

VETERANS SURVIVORS FUND

- Veterans' spouses and common-law partners play a crucial role in caring for Veterans. The Government of Canada is committed to ensuring that those who served, and their survivors, have the support they need.
- In Budget 2019, the Government committed to help survivors who entered into relationships with Veterans on or after the Veteran's 60th birthday with the financial support they need.
- Veterans Affairs Canada worked with Statistics Canada and the Canadian Institute for Military and Veteran Health Research to learn about these survivors. The Department is using the research to determine how best to support these survivors.
- In 2022, the Standing Committee on Veterans Affairs undertook a study to review restrictions in survivor pension benefits, commonly referred to as "Marriage after 60" provisions.
- As stated at the Standing Committee on Veterans Affairs on October 19, 2023, this is a top priority of mine. I am fully committed to working to implement a program to ensure these surviving spouses are supported in their time of need.

WHEN PRESSED:

Q1 – The Veterans Survivors Fund won’t address the issue of the marriage after 60 clause. Are you considering removing the clause?

The “marriage after 60 claw-back clause” refers to a provision in the *Canadian Forces Superannuation Act* which falls under the authority of the Minister of National Defence. Changes to the Act would be made by the Minister of National Defence. Veterans Affairs Canada is exploring how best to recognize the support these survivors provided to Veterans within its mandate.

Q2 – The Veterans Survivors Fund was announced in 2019. Why has nothing been done yet?

When the Budget 2019 commitment was made to develop a Veterans Survivors Fund, little was known about the survivor population and who may benefit from this Fund. In order to develop informed options to support these survivors, Veterans Affairs Canada had to understand their needs. Veterans Affairs Canada is exploring options about how best to support these survivors.

Q3 – When will the Government be distributing the funds?

The Government continues to explore options to best support this group of survivors including considering the recommendations from the ACVA report.

BACKGROUND — VETERANS SURVIVORS FUND

It has been a long standing concern that spouses who marry Veterans after the Veteran turns 60 are not entitled to automatic survivor pensions under the *Canadian Forces Superannuation Act* (CFSA). If the CFSA recognized these surviving spouses, then survivors would not only receive pension benefits, but would also be entitled to coverage under the Public Service Health Care Plan and Pensioners Dental Care Plan. The responsibility for the CFSA lies with the Minister of National Defence.

North Island-Powell River MP Rachel Blaney, NDP Critic for Veterans Affairs, has tabled [private member's bill C-221](#) to eliminate the marriage after 60 clause from the CFSA. The first reading of the bill was December 16, 2021.

Although Veterans can obtain coverage for an otherwise ineligible survivor through the Optional Survivor Benefit, less than 1% of CAF superannuation pensioners choose this option. Under this arrangement, the Veteran opts to immediately reduce their CAF superannuation pension payments (by 30% – 50%) in exchange for a future survivor pension, payable only if the Veteran passes away before their spouse.

In 2019, \$150 million was committed over five years to establish a Veterans Survivor Fund to “better support Veterans who married over the age of 60 and their spouses.”

In February, 2021, VAC received the results of research conducted in collaboration with Statistics Canada and the Canadian Institute for Military and Veteran Health Research (CIMVHR) to identify the size and characteristics of the survivor population. Statistics Canada analyzed many years of available income tax data and reported that, as of 2018, there were an estimated 4,490 persons who:

- had married or entered into a common-law relationship with a Veteran
- and where the relationship began on or after the Veteran's 60th birthday
- and where the Veteran was in receipt of a CFSA pension
- and where the Veteran had since passed away

This research revealed the following information about this group:

- A total of 4,490 living survivors entered into a relationship (married/common-law) with a Veteran (CAF Superannuate) on or after the Veteran's 60th birthday.
 - Virtually all were female
 - Most (90%) were age 70 or older
 - Overall, their incomes were higher than other similarly aged Canadian females (i.e., median income of \$34,900 -vs- \$25,600)
- Of these 4,490 VSF survivors:
 - 850 (19%) had incomes below the Low Income Measure (\$24,890 before-tax); and
 - 1,220 (27%) were in receipt of the Guaranteed Income Supplement.

- The increase to the Old Age Security (OAS) announced in Budget 2021 (a 10% increase to the OAS pension for those 75 years and older beginning in July 2022) may address the income issues for the majority (approximately 75%) of these survivors.
- It is anticipated that the OAS increase will result in less than 250 VSF survivors having incomes below the Low Income Measure used in that analysis.
- In 2022, the Standing Committee on Veterans Affairs (ACVA) undertook a study to review restrictions in survivor pension benefits, including those in the CFSA (commonly referred to as “Marriage after 60” provisions) and other related pension schemes. The study focused on the financial concerns of these survivors as well as possible impacts that the VSF may have. This report was presented to the House on December 14, 2022.
- This report included two recommendations on the Veterans Survivors Fund:

Recommendation #6: That Veterans Affairs Canada use the research and data provided by Statistics Canada and the Canadian Institute for Military and Veteran Health Research to identify survivors and immediately distribute the \$150 million Veterans Survivors Fund, focusing on those most in financial need, and publicly provide the formula and calculations for the funding allotment.

Recommendation #8: That the Minister of Veteran Affairs work with the RCMP and the RCMP Veterans Association to ensure survivors of RCMP Veterans will receive an equitable portion of the Veterans Survivors Fund.

- A Government Response was tabled on March 30, 2023 for recommendations #6 and #8:

Recommendation #6:

VAC is currently using the research and data provided by Statistics Canada and the Canadian Institute for Military and Veteran Health Research to determine how best to support these survivors, including those who are most in financial need. Once this direction is confirmed, VAC will provide an update on the VSF.

Recommendation #8 :

VAC will work closely with the RCMP to explore options to possibly include the survivors of former RCMP members as eligible recipients under the Veterans Survivor Fund.