

not go, and likewise the minimum below which they should not fall, and as it happens the maximum and the minimum are identical, that is the contribution made by the employee should be just sufficient to provide the benefits to himself personally, neither more nor less.

If the employee is to contribute for his own personal benefit, neither more nor less, it means that his benefits must be determined in such a manner as to make possible the calculation of the contributions he is to make. This is quite impossible under many superannuation schemes, for the reason that the benefit is based on final salary or on the average salary during some few final years, as three, five or seven, and it is quite impossible to know in advance what this final salary or average salary is going to be. In some schemes the benefit is based on the average salary which although probably an improvement on the "final salary" schemes is not wholly satisfactory for the purpose at present in view. The only method of determining the benefits to the employee which would appear to fully meet present requirements is as a percentage of all salary payments received prior to time of retirement for the sake of argument, say, 2%. If an employee enters the service at a salary of say \$1,000.00, then on the assumption that that salary will never be increased it is a comparatively easy matter to calculate the contribution which he should make to provide the benefits to himself; for if he goes out at the end of 20 years, say, he has received \$20,000; if at the end of 21 years, \$21,000; and so on. Thus it is known in advance just what his benefit will be in event of retirement at the end of each successive year, and the calculation of the necessary contributions can be made with a fair degree of precision, according to the age at entry. If at any subsequent date an increase in salary is received, that increase in salary would be treated as a new salary for purposes of

benefits and contribution, the contribution to be made from the amount of the increase being again determined according to the age attained at date of increase, and so on for all subsequent increases. As before stated there are many practical considerations somewhat difficult to explain which make it advisable to determine the benefits as herein indicated. One reason which may be stated is that by this means equity is dealt out to each employee, so far as equity is possible; whereas if benefits are based on any of the other methods mentioned, any approach to equity as herein understood is impossible. By properly determining the benefits to wives, widows and children, it is possible to make the total cost such that just about one-half the total costs would be visibly contributed by the employees and one-half by the government; while at the same time the benefits may be made to meet the needs of each case according to the principles set forth in *Civilian* May 31st. Half the contribution by the employee and half by the employer is generally looked upon with favour, possibly as each goes half-way. Thus it would appear that from every point of view the principles of determining contributions herein indicated should be followed in any scheme of civil service superannuation.

GOVERNMENTAL INEFFICIENCY.

Three incidents, reported in the news of one day, furnish striking examples of the manner in which the United States government is neglecting an opportunity to put its administrative affairs on a more scientific basis. Abstract arguments sometimes fail when concrete examples would convince. Here are three examples of the utter foolishness and cruelty of the United States in refusing to retire superan-