

issue was explained very clearly. I read from their brief. The heading is "Spouses Denied All Benefits":

Many spouses who were married 20, 30, 40, 50 or more years, who shared the contribution years, supported all the employment, carried all the family responsibilities, bore the children; lost their own employment, pension and earning opportunities, may have represented Canada side by side; and many who carry exclusive ongoing family medical and other responsibilities; and many who planned for their retirement very responsibly; are increasingly denied all their share of veteran's, public service, military, Canada Pension Plan, Widow's Allowance, Supplementary Death Benefits, insurance and R.S.P. benefits.

They refer to an attached example. This particular issue was discussed on a number of occasions in the committee. The Organization of Spouses of Military Members raised the issue, as did the Canadian Pensioners Concerned Incorporated.

I asked the department officials about that matter in committee on Thursday last, September 17, and we discussed it at some length. In fact, there seemed to be a general consensus among members of the committee that when this situation arises, when a pensioner dies leaving a legal spouse and a common-law spouse, the division of the pension survivor benefits may not be very fair, and there seems to be nothing in the legislation to deal with this issue.

Why was this issue not addressed by Bill C-55? Why was the bill not fashioned so that ex-spouses could collect their fair share of pension and survivor benefits? Of course, in every case where such benefits are an issue, they are an important issue. In every case the dollar sums may seem small, but to the people concerned they can be the difference between ground beef and dog food.

Why include the requirement for a court order or spousal agreement instead of recognizing the inherent right that ex-spouses have to a share of pension survivor benefits, earned by the plan member, to which they contributed.

Are we satisfied to allow this issue to remain unresolved, and do we believe that it will be rectified in the future? The problem was recognized in the committee's report on the bill, item 4 on page 3, where it says.

In particular, your committee is of the opinion that the existing measures regarding survivor benefits can and should be altered to provide for the possibility, where appropriate application is made, of survivor benefits being paid on a *pro rata* basis both to the legal or common-law spouse and to any previous spouse or spouses including separated and divorced spouses without regard to their current marital status.

The committee not only recognized the problem but it recommended a solution. The recommendation that the benefits be divided on a *pro rata* basis was supported by many of the witnesses testifying before the committee.

[Senator Frith.]

Earlier this week, I received a letter from Joyce Stothers, Chair of the Committee for Spousal and Children's Pension Survival and Related benefits, urging that we make such a recommendation in our report. She recommended in her handwritten letter:

The spouse who shared the largest part of the contribution years should be permitted to remain in the pension plans eligible in accordance with the member's eligibility to a share of the monthly allowance and all the associated benefits of these defined benefits plans, like others in the plan.

If there are other spousal claimants, spouses who shared a lesser part of the contribution period could be awarded this percentage share . . .

Unfortunately, the committee did not investigate the possibility of recommending an amendment to deal with this issue. I am not quite sure that an amendment to Bill C-55 could rectify this problem, but it should be rectified. I say that because the breakdown of marriages and the resulting legal ramifications are essentially a matter of family law which is within provincial jurisdiction. This bill will allow the federal bureaucracy to respond to court orders made in provincial court, and to spousal agreements.

The problem could be dealt with in two ways: An order by a provincial court or an agreement between the spouses. Then the federal bureaucracy can respond. The end result would be that when one spouse is required to turn over a certain portion of his or her pension, the federal government will issue two cheques; one to each spouse.

The bill does not change existing provincial family law. Perhaps that is where the changes need to be made. If a provincial court would order a *pro rata* provision of pension credits, this bill may allow the federal authorities to carry out the wishes of that court, really as an administrative and implementing act.

This is an issue that I hope will be taken up by the pension advisory committee when they finally do meet, as the committee urged that they do. I compliment the committee on its report on that phase because these advisory committees have not been meeting, and these issues are all eminently appropriate for consideration by such an advisory committee to the department. I say "eminently", because the people who are and who will be on the committee are all persons expert in the field and, in most cases, experienced in the plans and the problems arising therefrom.

My third and last point deals with disability pensions. We talked about pension credit splitting between spouses, but another area which the committee found a bit worrisome were disability pensions. I raised with the Minister, as did others, the question of how Bill C-55 would affect disability pensions.

I have concerns with the division of disability pensions in the event of a marriage breakdown. We are still talking about the problems of marriage breakdown, but we are talking now