

Contribution Question.

any Discussion of Superannuation. The Civilian puts forward the following and Invites the Fullest Comment.

to make the benefit prohibitive in any individual case; (3) administrative considerations demand that the method of ascertaining the deductions should not be too complicated nor require too much searching among old records, as would be the case if past salaries should enter into the computation,—the computations should be of such a character that the Act could immediately come into operation; (4) the principles of the deduction should be easily understood and the amount thereof readily ascertained by the civil servant himself; (5) the substructure of most superannuation schemes is, generally speaking, framed without the introduction of any great degree of refinement as to equity. This being the case, it is of little use to unnecessarily introduce refinements into minor details of the superstructure, especially with regard to something which will not be a permanent feature of the scheme; (6) the multiplicity of interests involved — often conflicting interests — and the innumerable special and exceptional cases which will arise demand that a broad and somewhat liberal view be taken of the whole matter.

The foregoing considerations may very well be summed up by saying that we must steer our course between what may be theoretically desirable and what is practically expedient. If anything in the nature of an elaborate or little understood process be adopted it will jeopardize the prospect for legislation; and even if so-called "equity" is thereby dealt out, one of the main objects of the measure will, *ipso facto*, be defeated.

Keeping in mind what has already been said, the following is offered as a reasonable solution of the problem:

For each year of added service make a deduction of, say, $\frac{1}{4}\%$ from salary beginning at date of transfer, such percentage deduction to continue to be made from salary, superannuation and widow's allowance, until all payments thereunder cease; but in no case should an extra deduction of more than, say, 3% be made, even though the period of added service is more than twelve years: Provided, however, that after the ordinary deduction ceases the extra deduction of $\frac{1}{4}\%$ will be made for each year of added service, but in no case should the total deduction be more than, say, 8%.

The foregoing briefly states the solution, and seems roughly to satisfy the requirements enumerated. The maximum amount of deduction is 8% and this is probably as high as it could reasonably be made. If not it is an easy matter to make it higher. In most cases this deduction will considerably more than pay the interest on the total accumulated past contributions; but it must be borne in mind that the employee should not be expected to pay the total accumulated amount of past contributions inasmuch as he cannot enjoy the benefits that these contributions would have secured to him had he been under the scheme from the beginning of his service. In many cases, no doubt, the full amount would eventually be made up; the deductions may be adjusted to secure this, and in all cases there would be a substantial abatement. In the case of an employee who has 35 years' temporary service to his credit, he is granted a superannuation allowance and 8% is deducted as his contribution, which is, of course, inadequate, and the same thing will arise but in a