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Public Service Superannuation.

(Concluded.)

3. If this represents the best available opinion on the principles at stake, what, we may ask, is the practical state of the case in respect of public service superannuation? What have the more important Governments of the civilized world actually done in the matter? Well, there is not a single important country in Europe which has not frankly accepted the principle. Some of them provide for their civil in the same way as for their military employees—on a basis of half-pay. Some, like Denmark, provide for the employee but compel him to provide for his dependents himself, either by purchasing an annuity for his widow, or by insuring his life for a minimum amount. Some, like Britain, Russia and the Government of India, require no contributions from employees; others, like France and New Zealand, require that part of the cost be made good by the employee himself. Russia in addition pensions her teachers and her clergy. New Zealand makes provision for the dependents of the employee after his death. In short, there is a very great variation in all matters of detail, and there can scarcely be said to be any general standard to which these systems conform. I propose to give a very brief account of two or three or the measures which have been adopted in English-speaking countries, as these will be the most useful for our purpose in the United States and Canada.

4. **British Isles.**—The history of superannuation in England is most interesting, but I have no time to enter into anything like a full account, and must content myself with a bare statement of facts: For the 25 years from 1834 to 1859, Great Britain had a contributory superannuation system for public employees. In the latter year, however, it was converted into a free pension system—that is, employees were not required to contribute in any way—and it remains such to this day. There is a compulsory age for retirement, namely 65. Up to the year 1909, pensions were on the basis of 1/60th (for each year of service of average salary for the final three years, with a maximum limit of two-thirds of such salary. In 1909, the basis was changed to 1/80th, with a maximum of one-half, but as against this reduction of the superannuation allowance the Government will grant to any civil servant who retires after at least two years' service a lump sum (computed in accordance with a specified scale) not exceeding 1½ times the amount of his salary. I mention this because it bears interestingly upon a subject which we shall take up later—whether the employee should or should not contribute. It seems that British civil servants, who appear to have been exceedingly well organized, were dissatisfied with the old system, because they claimed that, whilst it was nominally a free system, in reality they contributed because the pension system acted to reduce salaries below the level of what they would be without the pension system. In other words, their real pay as civil servants was made up of salary plus pension. Ergo, the system was not free, but contributory; and, being contributory, the man who left the service voluntarily or who died in harness was having a part of his pay confiscated. Well, they had a parliamentary enquiry over it, and