

a lump-sum death benefit; and disability benefits comprising pensions for disabled contributors and benefits for their dependent children. Summary statistics on benefits being paid out of the Canada Pension Plan as at March 1972 appear in Table 6.2.

Beginning in 1970, retirement pensions became payable to contributors aged 65 years or over provided that, if under age 70, they are retired from regular employment; a person under age 70 in receipt of a retirement pension must meet an earnings test. For contributors who have reached age 70, retirement pensions are payable regardless of whether or not they are retired. They become payable at their full rate beginning in January 1976. This rate amounts to 25% of what the updated pensionable earnings of contributors have averaged since January 1, 1966. Contributors who become eligible for retirement pensions prior to 1976 receive reduced amounts. (The method of calculation of these benefits is discussed in detail in previous editions of the *Canada Year Book*.)

Survivors benefits are paid to or on behalf of the survivors of a deceased contributor who has made contributions for the present minimum qualifying period of three years for those whose benefits commence before 1975.

A woman who is widowed between ages 45 and 65 is entitled to a widow's pension consisting of the flat-rate payment plus 37½% of her husband's retirement pension. For 1973 the flat-rate component is \$28.15. Should her husband not be in receipt of a retirement pension at the time of his death, such a pension is calculated in the prescribed manner for the purposes of computing the amount of the widow's pension. If a woman is widowed under age 45, the same pension is paid provided she has dependent or disabled children or is herself disabled. If she does not meet any of these requirements, her pension is reduced by an amount equal to 1/120 for each month she is less than age 45 at the time of her husband's death. Accordingly, if a woman is widowed at age 35 or less, and has no dependent or disabled children and is not herself disabled, she will not receive a widow's pension until she reaches 65 years of age, unless she becomes disabled in the meantime.

A widow aged 65 or over receives a widow's pension equal to 60% of her husband's retirement pension, regardless of her age at the time her husband died or whether she was receiving a widow's pension before she became 65. Again, if her husband was not in receipt of a retirement pension at the time of his death, one is calculated in the prescribed manner in order to compute the amount of the widow's pension. Women who receive widow's pensions may also have contributed to the Canada Pension Plan themselves and consequently may be entitled to retirement or disability pensions in their own right. In such cases, the widow's pension will be combined with the other pension, in accordance with a prescribed formula, but the combined total cannot exceed the maximum retirement pension payable under the Act.

A disabled widower's pension is payable to a disabled widower if he was wholly or substantially dependent on his wife for financial support at the time of her death. The test of disability is the same as that for a person who claims a disability pension and the pension formula is the same as that for a widow aged 45 or more.

Orphans benefits are payable on behalf of a deceased contributor's unmarried dependent children. The rate for each of the first four children is equal to the flat-rate component of the widow's pension (\$28.15 for 1973); for more than four children the total benefit, which is divided equally among the children, is the sum of \$28.15 for each of four, and half of that amount for each child in excess of four. Benefits are payable until the child reaches age 18 or up to age 25 if he continues to attend school or university full-time.

A contributor is considered to be disabled if he has a physical or mental disability that is so severe and likely to continue so long that he is incapable regularly of pursuing any substantially gainful occupation. Disability pensions, plus benefits for the dependent children of disabled contributors, are available provided contributions have been made to the Plan for the present minimum qualifying period of five years. The amount of the pension consists of a flat-rate payment equal to the flat-rate component of a widow's pension plus 75% of what the contributor's monthly retirement pension would have been had he reached age 65 when his disability pension commenced. Benefits are payable on behalf of a disabled contributor's dependent children at the same rates and under essentially the same circumstances as the orphans benefits.

When a contributor dies, a lump-sum death benefit equal to six times his monthly retirement pension is paid to his estate. This benefit is subject to a maximum of 10% of the maximum on pensionable earnings. Should a contributor not be in receipt of a retirement