Columbia—Request for report on seizing of hostages.

Before proceeding with private members' hour, I indicated earlier that I had hoped, on the point of order raised by the hon. member for Red Deer (Mr. Towers) concerning the difficulty with regard to Bill S-10, I would be able to come back at this hour with a decision. It will not, regrettably, be possible to deal with this matter until tomorrow.

Mr. Knowles (Winnipeg North Centre): I rise on a point of order, Mr. Speaker. When I called it five o'clock, I hope it did not sound as though I were disagreeing with the hon. member for Norfolk-Haldimand (Mr. Knowles) when he suggested that we could dispose of this bill in this hour. If the House would like to suspend private members' business in this hour to deal with Bill C-86, I should be quite happy.