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## Superannuation.—Contributory or Non-Contributory.

With reference to superannuation schemes the term "Contributory" is generally understood to mean a scheme under which a deduction is made from the stated salary payments of employees for the purpose of providing, in whole or in part, the superannuation allowances and other benefits under the scheme. Unless otherwise indicated the term will be herein used in the foregoing sense. When no such deduction is made from the salary payments of employees the scheme is usually referred to as "non-contributory" or frequently as a "free pension system."

Many arguments have been advanced on both sides of this question "and the final word has not yet been said. Possibly there is no final word: it is possible that in some cases one method may meet the needs of the case better than the other. If this is so then each case should be investigated on its merits to determine which system would be most satisfactory." It is with the view of conducting to the determination of this question with reference to the civil service that this article is written.

If any scheme of superannuation is to be satisfactory it must be satisfactory to all parties interested. The interested parties in civil service superannuation are (1) the civil servants, (2) the government and, (3) the people of Canada. In reality there are but two parties, the civil servants and the people of Canada; but for the present it will be better to retain the above distinction.

"No question is ever settled until

it is settled right" is as true with regard to the details of a superannuation scheme as it is with regard to the greatest mother of state. It should at the outset be clearly understood by civil servants that there can be no such thing as "getting in on the government" in this matter. There can be no such thing as "getting away with" a superannuation scheme "greatly to the benefit of the service." The scheme must be "right" else it will not be to the benefit of any one of the parties concerned and by "right" is here meant fairly satisfactory to all concerned in a truly permanent manner.

Perhaps most civil servants think salaries are too low. At least they frequently say so, and no doubt most civil servants would agree that if the government were to come forward with a proposal to double the salary of each civil servant it would redound "greatly to the benefit of the service." Yet this is not so and if such an impossible proposal were to be made the civil service would be ill-advised to accept it. The reason is as follows: Such an increase of salaries would at once make the service so unpopular throughout the country that salaries would have to come down and come down they would with a slump probably lower than they were in the first instance, so that the last state of the service would be worse than the first, and it would be exceedingly difficult to ever get them increased again even to what they ought to be. Admitted that salaries are too low it is not to the advantage of the service that they should be increased very much