

Appendix.

(A.). Extract From Report of the Royal Commission on the Civil Service (P. 21).

RETIRING ALLOWANCES.

At the outset your Commissioners consider it a subject of regret that the Superannuation Act, which had been in force for over twenty-seven years, should have been repealed, and the present Retirement Act put in its place. To the Commissioners the repeal seems most illogical; when it is found that within a few years after its repeal Pension Acts have been placed on the statute book providing for pensions to the members of the Northwest Mounted Police, the staff of the Intercolonial railway, the members of the Permanent Corps and Headquarters Staff, and other employees under the Militia Department, as well as to their widows and families, it would seem that the action in abolishing the Superannuation Act was not only illogical but hasty and inconsiderate. So many papers have been written and so much has been said on the subject of Superannuation that your Commissioners do not consider it necessary to expatiate at length upon it. A lengthy memorandum upon the matter was prepared and submitted with the last report on the Civil Service made by the Royal Commission in 1892. It pointed out that not only was the system of Superannuation in the best interests of the state but economical in practice, leading to stability in the working of the service; for without any Superannuation system it simply means that it is impossible to get rid of the aged members, and men would be retained in the public service to an advanced age and long after their usefulness had departed, for the reason that it would be hard and cruel to discharge them. This would result not only in the abnormal increase of the staff of each department in course of time, but the older being necessarily the higher paid their retention would serve to prevent the active staff, on whose shoulders the bulk of the work would fall, receiving the higher scales of remuneration to which they would be entitled. In modern days a pension system is recognized as a necessity by almost all banks and large corporations; and even religious bodies provide for the old age of their ministers. Amelioration has also been granted to judges on their retirement. In many cases judges can be retired on their full salary; and in the face of this does it not seem wrong and cruel that, except in the case of a few favored officials, there should be no provision for sickness, debility or old age throughout the public service except the Retirement Fund, which is no provision at all? The present progressive conditions of life in Canada will undoubtedly continue, although from unlimited speculation or an occasional bad harvest there may be times of temporary retardation; but from all appearances the cost of living does not promise to decrease, and the salaries of public officials being barely sufficient to pay necessary expenditures, will prove insufficient to provide for their dependents after death. Owing to these considerations your Commissioners are of opinion that it would be desirable that not only should a Superannuation Act be re-enacted, but its sections should include provision for the support of the widows and orphans of deceased public servants. An Act drafted to this effect has been placed at the disposal of the Commissioners and will be appended to their report. It has been pointed out over and over again that not only is it the tendency for inefficient men to enter the public service, but the effective members who have essayed the service and who see but little hope of the future, having no Superannuation in view for their declining years, abandon it to better themselves. Not only do the young and enterprising officials leave, but some of the chief officials, men of well known character and ability such as Messrs. Bain, Riley, Ruel and Stewart of the Interior Department have abandoned the service for outside employment, and it seems hard that men who are engaged in the construction work of the Dominion, who give their best endeavours to their country in the responsibility of carrying through great public works, the development of agriculture, and all the services which go to building up the Dominion, should have nothing to look forward to when old age overtakes them and their work is over, while the favoured few and the police of Canada should be carefully protected, and not only themselves but their widows and children. The sooner, in the view of the Commissioners, a Pension Act is placed on the statute book, the better it will be for the interests of the Dominion.

Your Commissioners have had the services of Messrs. Fitzgerald and Grant of the Insurance Branch of the Finance Department to aid them in devising an Act, and the rate of abatement has been fixed and based upon the average at