

# Why your spouse may not qualify to receive your CBC pension when you die



***The federal government and the Corporation are clinging to an antiquated, sexist law called “the gold-digger’s clause” even though the CBC could act on its own and drop the law for its pensioners***

**By Talin Vartanian**

Even though Dino Di Gregorio has been married for 16 years, his wife Manuela will be denied his CBC pension when he dies. That’s because of several antiquated, sexist, and patently unfair federal laws. They affect thousands of Canadians: public servants; veterans; Mounties; people who work in federally regulated workplaces, such as airlines; and employees of Crown corporations, including the CBC.

These contentious laws say that only the person to whom you were married at the time you retired qualifies as a beneficiary of your pension.

When Dino Di Gregorio grabbed a golden parachute in 1997 and jumped ship from the CBC, he was at the top of his game as a video editor,



and just 49 years old. He’d been at the Corporation for more than three decades, working on a wide variety of programs in sports, music, variety, drama, and children’s television. He was also a widower. His wife Maria had died five years earlier, due to a botched operation. In 2006, Di

***<-Talin Vartanian was a CBC Radio producer for 43 years. She worked on Morning-side, As It Happens and The Sunday Edition. She was also the creator and executive producer of Canada Reads. She is currently a member of the PNA’s Communications Advisory Board.***

Gregorio re-married, and he expected his CBC pension would support his new wife Manuela, after he died. Years later, he learned through someone at the CBC Pensioners National Association (PNA) that it would not.

“I think it’s unfair,” Di Gregorio says. “Being still young, I met someone else and got married. She has no entitlement to my pension, and I don’t think it’s right.”

## Pension from Page 1

Rick Inglis of Kelowna, B.C., and Maurice Gill of Frelighsburg, P.Q., strongly agree. It's not personal for them, it's about the principle. They are PNA members and co-chairs of the [Surviving Spouses Pension Fairness Coalition](#) (SSPFC). It represents 22 organizations that are fighting for reform, including the Canadian Nurses Association, the Canadian Labour Congress and the Council of Canadians. They are also fighting for the rights of common law and same-sex couples.

Inglis credits the late Ray Waines, who served as president of PNA'S B.C. Southern Interior Chapter, for spearheading the Association's campaign to fight this law. Waines had heard about a tragic case: A CBC employee had retired early to care for his wife, who had terminal cancer. When she died, and the pensioner remarried three years later, his second wife did not qualify as a beneficiary of his pension, even though they had been married for about thirty years.

The history of this injustice dates to the late 1800s, when young women in the U.S. married veterans of the Civil War in what were called "deathbed marriages," allow-



**Rick Inglis**

ing them to collect their husbands' pensions long after they died, sometimes for decades. There was a similar trend in Britain when soldiers returned home from the Second Boer War. Both the U.S. and the U.K. passed laws to close the loophole. Canada, with soldiers fighting alongside the Brits in the Boer War, followed suit with what's been dubbed "the gold-digger's clause" in the Militia Pension Act of 1901. It denied benefits to widows who were deemed to be "unworthy." A woman would not qualify for her husband's pension if there was an age gap of 20 years or more, or if she married him after he was 60 years old.

In later years, some governments recognized the law was patronizing and sexist as it presumed ill intentions on the part of all women, and women were almost exclusively

2 affected. Both the American and British governments eliminated these restrictions, but instead of abolishing them, Canada expanded them to cover far more people.

"The legislation existed on our books only in the military, until Brian Mulroney came along and said, 'Hey, let's apply this to everybody!'" Inglis explains.

He says Prime Minister Mulroney saw the "gold-digger's clause" as a way to cut costs, and he entrenched it in six different pieces of legislation that also governed the RCMP, public servants, judges, politicians, and other employees under federal jurisdiction, including at the CBC.

Inglis stresses that this is not only about second marriages. The inherent injustice of this pension limitation can adversely affect a pensioner who is married for the first time, offering the example of two people who worked in the same job for the same number of years, and paid the same amount of money into the pension plan. They could be treated very differently: "One person decides to get married at, say, 28 years old. The other person doesn't fall in love until later. The day after he retires, he gets

## Pension from Page 2

married for the first time. The second person's wife is not entitled to a survivor's pension."

The financial impact of amending the law would be minimal for the pension fund. The effect on individuals is severe, but this change would affect only about four per cent of pensioners. Inglis and Gill arrived at that statistic after conducting a survey, and it was verified by Bernard Dussault, who served for six years as the chief actuary of the Canada Pension Plan. The federal government has never done a survey of its own.

"The CEO of the [CBC] pension plan told me the actual impact would be tantamount to a computing error," says Alain Pineau, PNA president.



**Alain Pineau**

A few organizations have established exceptions to this law. They include the retirement plan for government and public employees in Quebec, and for OMERS, the retirement plan for municipal employees in Ontario. Both recognize the spouse at the date a retiree dies as eligible for that person's pension.

The Pension Benefits Standards Act states there is nothing in the legislation that prevents a pension plan administrator from including "provisions that are more advantageous." In other words, the CBC does not need to wait for the government to change its rules. It can act independently.

"There is a possibility that the PNA would approach the CBC president to negotiate a specific agreement...on this matter," says Gill of the SSPFC.

PNA President Pineau says it's a question of timing: "It was decided about two years ago that we would not raise that with the CBC because of the MOA dispute, and the MOA dispute is still going on."

**Pension Page 4 —>**

**CBC retirees have the option of reducing their pension by 40 per cent to buy pension benefits for a spouse who does not qualify under the current regulations, but that amount is prohibitive for most people, says Rick Inglis.**

**The average CBC pension is \$25,000, and he offers the scenario of a pensioner who lives for 25 years after he retires:**

**"That 40 per cent reduction is \$10,000 per year, and it's permanent. Over the course of the 25 years, they**

**will have paid a quarter of a million dollars for that benefit," says Rick. "But think about this: it's not always the retiree that passes first. Let's assume that their spouse passes first after, say, ten years. Over ten years, that \$10,000 reduction continues for the rest of that person's life. It doesn't stop because the spouse passed. So, we're talking about \$150,000 in costs paid after the spouse passed, for a pension that wasn't collected. We think that's extraordinarily unfair."**



## Pension from Page 3

He is referring to a current arbitration over the PNA's Memorandum of Agreement with the CBC, a high priority because of a fundamental disagreement over who has rights to a pension surplus.

"I don't think this is the right time to ask for an increase in obligations of the pension plan, however miniscule they may be," says Pineau "so I don't know when it's going to raise its head again."

In 2015 and 2017, Prime Minister Justin Trudeau included a directive "to eliminate the marriage-after-60 clawback clause" in his mandate letters to the minister of Veterans Affairs. In 2019, he dropped it, with no explanation.

If the federal legislation is amended, the CBC will be ob-

ligated to change its limitations on the pension eligibility of spouses. Inglis and Gill of the SSPFC submitted a brief to the Standing Committee on Veterans Affairs in May, with the expectation that a change for one group will have a domino effect for all the others in the Coalition. The SSPFC website encourages people to [write to their members of parliament](#) as part of their campaign to effect change. And Lindsay Mathyssen, New Democratic MP for London-Fanshawe is preparing to introduce a private member's bill in the House of Commons on this issue. Two similar bills—presented by her mother Irene, the former MP for that riding—died on the order paper.

The government professes to care about poverty among the elderly. The reality is that

[80 per cent of Canadian seniors who live in poverty are single, and 75 per cent of them are women.](#)

Gill tells the story of one woman who acted independently, when she learned about the unfairness of the "gold-digger's clause."

"The pensioner's spouse left him after his retirement, and he got another spouse. Then he became invalid, so for five years the new spouse was caring for this pensioner. The two spouses knew each other. After the death of the pensioner, the ex-wife was receiving a pension, and she decided to give a share of her pension to the other spouse, who had no pension. I was amazed to hear this," says Gill. "That gesture is magnificent, and it's a very good demonstration of the unfairness of the legislation."

**More than three decades ago, as a Canadian citizen, Bert Cervo served in the German military for two years. When he dies, his wife Dawn is entitled to receive his pension from that service, but Bert was shocked to learn a few years ago that she would get "not a penny" from his CBC pension.**

**Bert, who is now 61 and living in Whitehorse, worked at the Corporation for 28 years. He and Dawn were in a common law relationship from 2006 until they married in 2018.**

**"I find it unfair that the partner I've**



**Bert & Dawn Cervo**

**chosen to live with for 16 years and married to for four years doesn't exist in this context," Bert says. "What if something happens to me? What happens to my wife if I'm gone?"**

# PNA and unions back off from asking the pension surplus sharing arbitrator to slap preservation order on CBC

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## PNA news release June 24

In earlier communiqués, we advised you that along with our union partners, we were seeking a “preservation order” from the Arbitrator appointed to rule on the dispute over the validity of our pension surplus sharing agreement.

The purpose of the preservation order was to ensure that funds are available for distribution, should the arbitrator decide in our favour after December 31, 2022.

Our priority remains that the Memorandum of Agreement (MOA) is fully honoured. For the time being however, and after further assessment, the Pensioners National Association and our union partners have decided not to pursue our request for the preservation order.

### ***What has changed?***

Recent interest rate hikes have diminished our assets, but also diminished our long-term liabilities. Our pension plan is doing well. Despite inflationary stress and some global unrest, there is a high



probability the plan will have a surplus by the end of 2022.

One of our primary concerns was that the fiscal position of the pension plan could change to such a degree that a surplus would no longer exist by year-end, meaning that money would not be available to satisfy the terms of the MOA. We are less concerned about that possibility now.

CBC has assured us that we will get current information on the financial status of the pension plan. If the situation changes, we can reactivate our request for the preserva-

tion order.

We also have recently been advised that the CBC had already built the value of its contribution holiday into its current budget. If we were successful in our pursuit of the preservation order, the CBC argues it would have to reverse some of its spending plans, which could result in job losses this summer. This is a significant concern for our union partners.

Finally, adding another issue for the Arbitrator to decide on, adds to the costs of the process for all parties. This plays a less significant role in our decision-making, but we believe that all parties should use member and taxpayer monies responsibly. We have already been critical of the CBC for attempting to renege on the agreement, forcing an arbitration that will cost hundreds of thousands of dollars.

In the meantime, the arbitration process follows its course. The next sessions are scheduled for September 8, 9, 19, and October 12.

# PNA President to meet with CBC President 6

CBC President Catherine Tait has agreed to meet with CBC PNA President Alain Pineau in mid-July.

It was at the request of the Pensioners National Association.

The issue to be discussed is how the CBC can help the PNA in its recruitment of new members at a time when membership is hovering barely above 50 per cent.

That's a critical number. The Memorandum of Understanding signed between the CBC and the PNA sets that as the break point for the Corporation's recognition of the Association as the sole representative of its pensioners and its commitment to collect dues.

The two presidents will be joined at the meeting by Marco Dubé, CBC's Vice-President of People and Culture, and Dave Jeffrey, the PNA's Vice-President (Anglophone).



**Alain Pineau**



**Catherine Tait**



**Dave Jeffrey**



**Marco Dubé**

One big issue the two sides are expected to steer well clear of at the meeting is their ongoing dispute over sharing of the big surplus in the CBC Pension Plan.

That's because the issue is now in binding arbitration and in the hands of a judge.

Hearings began in February and will resume in September.

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## **CBC Pension Administration Centre**

**Have a question about your pension? Need to make changes to your pension payments? Need to sort out survivor benefits and estate settlements?**

**Get in touch: [www.pensionadmin-cbcsrc.ca](http://www.pensionadmin-cbcsrc.ca) Phone: 1-888-604-9258**



# So...how *is* the CBC Pension Plan doing?

## “Very well,” we’re told. The GHC UPDATE asked Dan Oldfield to explain why.

Inevitably when talking to CBC retirees, one question continues to pop up. And that is, how is our pension plan doing? This is asked even more frequently when the economy appears to be in trouble – like these days. With the stock market taking a hit and inflation gobbling up more and more household income, it’s no wonder pensioners are concerned.

This is not put forward from the position of a pension expert or actuary but rather as someone who serves the Pensioners National Association as a representative on the Consultative Committee on Staff Benefits. It is my attempt to help PNA members better understand some of the features of our plan. The good news is there are plenty of experts involved in the running of our pension and a cast of very smart people who deserve a great deal of credit.

So, let’s get the main question out of the way. How is the plan doing? It’s doing very well despite the fact that, like



**Dan Oldfield**

### **PNA rep on the Consultative Cmte. on Staff Benefits**

every other financial instrument influenced by the world stock markets, it is taking a hit. But the performance of the market doesn’t tell the whole story, hence the purpose of this piece.

You may have heard the term, “liability-based investment strategy” in connection with the CBC plan. It is intended to describe how those who manage the plan are making investment decisions.

We’ll come back to this in a minute. First, it’s important to

understand that the CBC plan, created in the 1960s, is what is known as a mature plan. Simply put, that means it has more people collecting pensions than those contributing to the plan (roughly 10,000 pensioners to 7500 contributing employees). For every dollar contributed, the plan pays out about three dollars.

This is important because what that means is that in order to pay those monthly

**Strategy - Page 8 —>**



### Strategy from Page 7

pensions the plan needs to generate significant revenue through its investments. This is where the notion of liability-based investment comes in. The CBC plan was one of the early adopters of this strategy and it has played a significant role in maintaining it as one of the top plans in the country.

So, what is liability-based investing? At the risk of oversimplification, it means investment decisions are based on what the plan needs month to month and year to year to meet its obligations to

pensioners. While obviously a benefit to recipients, those monthly payments constitute the liabilities of the plan.

In very basic terms, when it comes to investing, plan managers can choose to focus on the value of the plan's assets or on plan liabilities. Clearly all plan managers need to focus on both, but this is about emphasis. Those who focus on assets seek to increase the value of the plan's holdings, stocks, real estate, bonds, etc. with the view to maximizing their value. Those who focus on liabilities tend to focus more on cash flow and risk

reduction. It doesn't mean they don't invest in the market or buy bonds, but they also use instruments to hedge or share their risk. This may mean a lower return on an investment, but a greater level of security.

Because of this liability-based strategy in an environment of falling stock prices, we are seeing a decline in asset values. But with a corresponding increase in interest rates, we are seeing a decline in liabilities as well. And that means the strategy is working despite the tales of gloom and doom in the markets.



If you know of a CBC pensioner who is not a member of the PNA please encourage them to join and give them a copy of this enrolment form. Membership dues are 0.32% of a member's gross pension payment. For every \$1,000 of monthly pension, a member would pay \$3.20.



**The CBC Pensioners  
National Association**

*Preserving our Future, Sharing our Past*

**L'Association nationale  
des retraités de la SRC**

*Assurer notre avenir, partager notre passé*

## ENROLMENT FORM – RETIREE

**Please print**

Name			
Street	City	Prov.	Postal Code
Telephone	Email		

☐ ***I wish to join now*** (please fill in the remaining sections of this form).

☐ *I am uncertain about joining at this time. I understand that, with the information given above, a representative of Association may contact me and, upon request, provide assistance with the enrolment process.*

I, \_\_\_\_\_, wish to join the CBC Pensioners National Association and hereby authorize the CBC to deduct monthly membership dues from my pension cheque and remit them to the Association. I also authorize the CBC to provide the Association with such personal information relating to me as the Association may require to facilitate the administration of dues and other services related to the welfare of pensioners.

All personal information provided to the Association by you or by the CBC is held in strict confidence.

**Membership dues are 0.32% of a member's gross pension payment. For every \$1,000 of monthly pension, a member would contribute \$3.20.**

CBC ID (See Notification of deposit, above your name)	Date of birth (dd/mm/yyyy)	Gender (optional)
<b>Civil Status</b> <input type="radio"/> Single <input type="radio"/> Married <input type="radio"/> Widow/er <input type="radio"/> Divorced <input type="radio"/> Separated <input type="radio"/> Common-Law		
<b>Preferred language</b> <input type="radio"/> English <input type="radio"/> French	Date of retirement (dd/mm/yyyy)	

## Spousal information

Name			
Date of birth (dd/mm/yyyy)	Gender	<b>CBC Employee</b> <input type="radio"/> Yes <input type="radio"/> No	<b>CBC Retiree</b> <input type="radio"/> Yes <input type="radio"/> No

\_\_\_\_\_  
Signature Required

\_\_\_\_\_  
Date

This form can be mailed to:  
**The CBC Pensioners National Association**  
 P.O. Box 8570  
 Ottawa, ON K1G 3H9  
 or press the submit button to send via  
 email to [info@cbcpensioners.ca](mailto:info@cbcpensioners.ca)

**Submit**



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*Assurer notre avenir, partager notre passé*

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## ENROLMENT FORM - SURVIVING SPOUSE

I, \_\_\_\_\_, hereby authorize the CBC Pensioners National Association to have the CBC deduct monthly membership dues from my pension cheque and remit them to the Association. I also authorize CBC to provide the Association with personal information relating to me that the Association may require in relation to the payment of dues and other purposes related to the welfare of pensioners.

I understand that the monthly membership dues might be modified from time to time by a resolution of the National Convention of the Association.

***Membership dues are 0.32% of a member's gross pension payment. For every \$1,000 of monthly pension, a member would contribute \$3.20.***

### Please Print

Name <input type="checkbox"/> Mr. <input type="checkbox"/> Mrs. <input type="checkbox"/> Ms.		CBC ID (See Notification of deposit)
Address:		
		Telephone (   )
Date of Birth Day / Month / Year	SIN	Sex <input type="checkbox"/> Male <input type="checkbox"/> Female
Preferred language <input type="checkbox"/> English <input type="checkbox"/> French	Preferred medium of communication <input type="checkbox"/> Post <input type="checkbox"/> E-Mail (Please print address) _____	

### Information on Deceased Pensioner

Name <input type="checkbox"/> Mr. <input type="checkbox"/> Mrs. <input type="checkbox"/> Ms.	
Pensioner ID Number	Date of Death Day / Month / Year

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

This form to be mailed to: The CBC  
Pensioners National Association P.O. Box  
8570 Ottawa, ON K1G 3H9 or scan and email  
to: [info@cbcpensioners.ca](mailto:info@cbcpensioners.ca)



# Golden Horseshoe Chapter Christmas Luncheon, Annual General Meeting & Executive Election

**Dec. 7, 2022**

***(Venue TBA)***

## POSITION

President

Vice-President

Treasurer

Secretary

Director

## DECLARED CANDIDATES

Bob Waller (incumbent)

Marie Clarke-Davies (incumbent)

Cindy Beatty (currently a Director)

\_\_\_\_\_  
\_\_\_\_\_

If you're interested in talking about running for a position, please call any member of the Executive to discuss what's involved.

If you decide to run, please formally advise David Knapp, the GHC Immediate Past President, of your intention in writing by Nov. 17, 2022.

All the contact information is on the last page of this newsletter.

Further nominations may be called from the floor of the AGM for each office.

Candidates for nomination from the floor must give their consent to stand prior to the call from the floor and must be present at the meeting.

All elections for Chapter officers shall be by a show of hands, save and except when a motion is made and carried to conduct the vote by secret ballot.

Proxy votes are allowed, but members are encouraged to attend the AGM.



# Golden Horseshoe Chapter Executive



**President:**

**Bob Waller**

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**Vice-President:**

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**Secretary-Treasurer:**

**John Bainbridge**

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**john.bainbridge2015@gm  
ail.com**



**Past President:**

**David Knapp LVO**

**(905) 331-5435**

**dknapp7@cogeco.ca**

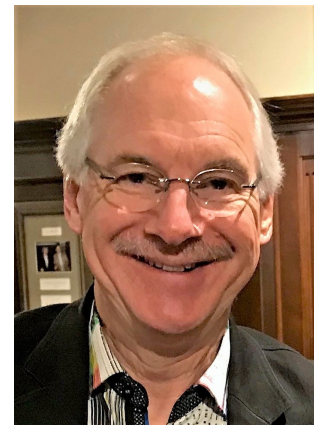


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**Director:**

**Don Reynolds**

**(416) 333-4228**

**dreyno22@gmx.com**

**Have you changed your E-mail address recently or perhaps set up an E-mail account for the first time?  
If so, please let us know**