

Superannuation. — The

The Contribution Question is an all Important one for Civil Servants in
 following Statement as Tentative

Our present purposes assuming it to be a foregone conclusion that superannuation is to be granted during the present session of Parliament, it becomes necessary to decide what shall be the contributions by civil servants. This is a question which civil servants should think out for themselves in a common-sense and unbiased manner; and, if possible, form an opinion to which each civil servant could subscribe, and at the same time an opinion bearing the impress of broad mindedness and essential fairness and justice.

The new superannuation measure is primarily intended for the present contributors to the Retirement Fund and for future entrants to the service, as there is now no provision for these at all. The contribution to Retirement Fund is 5% of salary. It is, therefore, very natural (the equity of the case not being too closely scrutinized) that 5% should be taken as the standard contribution, as by this means over 5,000 civil servants will be automatically placed under the new measure with all the rights and privileges appertaining thereunto. It has recently been stated that this rate of contribution would pay for about 5/11ths of the benefits provided under the proposed Senate Bill. This is probably not far wrong, and will herein be assumed to be correct. The balance must be paid by the government.

Any measure which will be brought forward will, no doubt, be of a more comprehensive character as to benefits granted than either of the old schemes; and it is not probable that in this respect legislation will differ materially from Senator Powers' proposed Bill. In respect to bene-

fits, it has received general approval and does not differ materially from the more improved and modern comprehensive schemes. This being the case it will be necessary to establish a basis of transfer from the old funds to the new. From date of transfer the contribution will, of course, not be less than 5%; but as the extra benefits under the proposed measure are based on the period of service for which contributions have been made, and as these extra benefits are considerable, the extra contribution of 3% (Fund No. 1) and 1½% (Fund No. 2) during future service will not pay for a fair proportion (5/11ths) of the extra benefits. The question now arises, what further contribution should be required and how should it be made?

Akin to the foregoing, and in a measure subsidiary to it, is the question what contribution must employees, now permanent, make in order to have prior temporary service counted? The settlement of this question will probably open up the way to a solution of the former, and also give a satisfactory basis for contributions on account of "added service" in the future.

In thinking out this problem the following considerations should be constantly kept in mind: (1) one of the immediate objects for granting superannuation is to enable the government to replace, by younger men, old and faithful employees who have given all the strength of their youth to their country's service, without at the same time hustling them into the street; (2) in order that this may be accomplished and the measure made generally beneficial, the incidence and amount of the extra contribution should not be such as