

case of governments, banks and railways. The banks of Canada make liberal provision for their employees on retirement. Take one example: The Bank of Montreal grants an annual allowance, increasing with each year of service, not exceeding 70 per cent of the final salary; **one half the allowance being continued to the widow and children of the employee.** Very similar benefits are granted by other leading Canadian banks.

Not only in Canada but throughout the world, banks, railways and large industrial companies find it good business to provide in like manner as above indicated for their employees in old age. Further, many employers insure the lives of their employees for the benefit of the employees' family, the employer paying the premium.

As to governments, all the nations of Europe, the Union of South Africa, New Zealand, India....., all make provision for the old age of employees. It has been found more economical and more satisfactory to run the business of State in that way. The United States and Canada are the two notable exceptions. In 1908, a Royal Commission appointed to investigate the Civil Service of Canada recommended most strongly in the interests of efficiency and economy that some sort of pension system should be adopted. The testimony given before the Commission by those who had a life-long experience in Civil Service administration was emphatically to the effect that only by some sort of pension system could those who become inefficient through ill-health or old age be removed from the Service. Mr. Taft in a Congressional message (1909) said—"it is indispensable to any proper system of economy that provision be made so that their (the old employees') separation from the Service shall be easy and inevitable. It is impossible to make such provision unless there is adopted a plan of civil pensions.—"

There are peculiar reasons why governments should establish superannuation systems. Servants of the Crown are debarred from engaging in any enterprise which will augment their savings and provide for the rainy day or for old age. In Canada, there are some 1,600 employees appointed before July 1898, who are entitled to a pension under a system that in certain instances compels an unfortunate confiscation on the part of the Government. Thousands of government employees are under no pension system, except that a certain number contribute to a Savings Bank Account at 4 per cent (The Retirement Fund). Many of these employees are old and with the rapid development of the Dominion now so evident, more employees will be added to the list, without provision for their