

Mr. KNOWLES: Isn't this the section that provides the new types of contracts that have been mentioned. In line 19 where we have the kind of contract we always have had.

2. Sections four, five, six and seven of the said Act, and section eight of the said Act as amended by section one of chapter thirty-three of the statutes of 1931, are repealed and the following substituted therefor:

*Annuity contracts authorized*

"4. (1) Subject to this Act and the regulations, the Minister may, on behalf of His Majesty, enter into a contract for the payment of an immediate or deferred annuity

- (a) to any person who is resident or domiciled in Canada at the time the contract is entered into,
  - (i) for the life of the annuitant,
  - (ii) for a term of years certain, not exceeding twenty years, or for the life of the annuitant, whichever period is the shorter,
  - (iii) for a term of years certain, not exceeding twenty years, or for the life of the annuitant, whichever period is the longer, or
  - (iv) for a term of years certain not exceeding twenty years;
- (b) to any two persons who are resident or domiciled in Canada at the time the contract is entered into, during their joint lives with continuation to the survivor for his life; or
- (c) to any person during his life and, upon his death, to another person for his life, if both persons are resident or domiciled in Canada at the time the contract is entered into;

and any contract entered into under this section may provide that before the annuity becomes due and payable, the terms of payment may be altered to provide for the payment of any other type of annuity mentioned in this section.

*Combination of annuity types*

(2) A contract entered into under paragraph (a) of subsection one may provide for the payment of a combination of two or more of the types of annuities described in that paragraph, and a contract entered into under paragraph (b) or (c) of subsection one may provide for the alteration of the amount of the annuity upon the death of one of the annuitants.

Mr. C. R. McCord, Director of the Annuities Branch, Department of Labour, called:

Mr. KNOWLES: The same is true, starting at line 20. But starting at line 23 we have a new type of contract for a term of year certain not exceeding 20 or for the life of the annuitant, whichever is the longest.

Mr. CÔTÉ: That is not new.

Mr. KNOWLES: I am sorry, it is the next one. The first three are old and the fourth one is the new one. There is nothing there to narrow the period in which that can be taken out, is there? It can be taken out from 20 to 40 or 60 to 80; it could, in other words, be taken out for some special purpose other than retirement—a person could take it out for the education of his children?

The WITNESS: Yes. It could be taken out for any period of time earlier than from 65 to 70, we will say.

Mrs. FAIRCLOUGH: And payable at any stipulated date.