

Hon. Mr. McCUTCHEON: Let me turn to the benefit for orphans. Again I am not speaking about the subsequent entering into the labour force 50 years from now and getting a pension. Today's orphans obtain no benefit under the plan.

Dr. WILLARD: No; they would have to be covered by mothers' allowances as some are now.

Hon. Mr. McCUTCHEON: But under this plan there is no benefit.

Dr. WILLARD: That is right.

Hon. Mr. McCUTCHEON: And I take it their situation is the same as the widow; it is only persons who become orphans subsequent to January, 1968, who benefit.

Dr. WILLARD: That is right.

Hon. Mr. McCUTCHEON: Persons who presently are disabled obtain no additional benefits under this plan.

Dr. WILLARD: That is right.

Hon. Mr. McCUTCHEON: At what stage will disability benefits be paid under this plan to any individual?

Dr. WILLARD: February, 1970. There is a five year eligibility requirement. Where it is three years in the case of widows and orphans, it is five years in the case of the disabled.

Hon. Mr. McCUTCHEON: A person disabled prior to 1970 obtains no benefit under this plan.

Dr. WILLARD: That is correct.

Hon. Mr. McCUTCHEON: If you take a person who will be 60 on the first of January, 1966, and who is in covered employment, and who has a covered income of \$5,000 a year, what will be the total contributions he will make, assuming he lives for ten years?

Dr. WILLARD: If he contributes from age 60 to age 70?

Hon. Mr. McCUTCHEON: Right.

Dr. WILLARD: About \$792, I believe.

Hon. Mr. McCUTCHEON: Something of that order. I think it is a little less, but it would be something of that order. What pension does he receive?

Dr. WILLARD: Well, he would receive \$104 a month for as long as he lives commencing at age 70.

Hon. Mr. McCUTCHEON: Would you tell me what that is worth on an actuarial basis? He has contributed \$792; what is that pension worth?

Dr. WILLARD: I do not have those figures here, but I will obtain them for you.

Hon. Mr. McCUTCHEON: In advance of getting those figures, would you agree with me that this is the man who receives the greatest benefit from this operation?

Dr. WILLARD: That is correct. In a system which provides for a transitional period, it tries to get to full benefits in that period.

Hon. Mr. McCUTCHEON: I will correct myself. I think the man who is aged 55 and who retires at age 65 probably receives the greatest benefit.

Dr. WILLARD: Let us put it this way; the people in the older age groups will benefit more than people in the younger age groups because the pension system tries to get to full benefits over a period of ten years.

Hon. Mr. McCUTCHEON: Could you let me have the value of the pension of \$104, and whatever number of cents it is a month at both age 65 and age 70.

Dr. WILLARD: Yes; we can obtain that information for you.