

hand if a disabled person recovers, his annuity is suspended until in the normal course of events it would again become payable or, being re-employed, he becomes entitled to a new annuity based on the combined periods of service.

Benefits to Widows and Children

In the event of the death of a contributor who was entitled to receive annuity benefits or could have received them had he retired, his widow and children are entitled to annual allowances payable immediately.

As already indicated, the formula used in calculating the widow's allowance is the same as that described in the case of the husband except that it is 1 per cent of the average salary used in his annuity formula instead of 2 per cent. This formula is normally used regardless of the fact that the husband may have died while still employed, during the deferred period after resigning before sixty, or while in receipt of an annuity either in full or on the actuarially reduced basis. A reduction would occur, however, for various reasons, for example, if he had been in default on contributions for service which would be taken into account in applying the benefit formula, or if the widow elected to pay the succession duties attributable to her allowance out of the Superannuation Account, or if the husband had been convicted of an indictable offence committed while he was employed in the Public Service. In addition an actuarial reduction would be made if the widow was younger than the husband by twenty years or more.

Allowances are payable to each child under eighteen years of age up to a total of four children on the basis of one-fifth of the widow's allowance. Where there is no widow surviving, allowances are payable to each orphaned child up to a total of four on the basis of two-fifths of the allowance that would have been payable to the widow. If the husband died within five years of marriage the allowance to the widow and children is subject to reduction "if the Treasury Board is not satisfied that anticipation of impending death was not a consideration affecting the agreement to marry". This reduction factor diminishes with time within that period.

A widow's allowance is suspended on her remarriage but would be resumed on her becoming a widow again so long as she had not in the meantime chosen to take a lump-sum settlement of the difference between her former husband's contribution and the benefits received, as she could have done once all their children were over the age of eighteen.

The general rule is that where marriage takes place after retirement there are no annuity benefits available to the widow on the husband's death. However if the husband in such a case is re-employed after the marriage and becomes a contributor again, his widow would have entitlement in the ordinary way. Similarly, in most cases, children born after the contributor's retirement would not have any entitlement to an annuity. One exception to the latter would arise in the case of a posthumous child of a contributor who died while still employed in the Public Service.

Residual Amounts

In any event, after all other possible benefits have been paid their total does not exceed the contributor's contributions, then the balance is payable to his estate or as authorized by the Treasury Board if the balance is less than \$500.

RE-EMPLOYED PERSONS

If a person who is entitled to or has been granted an annuity or annual allowance is re-employed under circumstances such that he does not become a contributor again, he may receive his annuity in full in addition to his new