

the concensus of opinion was that the civil servant was quite right in his contention, and the change above referred to was made accordingly. After this recognition of an economic doctrine in its most elusive and covert form, who will say that the travail of Civil Service Committees, backed by Adam Smith and Ricardo, is in vain?

5. **New South Wales**, the largest and most important of the Australian States, has had a most unfortunate experience with regard to superannuation. The scheme, which had been in existence for only 18 years, and carried 4 per cent. contributions from employees, broke down completely in 1903 by reason of actual insolvency. The Government in that year closed it to further entrants and was obliged to assume the present and future liabilities. The failure of the fund was primarily due to the inadequate rate of contribution. It was a clear case of sinning against light, too, for the Government had ignored reported warnings that disaster was inevitable unless the proper remedies were applied in time. This experience, naturally, has had a very depressing effect on the whole question in Australia.

6. **New Zealand** first enacted superannuation legislation in 1858. In 1908, they put in force their Public Service Superannuation Act, under which all previous partial superannuation measures were consolidated (they already had superannuation funds for teachers, state railways and police) and the system was extended to all public servants. It may be noted here that state employees are very numerous in New Zealand because of the nationalization of so many of their enterprises. Full particulars of the scheme would be out of place here, but we may note that it provides allowances not only for retired employees, but for their dependents—meaning thereby widows and minor children up to 14 years of age. Members are entitled to be retired with allowances at age 65 after 40 years' service, if men; or at age 55 after 30 years' service, if women. (One feels sure that the feminist sisterhood would take this as a dire insult were it not that the discrimination is rather in their favor). The rates of contribution payable by the service are: 5 per cent. for entrants up to age 30, increasing by one per cent. for each 5-year group of entry ages up to a maximum of 10 per cent. at age 50 and upwards. The Government also makes stipulated payments and guarantees the solvency of the fund and the functionary known in New Zealand as the public trustee receives and invests the funds; while a Board, appointed jointly by the Government and the Service, attend to the ordinary administration. There is thus a distinctly democratic quality in the New Zealand system which is lacking in most governmental schemes.

7. **The United States.**—The Federal Government of the United States has had so much of a steady diet of "pork" in the shape of military pensions that it has been very shy of swallowing any proposals for civil pensions. You will remember that famous chapter of the Natural History of Iceland which was said to read as follows:

"CHAPTER LXXII—CONCERNING SNAKES."

"There are no snakes in Iceland."

I was going to say that the same might be said of public service retirement provision in the United States; and yet there has been very persistent agitation to that end, and notably in the years from 1907 to 1911. In 1908 and 1909 no fewer than seven bills were introduced in one or other House of Congress, but none of these ever emerged from committee except the Gillett Bill of 1909. Another Bill was favorably reported out of committee in April, 1910. All of these measures have a strong family resemblance;