Women now over 65 who are alone because they are widowed, divorced or single are likely to be poor. They receive only the public pensions OAS-GIS, perhaps a Canada-Quebec Pension Plan pension if they were in the labour force after 1966, and perhaps a Canada-Quebec Pension Plan survivor benefit if they are widows. Low-paying jobs, the high proportion of women among part-time workers, the fact that they are out of the paid labour force frequently to bear and raise children, and private pension plans that have long vesting requirements, poor portability and survivorship benefits, all mitigate against reasonable pensions for women. For all these reasons, women's groups have insisted that the problem of pensions is largely a women's problem.

Although there is a large increase of women in the paid labour force in recent years, the role of women as homemakers will not soon disappear. Homemakers include not only those with little attachment to the labour force, but also those with some or full attachment. The task force proposal on homemakers' pensions would benefit 1.7 million women who are in the labour force part-time, or full-time at low pay, and 1.5 million women who are full-time in their homes. Since the Canada-Quebec Pension Plan was established in 1966, women have asked that homemakers be included in the plan.

The Canada-Quebec Pension Plan was intended to provide pensions for Canadian workers and women who run a household, care for children, husbands and other relatives, or do work that has a real economic value to Canada. They deserve pensions in their own right. It would also provide increased protection for women in the case of marriage breakdown.

Most of the women's groups which came before us asked for homemakers' pensions within the Canada-Quebec Pension Plan, and all eight Liberal and Conservative MPs on the task force agreed. We recommended that a homemaker pension be available to those who work in the home, full or part time, who care for a spouse, a child under 18, or an infirm adult relative living at home. A homemaker would be deemed to earn one-half the average industrial wage, or to have employment earnings topped up to one-half of the average industrial wage, or about $10,000. We suggested that homemakers' pensions should start in 1986 at $129 a month and increase to $194 a month in 1984 dollars by 1996. There would be some retroactivity. Those who have reached 65 years of age since 1976 would also receive $129 a month, and those who reached 65 from 1966 to 1976 would receive a portion of the $129 monthly if their earnings had been less than one-half the average income wage.

The initial cost of the homemakers' pensions would be about $900 million a year with the spouses of homemakers paying between two-thirds and three-quarters of that amount; the balance would be paid by all CPP contributors by adding an additional 0.3 per cent to the CPP contribution rate.

Our task force also recommended that Canada-Quebec Pension Plan credits be split automatically when the younger spouse reaches 65, at marriage breakdown, or when one of the spouses dies.

We also recommended that the current Canada-Quebec Pension Plan survivor benefits for spouses over the age of 65 be replaced by a formula that would generally result in 65 per cent of the family's Canada-Quebec Pension Plan's retirement benefits continuing for the surviving spouse and that a prorated survivor benefit be paid to a divorced spouse. Survivors' pensions would no longer be terminated when the survivor remarries.

Our task force also recommended that the general drop out provision in the Canada-Quebec Pension Plan be increased from 15 per cent to 25 per cent of the lowest earning years rather than 40 years, and if more than 12 years were spent in looking after children under seven years the extra years would be deducted also.

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Finally, with respect to the CPP the task force recommended that people could choose to start taking the pension benefits any time between ages 60 and 70, subject to the appropriate actuarial adjustments. This would significantly help many between 60 and 65 who had been in the labour force for a great number of years but who either could not find work or wished to retire before age 65.

Any changes to the Canada Pension Plan, including our recommendations regarding homemakers' pensions, can only be made with the consent of two-thirds of the provinces having two-thirds of the population. However, the provinces are anxious to commence negotiations for higher CPP contribution rates, which should be increased from the present 3.6 per cent gradually to between 8 per cent and 9 per cent of payroll over the next 25 years to put the CPP on a proper pay-as-you-go basis with a modest reserve. Accordingly, now is the ideal time to have the provinces seriously consider all of our recommendations regarding the CPP, not only to put it on a sound financial basis, but to agree to the various improvements that we have suggested for the benefit of all Canadians.

It is generally agreed that 70 per cent to 75 per cent of pre-retirement income is required to maintain living standards after retirement. For a person who had been making the average industrial wage, the OAS and C/QPP pensions would total only about 39 per cent of pre-retirement earnings, but another 36 per cent would have to be obtained from private occupational pensions, or from savings of various kinds, to make up the 75 per cent earning replacement figure. However, now only one-half of men and less than one-third of women in the paid work force are covered by private pension plans and most of those plans have long vesting rules, little portability from job to job, almost to inflation protection, poor survivorship benefits and little coverage of part-time workers.

Although about 90 per cent of the occupational pension plans fall under provincial jurisdiction, the federal Government can lead by example in the 10 per cent where it has jurisdiction and by amending the federal Pension Benefits Standards Act and income tax legislation.

With respect to occupational pension plans, our task force recommended more representation by active workers and