

length of service, would in the average case be sufficient to maintain the employee and the usual dependents in decency, even if he were so unfortunately as to have been unable to save anything on his own account. But it should not be so liberal as to make individual thrift inadvisable.

(2) It should provide an allowance during disablement to those who fall by the wayside during early and middle life, with possibly an additional allowance depending on the number of children an employee may have.

(3) It should provide benefits for the widow and children of superannuated employees and of employees dying in the service; but again the benefits to widows and children while being liberal should not be so liberal as to obviate the necessity of some little additional individual provision being made in the way of, say, life insurance.

The foregoing is of course lacking in many essential details: If one may judge from the representations from time to time made to the Government by the Civil Service Federation of Canada, it would appear that civil servants would gladly contribute to a scheme promising the benefits outlined. The two "Old Funds" are both contributory and no complaints have been heard on that ground. Complaints have however been ripe that no provision is made for widows and children of those who die in the service, or of those who die after superannuation and that no return is made in case of voluntary retirement.

As to the amount of contribution, it seems to be a pretty general agreement that one-half the necessary annual contribution to make good the liability incurred should be deducted from salaries and that the other half should be made good by the Government. As to the Government allowing interest at say four per cent. on the fund, if a fund is established, or

on the admitted liabilities, if a fund is not established, it should be understood that no thanks is due on that account, for if they do not wish to pay interest on money of which they have the use, then it would be merely necessary to appoint two or three trustees to invest the annual contributions in securities authorised for the investment of, say, insurance companies, in which case interest considerably in excess of four per cent. would be earned.

Although many civil servants believe that a contributory scheme as here outlined would be more satisfactory than any other, it is not to be understood that the now existing civil servants should "pay up" back contributions. This would in many cases be quite impossible, even if all were forced to come under the scheme, and in any event the Government would lose more by such an arrangement than could be gained.

The reasons that civil servants prefer to contribute as before indicated, rather than not, are quite other than that the scheme would be less expensive to the employees or to the Government. The main reasons are as follows:—

(1) It is easier to get such a law enacted.

(2) It is easier to get liberal benefits included.

(3) It is easier to establish the rights of dependents to benefit in event of death in the service.

(4) It is possible to establish the right to some return in event of voluntary retirement—to say the amount of contributions made.

(5) It is easier to get justice in respect to salaries.

(6) When such a law is once enacted the fact that a contribution is made renders the law an inviolable contract.

(7) The scheme offers perhaps greater attractions to entering the service than most "straight pension" schemes; and offers a strong inducement to continued service,