TEACHERS' PENSION SYSTEMS
IN GREAT BRITAIN

BY

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WASHINGTON
GOVERNMENT PRINTING OFFICE
1913
LETTER OF TRANSMITTAL

DEPARTMENT OF THE INTERIOR,
BUREAU OF EDUCATION,
Washington, September 25, 1915.

Sir: There is in the United States an increasing interest in pensions for teachers. In several cities and States some form of pension system has been adopted. Public opinion on this subject is, however, by no means unanimous. Many doubt the wisdom or justice of extending to one class of public servants a consideration and help withheld from another class. Others doubt the justice or economic wisdom of all pensions except for the unfortunate and helpless who would, without this form of help, be left to suffer in poverty or to become an unjust burden for relatives and friends. There is also doubt as to the justice of rewarding the few at the expense of the many, as must be the case when pensions are granted to those who have taught for a given number of years or who have reached a specified age, and are withheld from those who cease to teach before they have taught for the number of years given or have reached the age specified. All agree that those who have served their country faithfully and well, devoting to society, state, and humanity talents and energy which elsewhere might have brought them wealth, should not in their old age be allowed to suffer. It is also desirable that good teachers should be retained in the schools as long as possible, but there is doubt as to whether this can be brought about more certainly by a promise of a pension under conditions for them uncertain or by paying more adequately for services as they are rendered. Certainly there should be some easy way to retire those who have lived out their usefulness and to relieve the schools from the too common practice of pensioning them not only with funds paid in the form of salaries for services they can no longer render, but also with the time and opportunity of the children and the welfare of society and state.

In a matter about which there is so much uncertainty, any information based on actual experience can only be helpful. The accompanying manuscript gives a very complete and satisfactory account of the history and present status of teachers’ pensions in Great Britain. I therefore recommend that it be published as a bulletin of the Bureau of Education.

Respectfully submitted.

F. P. Claxton,
Commissioner.

The Secretary of the Interior.
PREFACE.

The study here presented is one section, expanded and adapted, of a general study of teachers' pensions and pension systems in the leading educational countries of the world, with evaluations, which the writer is making with hopes of completion in reasonable season. The facts that the documents and materials relating to teachers' pension systems in Great Britain are published in the English language and that these systems are especially unique and suggestive in certain important respects have led among other considerations to the early completion of this portion of the study and to its adaptation for immediate publication. The aim has been to present first of all in some detail the bare facts of development, organization, and scope, and secondly to analyze and evaluate in the light of modern principles of administration, economics, politics, and social science the chief of these facts, except such as may safely be left to speak for themselves. This second object has been pursued with special reference to conditions in the United States.

The writer's obligations to others are many. First of all, acknowledgments are due the various members of the staff of the Bryson Library, Teachers College, Columbia University, where much of the writing was done, for their invaluable assistance in gaining ready access to important materials needed in the prosecution of the research. Also sincere appreciation must be expressed for the constant and willing efforts of those in charge of other libraries at Columbia University and of the New York Public Library to place their resources at the writer's disposal. Moreover, the study in its present form would have been impossible without the unfailing cooperation through correspondence of the English Board of Education, the Scotch Education Department, the London County Council, and other public agencies connected with British education. Finally, especial pleasure is taken in expressing obligations to Dr. David Snedden, now State commissioner of education for Massachusetts, and to Dr. George D. Strayer, professor of educational administration, Teachers College, Columbia University, for suggestions and encouragement while the study was in the making.

R. W. S.
TEACHERS' PENSION SYSTEMS IN GREAT BRITAIN.

CHAPTER I.
INTRODUCTION.

Teachers' pensions and pension systems are one aspect of a universally developing movement among civilized peoples for decently disposing of the superannuated and disabled individual and robbing old age of its economic terrors. They are becoming practically worldwide. Pensions for public elementary teachers have existed in Germany in some form for two or three centuries and in other European countries for the better part of a century or more. At the present time teachers' pension systems are found in various stages of development throughout practically the whole of Europe and in other countries widely scattered over the globe. In a number of countries pensions are provided for teachers in all grades of schools. Pension systems in favor of teachers' widows and orphans are common in continental Europe.

In the United States teachers' pensions were essentially an unknown quantity until late in the nineteenth century, but during the past two decades they have sprung up here and there in nearly all parts of the country, and at the present time are spreading at a rapid rate. They began a few decades ago through the initiative of teachers themselves, as features of voluntary cooperative associations. Philanthropic enterprise has played some part, but it has been conspicuous only in the field of higher education, where it is at present practically the sole agency. The allusion here is of course to the Carnegie Foundation for the Advancement of Teaching, organized in 1905 and 1906, which maintains a system of liberal pensions for teachers in approved colleges and universities of the United States and Canada, and for the widows of such teachers. Beginning, however, with the establishment of a pension system for the public-school teachers of New York City in 1894, by action of the State legislature, the movement in the field of public education rapidly came to be based upon State legislative action. The first laws affected cities only, but a number of the later statutes have been general in their application. Some of the latter are positive or mandatory,
while others are merely permissive of local action. At the present
time 10 States—Maryland, Rhode Island, Maine, New Jersey, Vir-
ginia, Wisconsin, New York, California, Massachusetts, and North
Dakota—already have general pension laws of the mandatory type in
favor of public-school teachers. New Jersey has two different
laws of this kind operating independently. The laws in Maine,
California, Massachusetts, and North Dakota were enacted in 1913.
The acts in the three States first named in the list of ten and one in
New Jersey are brief and simple, requiring no contributions from
teachers. The other New Jersey law and those in the remaining
States are relatively detailed and complex. All require contribu-
tions from teachers. The New York law does not apply to a number
of local communities, including New York City, that were provid&I
ed with local teachers' pension systems by State legislative authority
at the time of its enactment. Arizona has a law, enacted in 1912,
which authorizes the State board of education to retire public-school
teachers on a pension under specified conditions. States having
laws of general application permitting the establishment of local
pension systems by local boards and communities are Pennsylvania,
Ohio, Utah, and Vermont. Similar laws in California and Massa-
chusetts were repealed in 1913. States having laws permitting the
establishment of local pension systems in certain classes of school
districts or cities are Kansas, Illinois, Oregon, Minnesota, and others.
Cities having special teachers' pension systems by virtue of State
legislative action have become quite numerous. The group includes
New York, Chicago, Boston, Baltimore, Milwaukee, Detroit, Indian-
apolis, Charleston (S. C.), Buffalo, Louisville, New Orleans, Omaha, Den-
ver, Rochester, Providence, Terre Haute, and some others. The most
highly developed teachers' pension system in the United States is
that of New York City, operating under provisions of the city charter.

The purpose of the present study is to present in some detail the
experience of Great Britain in the pensioning of public-school teachers
in the hope not only that this experience may prove of interest to
teachers and others interested in education and social economics in
America, but that it may also be found suggestive and valuable to
those in any way concerned in the development of pensions for
American public-school teachers. In any careful survey of teachers' 
pension systems in Great Britain a number of unique features are
encountered that are both interesting and suggestive. Especially
worthy of attention is the manner in which the recent comprehensive
systems, particularly the present one in Scotland, have been formu-
lated and controlled on the basis of actuarial science and advice. As
a result these systems, especially that of Scotland, may be said to be
standardized in a degree. They are therefore of much suggestive
value for practice elsewhere.
The term “public school” in this study is understood in the American sense. The desire is to present the pension status of teachers in the schools of Great Britain which correspond to the fairly definite notion of public schools held in the United States, the schools of the great body of the people. Owing to certain differences between British and American education and educational terminology and the consequent danger of confusion, it is needful to define in some detail the precise scope and content of the term as used throughout the study.

In present authoritative usage in America the term “public school” signifies in general the following four different things in combination: (1) A school serving the educational needs of the masses of the people; (2) a school open to all classes and divisions of the population on equal terms; (3) a school owned and controlled by the public; and (4) a school providing free education. These four elements in our conception appear here in the general order of their development and essentiality. They really represent, roughly speaking, four successive stages in the development of the modern free public school in the leading countries of the world. In each stage the essential characteristics of the preceding ones have been retained.

On the whole, education for the children of the masses of the population was first provided by schools established and maintained simply as philanthropic agencies in default of initiative and ability on the part of the people to provide for the education of their children at their own expense. In some cases the schools were free; in other cases fees were charged. Naturally the children of parents able to pay for their education could not gain admission to many of these schools on the same terms as the children of the poor. Moreover, these “charity schools” were sometimes closed to children from homes not subscribing to certain religious beliefs. On the whole, schools open to all classes on equal terms were a second development. In most and perhaps all countries of educational importance schools for the body of the common people, maintained and controlled by the public, developed more or less definitely from philanthropic schools. This stage of public action was reached early in Germany, Scotland, and New England, later in France and the major portion of the United States, and not until a comparatively recent date in England. A system of schools under public control was established by law in Scotland for the body of the people in 1696. This was the old parish-school system, closely associated with the State church, which remained in operation until 1872, when the present public-school system was inaugurated. In England and Wales all schools for the people were of the religious and philanthropic type until the enactment of the organic education act of 1870. In connection with increasing economic prosperity, free schools belonging to the public have been a natural out-
growth from such schools charging fees. Strictly public schools free to all are, with certain exceptions, a very recent phenomenon in educational history, and especially is this true with reference to Great Britain. However, not all free schools for the people in Great Britain belong to the public. There are in operation many such schools maintained by nonpublic, very generally religious, agencies, though they are decreasing in relative numbers. The schools of this class are survivals from the fairly recent period when strictly public schools did not exist or could not be provided in adequate numbers.

As indicated above, the primary element from the standpoint of both chronology and value in our conception of the public school is administration to the educational needs of the masses of the people. This basic characteristic has been present in all the successive stages of development of the public school in Great Britain and elsewhere. Since the line of approach in the present study is historical, it is expedient to assign a meaning to the term "public school" which will include all its stages of evolution. The primary characteristic in question will serve this purpose admirably. Accordingly, for the general purposes of this study public schools are schools providing for the education of the masses of the people, and public-school teachers are teachers in charge of such schools. The same idea on the side of the school is conveyed by the much less common phrase "people's schools." This definition of public schools in terms of their primary function corresponds fairly closely as a matter of fact to English usage throughout the period covered by this study. Adherence to present American usage would rule out all schools and teachers in England and Wales prior to 1870 and many subsequent to that date really functioning as public schools and teachers for all practical purposes. It would also rule out many people's schools with their teachers in Scotland throughout the period considered. The caution is added, however, that the exigencies of terminology have occasionally required the use of the term public school in reference only to schools under public control. This usage, however, is usually quite apparent. The preceding definition plainly excludes colleges and universities, distinctively class schools, and private schools maintained for revenue. This last-named class of schools has been very numerous in Great Britain.1 Normal schools should probably be excluded also, but the writer has somewhat arbitrarily considered the normal schools training college in Great Britain to belong to the public-school system or systems, because of their close organic connection with the public schools, because they have been largely of only secondary grade and have drawn most of their students from the common schools, and because normal-school teachers have

1 Cf., e.g., The Educational Systems of Great Britain and Ireland, by Graham Balfour, 3d ed., p. 182.
been pensioned under the same provisions as public-school teachers proper.

The chief group of schools excluded from the public-school system in Great Britain by our somewhat arbitrary definition is the public and quasi-public class schools, or secondary schools as they are called, which largely parallel the public schools proper. Though some of these schools are under public management, especially in Scotland, most of them are quasi-public institutions. All, or practically all, charge tuition fees. Such schools are rare in the United States, but they are common throughout continental Europe. The nearest approach to them on the whole in our country is the private select schools, conducted for revenue, found chiefly in the larger cities of the East. The plane of cleavage between the people's schools and these class schools, in Great Britain as elsewhere, is vertical in the main. Roughly speaking, the two groups form two parallel systems, as already suggested. The public schools as above defined are the schools of the masses and the many, and the secondary schools tend to be those of the classes and the few. Education of both elementary and secondary grade in the American sense is provided in both groups, though the main emphasis is upon the former in the schools of the many, and upon the latter in the schools of the few. The basic difference is in the wealth and social rank of the parents as manifested in ability to pay tuition fees, rather than in the ability and advancement of the pupils. This cleavage is less marked in Great Britain than in France or Germany and is decreasing somewhat in degree at present, owing mainly to the common practice of awarding scholarships in secondary schools to promising youth of the working classes. There is little indication, however, that it will disappear.¹

As already stated, education of secondary as well as of elementary grade is provided in the public-school system of Great Britain. Schools of secondary grade have been included in Scotland in the group of public schools for a considerable time, and they are now comparatively numerous. Such schools have also been in existence for some time in England and Wales, but there they have been, comparatively few in number. The schools in question consist chiefly of the group known in Scotland as higher grade schools and in England as higher elementary schools. These are people's high schools, corresponding to the higher primary schools of France. They provide advanced courses articulating with the ordinary elementary schools, as American high schools do. The standard course is three years in length. Legally and administratively, higher grade and higher elementary schools belong in the same field with the public.

elementary schools, and their teachers have been pensioned regularly under the same regulations as elementary teachers. Without doubt there are other schools of secondary grade in Great Britain with a valid claim to be classed in this connection as public schools, but they are not numerous and are indistinguishable from the select schools in available statistics and reports. Moreover, except in Scotland since 1912, little has been done in the way of pensioning their teachers.

Pensions for teachers in the secondary or class schools of Great Britain are not treated in detail in this monograph; first, because such teachers have always been relatively few in number, and second, because provisions for pensioning secondary teachers have been relatively meager, except in Scotland since 1912. A number of wealthy-endowed secondary schools have for some time had individual pension systems of their own, operating under provisions of their respective schemes of government or charters, most of which were received under the endowed schools acts for England beginning in 1869 and the educational endowments act for Scotland of 1882. Also in a few cases secondary teachers in schools under public management have been pensioned by the local authorities. With the exception noted, however, there has been nothing remotely approaching any general provision of pensions for secondary teachers.

Although the matter of pensions for university teachers lies entirely outside the field of a study dealing with pensions for public-school teachers, yet a brief statement of the barest essentials respecting pensions for teachers in British universities may well be made. Certain of the constituent colleges of the ancient universities of Oxford and Cambridge provide retiring pensions for members of their respective instructional staffs. No general university pension system has been established at Oxford. At Cambridge a university pension fund and a special pension fund arising from a gift to the university, both of very modest proportions, have been available for a number of years. In 1912 a thoroughly substantial pension system was adopted in favor of professors, readers, and officers of the university, to take effect, however, at the discretion of the university senate only after certain changes in the university statutes had been secured. The four Scotch universities all maintain university pension funds of their own for the purpose of providing for their superannuated teachers. These funds have been in existence for some time. The distinguished
scientist, Lord Kelvin, was on the pension roll of the University of Glasgow for a time prior to his death. All or practically all the modern municipal and provincial universities of England have recently established pension systems in favor of their own teachers.¹ In general these systems are of very small proportions, but they may be considered real beginnings. This group of institutions comprises the Universities of London, Liverpool, Manchester, Durham, Birmingham, Leeds, Bristol, and Sheffield.

¹ See Reports from Universities and University Colleges, etc., 1910, pp. xiii, xvi.
CHAPTER II.

PENSIONS UNDER THE COMMITTEES OF COUNCIL ON EDUCATION.

Pensions for British public-school teachers were first inaugurated by the Committee of the Privy Council on Education, which was established by order in council in 1839 for the purpose of superintending the application of funds voted by Parliament in aid of public education. By administrative regulations this committee provided State pensions for such teachers on a small scale long before they were established by direct legislative action. The jurisdiction of the committee covered the whole of Great Britain.

The first action of the Committee of Council on Education relating to pensions was taken in 1846 as a means of educational improvement supplementary to the pupil-teacher system, which it introduced at the same time in recognition of the inadequacy of the prevalent monitory system. In that year the following administrative minute was adopted:

[Resolved] That a retiring pension may be granted by the Committee of Council to any schoolmaster or schoolmistress who shall be rendered incapable by age or infirmity of continuing to teach a school efficiently.

Provided that no such pension shall be granted to any schoolmaster or schoolmistress who shall not have conducted a normal or elementary school for 15 years, during 7 at least of which such school shall have been under inspection.

That in all cases of application for pensions a report shall be required from the inspector, and from the trustees and managers of the schools, as to the character and conduct of the applicant, and the manner in which the education of the pupils under their charge has been carried on.

The amount of the pension shall be determined according to such report, but shall in no case exceed two-thirds of the average amount of the salary and emoluments annually received by the applicant during the period that the school has been under inspection.

A minute of the grant of every such pension, and of the grounds on which it has been awarded, shall be published in their Lordships' Minutes.

In 1851 a second administrative minute in the following form was adopted:

Resolved, That the foregoing minute [of 1846] be declared to have been intended to facilitate the appointment of competent successors in the place of meritorious but incapacitated teachers, whose removal might, by such assistance, be effected in a manner consistent with their claims on the public.

That in order to define the extent of the charge to be created on the Parliamentary grant for education, the pensions to be awarded, pursuant to the minute of the 21st of December, 1846, be as follows:

- 20 pensions of £30 each: £600
- 100 pensions of £25 each: £2,500
- 150 pensions of £20 each: £3,000
- Donations or special gratuities: £600

That in order to give precedence to the most deserving cases, all applications for retiring pensions be collected for comparison, and decided according to their respective merits, not oftener than twice in each year, until the foregoing list be completed, and thenceforth only as vacancies in it shall occur.

That the pension be liable to be withdrawn on such proof as shall be satisfactory to their Lordships that the pensioner has been guilty of misconduct, or possesses sufficient means of livelihood from other sources.

The need for some effective means of facilitating the retirement of incapacitated elementary or public-school teachers was quite definitely felt in Great Britain at this time by the Committees of Council and others interested in education, and the inadequacy of the plan embodied in the preceding minutes was clearly recognized. For a number of years the committee had under its consideration various pension schemes of a comprehensive sort in an effort to find a practicable one which would really meet the need cited. Plans of pension systems supported by the beneficiaries were the only ones seriously considered. Not only were the funds at the disposal of the committee insufficient to permit it to maintain an extensive pension system, but the development of the civil status of the teacher, particularly in England and Wales, and of social, economic, and educational conditions was yet far from the stage where men are usually able to consider the maintenance at public expense of a thoroughgoing pension system for teachers quite compatible with sound public policy. It was realized by the committee that no scheme of the type considered would be satisfactory unless it involved compulsory membership and support on the part of all teachers of the class for which it was designed. Such compulsion was considered inexpedient under the existing conditions and traditions. Finally, in 1857 the committee gave up the attempt to formulate a satisfactory scheme of general application and decided to limit its operations to the very limited pension system established by the minutes quoted. Doubtless the chief obstacle to the establishment of a general pension system, or local pension systems, for public-school teachers, at this time, whether by order of the committee or by act of Parliament, was the civil status of the teachers. On the
whole, they were but quasi-public servants, even in reference to their respective communities. Pensions for regular civil servants were already fairly common, but public opinion was unprepared to sanction the pensioning from State or local funds of any workers not directly in the employ of the public.

Certain principles of policy and rules of procedure for the administration of the parliamentary grants for public education were developed at different times which did not appear, at least explicitly, in the formal minutes of the committee. By means chiefly of official letters to inspectors and other persons published in the annual reports of the committee, such partially unformulated regulations were nevertheless made public to a considerable extent. Those of most importance were embodied in the official code adopted in 1860, the result of a codification of the minutes and regulations of the committee then in effect. The regulations thus developed in reference to pensions and formulated in the newly devised code of minutes and regulations were not numerous. All noteworthy additions to the pension minutes quoted above were contained in the following articles of the code:

164. Pensions are granted as a form of aid to schools, in order to facilitate the appointment of competent successors in the place of meritorious, but incapacitated, teachers. They are not eleemosynary, nor simply rewards of merit, nor can they be claimed as of right.

168. Teachers who entered the profession before 1846 are regarded, ceteris paribus, as having the first claim.

171. Pensions are liable to be withdrawn as often as they appear not to be needed for their object, as defined by Article 164.

The eight articles of the code relating to pensions contain all the important provisions of the minutes of 1846 and 1851. In 1861 a revision of the code of minutes and regulations was undertaken, and a revised code was adopted the next year. Through the revision the policy of paying all State subsidies in aid of elementary education direct to the managers of schools was established. In pursuance of this policy, not only were the customary provisions for grants to teachers in augmentation of salaries absent from the revised code, but likewise all pension provisions were suppressed. This latter action, however, was without prejudice to the validity of pensions already granted. The abolition in such fashion of the very modest pension system of the committee was seriously condemned then and since by many persons. The Government was charged with breach of faith and the violation of confidence inspired by it in

1. See pp. 11-12.
2. Ibid., p. 36.
3. Ibid., p. 34.
4. Ibid., p. 34.
a most deserving class of public servants. The offense, however, was really not flagrant, as indicated by the following excerpt from a circular letter of instructions from the committee addressed to "Her Majesty's Inspectors of Schools" in 1851:

You will not have failed to observe that by the minute of 21 December, 1846, their Lordships take power, but do not pledge themselves, to grant pensions of this nature. No pension can be claimed as a right, under any circumstances whatever; and you will be careful to hold this language in all your communications upon the subject.1

The committee regularly discouraged the building of large hopes upon the pension system, not only in their communications, but in the minutes and orders previously quoted and by a most conservative policy in awarding pensions. They early announced that the pensions were intended to be granted in the interest of particular schools in order to facilitate the retirement of incapacitated teachers. They declared that no pensions would be granted solely in the interest of teachers.2 In 1859 the number of pensioners was only 26.3 In earlier years the number had been smaller still, very much smaller for the most part.

In 1870 was passed the education act for England and Wales4 which, despite supersEDURE in numerous respects by later acts, is still considered the fundamental educational law for these countries. While this act was silent regarding pensions for teachers, it contained other provisions which have some bearing upon later developments in this direction. Prior to this time, as has been indicated, public education was in the hands of religious and philanthropic associations, though partially supported by the State. The act in question provided for the establishment of elective school boards in all parishes and boroughs, or authorized combinations thereof, where adequate educational facilities for the masses of the people were not otherwise provided, or where the electors applied for the establishment of the same. Such boards were required to make provision for adequate school accommodations, and to that end were empowered to establish and maintain schools at public expense. Their powers were limited in a general way to the field of elementary education. Both board schools and voluntary schools, those not under public control, were to receive regular State aid, subject to compliance with the prescribed conditions. In short, the receipt of parliamentary aid in future was limited to schools classed as public elementary schools. These were defined to be schools in which the education given is principally elementary, with any religious instruction optional, in which the tuition fees do not exceed ninepence (18 cents) per week, which are freely open to State inspection, and which satisfy the con-

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2 Ibid.
3 Ibid. of the Committee of Council on Education, 1858-59, p. xxxviii.
4 Slade v. Vict., ch. 15.
A corresponding act for Scotland was passed in 1872 and the existing public-school system of that country was decidedly improved and strengthened. The act authorized the establishment of the Committee of the Privy Council on Education in Scotland for administering the distribution there of parliamentary grants for education, though on the side of personnel the new Scotch committee was virtually identical with the English or old committee until 1885, when active control in the two was vested in separate ministers. The law established a school board in every parish and borough of the realm, with the obligation resting upon each of maintaining an adequate system of public schools. For this purpose the boards were empowered to impose local rates or taxes. Public schools were defined as schools under the management of school boards. Other schools efficiently contributing to the secular education of their respective parishes or boroughs, except those founded after the passage of the act and not definitely satisfying some special local need, were made eligible to receive parliamentary grants on the same terms as public schools. Though the powers of the school boards were not limited to the field of elementary education, as in England, the code of the new committee of council for Scotland established under the act shortly after its enactment provided that "in every school, or department of a school, in respect of which grants are made, the education given must consist chiefly of elementary instruction," and this provision was continuously retained in the code until recently.

In 1872 there was introduced into the House of Commons a bill for pensioning teachers which resulted in the appointment of a select committee of that house to inquire into the feasibility of granting retiring pensions to certificated elementary teachers "by a deduction from the parliamentary grant in aid of public elementary schools, or by any other like means." The committee submitted an instructive report, but was unable to make any positive recommendations. The announcement was made in the report that the committee had discovered the currency of a belief among many teachers that the minute of the Committee of Council of 1846 was "a promise of pensions to all teachers who fulfilled the conditions therein laid down" and the consequent currency of certain correlated expectations in the minds of some teachers.

As a result of these findings and of various petitions received at different times praying that the alleged promises of the early pension
minutes be fulfilled, the Committees of Council on Education for England and Scotland, though still denying that any true promise had ever been made, jointly decided in 1875 to add the following provisions to their respective codes as an article thereof.1 The term "certificated teacher" in the first article means here and throughout the study a person in possession of a teacher's certificate issued by the appropriate committee as a means of aid in standardizing the work of the people's schools for the purposes of the parliamentary grants.

A limited number of pensions will be granted, on the following conditions, to teachers who were employed in that capacity when [May 9, 1862] the minutes relating to pensions were canceled:

1. The proposed pensioner must—
   (a) Be a certificated teacher in a public elementary school, or training college, at the time when the pension is applied for.
   (b) Have become incapable, from age or infirmity, of continuing to teach a school efficiently.
   (c) Have been employed continuously, since the 9th of May, 1862, as principal or assistant teacher in elementary schools, or training colleges.
   (d) Be recommended by Her Majesty's Inspector, and the managers of the schools served in.
   (e) Be 60 years of age (if a man), or 55 (if a woman), unless the pension is applied for on the ground of failure of health.

2. Pensions will be granted to those teachers only who have been, during the seven years preceding the application on their behalf, in charge of schools under inspection, and are in need and deserving of such assistance.

3. Applications for a pension will be received only from the managers of the school in which the teacher is serving at the date of retirement.

4. These applications will be collected for decision, on their comparative merits, twice a year, about Lady Day and Michaelmas.

5. Teachers who entered on the charge of a school before 1851 will be regarded, ceteris paribus, as having the first claim.

6. The maximum number and value of pensions receivable at one time, in England and Scotland together, and including the pensions now current, will be as follows:

<table>
<thead>
<tr>
<th>Number</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>20</td>
<td>£600</td>
</tr>
<tr>
<td>100</td>
<td>£2,500</td>
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<tr>
<td>150</td>
<td>£3,000</td>
</tr>
<tr>
<td>270</td>
<td>£6,100</td>
</tr>
<tr>
<td>Donations or special gratuities (each year)</td>
<td>£400</td>
</tr>
<tr>
<td></td>
<td>£4,500</td>
</tr>
</tbody>
</table>

7. The pensions will be paid yearly, on certificates proving identity, good behavior, and continued need.

From these regulations it is clear that the action of the committees was to revive the former pension scheme with various modifications in the interest only of teachers who were in service at the time it was abolished. Though the two committees started thus on a common basis, differences soon began to appear in their pension regulations, especially after 1885, when they became in a real sense actually,

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as well as nominally, distinct. Both committees have regularly continued to embody their pension regulations in a single article of their respective codes. The important changes made in the plan adopted will be noted in each case.

Until their final abolition in 1906, the regulations of the committee for England and Wales (Board of Education since 1900) continued to require continuous service in elementary education since May 9, 1862, as a general (but not absolute) condition of eligibility to a pension. Since 1893, however, teachers who were recognized students in training colleges on May 9, 1862, have not been debarred on the ground of nonemployment as a teacher at that time. In 1894 the range of positions in elementary education which a teacher may have held since 1862, and might be holding at the time of application, was extended to include those of organizing teacher and of teacher in a central class for the instruction of pupil teachers.

The committee for Scotland adhered to the same requirement as a like general condition of eligibility until 1899, when the date of the passage of the present fundamental education act for Scotland, August 6, 1872, was substituted in both places in the regulations for the date May 9, 1862. Owing to the difference in usage of the word "public" applied to schools, the Scotch committee early introduced the adjective "State-aided" as an alternative into the requirement relative to the class of school in which an applicant for a pension must be employed at the time of application.

The requirements of continuous service in elementary education in the pension provisions of the two codes at any given time have limited the pension benefits, prospective and actual, to a tolerably specific class of teachers which must constantly decrease so long as no changes were made in these requirements. As a matter of fact, this condition of continuous service has been instrumental in debarring far more teachers from eligibility than any other provision. Indeed, it alone has apparently been a sufficient disqualification in most cases. It would seem that relatively few teachers satisfying this condition of continuous service have been debarred by the requirement of being certificated at the time of application for the pension. Aside from pupil teachers, about nine-tenths of the teachers in elementary schools under inspection in England and Wales, and practically all of those in such schools in Scotland, were certificated in 1875, and it is safe to say that most of those who were not certificated were...
young teachers who had entered the service after 1862. Moreover, in 1875 the great majority of public or elementary schools in Great Britain were under inspection,¹ that is essentially to say, in receipt of parliamentary grants, and it seems quite reasonable to assume that a considerable proportion of teachers in uninspect ed schools who had been in continuous service for 13 years or more had become certificated. Teachers not employed in elementary schools in 1875 or any other year were of course by that fact permanently disqualified by the terms of the condition demanding continuous service. Some teachers uncertificated in 1875, but able to satisfy the requirement of continuous service, doubtless obtained certificates later. Finally, it must be observed that certification in Great Britain has in general meant certification during the remainder of the teacher's professional life. From these considerations the above inference relating to debarment by the requirement of certification seems well founded. The requirement that during the seven years preceding application for a pension teachers must have been employed in schools under inspection also has been no serious obstacle to the body of teachers meeting the one relative to continuous service. The small proportion of elementary schools not under inspection in 1875 decreased with the passage of time, seemingly to a very small figure.² The same is true of the requirement that teachers must be employed in public elementary schools, public or State-aided schools in Scotland, or in certain other comparatively few positions at the time of application, since as a matter of fact these schools have been practically identical with the class of inspected elementary schools, with certain others added in Scotland by strict interpretation of terms. This paragraph has not been complicated by the introduction of data and points of evidence respecting teachers in training colleges, because these teachers have always been numerically negligible in comparison with the great body of elementary teachers. The generalizations must hold, whether they are included or excluded.

In 1878 the committees eliminated the eleemosynary provisions of their pension regulations.³ This does not mean, however, that eleemosynary considerations in awarding pensions were ever entirely eliminated by either committee; for the number of pensions and the amount available for them have always remained definitely limited, and the provision, "applications will be collected for decision, on their comparative merits, twice a year," has always been retained unaltered in both codes.

¹ Cf. Rep. of Committee of Council (England and Wales) pp. vii-viii, xii-xiv, and pp. v-vi, viii, respectively.
² Cf. Statistics of Elementary Day Schools, etc., issued by Board of Education, 1900-1901, p. 6. This publication appears in Parliamentary Papers, 1902, vol. 78, (Cd. 1150).
³ Rep. of Committee of Council (England and Wales), 1877-78, p. 236; Rep. of Committee of Council (Scotland), 1877-78, p. 89.
The specifications relative to the number and aggregate amount of pensions remained unchanged in both codes till 1884, when the committees jointly added to the clause of their respective codes containing these specifications the following qualification: "But this limit of the number of pensions shall not affect the claims of teachers who were employed before August, 1851." This action was doubtless taken because the minute of August, 1851, fixed the first limit to the number of pensions, before the establishment of which all elementary or public-school teachers had fairly reasonable grounds to hope for a pension in due time. The English committee, it should be added, in 1893 extended the terms of this qualification to include teachers who were recognized students in training colleges at the time named.

In 1886 the clause containing the specifications of the number and amount of pensions was again altered, but not identically, in both codes. In that year this clause in the English code was modified to provide that "the maximum number of pensions receivable at one time in England and Wales" should be 232 and the maximum value £5,580, and the corresponding clause in the Scotch code was changed so as to specify that "the maximum number and value of pensions receivable at one time in Scotland" should be 38 and £920, respectively. The maximum number and value of the pensions receivable in Great Britain at one time thus remained the same as before, 270 and £6,500. The sizes of the pensions remained £30, £25, and £20 in both codes. In fact no changes in this respect were ever made. In 1893 the preceding figures in the English code were raised to 453 and £10,580, respectively, and in 1894 those in the Scotch code were increased to 73 and £1,750, respectively. In the following year further changes were made in both codes. The figures in the English code were increased to 516 and £14,005, and the specifications in the Scotch code were changed to read as follows:

The maximum number and value of pensions receivable at one time in Scotland, will be as follows:

<table>
<thead>
<tr>
<th>Type of Pension</th>
<th>Number</th>
<th>Value (£)</th>
</tr>
</thead>
<tbody>
<tr>
<td>7 pensions of £30 each</td>
<td>7</td>
<td>210</td>
</tr>
<tr>
<td>81 pensions of £25 each</td>
<td>81</td>
<td>775</td>
</tr>
<tr>
<td>49 pensions of £20 each</td>
<td>49</td>
<td>980</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>83</strong></td>
<td><strong>1,885</strong></td>
</tr>
<tr>
<td>Donations and special gratuities (each year)</td>
<td></td>
<td>100</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>1,985</strong></td>
<td><strong>1,985</strong></td>
</tr>
</tbody>
</table>

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4. Ibid., 1888-89, p. 147.
8. Rep. of the Committee of Council (Scotland), 1894-95, pp. 128-129.
The Scotch committee has retained these figures unaltered to the present time. From 1895 to 1900 the figures in the English code were increased every year. In 1900 the specifications were the following: ¹

<table>
<thead>
<tr>
<th>Pensions</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>65 pensions of £30 each</td>
<td>£21,980</td>
</tr>
<tr>
<td>363 pensions of £25 each</td>
<td>£9,075</td>
</tr>
<tr>
<td>518 pensions of £20 each</td>
<td>£10,360</td>
</tr>
<tr>
<td>947 donations or special gratuities (each year)</td>
<td>£21,415</td>
</tr>
</tbody>
</table>

After 1900 no changes were made. These last figures remained intact so long as the pension regulations stood.

Since 1884, when the provision relative to teachers employed before August, 1851, was introduced, these limitations of number and amount have affected only those teachers who were not in service prior to that month. It would seem that all teachers satisfying properly the conditions imposed by the article on pensions who were in service prior to the month named have been awarded pensions on application. At any rate, since 1884 the number and value of the pensions in force have regularly been very considerably in excess of the limiting figures of the codes, as the statistics in the following paragraph indicate. Though the full number of pensions permitted by the figures of the codes were in effect at the time, about 200 additional pensions were awarded by the committees under the provision of 1884 within a year after its adoption.¹

The expenditure for code pensions increased with some regularity in both, England and Scotland until after the passage of the superannuation act of 1898.² In 1899 there were in effect in England and Wales 219 pensions of £30, 668 of £25, and 732 of £20.³ The total annual expenditure for this purpose at that time was thus approximately £38,000. The total annual expenditure for Scotland at the same period was in the neighborhood of £5,500.⁴ Since the law of 1898 became operative the amount expended for code pensions in both England and Scotland has gradually decreased. No new pensions have been awarded in the former country since 1906.⁵ The distribution, number, and amount of code pensions in effect in Eng-

² Rep. of the Committee of Council (England and Wales), 1884-85, p. xxxix.
³ See pp. 36 ff.
⁴ Rep. of the Committee of Council (England and Wales), 1898-99, p. xli.
⁵ Rep. of the Committee of Council (Scotland), 1898-99, p. 307; 1899-1900, p. 403.
⁶ See p. 30.
land and Wales at the end of September, 1911, are shown by the following table:  

<table>
<thead>
<tr>
<th>Size</th>
<th>Number</th>
<th>Men</th>
<th>Women</th>
<th>Total</th>
<th>Total amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>£30</td>
<td>70</td>
<td>35</td>
<td>105</td>
<td>210</td>
<td>£3,150</td>
</tr>
<tr>
<td>£25</td>
<td>154</td>
<td>203</td>
<td>357</td>
<td>550</td>
<td>£9,025</td>
</tr>
<tr>
<td>£20</td>
<td>90</td>
<td>351</td>
<td>440</td>
<td>900</td>
<td>£8,400</td>
</tr>
<tr>
<td>Total</td>
<td>317</td>
<td>589</td>
<td>906</td>
<td>20,975</td>
<td></td>
</tr>
</tbody>
</table>

At the end of March, 1912, there were in effect in Scotland 24 pensions of £30, 51 of £25, 66 of £20, and 5 smaller pensions. Their total annual amount was £3,370.

Shortly after the act of 1898 was passed a clause was introduced into each code debarring from eligibility to a pension under the code all teachers who had accepted that act in the manner prescribed therein except those proved to be unable to qualify for a pension under the new régime after such acceptance. As further adjustments to the act, provisions were also introduced into both codes requiring that applications for pensions should be made before the proposed pensioners attained the age of 65 years, or within a specified time thereafter, but making it possible for teachers of special fitness to secure the privilege of continuing their functions for a limited time after reaching that age.

Beginning with 1900 the division on pensions of the English code regularly contained a statement to the effect that no applications for pensions filed later than March 31, 1906, would be considered. In 1906 the pension regulations were dropped from the code altogether. This action of course did not invalidate pensions already in effect.

2 Rep. of the Committee of Council (Scotland), 1911-12, p. 30.
3 See p. 27.
CHAPTER III.

PENSIONS BY VOLUNTARY AGENCIES.

There is comparatively little to record in relation to cooperative activities of British public-school teachers in the provision of pensions for themselves on their own initiative and responsibility. The only important activities of this nature have been conducted in connection with the National Union of Teachers, a large organization primarily of certificated public elementary teachers of England and Wales, founded in 1870, which concerns itself with forwarding a variety of teachers' interests. The membership of the union in 1910 was nearly 70,000.

One feature of this organization has been a fund known as the Benevolent and Orphan Fund, maintained by voluntary subscriptions and donations and serving various benevolent purposes. Its assets in 1912 were over £95,000. The membership of the fund has consisted of subscribers and donors, commonly but not necessarily members of the union or public-school teachers. One of the important activities of the fund has been the annual award by vote of the members and their representatives of a limited number of pensions to destitute and incapacitated teachers who have been regular subscribers during at least five years. Pensions have also been voted under varying conditions to teachers' widows. In general, pensions are not awarded to men under 55 years of age nor to women under 50. The maximum pension at present is £34 per year. The total number of pensioners in 1912, including teachers' widows, was 249. Of this number 54 were men. The total amount of the pensions was £5,826. The amount expended for all benevolent purposes the same year was £24,122.

Another organization closely associated with the National Union of Teachers which is concerned in a small way with the matter of pensions is the Teachers' Provident Society, established in 1877. This organization is a teachers' friendly society registered under the Friendly Societies Acts. It is apparently the only registered teachers' friendly society in the country. The society has had a continuous, rapid, and prosperous development, especially during the past decade. In 1911 its assets amounted to over £530,000, and the total membership was more than 28,500. Though always in the minority previously,
women members have been in the majority since 1910. Only members of the National Union of Teachers, students in training, and pupil teachers are eligible to membership, except in the special State section described below. Teachers' pensions have been a relatively minor feature of the varied work of the society. Certain pension funds are maintained, however, and opportunity is thereby given members to purchase pension annuities on favorable terms. In 1911 these funds amounted to nearly £65,000. The number of pensioners was only 40 or 50, though it was increasing. Their annuities amounted to a total of £1,193. The maximum annuity has been £52.1

In 1912 the Teachers' Provident Society was approved under the new national insurance law by the national insurance commissioners, and a special "State section" for the accommodation of the uncertificated and other teachers subject to health insurance under the law was established. This approval made the society with its branches an agency in the local administration of the insurance system, as described in a later connection. The State section is kept as distinct as possible from the remainder of the society, which has been but little affected by the introduction of the new branch of work. The financial administration of the latter is separate from that of the regular organization. The rules of eligibility have been essentially changed only with respect to the State section. The chief object of the new departure was to establish close relationships with many prospective members for the old or regular divisions of the society. Success in this aim has been achieved in a remarkable degree. Early in the present year (1913) about 50,000 teachers had already joined the State section.4

Health insurance under the new insurance act, with which the Teachers' Provident Society is now concerned, is of various sorts. Among the benefits provided are certain ones known as disablement benefits which may be regarded as disability pensions. The act applies to a very large number of teachers, chiefly those uncertificated. For special information, however, regarding the provisions of the law relating to teachers and teachers' pensions the reader is referred to chapter 6, where the chief of these provisions are presented.

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1 The chief sources of this varied information relative to the Teachers' Provident Society have been different annual reports and copies of the rules and tables of the society.
2 11 and 2 Geo. V, ch. 55.
3 Pp. 49-50.
CHAPTER IV.

TENURE OF OFFICE.

Before proceeding to the consideration of the general provision of pensions for British public-school teachers by positive legislation, it is expedient to present an account of the stability of the profession in Great Britain, since this has important bearings upon the matter of pensions. These bearings are considered in the concluding chapter. The discussion here will be confined to a presentation of the actual facts regarding the subject named.

The chief single factor in professional stability is the character of the teacher's tenure of office, and in general it may be said that the tenure of public-school teachers (and of teachers in general) in Great Britain has been relatively uncertain and indefinite, as in the United States. With the historical exception in Scotland noted below, this has certainly been true so far as the role of law has been concerned. A law of 1841, applicable to both England and Scotland, enacted for the purpose of facilitating the conveyance of sites for schools for the education of the poor, provided that—

no Schoolmaster or Schoolmistress to be appointed to any School erected upon Land conveyed under the Powers of this Act shall be deemed to have acquired an Interest for Life by virtue of such Appointment, but shall, in default of any specific Engagement, hold his Office at the Discretion of the Trustees of the said School.

The education act of 1870 for England and Wales directed that this provision of 1841 should—

extend to the case of any school provided by a school board, and of any master or mistress of such school, in the same manner as if the school board were the trustees or managers of the school—

under the conditions specified in the act of 1841.

The act of 1870 also contained the following provision in point:

A school board may appoint necessary officers, including the teachers required for any school provided by such board, to hold office during the pleasure of the board, and may from time to time remove any of such officers.

Both these provisions of 1870 are still in effect. Nothing was said in the law about tenure of office in voluntary schools. Tenure in

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1 See pp. 76 ff.
2 See p. 30.
3 5 and 6 Vict., ch. 32, sec. 17.
4 See p. 19.
5 31 and 32 Vict., ch. 76, sec. 26.
6 Ibid., sec. 30.
such schools depended upon the terms of the instruments of foundation of the different schools, but these were such as to make it very largely a matter of free arrangement between teachers and managers. From a legal standpoint, tenure has been just about as uncertain in one class of schools as in the other. The Education Act, 1902, introduced some small improvement by abolishing the local school boards and constituting the county councils, with the councils of the larger boroughs (incorporated towns and cities) and urban districts independent, as the local educational authorities throughout England and Wales, with the control in their hands of the dismissal of teachers in all public elementary schools, voluntary and provided, in their respective jurisdictions. This relative centralization of authority in respect to the function in question has tended to shield teachers from local prejudices and misjudgments and thus to make conditions somewhat more tolerable.

Prior to 1872 the teachers or masters of the parish schools of Scotland had enjoyed as great security of tenure as any body of teachers that has existed. Their positions carried the usual common-law tenure ad vitam aut culpam of public officers in Scotland, under which they could be dismissed only for grave breaches of professional or general conduct. By statute law they were subject to dismissal for positive neglect of duty, immorality, cruelty to children, and one or two other offenses, but as a rule they were shielded by the requirement of a formal trial and investigation. They were also shielded apparently by a general disinclination to enforce the statutory provisions. In any event mere incompetence was not sufficient ground for dismissal; nor was disability, except that after 1861 it was sufficient for compulsory retirement on a pension. In general the teacher who maintained himself in fair repute before men could retain his office till death. Whatever virtues it might have had, such security of position became provocative and protective of abuses, more or less serious, despite the safeguards provided. Not only was inefficiency due to incompetence and disability shielded more or less, but inefficiency due to willful neglect and indolence was fostered. Partly, at least, as a reaction against such evils, tenure ad vitam aut culpam was abolished by the act of 1872, except with respect to parish teachers in service at the time. Incompetence and inefficiency were added to the grounds upon which such "old" teachers might be
dismissed. The act provided, with reference to tenure for future teachers, the right and duty to appoint teachers of public schools shall be in the respective school boards, and every appointment shall be during the pleasure of the school board.

The legal insecurity of tenure thus introduced was slightly tempered by an act of 1882, which provided that a certificated teacher could be dismissed only on the consent of a majority of the full membership of the board, and insured a measure of deliberation before the act of dismissal. The Education (Scotland) Act, 1908, opened to a teacher dismissed under the terms of the act of 1882 the right of appeal to the Scotch Education Department, which was authorized after investigation to ask the school board to reconsider its action, and in default of such reconsideration to require the board to pay the teacher an indemnity not exceeding one year's salary.

In both England and Scotland teachers appointed to hold office during the pleasure of the board, without a term contract, have been entitled by common law to "reasonable notice" of dismissal, unless guilty of some grave breach of conduct. In practice three months has constituted the usual period of reasonable notice for head teachers and one month for assistant teachers. Term contracts between teachers and public-school authorities covering a definite period of time, such as are practically universal in the United States, are uncommon in Great Britain, if not illegal.

Of course in the absence of legal or State regulations it is possible for security of tenure to be provided for teachers to some extent by local regulations. So far as the writer has been able to ascertain, however, relatively little has been accomplished in this direction in Great Britain by local enactment. Certain local education authorities, as the London County Council, have formulated regulations regarding investigations, hearings, transfers, and the like designed to guard teachers against dismissal without sufficient grounds, and such regulations have undoubtedly improved the conditions of tenure in some degree, but the authorities retain the right to discharge teachers upon legal notice without reference to cause. Thus the following occurs in the educational regulations of the London County Council:

Appointments of head teachers are subject to three months' notice for their termination. The engagements of assistant teachers on supply are terminable without notice. The appointments of all other teachers in elementary schools who are in receipt of annual salaries are subject for their termination to one month's notice on either side.

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1 36 and 37 Vict., ch. 62, sec. 22.
2 Ibid., sec. 22.
3 36 and 37 Vict., ch. 12.
4 5 Edw. VII, ch. 26, sec. 11.
Though appointments are classified in London and some other localities as permanent and temporary, these terms do not have the same rigid meanings as in France or Germany. A permanently appointed teacher in London, for example, is apparently simply a regular teacher who can not be dismissed without due notice. Nearly all London public-school teachers are permanent appointees in this sense.

Another important factor in professional stability is the matter of legal restrictions upon withdrawal from the profession in the form of provisions of law, civil-service regulations, and the like. In comparison with some other countries of Europe these have been of small importance in Great Britain. British public-school teachers, like those of America, are perfectly free to change their vocation at almost any time. They are entirely free at the end of any engagement with local authorities; and such engagements may generally be terminated on short notice, the same reasonable notice which school authorities may be required to give in cases of dismissal. The only important restraining influence of a legal nature is the requirement of a certain reasonable amount of service in order to gain eligibility to a pension on attaining a prescribed age.

In the absence of legal requirements it is possible of course for security of tenure and professional stability in general to become firmly grounded in custom, but this has not occurred in Great Britain, as it certainly has not in the United States. Naturally there has been considerable shifting and change in the ranks of British public-school teachers, in and out of the profession and from one position to another. With respect to certificated teachers in England and Wales, considerable improvement on the side of tenure has gradually been brought about in recent decades by the National Union of Teachers through collective resistance and pressure. Under the existing circumstances, moreover, the tendency among teachers to voluntarily seek other fields of usefulness does not seem to be marked.

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2 See pp. 32, 42-46, 84.
CHAPTER V.

PENSIONS UNDER THE ACT OF 1898.

The obstacles in the way of the establishment of a satisfactory comprehensive pension system for teachers in the public or people's schools which were encountered by the committee of Council on Education in the sixth decade of the last century gradually disappeared in a large measure as the century neared its close. Wealth became more abundant, the horror of measures involving socialistic tendencies decreased, and the status of the teacher became more and more that of a real public servant. As we have seen, strictly public schools of elementary grade under the control of local school boards were introduced into England by the act of 1870, and the act of 1872 greatly strengthened the time-honored public-school system of Scotland by the establishment of local school boards throughout that country. The number of teachers in literally public or board schools in England and Wales increased gradually from zero in 1870 to 52,393 out of a total of 113,986 in inspected schools in 1900. The number of teachers in board schools of corresponding grade in Scotland increased from 2,698 out of a total of 3,940 in inspected schools in 1875, to 10,821 out of a total of 12,363 in inspected schools in 1900. Finally, by the provisions of the act of 1902 the teachers in all voluntary schools in England and Wales receiving parliamentary grants became largely public employees.

With the gradual disappearance of the obstacles cited, the matter of establishing a general pension system for public-school teachers began to be seriously considered. The consideration of the matter in the House of Commons in 1872 has already been noted. The Commissioners on the Elementary Education Acts, England and Wales, in their final report, issued in 1888, definitely expressed their approbation of a general superannuation system for elementary teachers. They suggested a system in outline which contained certain features that were later embodied in the act of 1898. A few years later a special committee of the House of Commons was

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1 See p. 17.
2 See p. 15-16.
5 See p. 20.
appointed to inquire into the best means of providing for the super-
annuation of public elementary teachers in England and Wales.
The committee submitted its report in 1892, in which it presented
and recommended a definitely formulated scheme which formed the
basis quite largely of the system finally adopted in 1898. The fol-
lowing paragraph is an especially important and significant passage
of the report:

The evidence, together with a study of educational conditions, convince your com-
mittee that superannuation is necessary for the sake not only of the teachers, but of
the schools. It is proved that after a certain age the teachers lose the vivacity useful
for success, and that unless they can be superannuated they will be retained in posi-
tions which, despite their best exertions, they can not efficiently fill. The question
thus becomes one of educational policy as well as of benevolence toward a body of
public servants. In this body your committee include both men and women in
voluntary schools and board schools. Your committee recognize the undesirability
of granting any further aid from the State, however indirectly, to schools not under
popular control; but as the State demands the same qualifications from all teachers
alike, and as teachers are continually passing over from board schools to voluntary
schools, and vice versa, your committee do not see that they can justly differenti-
ate between them in the matter of superannuation.

A unanimous resolution by the House of Commons the next year
to the effect that in the opinion of the House it was desirable that a
national State-aided pension system for teachers in public elementary
schools in England and Wales should be established at an early date
was a direct sequel to the report of this committee. Following the
passage of the resolution, the minister of education (vice president of
the Committee of Council on Education), with the concurrence of the
Treasury, appointed a departmental committee to consider how effect
should be given to it. The plan recommended in the report of 1892
formed the basis of the deliberations of the departmental committee,
which presented its recommendations in 1894. It is a sufficient
description here of the scheme proposed by this committee to state
that the provisions of the act of 1898 conformed closely to it. The
proposed scheme, however, did not contemplate pensions for Scottish
teachers, whereas the law of 1898 applied to the whole of Great
Britain.

These deliberations within governmental circles upon the problem
of a general pension system for public elementary teachers were
largely a reflection of more or less continuous discussion and agitation
of the matter in educational and other circles among the people.
Much was done in favor of a pension system by teachers through the
medium of their organizations and the educational press. The issue
was argued pro and con in the newspapers and the periodical press.
For a number of years prior to 1898 the great majority of teachers were quite ready to accept a partially contributory system, and public sentiment was rapidly crystallizing to the same purport. Parliamentary action was delayed by fiscal considerations for some time after the situation seems to have been reasonably ripe for it.

The Elementary School Teachers (Superannuation) Act, 1898, is the instrument through which Parliament for the first time established State pensions for teachers. It took effect in 1899. Its essential provisions for present purposes can be most conveniently presented by quoting the act itself in somewhat abbreviated form. The term "Education Department," as used in the act, means at the time of enactment essentially Committee of Council on Education, either for England or Scotland or both, but in reference to England and Wales it now means the Board of Education, which in 1900 replaced the English Education Department. Following is the text of the law suitably abridged:

Be it enacted as follows:

1. (1) A teacher certificated after the commencement of this act shall not be recognized by the Education Department as a certificated teacher until the department are satisfied in the prescribed manner of his physical capacity.

(2) In the case of a teacher who becomes a certificated teacher after the commencement of the act, the following provisions shall, subject to rules under this act, apply:

(a) His certificate shall expire on his attaining the age of 65 years, or if the Education Department, on account of his special fitness, allow his service to continue for a further limited time, then on the expiration of that limited time;

(b) The teacher shall, while serving in recorded service, contribute to the deferred annuity fund under this act at the rate, if a man, of £3 4s. and if a woman, of £2 6s. a year;

(c) On his attaining the age of 65 years, or on any later date at which his certificate expires, he shall be entitled, out of the deferred annuity fund, to such annuity for the remainder of his life in respect of his contributions to that fund as may be fixed by the tables under this act, but he shall not be entitled to any return of contributions or to any benefits in respect of his contributions other than that annuity;

(d) On his attaining the age of 65 years, or on any later date at which his certificate expires, if he has contributed to the deferred annuity fund in accordance with this act, and his years of recorded service are not less than half the number of years which have elapsed since he became certificated, the Treasury may grant to him, out of money provided by Parliament, an annual superannuation allowance calculated at the rate of 10s. for each complete year of recorded service.

61 and 62 Vict., ch. 57.
62 and 63 Vict., ch. 31.
Now £3 12s. See p. 28.
Now £3 6s. See p. 30.
“Recorded service” for the purposes of this act shall be such service in the capacity of certificated teacher in a public elementary school, not being an evening school, as is recorded by the Education Department, and may include such service as is so recorded in the capacity, within the meaning of the Education Code, either of a teacher in a training college, or of organizing teacher, or of teacher of a central class for pupil teachers, or in such other capacity in or connected with public elementary schools as may be for the time being prescribed, or in the capacity of a certificated teacher in a certified reformatory or industrial school; but no service after the teacher attains the age of 65 years shall be recorded service for the purpose either of contribution to the deferred annuity fund, or of determining the amount of any allowance under this act.

2. (1) Where a teacher satisfies the Treasury in the prescribed manner that he—
(a) Has served a number of years of recorded service not less than 10 and not less than half the years which have elapsed since he became certificated; and
(b) Has not at the date of application been for more than the prescribed time unemployed in recorded service; and
(c) Has become permanently incapacitated, owing to infirmity of mind or body, of being an efficient teacher in a public elementary school; and
(d) Is not excluded by the prescribed disqualifications;
the Treasury may, subject to the prescribed conditions and to the provisions of this act, grant to such teacher an annual allowance (in this act called "a disablement allowance") not exceeding:
(a) If the teacher is a man, £20 for 10 complete years of recorded service, with the addition of £1 for each complete additional year of recorded service; and
(b) If the teacher is a woman, £15 for 10 complete years of recorded service, with the addition of 12s. 6d. for each complete additional year of recorded service; and
(c) In any case, the total annual sum which the teacher might obtain from an annuity and superannuation allowance under this act by continuing to serve until the age of 65 years.

(2) If the grantee of a disablement allowance attains the age of 65 years, any annuity which would otherwise be payable to the grantee out of the deferred annuity fund shall, except where the allowance has ceased by reason of the grantee being again employed as a teacher in recorded service, be paid to the Treasury and applied as they direct toward the payment of disablement allowances, and, in that case, the Treasury shall not award any superannuation allowance to the grantee.

(3) A disablement allowance shall be reconsidered by the Treasury at intervals not exceeding three years and the rules shall provide for the suspension, cessation, or reduction of the allowance in whole or in part, if the prescribed conditions are not complied with or the prescribed disqualifications apply, and those disqualifications shall deal with the cases of persons who have caused or increased their infirmity by their own misconduct or default, or who marry or cease to be incapacitated, or become in such a position as not to be in pecuniary need of the allowance.

3. (1) The contributions under this act from certificated teachers shall be paid to the Education Department at the prescribed time, and in the prescribed manner by the teachers or their employers; and the receipt of the Education Department for the amount of a contribution paid by the employer of a teacher shall be a good discharge for the like amount of remuneration otherwise payable to the teacher.
PENSIONS UNDER THE ACT OF 1898.

(2) The contributions so received by the Education Department shall be paid to the National Debt Commissioners, and be invested by them so as to form a fund, in this act referred to as "the deferred annuity fund."

(3) The National Debt Commissioners shall pay out of the fund to the Treasury the sums required by the Treasury for the payment of annuities under this act, but otherwise shall invest the contributions, and add income of the fund for the time being, in any securities in which money held by the commissioners on account of savings banks may be invested.

(4) Separate subsidiary funds shall be kept in respect of the contributions and annuities of men and women teachers respectively.

(5) The National Debt Commissioners shall pay out of the fund to the Treasury the sums required by the Treasury for the payment of annuities under this act, but otherwise shall invest the contributions, and all income of the fund for the time being, in any securities in which money held by the commissioners on account of savings banks may be invested.

(6) Separate subsidiary funds shall be kept in respect of the contributions and annuities of men and women teachers respectively.

(7) At the end of every seven years an actuarial inquiry into and report upon the assets and liabilities of the fund shall be made under the direction of the Treasury and the Education Department, and the report shall be laid before Parliament.

4. (1) The Treasury shall cause tables to be constructed, showing the amount of annuity payable out of the deferred annuity fund to men and women teachers respectively in respect of the contributions made by them from time to time under this act, and so framed as to secure the fund against loss.

5. With respect to the application of this act to certificated teachers who became certificated before the commencement of this act (in this act referred to as "existing teachers"), the following provisions shall have effect:

(1) The Education Department shall, in the prescribed manner, give to each existing teacher the option, within the prescribed time, not being more than one year after the commencement of this act, of accepting, in the prescribed manner, this act.

(2) If an existing teacher does not accept this act, it shall not apply to him. If an existing teacher does accept this act, it shall apply to him with the following modifications:

(a) The rate of interest upon which the superannuation allowance is calculated may be augmented in the case of a man by 3d., and in the case of a woman by 2d., for each complete year of recorded service served before the commencement of this act;

(b) If the teacher has not at the date of the acceptance attained the age [65], he must serve in recorded service after the commencement of this act, and where, during any part of the seven years next before the commencement of this act, he was not in recorded service, the duration of the recorded service after the commencement of this act must not be less than the said part of the seven years.

(3) Nothing in this section shall authorize the grant of any allowance to any teacher who at the commencement of this act is in receipt of a pension out of moneys provided by Parliament for the service of education.

6. (1) The Treasury and the Education Department may make rules for carrying into effect this act, and shall provide thereby—

(a) for permitting certificated teachers to pay contributions to the deferred annuity fund during any interval not exceeding six months in which they are not employed in recorded service, and for reckoning the time in respect of which such contributions are made, as if it were recorded service;

(b) for the suspension of all or any part of an allowance when the grantee is wholly or partly maintained out of any public money.

(2) All rules made under this section shall be laid, as soon as may be, before both Houses of Parliament.

7. Any question which arises as to the application of any section of this act to any person, or as to the amount of any annuity or allowance under this act, or as to the earnings in the deferred annuity fund.
TEACHERS' PENSION SYSTEMS IN GREAT BRITAIN.

88

grant, refusal, suspension, or cessation of any such allowance, shall be referred to the Treasury, and any question as to the reckoning of any service for any purpose of this act shall be referred to the Education Department, and the decision of the Treasury or Education Department on any question so referred shall be final.

8. (2) Where the Education Department certify to the Treasury that a recipient of any superannuation allowance, or disablement allowance under this act, has been proved to them to have been guilty of any act or conduct which, if he had continued to serve as a teacher, would have justified them in suspending or canceling his certificate, the Treasury shall suspend or determine the allowance in whole or in part.

9. (2) Every assignment of or charge on, and every agreement to assign or charge, any annuity or allowance to a teacher under this act shall be void.

10. If any person—

(1) for the purpose of obtaining for himself or any other person any annuity or allowance under this act, personates any person, or makes any false certificate, false representation, or false statement, or makes use of any false certificate or document, false representation, or false statement, knowing the same to be false, he shall on conviction on indictment be liable to imprisonment, with or without hard labor, for a term not exceeding two years, and on summary conviction be liable to imprisonment, with or without hard labor, for a term not exceeding three months, or to a fine not exceeding £25.

11. In this act, unless the context otherwise requires—

The expression "certificated teacher" means a teacher who is recognized under the Education Code as a certificated teacher for public elementary schools;

The expression "certificate" includes any document issued by the Education Department which recognizes a teacher as a certificated teacher;

The expression "prescribed" means prescribed by rules under this act.

12. In the application of this act to Scotland, the following provisions shall have effect:

(1) The expression "Education Department" means the Scotch Education Department, and the expression "Education Code" means the Scotch Education Code.

(2) The expression "public elementary school" means a public or other school in receipt of annual parliamentary grant.

(6) It shall not be lawful for a school board in Scotland to grant under the powers conferred by section 61 of the Education (Scotland) Act, 1872,1 a retiring allowance payable out of the school fund to any teacher of a public school under their management who has accepted this act in pursuance of the provisions of section 5 hereof, or to whom this act otherwise applies.

13. This act shall not extend to Ireland.

14. This act shall come into operation on the 1st day of April next after the passing thereof.

15. This act may be cited as the Elementary School Teachers' (Superannuation) Act, 1898.

This law remained in effect without change until 1912. In that year, however, it ceased to apply to Scotland on the occasion of the inauguration in that country of an entirely new State teachers' pension system, much more liberal in its provisions, which is described in a subsequent chapter. Later in the same year the original act was amended so as to provide much more liberal pensions for teachers.

1 See p. 52.

2 See p. 53.
PENSIONS UNDER THE ACT OF 1898.

in England and Wales also. The emendatory act fixed the rates of contribution to the deferred annuity fund at £3 12s. and £2 8s. per year for men and women respectively, and repealed certain parts of the original act, omitted in the preceding abridgment, authorizing the Treasury under certain conditions to vary the rates of contribution. Also, for teachers attaining the age of 65 years on or after April 1, 1912, it increased the superannuation allowance from 10s. to £1 for each complete year of recorded service, and for teachers applying for disablement allowances on or after the same date it increased these allowances in the case of men to £20 for 10 complete years of recorded service, plus £1 10s. for each additional year of such service, and in the case of women to £15 for 10 complete years of recorded service, plus £1 for each additional year. The conditions upon which these allowances must be granted were not changed, except for the provision in substance that a teacher attaining the age of 65 on or after April 1, 1912, who had formerly been in receipt of a disablement allowance should be eligible to an annuity and a superannuation allowance under the regular conditions regardless of whether the allowance was stopped by reason of reemployment in recorded service or for some other reason.

The rules authorized by section 6 of the preceding act of 1898 were formulated without delay for both England and Scotland by the Treasury in connection with the respective Committees of Council or Education Departments. They took effect on the same date with the law itself. The two sets of rules were essentially identical. They were not materially modified in substance, either uniformly or divergingly, after taking effect. These rules have been statutory orders. As such they have the same validity as the law itself, so long as they stand. It is thus needful to present their chief provisions. The following account applies alike to both sets of rules unless the contrary is indicated.

For the purpose of compliance with the requirements of section 1 (1) of the law the rules in 1911 provided for the physical examination of all applicants for recognition as a certificated teacher at their own expense by medical officers nominated by the Education Department. A maximum fee of 10s. 6d. was prescribed. Satisfactory evidence of age was also required of every applicant. Existing teachers in 1899 were given a period of six months by the English rules and one year by the Scotch rules within which to accept the act after its
commencement. The former rules, however, gave the department authority to honor an acceptance made after six months and within one year if in its opinion there was reasonable cause for the delay. Existing teachers who accepted the act were subject to the requirement of furnishing satisfactory evidence of age.

Important regulations regarding contributions to the deferred annuity fund appeared in the rules in 1911 and earlier. The contributions of teachers in schools receiving State grants were required to be paid in the form of retents from salaries. The State authorities were directed to deduct the contributions due from such teachers from the annual grants paid to the managers of their respective schools and to transmit to the proper managers the receipt of the Education Department for each deduction made. Such receipt in the hands of the managers for the amount of a contribution has been by the terms of the law "a good discharge for the like amount of remuneration otherwise payable to the teacher." Teachers employed in recorded service outside of schools in receipt of State grants must pay their contributions directly to the Education Department. Such direct payments were also required to be made annually. If by failure to make the proper deduction, or by default of direct payment, a contribution was not paid when due, it must be paid later, but for the purpose of computing the annuity it was to be treated as having been paid on the day on which it was received. In accordance with section 6 (1) (a) teachers were permitted to pay contributions for any interval of six months or less between employments in recorded service. Any such interval for which contributions were paid was to be reckoned as recorded service.

It was prescribed that every annuity, allowance, or pension must be applied for. Application must be made to the Treasury through the Education Department. Every applicant must furnish the data and information required by the central authorities for passing upon his eligibility under the requirements of the law and for determining the annual sum due. Every applicant for a disablement allowance must also furnish satisfactory evidence on the points covered by certain disqualifications prescribed by the rules, but only authorized by the law itself. These were as follows:

1. A teacher shall be disqualified for the grant of an (disablement) allowance if he is not in pecuniary need of it, and shall be disqualified for a grant of part of an allowance if he is not in pecuniary need of that part.

2. A teacher shall be disqualified for the grant of an allowance if his infirmity has been wholly caused by his own misconduct or default, and, if his infirmity, though not wholly so caused, has been increased by his own misconduct or default, shall be disqualified for the grant of such part of the allowance as the Treasury think fit.

3. A teacher who is a woman and has married since her last employment in recorded service shall be disqualified for the grant of an allowance.

\footnote{Sec. 8 (1), (4) and (6).}
(4) A teacher who has been out of recorded service for one year or longer at the time of application shall be disqualified for the grant of an allowance, save that exceptions may be permitted by the Treasury on the report of the Education Department in cases where they are satisfied there has been a sufficient cause for tardiness of application.

Part of the data and evidence demanded of applicants for a disablement allowance was required to be furnished by means of a medical examination, intended to determine whether or not the teacher had become permanently incapacitated through no fault of his own. Barring certain reasonable exceptions, every applicant must submit to such examination at his own expense by a medical officer chosen by the Education Department. The same maximum fee was prescribed as for the physical examination of a candidate for certification.

For the purposes of the periodical reconsiderations of disablement allowances by the Treasury, ordered by section 2 (3), each beneficiary was required to submit at intervals of three years, on pain of losing his allowance, satisfactory evidence that he was still qualified to receive the same. Moreover, any disablement allowance could be suspended, determined, or reduced at any time within an interval if the Treasury became satisfied that any of the qualifications relative to incapacity, pecuniary need, or celibacy had ceased to apply.

The rules in 1911 and before required the action of the Treasury upon applications to be communicated to the applicants through the Education Department. All authorized annuities, allowances, and pensions were payable in equal installments on the last days of March, June, September, and December of each year. No payment was to be made in any case until any contributions yet due were fully paid. Responsibility for the making of payments was placed upon the Paymaster General, who was authorized to require at any time satisfactory evidence of the life and identity of a retired teacher before making any payment.

It is clearly evident that the benefits of the superannuation act of 1898 have not been freely open to all public-school teachers. They have been limited at any given time to certificated teachers in virtue only of employment defined as recorded service. The relative number of noncertificated teachers, however, has for some time been large. In 1908, for example, there were employed in the public elementary schools of England and Wales, including the few higher elementary schools that had been established, 64,846 noncertificated teachers out of a total teaching force of 156,372, exclusive of pupil teachers. The corresponding figures for Scotland in 1907 were 2,793 and 17,704, respectively. It should be remarked, however,
that very many of the noncertificated teachers were on the road to certification. Not only have certificated teachers in recorded service been favored by the act in the exclusive fashion indicated, but, barring "existing teachers" who failed to accept it, such teachers have been compulsorily subject to its provisions. There has been no escape from the burden of the contributions, though contributors have good assurance of the corresponding annuity. The specific service requirements conditioning the award of disablement and superannuation allowances have not applied in the case of the annuities. Barring certain ones who have received disablement allowances, every teacher who has legally contributed to the deferred annuity fund, however few or scattered the contributions, is entitled under the law to the annuity fixed by the tables of the Treasury on the sole condition that he survives till the age of 65, or till his certificate expires on a later date.

It will be observed that the act of 1898 does not require teachers in receipt of a superannuation allowance to remain out of the service. So far as the act itself or the rules are concerned, they may stay in the service and draw both salary and pension. By the terms of the law no teacher is eligible to a retiring pension until the date on which his certificate expires, it is true; but certification is not a prerequisite in Great Britain for the exercise of the teaching function, as we have seen. The framers of the legal regulations seem to have depended upon the Committees of Council to prevent the development of any serious abuses from these imperfections of the regulations. In order to count for the purposes of the distribution of the parliamentary grants it has been necessary for teachers of all classes to be "recognized" by the Education Department having jurisdiction. For this reason managers have seldom felt they could afford to employ teachers not recognized. It was probably expected that the Education Departments would refuse to recognize a teacher as an uncertificated teacher whose certificate had expired under the law, since they were authorized to extend the validity of the certificate of any teacher capable of efficient service beyond the time of automatic expiration. At any rate, the possibility of serious abuses has been met in this manner. The writer received information in 1910 from both the Board of Education and the Scotch Education Department to the effect that teachers drawing superannuation allowances were not recognized for the purposes of apportioning State aid. The same attitude has probably been maintained toward teachers in receipt of an annuity without the superannuation allowance, though obviously all of the same arguments would not apply in such cases.

1 Consult the codes for various years.
Within certain limits with a wide range between them, the act leaves the determination of what constitutes recorded service to the two Education Departments. Each inaugurated a liberal policy, and for a considerable time practically all service was recorded in both countries which could legally be so recognized. The Board of Education, however, in 1907 ceased to exercise its permissive powers in most cases, and decided to limit the recording of service to that rendered as a recognized certificated teacher in public elementary schools (which term was taken to include certified efficient schools and certified schools for various classes of defective children) and in certified reformatory and industrial schools, except with respect to persons already engaged in recorded service in other capacities. This action excluded future teachers employed in the training of teachers from the benefits of the superannuation system established by the law. Various considerations arising from changed educational conditions and organization prompted the board to take the step in question. Among the chief were the increasing difficulties and embarrassments involved in recording under the law the services of teachers engaged in the training of pupil teachers in secondary schools. The policy of the Scotch Education Department in recording service followed the original lines so long as the law remained applicable to Scotland.

In accordance with section 4 (1) of the law the annuity tables reproduced on the following page were constructed by authority of the Treasury on the basis of the experience available regarding rates of interest and mortality. The total annuity due a teacher on the attainment of eligibility is the sum of the small annuities purchased in the different years by the separate contributions. In accordance with a subsection of the law which was repealed in 1912, the Treasury has made several changes in the rates of contribution to the deferred annuity fund whereby most of the contributions, and hence most of the later annuities, were increased. The annual contribution required of men in 1911 was £3 10s. in both England and Scotland; that in effect for women the same year in England was £2 8s., while in Scotland the rate for women had remained unchanged.
Table of annuities payable quarterly to teachers from the deferred annuity fund after the attainment of the age of 65 years, or the later expiration of the teacher’s certificate, in return for a contribution of £3 from a man and £2 from a woman at the specified ages.

<table>
<thead>
<tr>
<th>Age at which a contribution is treated as having been paid</th>
<th>Amount of annuity for a contribution of £1</th>
<th>Age at which a contribution is treated as having been paid</th>
<th>Amount of annuity for a contribution of £2</th>
</tr>
</thead>
<tbody>
<tr>
<td>Men</td>
<td></td>
<td>Women</td>
<td></td>
</tr>
<tr>
<td>20 to 21</td>
<td>12.9</td>
<td>15</td>
<td>9</td>
</tr>
<tr>
<td>21 to 22</td>
<td>11.9</td>
<td>14</td>
<td>8</td>
</tr>
<tr>
<td>22 to 23</td>
<td>10.9</td>
<td>14</td>
<td>7</td>
</tr>
<tr>
<td>23 to 24</td>
<td>9.9</td>
<td>13</td>
<td>6</td>
</tr>
<tr>
<td>24 to 25</td>
<td>8.9</td>
<td>13</td>
<td>5</td>
</tr>
<tr>
<td>25 to 26</td>
<td>7.9</td>
<td>12</td>
<td>4</td>
</tr>
<tr>
<td>26 to 27</td>
<td>6.9</td>
<td>12</td>
<td>3</td>
</tr>
<tr>
<td>27 to 28</td>
<td>5.9</td>
<td>11</td>
<td>2</td>
</tr>
<tr>
<td>28 to 29</td>
<td>4.9</td>
<td>11</td>
<td>1</td>
</tr>
<tr>
<td>29 to 30</td>
<td>3.9</td>
<td>10</td>
<td>0</td>
</tr>
<tr>
<td>30 to 31</td>
<td>2.9</td>
<td>10</td>
<td>0</td>
</tr>
<tr>
<td>31 to 32</td>
<td>1.9</td>
<td>9</td>
<td>9</td>
</tr>
<tr>
<td>32 to 33</td>
<td>0.9</td>
<td>8</td>
<td>8</td>
</tr>
<tr>
<td>33 to 34</td>
<td>-0.1</td>
<td>7</td>
<td>7</td>
</tr>
<tr>
<td>34 to 35</td>
<td>-1.1</td>
<td>6</td>
<td>6</td>
</tr>
<tr>
<td>35 to 36</td>
<td>-2.1</td>
<td>5</td>
<td>5</td>
</tr>
<tr>
<td>36 to 37</td>
<td>-3.1</td>
<td>4</td>
<td>4</td>
</tr>
<tr>
<td>37 to 38</td>
<td>-4.1</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td>38 to 39</td>
<td>-5.1</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>39 to 40</td>
<td>-6.1</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>40 to 41</td>
<td>-7.1</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>41 to 42</td>
<td>-8.1</td>
<td>-1</td>
<td>1</td>
</tr>
<tr>
<td>42 to 43</td>
<td>-9.1</td>
<td>-2</td>
<td>2</td>
</tr>
<tr>
<td>43 to 44</td>
<td>-10.1</td>
<td>-3</td>
<td>3</td>
</tr>
<tr>
<td>44 to 45</td>
<td>-11.1</td>
<td>-4</td>
<td>4</td>
</tr>
<tr>
<td>45 to 46</td>
<td>-12.1</td>
<td>-5</td>
<td>5</td>
</tr>
<tr>
<td>46 to 47</td>
<td>-13.1</td>
<td>-6</td>
<td>6</td>
</tr>
<tr>
<td>47 to 48</td>
<td>-14.1</td>
<td>-7</td>
<td>7</td>
</tr>
<tr>
<td>48 to 49</td>
<td>-15.1</td>
<td>-8</td>
<td>8</td>
</tr>
<tr>
<td>49 to 50</td>
<td>-16.1</td>
<td>-9</td>
<td>9</td>
</tr>
<tr>
<td>50 to 51</td>
<td>-17.1</td>
<td>-10</td>
<td>10</td>
</tr>
<tr>
<td>51 to 52</td>
<td>-18.1</td>
<td>-11</td>
<td>11</td>
</tr>
<tr>
<td>52 to 53</td>
<td>-19.1</td>
<td>-12</td>
<td>12</td>
</tr>
<tr>
<td>53 to 54</td>
<td>-20.1</td>
<td>-13</td>
<td>13</td>
</tr>
<tr>
<td>54 to 55</td>
<td>-21.1</td>
<td>-14</td>
<td>14</td>
</tr>
<tr>
<td>55 to 56</td>
<td>-22.1</td>
<td>-15</td>
<td>15</td>
</tr>
<tr>
<td>56 to 57</td>
<td>-23.1</td>
<td>-16</td>
<td>16</td>
</tr>
<tr>
<td>57 to 58</td>
<td>-24.1</td>
<td>-17</td>
<td>17</td>
</tr>
<tr>
<td>58 to 59</td>
<td>-25.1</td>
<td>-18</td>
<td>18</td>
</tr>
<tr>
<td>59 to 60</td>
<td>-26.1</td>
<td>-19</td>
<td>19</td>
</tr>
<tr>
<td>60 to 61</td>
<td>-27.1</td>
<td>-20</td>
<td>20</td>
</tr>
<tr>
<td>61 to 62</td>
<td>-28.1</td>
<td>-21</td>
<td>21</td>
</tr>
<tr>
<td>62 to 63</td>
<td>-29.1</td>
<td>-22</td>
<td>22</td>
</tr>
<tr>
<td>63 to 64</td>
<td>-30.1</td>
<td>-23</td>
<td>23</td>
</tr>
<tr>
<td>64 to 65</td>
<td>-31.1</td>
<td>-24</td>
<td>24</td>
</tr>
</tbody>
</table>

¹That is, 20 years of age, but not exceeding 21, etc.

The first septennial actuarial inquiry under section 3 (6) was undertaken in 1906, and the report of the actuary was issued the next year.¹ The condition of the deferred annuity fund with reference to the future was pronounced unsatisfactory, owing to the fact that the mortality among the teachers contributing was found to be much lower than had evidently been expected when the annuity tables were constructed. It was further discovered that, on the whole, the rates of mortality for the different ages among the teachers were decidedly below what the normal rates for human beings taken at random are.

judged to be. From the results of his investigation, and such other actuarial experience as was available, the actuary drew up a tentative table of rates of mortality among men and women teachers of the class connected with the deferred annuity fund. An abridgment of the table with a change of title follows:

Mortality of teachers of the class connected with the deferred annuity fund.

<table>
<thead>
<tr>
<th>Age</th>
<th>Rate per cent of mortality.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Men</td>
</tr>
<tr>
<td>20</td>
<td>0.654</td>
</tr>
<tr>
<td>25</td>
<td>0.654</td>
</tr>
<tr>
<td>30</td>
<td>1.671</td>
</tr>
<tr>
<td>35</td>
<td>1.671</td>
</tr>
<tr>
<td>40</td>
<td>1.671</td>
</tr>
<tr>
<td>45</td>
<td>1.671</td>
</tr>
<tr>
<td>50</td>
<td>1.671</td>
</tr>
<tr>
<td>55</td>
<td>1.671</td>
</tr>
<tr>
<td>60</td>
<td>1.671</td>
</tr>
<tr>
<td>65</td>
<td>1.671</td>
</tr>
<tr>
<td>70</td>
<td>1.671</td>
</tr>
</tbody>
</table>

On the basis of the experience gained regarding mortality among the teachers and regarding the rate of interest accruing from the securities in which the accumulations of the fund were invested, the adoption of new annuity tables constructed along the lines indicated by the following scheme was suggested:

<table>
<thead>
<tr>
<th>Exact age</th>
<th>Annuity at normal age secured by a single payment of £300.</th>
<th>Annuity at age of 65 secured by a 6½% personal of £300.</th>
</tr>
</thead>
<tbody>
<tr>
<td>21</td>
<td>£ 7 14 3</td>
<td>£ 14 7</td>
</tr>
<tr>
<td>25</td>
<td>£ 10 11 15</td>
<td>£ 15 7</td>
</tr>
<tr>
<td>30</td>
<td>£ 13 18 21</td>
<td>£ 21 7</td>
</tr>
<tr>
<td>35</td>
<td>£ 16 22 25</td>
<td>£ 25 7</td>
</tr>
<tr>
<td>40</td>
<td>£ 19 27 30</td>
<td>£ 30 7</td>
</tr>
<tr>
<td>45</td>
<td>£ 22 32 35</td>
<td>£ 35 7</td>
</tr>
<tr>
<td>50</td>
<td>£ 25 37 40</td>
<td>£ 40 7</td>
</tr>
<tr>
<td>55</td>
<td>£ 28 39 42</td>
<td>£ 42 7</td>
</tr>
</tbody>
</table>

In 1911 the Treasury had not yet replaced or modified the original tables.

The first annuities paid from the deferred annuity fund under the superannuation act were necessarily very small, whereas the provisions of the law are such that the first disablement and superannuation allowances were of a goodly size. The annuities, however, have naturally been increasing in size from year to year. Moreover,
the number of annuitants and the number of contributors have steadily increased in England and Wales, and the same was doubtless true in Scotland until 1912, when the act ceased to have effect there. On March 31, 1912, there were 1,294 men and 1,142 women annuitants in England and Wales. The total annual amount of their annuities was £3,804 and £2,165, respectively. During the year ending on the date named a total of £132,199 was contributed to the fund by men and a total of £172,770 by women in the whole of Great Britain. The total amount of the fund on the same date was approximately £3,540,000.

The numbers of superannuation and of disablement allowances in effect have also increased consistently in England and Wales since the act became operative, and no doubt in Scotland until 1912. On March 31, 1912, there were 1,339 men and 1,151 women in England and Wales in receipt of superannuation allowances, the total annual amounts of which were £47,035 and £31,322, respectively. On the same date 500 men and 1,543 women were drawing disablement allowances amounting annually to £18,262 and £39,219, respectively. In Scotland on the same date of the preceding year, 192 men and 73 women were in receipt of superannuation allowances, the total annual amount of which was £8,530, and 71 men and 126 women were drawing disablement allowances amounting annually to £5,644.

For some time after the act took effect the great majority of the teachers included in the pension system established were "existing teachers" who had accepted the act within the prescribed time. The inducements offered these teachers to accept were strong. The chief was the fact that service prior to the commencement of the act was to count as recorded service on the same basis as that rendered subsequently without involving any contributions to the deferred annuity fund in respect of it. Accordingly a large majority of the "existing teachers" of the entire country, 57,905 (26,725 men and 31,180 women) out of a total of 79,075 (30,524 men and 48,551 women), accepted the act. The total number of active teachers included in the pension system throughout Great Britain in 1911 was approximately 103,827, of whom some 34,600 were men. About 88,273 were employed in England and Wales. The entire number of courses consisted of certificated teachers. It included such teachers in higher education.
elementary schools in England and Wales and higher grade schools in Scotland.¹ In 1911 there were only 47 of these people's secondary schools in England and Wales recognized by the State department (Board of Education),² while in Scotland the number reached a total of 196.³

The pensions of public-school teachers in Great Britain have been in no way dependent upon their salaries, save in Scotland since 1912.⁴ Nevertheless, it is desirable to present a brief account of the salaries of certificated teachers throughout the country in order that some comparison may be made between pensions received and the salaries of the beneficiaries while in service. Not only have certificated teachers made up the membership of the pension systems on the whole, but they have also constituted a large majority of the regular teaching body. Their salaries in the year 1911 appear in distributed form in the following table:⁵

Salaries of certificated teachers in Great Britain in 1911.

<table>
<thead>
<tr>
<th>Salaries</th>
<th>England and Wales</th>
<th>Scotland</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Men</td>
<td>Women</td>
<td>Men</td>
</tr>
<tr>
<td>Less than £100</td>
<td>3</td>
<td>274</td>
<td>0</td>
</tr>
<tr>
<td>£100 to £150</td>
<td>4,872</td>
<td>1,093</td>
<td>440</td>
</tr>
<tr>
<td>£150 to £200</td>
<td>19,101</td>
<td>24,208</td>
<td>2,573</td>
</tr>
<tr>
<td>£200 to £250</td>
<td>5,961</td>
<td>3,761</td>
<td>1,234</td>
</tr>
<tr>
<td>£250 to £300</td>
<td>1,824</td>
<td>270</td>
<td>128</td>
</tr>
<tr>
<td>£300 to £400</td>
<td>450</td>
<td>65</td>
<td>144</td>
</tr>
<tr>
<td>£400 to £500</td>
<td>1,044</td>
<td>94</td>
<td>55</td>
</tr>
<tr>
<td>£500 to £600</td>
<td>2</td>
<td>0</td>
<td>11</td>
</tr>
<tr>
<td>£600 to £750</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>£750 to £1,000</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

Over 2,000 teachers in Scotland, for the most part among those receiving the better salaries, were also provided with residences free of rent.

¹ See pp. 15-16.
³ Return Showing (I) A List of Day Schools Aided from Parliamentary Grant, etc., (II) Summarized Statistics of Day Schools in Receipt of Annual Grants, etc., 1910-11, p. 102.
⁴ See p. 96.
⁵ The data from which the table was made appear in Statistics of Public Education in England and Wales, 1910-11, Part II, pp. 104, 107, 200, 233, and Return Showing (I) A List of Day Schools, etc., (II) Summarized Statistics of Day Schools, etc., 1910-11, p. 104.
CHAPTER VI.
DISABLEMENT PENSIONS UNDER THE NATIONAL INSURANCE ACT OF 1911.

The much-discussed national compulsory insurance law, enacted by Parliament in the face of considerable opposition in 1911, came into operation in July, 1912. It corresponds to similar laws previously enacted in the German Empire, France, and other countries. The act provides for compulsory health and unemployment insurance for some 15,000,000 inhabitants of the United Kingdom employed in the service of others, to be maintained by contributions in specified proportions from the beneficiaries, their employers, and the State. The health insurance is also voluntary for perhaps 2,000,000 or more others. Provision is made for the general administration of the health insurance by bodies of insurance commissioners appointed separately for the four chief divisions of the United Kingdom, viz, England, Scotland, Wales, and Ireland. The national Board of Trade is made responsible for the general administration of the unemployment insurance.

Our interest in the new insurance act comes from the fact that, subject to the general limitations prescribed, the requirements of health insurance apply compulsorily to public-school teachers in Great Britain who are not subject to the teachers' pension act of 1898 or to the new superannuation scheme in Scotland described in the following chapter, and voluntarily to other teachers, coupled with the further fact that certain of the benefits derived from the health insurance may be considered disability pensions. The general limitations mentioned restrict the application of the compulsory provisions to persons whose annual wage or salary does not exceed £160, unless employed in manual labor, and who do not furnish satisfactory proof that they are in receipt of an annual income not dependent upon their personal exertions to the amount of at least £26 and the application of the voluntary provisions to persons whose total annual income does not exceed £160. Moreover, the provisions for health insurance cease to apply when persons reach the age of 70 years. The teachers to whom the provisions compulsorily apply include practically all uncertificated teachers and all teachers in England and Wales with salary and other conditions within the specified limits who were certificated in 1899, but did not accept the act of 1898. The writer

11 and 2 Geo. V. c. 31.
***PENSIONS UNDER THE NATIONAL INSURANCE ACT.***

has no means of determining exactly the number of teachers compulsorily subject to health insurance, but it is not very far from 85,000.\(^1\) No reliable data of any sort are available concerning the number who have insured voluntarily.

The normal assessments levied upon teachers and others compulsorily subject to health insurance are 4d. and 3d. per week for men and women, respectively. These amounts are required to be paid by employers, along with their own contributions of 3d. per week for each employee, and retained from wages or salary. The contributions of the State are 2d. and 3d. per week for men and women, respectively. The contributions for voluntary insurance vary with age according to a table which the insurance commissioners are directed to prepare. The benefits to which insured persons are entitled under the prescribed conditions include among others sickness benefits and disablement benefits. A sickness benefit is a weekly payment for a maximum period of six months during incapacity for work on account of disease or other bodily or mental disability. The normal weekly rate is 10s. in the case of men and 7s. 6d. in the case of women. A disablement benefit is a pension normally equal to 5s. weekly, beginning on the termination of a sickness benefit and continuing so long as the incapacity for work continues, except that it must cease at the age of 70. A period of two years of health insurance is a condition of eligibility to a disablement benefit or pension, and consequently no such benefits have yet been awarded.

Persons may comply with the provisions relative to health insurance through membership in a friendly society approved by the insurance commissioners. Societies so approved have power to make regulations with the consent of the commissioners for local administration of certain aspects of the insurance, including sickness and disablement insurance, among its membership. These rules may cover the matters of proof of eligibility, distribution of benefits, behavior while in receipt of same, penalties for violations of regulations, etc. Approved societies for their own purposes may even substitute other provisions for those relating to sickness and disablement insurance, provided the insurance commissioners are satisfied the substitute provisions are fully equivalent in value to the regular ones and give their consent. The collection of the contributions from employers is under the control of the insurance commissioners. Each society is a financial unit, though the funds of all societies are largely administered by the commissioners under the law. Persons not joining approved societies are subject to the disadvantage of having benefits interrupted whenever the amount standing to their credit in the special State fund provided for them is exhausted, though in case of permanent removal

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from the United Kingdom or in case of death about half the amount standing to their credit is returnable to them or their proper representatives. Nearly all insured persons are members of approved societies. As previously noted, large numbers of teachers have been joining the new State section of the Teachers' Provident Society, which is an approved society under the law.

Finally, it should be noticed that when an uncertificated teacher employed in a public school becomes certificated and subject to the act of 1898 or the new pension scheme in Scotland, and thus ceases to be subject to compulsory health insurance, an amount equal to the value calculated in the prescribed manner of his past contributions for health insurance since his first employment in a public school must be paid from the appropriate source into the deferred annuity fund of the act of 1898, or into the new superannuation fund in Scotland, and regularly placed to his credit there, provided always he does not continue insurance in a voluntary capacity.
CHAPTER VII.

SEPARATE PENSION SYSTEMS IN SCOTLAND.

On the whole, Scotland has been in advance of England and Wales in the matter of pensioning teachers. There have been certain pension systems limited to Scotland alone which it has seemed best to treat in a separate chapter. These, particularly the one lately established, have possessed some more or less unique features.

In 1861, by the agency of the Parish and Burgh Schoolmasters (Scotland) Act, 1 Parliament established a pension system affecting teachers of the parish schools of Scotland. 2 The pension provisions of this act constituted the first direct legislation on teachers' pensions in Great Britain. The parish schools mentioned were the public or people's schools originally established in 1696. 3 The teachers, practically all men, were primarily elementary teachers, though some of them also gave instruction of secondary grade. They constituted in 1861 probably only about one-third of the elementary teachers of the country engaged in public schools in the broad sense of the term, owing to a great multiplicity at that time of denominational, philanthropic, and some other nonparish schools belonging to that class. 4

The security of tenure of the parish teachers of Scotland and the various types of inefficiency fostered by it have been presented in a preceding connection. 5 While it was possible, but not easy, to remove teachers culpably inefficient, those who were incompetent or inefficient through no fault of their own could not be dismissed. In the face of this situation, the custom of pensioning incapacitated and superannuated teachers by mutual agreement developed to an extent which can not now be definitely determined. 6 The school authorities of a parish suffering from the inefficiency of such a teacher simply drove a bargain with him for the surrender of his office in consideration of a pension. As a means of relief the law of 1861 established regulations for the compulsory retirement of aged and infirm masters. The pension system introduced by the law was complementary to these regulations. The authorities, the heritors and minister, of any parish were authorized to permit or to require the

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1 36 and 37 Vict., ch. 107.
2 What might be called another system was also established affecting only the relatively few teachers of supplementary or 'side' schools, but it is quite unimportant for our purposes.
3 See p. 11.
4 Cf. Second Rep. by Her Majesty's Commissioners on Schools in Scotland, (1878), appendix, p. 94.
5 See p. 39.
6 Cf. 26 and 27 Vict., ch. 107, sec. 9, 13.
62

TRAIITER St PENSION SYSTEMS IN GREAT BRITAIN.

retirement of the parish schoolmaster on the occasion of a judgment against him of inefficiency due to infirmity or age made in a report to the authorities on their application by one of the State inspectors of schools with the concurrence of the presbytery. In case the removal was not occasioned by any fault of the master, the heritors and minister were required to grant him a pension for life, ranging at their discretion from two-thirds of his salary at the time of retirement to the full amount of such salary plus a sum equal to the rental value of the house and garden assigned to him as schoolmaster. The law also transferred to the school authorities the right to dismiss a master for neglect of duty (but not for immorality or cruelty), under the requirement that such dismissal be made by the same form of procedure as retirement, and gave them the option in such cases to grant a pension of such amount as they might choose. The value of these very commendable provisions of the law was much curtailed by practical difficulties of execution and a general reluctance in undertaking to expel a teacher from office. The most valuable effect seems to have been in facilitating retirements on a pension by mutual agreement between authorities and teacher. Teachers were naturally loath to have legal proceedings instituted. The act of 1872 repealed the law of 1861 in toto, but it conserved all pension rights which teachers in service at the time had received under the latter act. It substituted the following simple and purely permissive provision for the pension regulations repealed:

A school board may permit any teacher of a public school to resign his office upon the condition of receiving a retiring allowance, and the said board may award and pay to such teacher out of the school fund such retiring allowance as they shall think fit.

This power was withdrawn by the pension law of 1898, except with respect to "existing teachers" who did not accept that act; but it was expressly revived by the Scotch education act of 1908. School boards have taken some advantage of this express permission of 1872 to grant retiring allowances, but how extensively the practice has prevailed the writer is unable to state. No statistics on the matter are available. For the three years and more extending from January 1, 1909, to the date when the present superannuation scheme took effect, the Scotch Education Department had authority, by the terms of the education act of 1908, to make annual grants to school boards, and to the managers of certain schools not strictly public...
upon whom the act conferred the same rights of granting retiring allowances, in aid of pensions granted by them under the provisions cited. The grant in respect of any pension could not exceed one-half the amount thereof. This provision covered retiring allowances awarded both before and after the commencement of the act. It is operative now only in respect of retired teachers not included in the present pension system.

But most important of all, the Scotch education act of 1908 made provision for the establishment on a scientific basis of a much more liberal, thoroughgoing, and progressive pension system for Scottish teachers than any previously projected in Great Britain. The Scotch Education Department was directed to prepare on actuarial advice as soon as feasible a new superannuation scheme applicable to such teachers as should be prescribed therein. Certain provisions of the scheme were prescribed by the law, but all others were left to be supplied entirely by the department. The department was directed to publish a tentative draft scheme, to circulate it among school authorities and others interested throughout the country, to receive objections to it and proposed amendments for a period of three months, and finally to consider such objections and amendments as a basis of further procedure. Following are the essential provisions of the law for the subsequent adoption of the scheme. They throw an interesting light upon British legislative methods.

Thereafter it shall be lawful for the department to make and issue a teachers' superannuation scheme in accordance with the said draft scheme or a modification thereof: Provided, That such scheme shall be forthwith laid before both Houses of Parliament, and, if neither House of Parliament within three months, exclusive of any period of prorogation, after a scheme has been laid before it presents an address praying the King to withhold his assent from such scheme or any part thereof, it shall be lawful for the King in Council by Order to approve the same or any part thereof to which such address does not relate.

Any scheme approved by Order in Council under this section shall be of the same force as if it were enacted in this act.

A superannuation scheme prepared in accordance with the requirements of the law was duly adopted and put into operation on April 1, 1912, when by the terms of the law the superannuation act of 1898 ceased to apply to Scotland. The teachers' pension system thus inaugurated is to a very unusual extent a scientifically framed system, however far it may be from perfection. It therefore merits careful study as a suggestive basis for procedure in the United States and elsewhere. The scheme was formulated under the guidance of two competent actuaries, who secured and utilized for the purpose a large mass of actuarial data relating to Scottish and a relatively few English teachers.
Altogether the investigations covered 26,513 cases. While the data were decidedly inadequate in some respects, the actuaries consider the scheme adopted to be fairly sound and safe on the whole, from an actuarial standpoint. The probability of a need of modification in some respects on the basis of future experience is freely admitted, however.

The new superannuation scheme provides for the payment of pensions to retired Scottish teachers who at the time of commencement of the scheme were in receipt of a superannuation or disablement allowance under the act of 1898 or of a pension from a school board or the managers of any school in receipt of grants from the department. No such pension may exceed the pension, if any, which would have been payable if retirement had occurred in terms of the present scheme. Thus Scottish teachers pensioned under the act of 1898 were not left without pensions when that act ceased to apply to Scotland. In consideration of this release of the British treasury from the obligation to pay pensions to retired Scottish teachers and of its further release from all obligation in connection with claims to pensions acquired by Scottish teachers in service who had been contributors under the act of 1898, the Scotch act of 1908 provided that after the launching of the new scheme there should be paid each year by the Treasury into a new general education fund established for Scotland by the act such sum as the Treasury should determine. The payment under the provisions stated of a retiring allowance by the department to a teacher pensioned by a school board or other body of managers relieves the latter to the extent of such allowance from responsibility for payment of the pension granted by them.

Aside from teachers in retirement on a pension, the scheme under its own provisions applies (1) to all "existing teachers," those in service, recorded by the department for pension purposes, prior to the beginning of the scheme, who had paid contributions under the act of 1898 or at the date of commencement of the scheme were not over 60 years of age; (2) to other existing teachers, on their own application, by special sanction of the department; and (3) to all "future teachers," those entering recorded service on or after the date of commencement, who are under 50 years of age at the time of entering service, provided always (1) that they satisfy the department of their physical capacity in such manner as it prescribes, and (2) that they hold or are deemed to hold proper certificates of competency. In addition to ordinary certificated teachers in general,

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1 For detailed information in this connection the reader is referred to the "Report by the actuaries appointed on the preparation of the superannuation scheme for teachers." This report is a 15-page pamphlet.
2 The official document is available in the form of an 11-page pamphlet.
3 Consult pp. 26, 63.
teachers holding special certificates of qualification in special subjects, those recognized as specially qualified teachers of higher subjects in intermediate and secondary schools, and teachers entered in the records of the department as holders of any other qualifications approved for the time being by the department are deemed to hold certificates of competency. By the terms of an introductory memorandum to the scheme and by the actual practice of the department in recording service under the scheme, but hardly by the terms of the document itself, the scheme applies only to teachers regularly employed in schools or by authorities in receipt of grants under any code or regulations of the department. The scheme regularly applies to secondary as well as elementary teachers, since recognition of special qualifications to teach higher subjects is the regular method of standardizing or certificating secondary teachers.

The scheme requires the department to retain each year from the grants payable to school boards and other managers of schools and employers of teachers a maximum of 4 per cent of the annual salary of every teacher in their employ to whom the scheme applies, which amount the managers in turn may retain in the same proportion from the salaries of the different teachers, and an additional amount equal to 2 per cent of the annual salary of every such teacher, which the managers may not retain from the salaries. These retain the department is required to pay into a State teachers' superannuation fund established by requirement of the act of 1908. Also the department is required to pay each year into the superannuation fund out of the general education fund previously mentioned (1) a sum equal to 4 per cent and 3½ per cent of the annual salary of every existing man teacher and every existing woman teacher, respectively, to whom the scheme applies, and (2) a sum equal to 3½ per cent and 3½ per cent of the annual salary of every future man teacher and every future woman teacher, respectively, to whom the scheme applies, provided that these percentages may be varied from time to time by the department on actuarial advice. The value of free rent, if any, is included in every salary for the purposes of all contributions to the superannuation fund. Finally, the department must provide the superannuation fund each year, out of the general fund cited, with money to pay pensions granted in respect of service rendered prior to the commencement of the present system. The superannuation fund must be kept productive by investment in standard securities.

The conditions of eligibility to a pension are (1) the completion of 10 years of service recorded by the department for the purposes of superannuation, and (2) the attainment of the age of 60 years or...
of permanent physical or mental incapacity for the duties of teaching not caused by the teacher's own misconduct or default. Service in England recorded under the act of 1898 may be applied, so far as needed only, to make up the 10 years required for eligibility. Retirement is compulsory at the age of 65. The certificate or recognized qualification of every teacher lapses on the date when he begins to receive a pension. With the sanction of the department a teacher retired on account of incapacity may later resume recorded service, but no pension may be paid during such renewed service.

In the case of future teachers the amount of the pension is one-sixtieth of the average annual salary throughout the period or periods of service in Scotland recorded by the department multiplied by the number of years of such service, provided that the pension may not exceed two-thirds of such average salary. The value of free rent, if such is afforded, is included in the salary in all cases. In the case of existing teachers the pension is (1) 1 per cent of the average annual salary during the five years preceding the date of retirement multiplied by the number of years of service in Scotland, recorded by the department, prior to the inauguration of the present scheme plus (2) one-sixtieth of the average annual salary in recorded service in Scotland since the beginning of the present scheme, multiplied by the number of years of such service since such beginning, provided that in the case of teachers with more than 40 years of service to their credit only the last 40 may count for the purposes of the pension. These pensions are paid out of the State superannuation fund. The pension of any teacher retiring on account either of age or of disability who paid contributions under the act of 1898 may not be less than the amount to which he would have been entitled under that act. Moreover, any teacher who paid contributions under the act of 1898 and not drawing a pension on the ground of incapacity is entitled at the age of 65, both under that act and by the terms of the present scheme, to the regular annuity from the deferred annuity fund purchased by his payments. No pension may be assigned, transferred, or otherwise made payable to any creditor of the legal beneficiary or any other person on pain of withdrawal of the pension.

Doubtless the most unique and striking feature of the new pension system in Scotland is the provision for the return of contributions on withdrawal from recorded service or in case of death.

Following are the provisions of the scheme relating to such return of contributions. The term "retiring allowance" includes pensions granted on the ground of disability as well as on the ground of age.

If a teacher withdraws [from recorded service] at any time, he shall be entitled on application to have returned to him the whole of the contributions made by him to the fund ..., and on such return being made to him he shall cease to have any
claim whatever on the fund, and should he subsequently resume service, the date of his resuming shall be the date from which service for a retiring allowance shall count, and service previous to withdrawal shall be reckoned only wherever and to the extent that such service is necessary to make up 10 completed years of service as a condition of obtaining a retiring allowance under the scheme.

A teacher who withdraws at any time shall have the option of leaving his past contributions in the fund, and if he subsequently resumes service, the whole of his service shall count toward a retiring allowance. If a teacher who withdraws shall not resume service, and if he shall not have applied for the return of his contributions, and if before withdrawing he had served for not less than 10 years, then, on attaining the age of 65, he shall be entitled to a retiring allowance out of the fund calculated as set forth for each completed year of service before withdrawal, but if he had served less than 10 years he shall receive only the amount of his contributions. If a teacher who has withdrawn and not applied for the return of his contributions shall die before attaining the age of 65 years, the amount of his past contributions shall be paid to his personal representative.

If a teacher shall die in service there shall on application to the department be paid to his personal representative all the contributions to the fund made by deduction from his salary, and if a teacher who has retired shall die before the amount of retiring allowance actually received by him equals the amount of contributions, then the balance of such contributions shall be paid to his personal representative. In calculating this payment on death after retirement, account shall be taken in the case of existing teachers of the retiring allowance paid both in respect of service previous, and in respect of service subsequent, to the date of commencement of the scheme.

At the end of every five years from the beginning of the scheme an investigation and valuation of the superannuation fund must be made by an actuary appointed by the department. The actuary on each occasion is required to make a full report to the department, giving the results of the inquiry and valuation, together with recommendations for the guidance of the department in the future administration of the fund.

Finally, the scheme provides that any question which arises as to the application of any part of the scheme to any person, or as to the amount of any contribution or retiring allowance, or as to the return of contributions, or as to the grant, refusal, suspension, or cessation of any such allowance, or as to the reckoning of any service shall be decided by the department, whose decision shall be final.

A set of rules corresponding largely to those provided for administering the act of 1898 were formulated by the Education Department for administering the new superannuation scheme. The latter rules are less extensive than the former, owing largely to the nature of the provisions of the scheme. They took effect simultaneously with the scheme itself.

The rules provide that, for the purpose of satisfying the department of their physical capacity, all future teachers must be examined
within a prescribed time at their own expense by medical officers nominated by the department. A maximum fee of 10s. 6d. is prescribed. Existing teachers are not subjected to this requirement. Both future and existing teachers who have not already done so are required to furnish satisfactory evidence of age.

By the terms of the rules the following types of service may be recorded by the department for the purposes of the pension scheme: Service as a teacher in day schools and in certified reformatory or industrial schools, service as a teacher in a training college or under a provincial committee for the training of teachers, and service as an organizing or supervising teacher. It is apparent that the liberal policy consistently followed by the department in recording service under the law of 1898 1 is continued under the present system.

The State authorities are directed to transmit every year to the school boards and other managers the receipt of the Education Department for the retents from the annual grants made in respect of each teacher in their employ to whom the pension scheme applies. Every board or other body of managers is required to furnish every teacher who makes application with a copy of so much of the receipt transmitted to it as applies to such teacher.

The rules prescribe that all pensions and all contributions to be returned must be applied for, application to be made to the department. Teachers applying for a pension on the ground of incapacity must furnish as a condition of success evidence of permanent disability due to no fault of their own by means of a medical examination. Barring certain reasonable exceptions, such applicants must submit to such examination at their own expense by a medical officer chosen by the department. The maximum fee is the same as that prescribed for the physical examination of future teachers on entering service. A teacher seeking a disability pension must not have been unemployed in recorded service for more than one year prior to the time of application, unless for sufficient reason the period is extended by the department.

Every disability pension must be reconsidered by the department at intervals not exceeding three years. At the time of reconsideration the beneficiary must show by a competent physician’s certificate, on pain of losing his pension, that he is still qualified to receive the same. Moreover, any disability pension may be suspended or determined at any time within an interval if the department becomes satisfied that the incapacity of the beneficiary has ceased.

It is provided in the rules that teachers who attain the age of 65 years with less than the 10 years of recorded service required for eligibility to their credit shall be considered to have withdrawn at that age and shall be entitled to the return of their contributions.

1 See p. 62.
Existing teachers over 60 years of age when the scheme became operative and desirous of being included therein were required to make application to the department not later than August 1, 1912.1

Pensions are made payable in equal installments on the last days of March, June, September, and December of each year, as under the act of 1891. Responsibility for making the payments is placed upon the Paymaster General, who is authorized to require evidence of the life and identity of a retired teacher before making any payment.

It is evident from what has preceded that the observations previously made in reference to the act of 1891 regarding the possibility for teachers to continue to teach as uncertificated teachers while drawing a pension2 are also true in their essential points in reference to the new Scotch superannuation scheme.

Late statistics of the salaries of certificated public-school teachers in Scotland upon which their contributions and pensions under the new system are based appear on page 47 in a preceding chapter. No statistics of the salaries of secondary teachers included in the system are available. It is too early to secure statistics of actual pensions awarded under the new scheme. In 1911 the total number of certificated teachers employed in public schools in Scotland in receipt of annual grants was 18,569, of whom 5,189 were men and 13,380 were women.3 These figures may be considered fairly close approximations to the respective numbers of "existing teachers," outside of secondary schools, to whom the new scheme became applicable on April 1, 1912. In 1910 the total number of teachers employed in strictly secondary schools in receipt of grants was 1,359.4 What proportion of these were recognized as specially qualified teachers of higher subjects5 the statistics do not reveal.

1 Cf. p. 34.
2 See p. 42.
3 Return Showing (1) A List of Day Schools Aided from Parliamentary Grant, etc., (II) Summarized Statistics of Day Schools in Receipt of Annual Grants, etc., 1910-11, p. 102.
4 Rep. for the Year 1911, Secondary Education (Scotland), pp. 49, 61.
5 Cf. pp. 54-66.
CHAPTER VIII.
LOCAL PENSION SYSTEMS.

Besides the State systems reviewed in the preceding pages, there have developed in Great Britain certain supplementary or complementary local pension systems for public-school teachers. Particularly important is that of London or, more specifically, the administrative county of London. The London system is especially worthy of study not only on account of its scope and size, but because of its many good features. The general and educational populations of London are nearly equal to those of the whole of Scotland, and the London pension system for teachers is in most respects fairly abreast of the new Scotch system in modernness and progressiveness. Excellent local provision is also made for teachers in the English city of Newcastle-upon-Tyne through the privilege afforded them of participation in the regular pension system for city officers in general. The system is necessarily quite small, however, since the population of the city is only 267,000. A few cities, including Birmingham, have pension systems which include secondary teachers, but not public-school teachers as herein defined. Following are accounts of the chief local systems affecting public-school teachers.

In 1888, the school board of London (administrative county of London) established a superannuation fund for the purpose of pensioning the public-school teachers and other officers in its employ. All regular teachers and officers were required to contribute 2 per cent of their salaries to the fund, and provision was made for liberal assistance from the board, contingent upon the grant of the necessary power by Parliament. Ten years of service were required for eligibility to a pension. Pensions were fixed at one-sixtieth of the salary received at the time of retirement multiplied by the number of years of service up to a maximum of two-thirds of such salary. In 1893, however, these provisions relative to amount of pension were repealed in consequence of the failure of Parliament to authorize financial assistance by the board. The board enacted at that time that in future pension rates should be fixed upon actuarial advice according to the state of the fund. Existing teachers were given the right to withdraw their membership in the fund and the amounts of their past contributions, but it was provided that new appointees must become members. Out of a total of 7,551 teachers belonging to the fund only 1,767
elect to continue their membership. Since 1893 the pension rates have been but a small fraction of the original amounts. After the passage of the superannuation act of 1898 the fund was divided into two parts—one for teachers and one for other officers of the board. Members of the teachers' fund were later given the right to withdraw from it the amount of their past contributions and to sever connections with it. Nearly all did so. Moreover, the addition of new members was stopped. The small depleted teachers' fund is now managed for the benefit of the members by the London county council, which in 1904 superseded the school board as the local education authority for London. In 1910 the number of contributors to the fund was only 87, while the number of pensioners was 130. The rate of pension was 15 per cent of the rate originally established in 1888.

Shortly after the London County Council superseded the London school board as the local education authority the question arose whether teachers in the employ of the council should participate in the regular superannuation system administered by the council for the purpose of providing pensions for its employees. This matter was repeatedly brought to the attention of the council for several years, but so far as membership in the system in question was concerned, little was accomplished. Certificated teachers never gained eligibility, owing chiefly, apart from the establishment of the special pension system for teachers described below, to the fact that by the ruling of the Treasury for a number of years participation in the system would have meant partial or total forfeiture of superannuation and disablement allowances under the act of 1898. Uncertificated regular teachers were permitted to participate in the scheme, but such teachers in the council's schools have been negligible in number. In 1906 the number of uncertificated teachers was only 31 and in 1911 only 13, not counting several hundred supply and other irregular teachers. For the most part at least these last were ineligible to membership on the ground of only temporary or part-time appointment.

Considerable dissatisfaction developed regarding the pension conditions of the teachers in the schools of the London County Council after it became the local education authority. These provisions provided under the regular superannuation scheme of the council for

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6 The data for this brief account of the pension system of the former London school board have been gathered almost altogether from the annual reports of that body, in which are included short sections under the title "Superannuation."
the body of its employees other than public-school teachers were very much better than those provided for the teachers under the act of 1898, which were plainly inadequate. Naturally this state of affairs was promotive of more or less discontent and of undesirable inequalities between the service of education and other fields of the council's activity. After a few years the education committee of the council and the council as a whole became convinced that the pension status of the teachers should be made to correspond approximately with that of other functionaries. In 1910 the council passed a resolution to that effect in part as follows:

[Resolved] That, failing an absolute assurance from H. M. Government that it will make the necessary financial provision for a scheme which in itself, or in conjunction with the council, will be in entire accord with the principle that the retiring allowance receivable by a certificated teacher in a London public elementary school, together with the benefits receivable by him or her under the elementary school teachers (Superannuation) act, 1898, shall, so far as possible in all the circumstances, be the same as that to which officers of the council of equal service and similar average salary are entitled, the council do make forthwith for all teachers in the London service an adequate superannuation scheme.

The assurance from the Government mentioned in the resolution was not received, and late in 1910 the council adopted a special superannuation scheme for teachers drawn along the lines indicated in the resolution. It was carefully formulated under actuarial advice.

This special pension scheme for London teachers applied (1) to all teachers holding a permanent full-time appointment in the service of the council and not participating in the regular superannuation system of the council and (2) to all teachers holding a permanent full-time appointment in the service of the managers of voluntary or nonprovided public elementary schools in London and contributing to the deferred annuity fund under the act of 1898, provided in both cases that teachers must be under 55 years of age at the date of permanent appointment. Teachers employed in secondary schools and in training colleges were thus included, as well as public elementary teachers. The term teacher, moreover, included supervisory officers, aside from inspectors. All teachers to whom the scheme was applicable were not compelled to become members. Membership was voluntary for those appointed before April 1, 1911, the date of commencement of the scheme, and for those in the service of the managers of nonprovided schools.

In harmony with the policy of placing the pension status of teachers on a par roughly with that of other officers two plans for contribu-
tions were established, one for teachers contributing to the deferred annuity fund under the act of 1898 and another for other teachers.

The pensions of officers other than teachers under the regular superannuation scheme of the council were graded according to salary, and £96 and £72 per year were taken to be rough approximations to the salaries for men and women, respectively, which in the generality of cases under the council's regular scheme produced the pensions received by teachers under the act of 1898. Consequently teachers contributing under the act of 1898 were expected to contribute under the special pension scheme for teachers only with respect to the excess of their salaries above the amount named. The rates of contribution for such teachers appear in the following table:

<table>
<thead>
<tr>
<th>Age at commencement of contributions</th>
<th>Rate of contribution (per cent of salary)</th>
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<tbody>
<tr>
<td></td>
<td>Men</td>
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<tr>
<td></td>
<td></td>
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<tr>
<td>Under 25</td>
<td>41</td>
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<td>25 to 30</td>
<td>55</td>
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<td>30 to 35</td>
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<td>40 to 45</td>
<td>70</td>
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<td>45 to 50</td>
<td>75</td>
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<td>50 to 55</td>
<td>80</td>
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<td>10</td>
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</tbody>
</table>

1 Now f100. See p. 66. 2 Now f96. See p. 66.

In the next table appear the rates of contribution for teachers not contributing under the act of 1898.

<table>
<thead>
<tr>
<th>Age at commencement of contributions</th>
<th>Rate of contribution (per cent of salary)</th>
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</thead>
<tbody>
<tr>
<td></td>
<td>Men</td>
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<tr>
<td>Under 25</td>
<td>37</td>
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<tr>
<td>25 to 30</td>
<td>45</td>
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<td>30 to 35</td>
<td>53</td>
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<td>35 to 40</td>
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<td>40 to 45</td>
<td>67</td>
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<td>45 to 50</td>
<td>74</td>
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<tr>
<td>50 to 55</td>
<td>81</td>
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<td></td>
<td>10</td>
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</table>

All teachers covered by the scheme who were in service at the date of its commencement and who exercised affirmatively their option of participation in the new system were given the privilege of contributing in respect of service under the council or the managers of non-provided schools in London between the date, May 1, 1904, when the council became the local education authority, and the date of commencement of the scheme. Moreover, the date of attaining the age of 35 could be substituted for May 1, 1904, in the case of teachers...
attaining that age before that date, in order that all teachers in service might have the opportunity of contributing over the minimum period of 10 years required for eligibility to a pension at the age of 65, as specified below. Easy terms were provided for the payment of such back contributions. Under certain circumstances they could be paid partly or wholly out of the pension after retirement. The scheme further required that the council contribute to the maintenance of the system 3 per cent of the total amount on which contributions are paid by teachers. It was also provided that the council should guarantee the solvency of the system as a whole and also 3½ per cent interest on accumulated moneys. The general financial administration of the system under the scheme was placed in the hands of the Superannuation and Provident Fund, the pension fund maintained by the council in connection with its regular pension scheme.

The conditions of eligibility to a pension established by the special scheme for teachers were (1) the payment of regular contributions for at least 10 years and (2) retirement on account of incapacity for service occasioned by ill health or retirement at or after attaining the age of 65 years. By the terms of a regulation established before the adoption of the superannuation scheme all teachers were required to retire at the age of 65 or, by permission of the education committee of the council, at the end of the school term during which they attained that age. The amount of the pension per annum was fixed at one-sixtieth of the average of the annual salaries upon which the teacher had paid contributions multiplied by the number of years during which the contributions had been paid, provided (1) that the pension of a teacher who had contributed more than 40 years should be forty-sixtieths of the average of the annual salaries during the last 40 years of payment of contributions and (2) that in case of retirement because of ill health within 20 years from the date of commencement of contributions, the pension should be one-third of the average salary specified or one-sixtieth of such average for each year the teacher would have contributed had he remained in the service until the age of 65, whichever should be the smaller. Further, by the terms of the scheme, (1) no teacher contributing under the act of 1898 could be entitled to a pension from the council before reaching the age of 65, unless he received a disablement allowance under that act or was disqualified for such allowance solely because of not being in pecuniary need of it; (2) if a teacher retired on a pension on the ground of ill health should resume teaching in any part of the country before attaining the age of 65, the council might

1 Regulations with Respect to the Education Service, London County Council, II (Teachers in London Schools), Part I, p. 67.
2 See p. 32.
3 See p. 32.
4 See pp. 25, 26.
discontinue his pension in whole or in part; (3) if a teacher retired on a pension should resume teaching in the service of the council, his pension was to cease, his contributions were to be resumed, and he might be retired subsequently on another pension calculated in the regular way; and (4) if a woman pensioner under the age of 65 should marry, the council might discontinue her pension in whole or in part.

The scheme contained provisions for the return of contributions in cases of withdrawal or death which on the whole were just as liberal and just as unique as those of the new superannuation scheme of Scotland previously considered. It was provided in this connection (1) that in cases of retirement by reason of the termination of employment through changes made in the teaching staff or through marriage in the case of women or retirement by reason of ill health before having contributed for ten years, the total amount of the teacher's contributions should be returned to him with interest at 3 per cent per annum, (2) that in cases of withdrawal under other circumstances the total amount of contributions should be returned without interest, unless the teacher had been guilty of dishonesty or misconduct occasioning pecuniary loss to the council, (3) that in cases of death while in service the total amount of the contributions with interest at 3 per cent per annum should be paid to the teacher's legal representatives, and (4) that in cases of death after retirement or of discontinuance of a pension for any reason other than return to the service, the excess, if any, of the contributions paid, with interest at 3 per cent to the date of retirement, over the payments already made on the pension should be returned to the teacher or his legal representatives, as the case might be. Finally, the scheme provided that—

if it is shown by actuarial valuation that there is a surplus which, in the opinion of the actuary making the valuation, can safely be disposed of, such surplus shall be repaid to or otherwise applied as equitably and conveniently as practicable for the benefit of those teachers who created the surplus and who are in the service or are in receipt of superannuation allowances at the date of the valuation, and the council shall thereupon have power to make any such-reduction in the rates of contribution payable in the future as the actuary may advise.

In 1912 certain amendments were made to the pension scheme for London public-school teachers here described. In the first place teachers coming under the scheme on receiving a permanent appointment were given the opportunity to pay contributions on any period of service in a temporary capacity immediately preceding permanent appointment. Compound interest at 3½ per cent per annum was required to be paid on such back contributions. Arrangements for payment over a period of time might be made. Further, on receiv-
ing the necessary authority from Parliament, the council opened the option of participation in the scheme to all teachers holding a permanent full-time appointment in the service of the managers of nonprovided schools within the council's jurisdiction, regardless of participation by such teachers in the Government scheme under the act of 1898. Moreover, in consequence of the increase in State pensions provided by the superannuation act of 1912, the council increased the amount of salary on which teachers contributing under the Government scheme were not required to contribute under the council's scheme. The new limits are £120 and £96 per year for men and women respectively. Finally, it was enacted that—

if, at the date of commencing to contribute, the contributor is subject to a scale of salary of which the minimum salary is under £120 a year (in the case of males) and £96 a year (in the case of females) ……… the contributor’s rate of contribution shall be according to the contributor’s age at the date when he or she ……… first became subject to such scale, and the contributor shall be deemed to have contributed, as from such last-mentioned date for the purpose of ascertaining the benefits payable under the scheme on such contributor’s retirement.

As in the case of Scottish teachers under the new Scotch superannuation scheme, the pensions of London public-school teachers are graded according to their salaries. No satisfactory statistics of teachers’ salaries in London are available, but a general view of their range and amount may be gotten from the regulations of the council relative to salaries. The substance of the chief of these regulations affecting teachers included in the city pension system for teachers appears in the following paragraph. Numerous variations from these main regulations are provided for, but they can not claim attention here. In general the salaries are the same in non-provided as in council schools, in ordinary as in higher elementary or central schools. By way of explanation of the new term “central schools,” it may be stated that higher grade and higher elementary schools in London are being replaced by new institutions known by that name. Though different in some respects and a little more advanced, the new schools belong in the same general class or grade with their predecessors.

The few uncertificated teachers to whom the pension scheme for teachers applies receive fixed annual salaries of £80 or £100 in the case of men and £75 or £90 in the case of women, according to the amount of training received. The beginning salaries of assistant or

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1 See pp. 32–33.
2 The data regarding these amendments of 1912 were courteously provided the writer in the form of excerpts from the Minutes of Proceedings of the London County Council from the office of the comptroller of the administrative county of London.
3 See p. 86.
5 See p. 61.
ordinary (certificated) teachers range from £80 to £125 per annum for men and from £75 to £102 per annum for women, according to amount of training and amount of previous experience. The salaries of men increase by annual increments of £5 for two years and £7 10s. thereafter up to a maximum of £200, provided that no salary can rise beyond £150 unless the council authorizes it within two years after that figure has been attained on a report of the proper officers that the teacher is efficient and deserving of further advancement. The salaries of women rise by annual increments of £4 to a maximum of £150, save that no salary can rise beyond £130 without authorization by the council within two years after that figure has been reached on a proper report that the teacher is fit and deserving of further advancement.

The salaries of head teachers or principals range from £150 to £400 per year for men and from £125 to £300 per year for women, according to size of school and amount of service in the capacity of head teacher. The minimum salaries are £150, £200, and £300 for men and £125, £150, and £225 for women, according to size of school. The corresponding maximum salaries are £210, £300, and £400 for men and £160, £225, and £300 for women. In the case of head teachers in central schools only the two upper minima and two upper maxima apply with respect to both men and women. Except for those in small schools other than central schools, the annual increment of salary for head teachers is £10 and £8 for men and women, respectively. To be eligible for appointment to the position of head teacher men must have had at least ten years of experience in teaching and women at least eight years.

In 1911 the total number of teachers in the public schools of London was 17,963, of whom 5,507 were men and 12,456 were women. Nearly all were certificated. The number of head teachers was 2,311, of whom 799 were men. On March 31, 1912, one year after the commencement of the London pension system for teachers, the number of contributors or active participants therein was 16,104. Only about 150 were other than public-school teachers in the sense in which the term is used in this study. These not belonging to this group were mainly secondary teachers as herein understood. During the first year 60 teachers were retired on a pension. The pensions ranged in amount from £5 17s. to £49 16s. The first pensions under the new scheme were naturally small, though in most cases they were doubtless supplemented by State pensions under the act of 1898.

In 1892 the city council of Manchester established under special statutory powers the Manchester Corporation Thrift Fund for the
TEACHERS' PENSION SYSTEMS IN GREAT BRITAIN.

Purpose of providing insurance against disability and old age for city employees. In 1903 by the terms of the education act of 1902 the public-school teachers of the city became city employees, and in due time they received the right to participate in the Thrift Fund. The insurance system centered in the fund is not a pension system, but it serves a like purpose and has numerous features in common with the ordinary pension system. Accordingly, a brief account of the project is here introduced.

Membership in the system is required of some employees and is optional with others. Teachers are included among the latter. Every member contributes to the fund 3½ per cent of his salary and the city contributes 1½ per cent of the same. No one who becomes a contributor may withdraw from membership while in the service of the city. On retirement from the service on or after attaining the age of 65 years, or at any time on account of disability, a contributor is entitled to a lump sum from the fund equal to the whole amount of his own contributions and the contributions of the city on his behalf, together with accumulated compound interest on all contributions at 4% per cent per annum. If a contributor dies while in service, his legal representatives are entitled to the same amount he would have received in the case of regular retirement at the time. If a member voluntarily leaves the service before becoming incapacitated or attaining the age of 65, he is entitled to receive from the fund the whole amount of his own contributions only, together with accumulated compound interest thereon at 4% per cent.

In 1909 no less than 2,352 public-school teachers of Manchester were contributors to the Thrift Fund. This was about two-thirds of the entire number. In 1911, of 3,919 teachers and officers of the whole education service, who were eligible, 2,907 were contributors to the fund. Nearly all were public-school teachers.

In 1904 a local pension system for teachers and others in the direct employ of the city, embodying a special superannuation fund, was established by special parliamentary action in Newcastle-upon-Tyne. The scheme seems to have taken effect in 1905. Later teachers in non-provided schools were included. Membership in the system was voluntary. Only a small proportion of the teachers identified themselves with the system under the scheme of 1904, owing chiefly to the fact that by action of the Treasury membership involved partial or total loss of superannuation and disablement allowances under the act of 1898. The system was thoroughly reorganized in 1911.
This reorganization took place by virtue of provisions of the Newcastle-upon-Tyne corporation act of 1911, which took effect on April 1, 1912. The pension provisions of the act apply optionally to all officers and servants, including teachers in both municipal and nonprovidod schools, in the permanent and exclusive service of the city or city council. All existing and future employees were given the right to decline to participate in the system under the new scheme by notifying the city of their wishes within a limited time. In default of such notification they became or become members automatically. All existing employees becoming members under the new scheme who were not members under the old were required to pay with interest all contributions at the old and relatively low rates which they would have paid prior to the beginning of the new scheme if they had become members in 1905, when the system was launched, or at such later time as they entered the service of the city. All members under the new scheme, except teachers contributing under the act of 1898, to whom special provisions apply, are required to contribute to the superannuation fund at rates varying in the maximum from 4 to 8 per cent of their full salaries according to the amount of service to their credit at the respective dates when they became (or become) contributors. The city is required to contribute annually an amount equal to the sum of the contributions of members during the year, and additional amounts needed to secure the solvency of the superannuation fund. The fund must be examined every five years by a competent actuary, who is empowered to fix within the established limits the rates of contributions for the ensuing quinquennial period. The conditions established by the act for eligibility to a pension are (1) at least 10 years of service, (2) incapacity for service, 40 years of service and the attainment of the age of 60 years, or the attainment of the age of 65, and (3) retirement from service. Except with regard to teachers to whom the act of 1898 applies, the annual amount of the pension is one-sixtieth of the average amount of the pensioner’s salary during the five years preceding retirement multiplied by the number of years of service, save that no pension may exceed two-thirds of such average amount of salary. In general, all past service within the present limits of the city from the date of appointment is reckoned for the purposes of determining the amount of the pension. Any member who loses or otherwise ceases to hold his position before becoming eligible to a pension for any reason other than his own misconduct or voluntary resignation is entitled to a refund of all his contributions. If a member dies before receiving a pension,
the city must return to his widow or family one-half the amount of his contributions and may return the entire amount. With regard to teachers included in the State teachers' pension system under the law of 1898, the act contains provisions very similar to those embodied in the London scheme for teachers. Contributions are to be paid and pensions to be calculated upon only a portion of the teacher's salary to be determined by the city in such manner that the total State pension plus the pension from the city shall be approximately equal to the pension the teacher would receive if he were identified with the city system alone.

There are at present about 1,100 teachers in the service of the city (city council) of Newcastle-upon-Tyne, the great majority of whom are public-school teachers as the term is used herein. Of this number about 70 are ineligible for membership in the city pension system. Of the remainder only 97 are members of the city system alone, while 236 belong to both the city system and the State system.

The preceding survey includes all local pension systems for public-school teachers of major importance in England and Wales. In addition to these there are possibly a very few minor systems, but no special attempt has been made to include any such. The small cities of Chiswick and St. Helens have authority by action of Parliament to include with certain adjustments public-school teachers in their local superannuation systems for municipal employees, but at this writing this has not been consummated in either case. In securing data for the present chapter the writer used a list of communities having local systems for any or all grades of teachers in the employ of the public educational authorities which was supplied from the offices of the board of education and was complete to the best knowledge of the compiler.

Local pension systems of a sort for public-school teachers have been more numerous and at the same time necessarily smaller in Scotland than such local systems elsewhere in Great Britain. On the whole, however, they have been organized and administered under general State laws, whereas those in England have been based upon purely special or local acts. Consequently, local systems in Scotland under different acts have been treated collectively in the preceding chapter as State systems of a certain type or types. For an account of local systems in Scotland the reader is accordingly referred to the pertinent portions of Chapter VII.
CHAPTER IX.

CONCLUSIONS.

Among the first lessons to be drawn from the preceding survey of teachers' pensions in Great Britain, coupled with the experience of various other countries, is the utter insufficiency of voluntary cooperative effort by teachers themselves, philanthropic action, and local public action, either singly or in combination, in comparison with state legislation as means of making provision for superannuated and disabled teachers. It is quite clear from the present study that the State has been the sole effective agent in making provision for superannuated and incapacitated teachers in Great Britain. The pension minutes of the two Committees of Council on Education, as administrative regulations, were somewhat analogous to State legislation, but their effectiveness was hampered by the insufficiency of appropriations for education by Parliament. However, the pensions provided by this secondary legislation of the Committee of Council represented practically all that was accomplished in this field until the positive legislation of 1898 established a comparatively substantial State-wide pension system for public-school teachers. The conspicuous meager- ness of the present provision for teachers' widows and orphans in Great Britain in default of State action is important evidence in support of the proposition here set forth.

Our experience thus far in the United States very largely coincides with that of Great Britain and other countries in the respect under consideration. Most of what has been accomplished here in the matter of pensioning public-school teachers has been accomplished by State action. It is true that much more would have been achieved by other agencies had the State not stepped in, but there is little reason to believe that adequate general pension systems would ever develop in default of State action. There are those in America of individualistic bent who would very much like to see the State pursue a laissez-faire policy with regard to teachers' pensions, believing that the matter should be left to the teachers themselves. Those who are skeptical of the importance of teachers' pensions are perfectly consistent in this attitude; but granting that the pensions are desirable or needful, State action seems the only effective means for gaining the desired end. The work of the Carnegie Foundation for the Advancement of Teaching in pensioning college and university teachers in America is a conspicuous exception to the principle under consideration.

1 See p. 36.
Differences of practice in different countries in the matter of exacting contributions from teachers in support of public pension systems in their favor raises an important issue in the economics of teachers' pensions. Throughout Germany, with the exception of Bavaria, teachers pay no contributions whatever. In France heavy retents from salaries are universal. Practice in Great Britain represents a compromise between these extremes, since the contributions on the whole are moderate in amount. In the United States small contributions are usually required. Except often for a period of years following the introduction of a substantial pension system, the writer distinctly favors the German practice, in view of its simplicity and administrative economy, because contributions or retents are not necessary in the long run to secure the perfectly legitimate end sought, viz., partial or complete support of the pension system by the beneficiaries. The writer is firmly convinced that, even in the case of entirely noncontributory pension systems, economic forces definitely tend to throw the whole burden of support upon the beneficiaries, in so far as the pensions are really desired. To the extent that teaching positions, or any other, are rendered more attractive by the provision of pensions, the compensation in the form of salary of any given grade or quality of services gradually adjusts itself to the present value of the claim to a pension so that the total compensation in the long run is not materially affected, other conditions remaining the same. This adjustment takes place chiefly through the failure of salaries to increase as they otherwise would, rather than through actual reductions. The whole process is simply a readjustment of economic forces whose equilibrium has been disturbed by the introduction of the pension system. The process of equilibration ordinarily requires a considerable period of time, and for that reason the inauguration of a pension system with regular contributions or retents is often justifiable, provided the contributions decrease in amount on a sliding scale through a period of years until they disappear. If otherwise satisfactory, the same purpose might be served by the plan of beginning with small noncontributory pensions which gradually increase until the regular or desired amounts are reached.

It is not expedient to enter into an extended exposition or defense of the position taken in the preceding paragraph. The reader must rigorously apply the principles of modern economics and come to his own conclusion. The whole argument may be summarized in the two principles, (1) that pensions granted on condition of service are a part of wages or salary in the form of deferred payment, and (2) that the material rewards of teachers are controlled by the same economic laws as those of other workers.¹

CONCLUSIONS.

Those who claim that economic law does not fix wages and salaries in education and the professions are quick to point out marked exceptions and discrepancies. They have no difficulty in discovering, for example, two teachers of widely varying efficiency receiving the same salary. These exceptions, however, are simply variations from the norm. The same variations prevail in industrial pursuits. The sole difference is that in the latter the variations are smaller in relative amount, because the tests of efficiency are more patent and exact. If a satisfactory measure of teaching efficiency were invented, and the statistical method were applied before any changes were made in the present régime, it would be found beyond any reasonable doubt throughout the entire gamut that the central tendencies of the grades of services corresponding to different salary figures vary in amount fairly regularly with these figures. This would mean, of course, that economic forces are in control corresponding to those that dominate in the industrial field.

If the preceding arguments are sound, the requirement of contributions as a permanent feature of a teachers' pension system serves no useful purpose. Not only so, but the proper abolition of the contributions is a distinct economy, since they introduce needless complexity, are a source of constant irritation and misunderstanding, and are responsible for a vast amount of unnecessary bookkeeping and other clerical work. They represent thus a definite waste of time, money, and energy. On these grounds the gradual elimination of the contributory features of the present British pension systems for teachers, and without any reduction in the pensions, would be a distinct advantage. As a permanent policy, the German practice is the correct one. The writer has no disposition to criticize the requirement of contributions as an initial temporary feature. This is considered perfectly sound, since teachers have no valid claim to the temporary advantages falling to them as a result of the disturbance of economic forces occasioned by the abrupt introduction of a pension system. Indeed, no fault could probably be found with the requirement as an initial measure of still larger contributions to the total pension by the act of 1898, the new Scotch regulations, and local schemes. It is only the permanent requirement of contributions that is deemed inadvisable. Finally, in this connection the relative simplicity, smoothness, and economy of operation of noncontributory systems are commended for serious consideration in the establishment and administration of pension systems for teachers in America. Most American systems require small contributions from the teachers affected, as already stated. The writer's suggestion is that legal provision be made for the gradual suppression of these contributions in the interest of general economy for the future.
On the basis of the preceding considerations it is clear that the frequent justification of teachers' pensions as partial compensation for meager salaries or as special rewards for those spending their lives in lofty and devoted service in a noble calling rest very largely upon fictitious assumptions. Both these purposes would be defeated in the long run by economic law. The real justification does not lie in any benefit to teachers as individuals, but in resulting improvements in education making for greater efficiency and economy. The important ways in which a pension system may serve this larger purpose, and the adaptability of the systems of Great Britain to this end, will be next considered.

One general limitation of the British State systems which to the mind of an outsider precludes the fullest realization of any benefits derivable from teachers' pensions may as well be noticed at the outset. This limitation is the complete exclusion of uncertificated teachers, who have constituted a large proportion of the teaching body. It has already been shown that in 1903, for example, the number of uncertificated teachers was nearly 65,000 in England and Wales and nearly 2,800 in Scotland. Without doubt these teachers have been less of a problem in the matter of pensions than certificated teachers, not only by reason of their fewer absolute numbers, but because they undoubtedly have tended to leave the profession in larger proportions and because a considerable proportion of them have tended to become certificated; but a system leaving such a large body of teachers entirely out of account can hardly be considered adequate in the sense of completeness. No service as an uncertificated teacher can be counted in the event of subsequent certification. In general both classes of teachers are included in local systems.

The chief way whereby a teachers' pension system may promote educational efficiency and economy is by enabling authorities promptly and honorably to dispense with the services of deserving teachers who have become ineffective through disability or old age. One of the serious problems in many school systems not identified with a pension system is the disposition of incapacitated and superannuated teachers whose usefulness has gone, but who are still more or less dependent upon their salaries. Such teachers in most cases are faithful servants of long standing and highly respected. Neither ethical standards nor public sentiment would sanction their reduction to subordinate or menial positions, and outright dismissal is out of the question. A pension system is plainly the logical remedy for these difficulties, and its effectiveness and economy in meeting them furnish the chief test of its value. This essentially means in part that a pension system may be an effective agency in breaking up security of tenure at a point where it is highly undesirable. The first legisla-
tion on teachers' pensions in Great Britain, that enacted for Scotland in 1861, was directed specifically to this end.1

Obviously, the plain limitations of the pension systems of the Committees of Council in Great Britain2 rendered them utterly inadequate to satisfy any except the most pressing needs of the kind in question, and of this fact the committees themselves were fully conscious. The act of 1898 was a very great improvement, but, quite apart from the exclusion of uncertificated teachers, it fell far short of meeting the situation fully. This was because the pensions provided were so inadequate in amount. The insufficiency of the pensions in amount may be readily seen by consulting the provisions of the law and also the annuity tables3 in connection with the rates of contribution to the deferred annuity fund.4 This inadequacy of pensions of course rendered the portion of the law which was essentially equivalent to a provision for compulsory retirement5 more or less violative of the obligations felt to rest upon the public. Accordingly, the pension system as a whole could hardly be considered a satisfactory means of disposing of superannuated teachers. The emendatory act of 1912,6 passed after the original law ceased to apply to Scotland, doubled the superannuation allowances, substantially improved the disablement allowances, and slightly increased the annuities for men by a slight increase in the annual contribution. Under the present provisions a man who spends his life—40 years, let us say—in the public schools as a certificated teacher will receive on retirement at the age of 65 a total pension of approximately £78. The superannuation allowance will be £40, the annuity about £38. Under the same conditions a woman teacher's total pension will be approximately £50, owing to the fact that her annuity will be only about £19. The annuities of teachers retiring now are only small fractions of the amounts here given,7 but they are gradually increasing. Disablement allowances after service as a certificated teacher of 25 years, let us say, will be £42 in the case of men and £30 in the case of women. These pensions are of course much more nearly adequate than those provided prior to 1912, but they can hardly be considered proper proportions of the better salaries paid in England and Wales.8 The new pension system of Scotland must be acknowledged by all to be on the whole a satisfactorily effective means of disposing of disabled and superannuated teachers. Though uncertificated teachers are excluded, this is a much less serious matter than in the case of the act of 1808, because of the relatively small number of such teachers in Scotland at the present time. In 1911 the total number of such teachers in public schools

1 See pp. 51-53.
2 See Ch. II.
3 See p. 44.
4 See pp. 46, 48.
5 See p. 35.
8 See p. 47.
had decreased to 1,182. In respect to the size of the pensions provided, the Scotch system compares very favorably with the best systems elsewhere. The local systems described in the preceding chapter are strong where the national system to which they are complementary is weak. All classes of regular teachers are covered by the local regulations, and provisions are made for adequate pensions. The weakness of the local system lies in the provisions for optional membership. All future teachers are not required to participate. This obviously must interfere more or less with the efficiency of any system in promoting the considerate removal of disabled and aged teachers. In London membership is optional for teachers in nonprovided schools, the number of whom in 1911 was over 4,000. In Newcastle-upon-Tyne all membership is optional, and only a relatively small proportion of the teachers have identified themselves with the system.

A second important way whereby a teachers' pension system may promote educational efficiency and economy is by increasing the stability of the profession. In England, and even more in the United States, members of the so-called teaching profession have been too often like birds of passage, entering the field with uncertain purpose, circling about for a time gaining bizarre experiences, and then departing on the regular current of life. Any agency which promotes professional stability in such countries should be welcomed. Pension systems may accomplish much in this direction. The individual who has been working for a number of years in a school system identified with a good pension system will think twice before he enters another calling. He has partially earned a substantial annuity for his declining years, and he is growing older every year. If he leaves the profession he must relinquish more or less of this advantage. In short, as a result of this motive, fewer individuals can be attracted away from teaching when their services are beginning to be of really professional value. Moreover, the provision of pensions not only tends to hold teachers in the profession after they have entered, but the relative lowness of salaries caused by the pensions tends to keep out those who have no expectation of fulfilling the requirements for the enjoyment of the retiring allowance. Again, pensions may increase the stability of the profession by promoting security of tenure, though one of their important functions is to promote just the opposite thing in cases of inefficiency due to age and disability. Teachers who are year by year earning a competence for the evening of their days in the form of a pension have a vested interest which must be respected.

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1 See Return Showing (1) A List of Day Schools, etc., (2) Summarised Statistics of Day Schools, etc., 1910-11, p. 125.
3 See p. 70.
4 See p. 73.
by all reasonable security of tenure. Legislative and administrative authorities must yield to the demand that teachers shall not be deprived of these vested interests by removal from the service except for good and sufficient cause. Reasonable security of tenure granted by the public authorities, moreover, tends quite properly to result in the correlated demand that teachers shall not leave the public service of their own volition, but only for cause with due authorization. In France, Germany, and other countries where security of tenure has been conceded, this correlated obligation has also developed in fairly definite form. Civil-service rules apply. Unauthorized withdrawal from the profession is considered desertion and carries with it at least the loss of all pension claims.

It is worthy of notice in this connection also that not only do teachers' pensions promote the stability of the profession, but the latter also promotes the former. There is mutual reinforcement. A degree of professional stability is essential not only to the success, but to the value of a pension system. Without a degree of stability, pensions would obviously be of little use. When the teaching body becomes reasonably stable a substantial pension system may be expected to appear, but not sooner: and as professional stability increases, the pension system may be expected to become more thoroughgoing in character. Thus, pensions and stability reciprocally interact with mutually strengthening effect.

The provisions of the State teachers' pension laws of England and Scotland which are promotive of the stability of the teaching profession are much less exacting than those of most other laws, though the local laws and regulations presented in the preceding chapters correspond more nearly to common practice. Thus it will be observed that, contrary to the general rule throughout Europe, public-school teachers in Great Britain are not required to remain in service till the legal age of eligibility for the receipt of a regular retiring pension from the State in order to secure such pension when they reach that age. Neither are they required to receive any official authorization to retire in order to retain their pension rights. The provisions of the laws are such that in most cases all other requirements may be fully satisfied years before the age of eligibility is attained. At any time after they are fulfilled a teacher may freely leave the service without jeopardizing in the least his right to a State superannuation allowance in due time. The allowance is smaller, of course, in such cases. Moreover, a teacher who leaves the profession before all the other conditions are fulfilled is not obliged to lose all his vested interest in the pension system, as is the case in most other systems. This is true of both State and local systems. In England and Wales a teacher retains his right to the full annuity which his contributions up to the time of withdrawal have purchased. In Scotland and London he
may receive back the full amount of the retent from his nominal salary. It should be recognized that the contributions paid are but a part of the teacher's legitimate vested interest, since the system is not supported entirely by contributions. If no contributions whatever were required, the teacher would still have a vested interest, one paid by invisible contributions made from his salary by the operation of economic law. Claims to such vested interests are really equal in validity to those for the return of visible contributions.

Despite these limitations there are forces operative in the State pension systems of Great Britain which must definitely contribute to professional stability there. In the first place, a teacher must render a reasonable amount of service before he can secure a right to the whole of the vested interest he has perforce accumulated; also he must sacrifice the major portion of this interest if he withdraws before rendering the required service; and, finally, there can be no doubt that, demands and desires that the vested interests of teachers be respected must have some effect, little though it may be, in decreasing the relative insecurity of tenure that has prevailed in Great Britain. As a matter of fact, in view of the practically complete lack of any legal provision for security of tenure, it would seem that the provisions in the pension laws promoting professional stability are sufficiently exacting. It would doubtless be an imposition upon what are considered individual rights to require continuous service till a prescribed advanced age to gain eligibility to a pension or to require teachers who leave the profession to lose everything in a country where the conditions of tenure are uncertain. This is all suggestive for procedure in America, since conditions of tenure here are certainly no better.

It will be observed that distinct pension funds administered as separate units, into which all contributions are paid, are maintained in connection with both the State teachers' pension systems in Great Britain. In Scotland all pensions are paid entirely from this fund; in England only the deferred annuities. Similar funds are also maintained in connection with the general pension systems of English cities, in which teachers participate. Such funds are a very common feature of contributory pension systems elsewhere, including the United States. The superiority of this plan over that of placing the financial administration of the pension system directly in the hands of the State or city treasury is hardly apparent. Particularly is this true when it is recalled that pension systems for public-school teachers are not intended to be self-supporting, but must receive aid from public funds. The French plan, in which all contributions are paid directly into the State treasury and all pensions directly from it out of regular appropriations for the purpose, would seem to be simpler and equally good, everything considered. The financial ability and integrity of the civil corporation ought to be sufficient to meet the self-imposed
obligations of the pension laws, including the return of contributions in whatever form in cases of withdrawal from the service. The maintenance of the deferred annuity fund established by the pension law of 1898 as an independent and entirely self-supporting affair is doubtless based, more or less, on the belief that the annuities resulting from the contributions to this fund are the only part of the total pension of a teacher for which he has paid and in which he has a valid vested interest. This belief the writer considers erroneous, as already pointed out.

Regardless of the question concerning the advantage of independent pension funds in connection with teachers' pension systems, the organization and administration of the funds of this type in Great Britain on actuarial principles and advice are especially commendable. These features have been presented in earlier chapters. As a result of this application of actuarial science the actual and periodically recommended quantitative specifications of the annuity system in England and Wales and of the entire pension system in Scotland are of distinct suggestive value for those concerned in the administration of independent pension funds in the United States and other countries. In the United States at least the application of actuarial science and advice in the management of such funds has been woefully neglected, with undesirable and even disastrous consequences in certain quarters.

In the present pension systems of Great Britain the usual practice of grading teachers' pensions according to length of service is consistently followed. This is obviously correct and needs no special justification. The other common practice of grading pensions according to salary has not been followed, however, except in local systems and since 1912 in Scotland. The reasons for grading pensions according to salary seem to the writer just as strong as those for gradation according to service.

If pensions are not dependent upon salary, they must ordinarily be small; otherwise the pensions of many persons will exceed the salaries previously drawn—an intolerable state of affairs. Small pensions, however, bear no proper relation to the standard and expense of living of those drawing the better salaries and occupying the larger and more dignified positions. It is unsafe to assume that they save a greater proportion of their salaries than others, since many of them have families, and social pressure requires of them a standard of living commensurate with their position. Such persons on retirement cannot abandon all semblance of their usual standard of living without great hardship. Consequently, there is bound to be great reluctance to retire them in case of failing efficiency on a pension which would be perfectly adequate for the average grade teacher, let us say. More-
over, the vested interest represented by a small pension has relatively little influence in restraining the more capable and valuable members of the profession from accepting inducements in other callings. In short, the capacity of a pension system to promote educational efficiency and economy in the usual ways with respect to the higher ranks of the profession requires that the pensions available for the occupants of the better positions be an adequate proportion of their salaries. This means general gradation of pensions according to salary.

From these considerations and the fact that the salaries of certificated teachers in England and Wales range between rather wide limits, it would seem that the recent introduction of the plan of grading pensions according to salary in Scotland could well be repeated in England. One explanation that may be offered for the failure of the act of 1898 to provide for the gradation of pensions according to salary is the fact that salaries vary and fluctuate more or less indiscriminately in Great Britain, as in the United States, and consequently, in connection with the insecurity of tenure, teachers' remuneration sometimes grows less rather than larger with age and service. In certain countries of continental Europe this could rarely happen, since salaries are graded by law according to age and service. There the teacher's salary at the end of service is a just basis for the amount of pension, whereas in Great Britain or the United States this would frequently not be true. This difficulty is met in the new scheme in Scotland by grading the pension on the basis of the average annual salary of the teacher throughout his entire period or periods of recorded service.

American practice may well follow more largely than it does that of Great Britain and other European countries in providing small pensions to facilitate the retirement of teachers who become incapacitated prematurely. For the promotion of educational efficiency, these disability or disablement pensions are certainly just as serviceable as regular superannuation allowances. Like the latter they should be graded according to both age and service, and for the same general reasons. In England and Wales disability pensions or disablement allowances, like superannuation allowances, are graded only according to length of service. In Scotland under the new system and in London and Newcastle they are graded on both bases. The disability pensions provided in Great Britain, as elsewhere, seem relatively insufficient in amount to serve most effectively the purpose for which they are intended, especially in view of the likelihood of early retirement, but of course they cannot consistently be made to approach the size of regular pensions. This is apparently an un-

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See p. 47.
CONCLUSIONS.

avoidable weakness. Such pensions, however, even though they must be small, amply justify themselves in relation to the others in any system.

The conditions and methods controlling actual retirement on a pension are very important. The arbitrary retirement of teachers at a given time determined by age, or by age and service together, is wasteful. At best this time can be properly adapted only to the so-called average or typical teacher. Some teachers of impaired efficiency should be required to retire earlier on smaller pensions, and others who retain their efficiency should be permitted and even expected to continue in service longer. The retention of the first class of teachers till an arbitrarily fixed time is obviously poor economy. The arbitrary retirement of teachers still fairly efficient is no less wasteful, for in such cases the public is required to bear two burdens, salary and pension, when one would serve the purpose just as well. The ideal plan is one in which the time of retirement on a pension, subject to the fulfillment of reasonably low minimum conditions of age and service, depends upon the decision of a State board of retirement or other central agency with power to compel retirement or to require continuation of service, as the public interest demands. No doubt there should be provision for voluntary retirement after very long service, varying somewhat with age perhaps, but no teacher still capable of efficient service should be pensioned off automatically or otherwise so long as he desires to remain in the work. There should also be provision for compelling withdrawal from the service on sufficient grounds before eligibility to a pension has been attained. In countries where teachers are State servants, subject to civil-service rules, this general plan can readily be followed, and it is followed more or less fully in France, Germany, and elsewhere; but in countries like Great Britain and the United States where public-school teachers are merely local employees and without legal security of tenure, it is not feasible. Local self-interest may be counted on to some extent in the latter countries to occasion the retirement, through dismissal if necessary, of disabled and superannuated teachers who are eligible to a pension, but local authorities can not retain in service efficient teachers wishing to withdraw on pain of loss of pension rights or by any other means. Nor is it desirable for central authorities to require efficient teachers to remain in service after minimum conditions of age and service have been satisfied in countries where tenure is not secure and teachers are not State officers. General British public-school teachers are compelled to retire at the age of 65 without...
Teachert's Pension Systems in Great Britain.

References to length of service. In England teachers of special fitness may be allowed to continue in service for a further limited time, and in Scotland retirement is optional after the age of 60. Under the prevailing conditions the plans in both countries are good. The supplementary requirement of retirement after a given amount of service is not important. It would seem that the London and Scotch plans of retirement could be improved if the age of compulsory retirement were rendered a little flexible by a provision similar to that in the English plan whereby teachers who have retained a high degree of efficiency might be permitted to remain in service longer. If such a provision did not result in improvement the writer would consider the age of compulsory retirement too high, despite the provision for voluntary retirement during the preceding five years.

It is worthy of notice that, in general, pensions for public-school teachers in Great Britain have been provided through the agency of State-wide systems, as in other important countries, whereas in America many systems are only local affairs. Moreover, while local systems in Great Britain are merely supplementary to the State systems, most of those in America are the only ones affecting the respective communities. American practice may well follow that of Great Britain in this respect. There is a distinct advantage in having pension systems as wide as is feasible territorially. A teacher passing from one place to another should not be obliged to forfeit claims he may have acquired to a pension in the first position. The necessity of such forfeiture tends to render the teaching body static and inert. Teachers tend to become local fixtures. Reasonable mobility in the profession is highly desirable, as well as reasonable stability. Without mobility there are sure to be many square pegs in round holes, and vice versa. The effect is the same, whether the local pension system is contributory or noncontributory. The development of systems covering large areas is the obvious remedy. The State is the largest feasible unit in the United States for the purposes of pensioning public-school teachers, and local systems should be replaced by State systems, or rendered merely supplementary thereto, as rapidly as the advancement of the pension movement warrants. The Nation would be a better unit were it not for the weakness of the Federal Government in matters educational.

Wherever a distinctly local system is maintained, whether contributory or not, provision should be made for adequate compensation for the loss of pension claims suffered by a teacher who chooses to enter the service of another community. This should be done not only in the interest of professional mobility, but because failure to make such provision places a community at a disadvantage in competition with others for the services of desirable teachers for its schools.
CONCLUSIONS.

The establishment of local pension systems for teachers supplementary to State systems where the latter are inadequate, as has been true in England, is of course a distinct advantage. This is quite a different matter from the provision of local pensions only, as in the case of New York City, for example. Just as a purely local pension system may well be considered better than none, so an adequate compound system consisting of a local system supplementing a State system may rightly be considered better than an inadequate State system alone. This logic definitely applies to the few local supplementary systems in England. By means of the local system of London, for example, adequate pensions are now provided for all regular teachers in the service of that city, certificated and uncertificated. More English communities might well follow the example of the few.

The provision of the national insurance law of 1911 exempting teachers included in one of the State pension systems from compulsory health insurance is directly in line with provisions of the similar laws previously enacted in the German Empire and in France. Aside from any influence of precedent, the chief reasons for this exemption were probably the facts that the teachers affected were already paying much larger contributions than the insurance law requires for a form of State insurance and that the purposes of the health insurance were partially covered by the disablement pensions to which the teachers were entitled under the pension regulations. Their status as a partly professional body no doubt had some influence also. On the whole the exemption seems quite correct.

Finally, attention may be called to the almost complete absence of pensions for the widows and orphans of public-school teachers in Great Britain, in harmony with conditions in the United States, and in contrast with those in the leading countries of continental Europe. For over a century a State pension fund for pensioning the widows and orphans of certain public-school teachers has been in existence in Scotland. For a long time all parish and burgh schoolmasters were required to contribute to this fund, but since 1872 membership in the fund has been optional except for those who were then contributors. The fund has long been on the decline and is now becoming extinct. Also some provision is made for teachers' widows and orphans by the benevolent and orphan fund of the National Union of Teachers, but it is negligible when the whole field of possibilities is considered.

1 See pp. 46, 50.
3 The Burgh and Parish Schoolmasters' Widows' Fund.
4 Ch. 25 and 26 Vict., ch. 63, sec. 77.
5 For the Fund for the Relief of the Widows and Children of Burgh and Parish Schoolmasters in Scotland, 1852, pp. 441, 442.
6 See p. 31.
No doubt it is very desirable to supplement teachers' pensions by pensions for teachers' families, but the matter is of considerably less importance in Great Britain and the United States than in continental Europe, because the teaching bodies in the former countries are composed much more largely of women and are much more largely celibate in character. Moreover, pensions for widows and orphans have less potency for promoting educational efficiency and economy than pensions for teachers. So far as teachers with families are concerned, the former pensions are doubtless just as effective as the latter in promoting professional stability, perhaps more so; but in the matter of facilitating the retirement of incapacitated and superannuated teachers, pensions for widows and children are plainly of comparatively small importance.
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INDEX.

Annuities, statistical table, 44.
Arizona, teachers' pensions, 10.
Baltimore, teachers' pensions, 10.
Benevolent and orphan fund, of National Union of Teachers, 27.
Bibliography, 85-86.
Boston, teachers' pensions, 10.
Buffalo, teachers' pensions, 10.
California, teachers' pensions, 10.
Cambridge University, retiring pensions, 14.
Carnegie Foundation for the Advancement of Teaching, and teachers' pensions, 9.
Charleston, teachers' pensions, 10.
Chicago, teachers' pensions, 10.
Committees of council, pension system; 16-26.
Denver, teachers' pensions, 10.
Detroit, teachers' pensions, 10.
Disablement pensions, under national insurance act of 1911, 48-50.
Education acts. See Legislation.
Elementary school-teachers' (supernuation) act (1888), abridged text, 35-38.
Elementary education, pension system, 22.
England and Wales, public-school system, 12-13; teachers' pensions, 22, 24, 25, 33-47; teachers' salaries, 47; teachers' tenure of office, 29.
Germany, discussion of teachers' pensions, 72-73.
Glasgow, University of, pension roll, 15.
Illinois, teachers' pensions, 10.
Indianapolis, teachers' pensions, 10.
Kansas, teachers' pensions, 10.
Letter of transmittal, 5.
Local pension systems, discussion, 60-70.
London, local pension system, 60-68.
London County Council and teachers' tenure of office, 31-32.
Louisville, teachers' pensions, 10.
Maine, teachers' pensions, 10.
Manchester, local pension system, 67-68.
Maryland, teachers' pensions, 10.
Massachusetts, teachers' pensions, 10.
Milwaukee, teachers' pensions, 10.
Minnesota, teachers' pensions, 10.
National Union of Teachers, activities, 27.
New Jersey, teachers' pensions, 10.
New Orleans, teachers' pensions, 10.
New York City, teachers' pensions, 9-10.
Newcastle-on-Tyne, local pension system, 68-70.
North Dakota, teachers' pensions, 10.
Ohio, teachers' pensions, 10.
Oklahoma, teachers' pensions, 10.
Oregon, teachers' pensions, 10.
Oxford University, retiring pensions, 14.
Pension systems, local, 50-70.
Pennsylvania, teachers' pensions, 10.
Privy council on education, committee, pensions inaugurated, 16.
Providence, teachers' pensions, 10.
“Public school,” definition, 11.
Public schools, historical study, 12.
Rhode Island, teachers' pensions, 10.
Rochester, teachers' pensions, 10.
Salaries. See Teachers' salaries.
Secondary schools, discussion, 13.
Scotland, public-school system, 11; separate pension systems, 61-69; teachers' pensions, 22, 24, 25-26, 38-43; teachers' salaries, 47; teachers' tenure of office, 30-31.
Teachers, mortality, 48; total number in public schools of London, 67-68.
INDEX.

Teachers' pensions, conclusions regarding, 71-84.
Teachers' salaries, London, 66-67; statistics, 47.
Teachers' widows, pensions, 27.
Tenure of office, teachers, 29-32.
Terre Haute, teachers' pensions, 10.

United States, teachers' pensions, 9-10.
Universities, pension systems, 14-15.
Utah, teachers' pensions, 10.
Vermont, teachers' pensions, 10.
Virginia, teachers' pensions, 10.
Wales. See England and Wales.
Wisconsin, teachers' pensions, 10.