

Hon. Mr. McCUTCHEON: If he is age 68 now, he would be 70 some time in 1966. Would he benefit?

Dr. WILLARD: Yes. He could have contributed in 1966.

Hon. Mr. McCUTCHEON: For part of a year.

Dr. WILLARD: Yes, provided his earnings are over the minimum he would receive one tenth of the full benefit on the basis of that contribution.

Hon. Mr. McCUTCHEON: Would any person who has retired from the labour force, or who will retire from the labour force prior to the first of January, 1966, benefit from this plan?

Dr. WILLARD: Are you assuming he remains retired or stays retired continuously?

Hon. Mr. McCUTCHEON: I am assuming he is retired at age 65 on a very generous private pension plan and is not on the labour force.

Dr. WILLARD: No. This is an earnings related plan and unless he comes back into the labour market and has earnings in covered employment or is a self-employed person, he would not be covered by the plan.

Hon. Mr. McCUTCHEON: Will persons who are widows or who are widowed prior to January 1, 1966, benefit from this plan?

Dr. WILLARD: Prior to January, 1966?

Hon. Mr. McCUTCHEON: Yes.

Dr. WILLARD: There would not be an opportunity to contribute prior to that time.

Hon. Mr. McCUTCHEON: Dr. Willard, I want to put this on the record and perhaps I could do it much quicker if you would say yes or no. The answer is no.

Mr. BASFORD: The witness should be allowed to answer the question without being interrupted.

Dr. WILLARD: There really are two answers to that question.

Hon. Mr. McCUTCHEON: Let us have both.

Dr. WILLARD: It is no, if she remains out of the employment market; but there are many widows who will come back into the employment market.

Hon. Mr. McCUTCHEON: I am talking about purely the widow's pension.

Dr. WILLARD: It is yes, in a case where she remarries or in a case where she goes back into the employment market and earns a benefit in her own right, so you have perhaps three situations.

Hon. Mr. McCUTCHEON: Let us take the case of a woman who is married today, and we will limit discussion to the benefits she might obtain upon losing her present husband; we will not worry about her future husbands. How long must her husband live before she will obtain any benefit? We will assume he is in covered employment.

Dr. WILLARD: He must have contributed for three years. Provided in the third year he had a month's contribution, which would mean earnings over the \$50 basic exemption calculated on a monthly basis, it would be possible for the widow to be qualified after the husband had contributed for two years and one month. If the husband then died, she would be entitled to a widow's benefit.

Hon. Mr. McCUTCHEON: So, the widow's benefit will be first paid to persons who become widows in, let us say, February, 1968.

Dr. WILLARD: Yes; that would be the earliest.

Hon. Mr. McCUTCHEON: Persons who are widowed prior to that or who presently are widows have no immediate benefit.

Dr. WILLARD: That is right.