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## Public Service Superannuation.

(Read before the National Assembly of Civil Service Commissioners at Ottawa, June 18th, 1916, by M. D. Grant, F.I.A.)

1. I am going to assume that what is sometimes referred to as the "Retirement Problem" is at bottom an economic problem and that it can be solved approximately by furnishing those who are retired with the wherewithal of living; in other words, by providing them with pensions or superannuation allowances. The assumption is, of course, not strictly accurate, for bound up with the "retirement problem" is first of all the "appointment problem" and after that the "conditions-of-service problem," and other problems besides. But for present purposes I must presuppose that these difficulties have already been met and that there is left simply and solely the question of what should be done for, or in respect of, the persons who, whether from ill-health or waning powers, have reached the point where their usefulness as employees has become impaired.

2. Let us first of all see, then, what case, if any, can be made out for the contention that it is good public policy to establish systems whereby retiring allowances will be provided for our public services as needed. It will not be sufficient for us to appeal to mere humanitarian motives here: there will always be those who,—and perhaps rightly,—will decline that argument, and demand to be shown that the practice of superannuating public employees (except when the employees themselves bear the entire cost) is justifiable from the business point of view. I shall not trouble you with my own views on this important matter. It will be sufficient for me to quote the opinions of men who are recognized authorities on the subject, and if most of these happen to be of British origin, it is simply because the subject of superannuation has been a very much more active question in the British Empire, and for a much longer time, than in the United States. First, then, Dr. Farr, who was Registrar General of England in the Eighteen Fifties and had an immense reputation in his day. He was commissioned by the British Government to investigate Civil Service Superannuation, and he brought in a report in 1856, from which I quote as follows:

"Experience has shown that there are great advantages attending the present mode of remunerating public servants, partly by salaries, and partly by superannuation. They are such as have lead almost all the nations of Europe to adopt the system of paying partly by superannuation allowances. In the first place, it is a guarantee of fidelity; in the second place, it encourages efficient service; in the third place, it retains good men in the service; in the fourth place, it induces men to retire when they become old or inefficient from any cause; and in the fifth place, it prevents old public servants from falling into a state of disgraceful dependence, or of distressing destitution, which would be a public scandal, and might deter young men from becoming candi-