

Civil service pensions – some historical background

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PENSIONS
AND PUBLIC SERVANTS

*A Study of the Origins of
the British System*

PARIS MOUTON & CO LA HAYE
MCMLXIV

Background

- Civil servants were often one of the first groups covered by formal pension provisions
- Reasons included:
 - securing the independence of public servants;
 - making a career in public service attractive;
 - shifting the cost of remunerating public servants into the future; and
 - retiring older civil servants in a politically and socially acceptable way.

Background

- One of the earliest schemes was for British civil servants in the late 17th century
- 1684-1712: Port of London, Revenue Dept. etc. ran primitive scheme with ad hoc rules and no fund
- 1712-1830: First contributory, pooled scheme begins, rules adjusted over time, funds invested; coverage gradually extended to upper ranks, most departments. Means-testing eliminated.
- 1830: Legislation establishes non-contributory and unfunded DB scheme that was exported to the Empire and still exists in many countries today



The first civil service pension claim

Alfred Jay to be
restored.

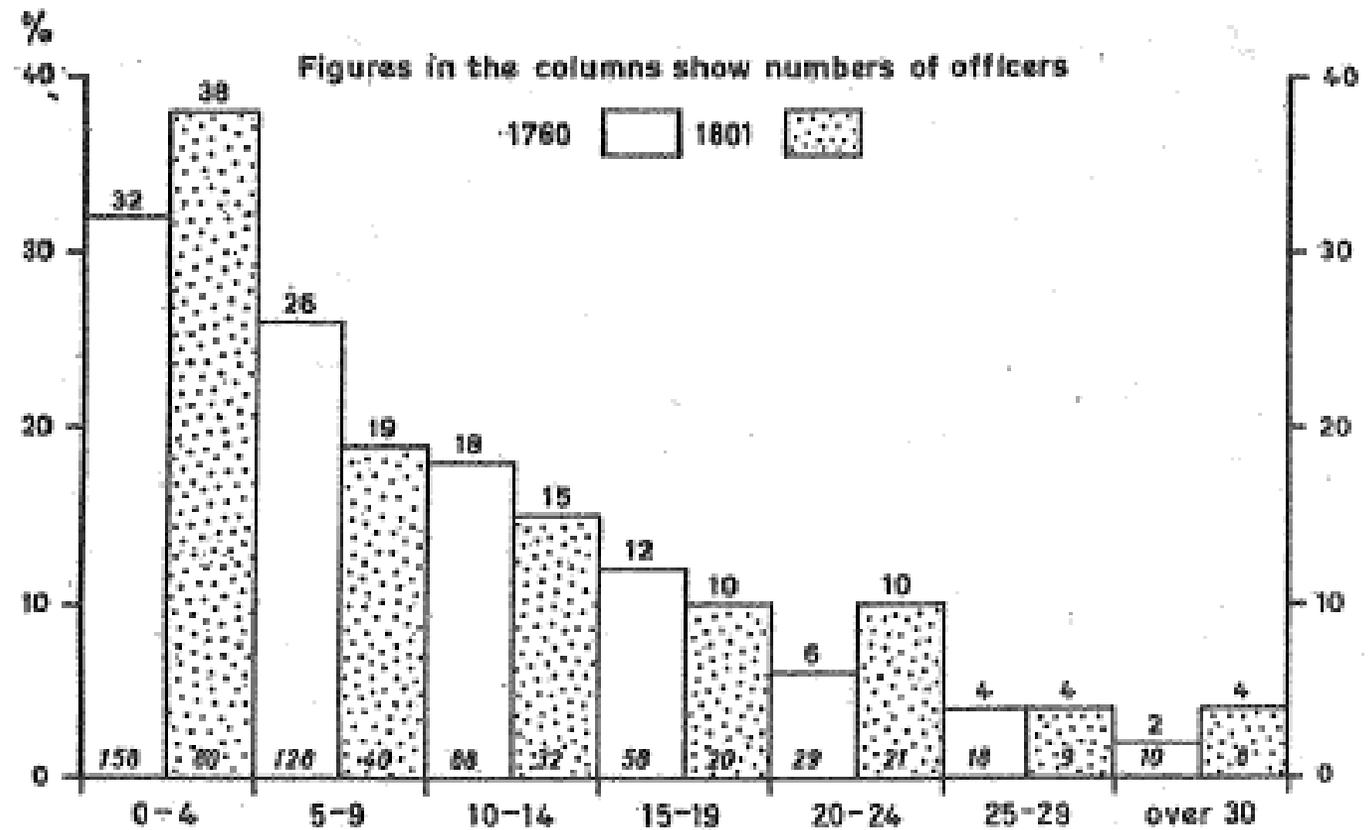
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After Sr, We having taken into Consideration the Case of the said
Jay late one of the Landwayes in the Port of London, doe hereby pray
and require you forthwith to restore him to his said Employ^{ment} of Landwaye
by giving him a new Deputacion^{ne} for the same, with the Established
allowance of Salary. For which this shall be yo^r warrant, which
Treasury Chancellors March the 6th 1683. Rochester J^{no} 20, 1683.
To Com^{rs} Customs

Graves Scroope c^o After Sr, Whereas it appears by the Certificate of Mr Thomas Tymme
late a Landwaye in the Port of London which is annexed by Report of the 18th of February last, that Martin
Howham one of the said Landwayes is soe much indisposed by a greivous
malancholy that he is at present unfit for service. And whereas Graves
Scroope is recommended to us as a fit person for the said place, We do
pray and require you to give a Deputacion^{ne} to the said Graves Scroope
to be a Landwaye in the said Port of London in the room and place
of the said Martin Howham with the Established allowance of 80^{li}
per ann^o for his Salary, out of which he is to receive 40^{li} per ann^o to
the said Martin Howham unless we give Order to the
contrary, and for soe doing this shall be yo^r warrant, which shall be
Treasury Chancellors March the 10th 1683. Rochester J^{no} 20, 1683.
To Com^{rs} Customs &c.
Ex^{ra}

Length of service, 1760 and 1801

TABLE 6

*Percentage distribution of London officers
in 1760 and 1801 by length of service*

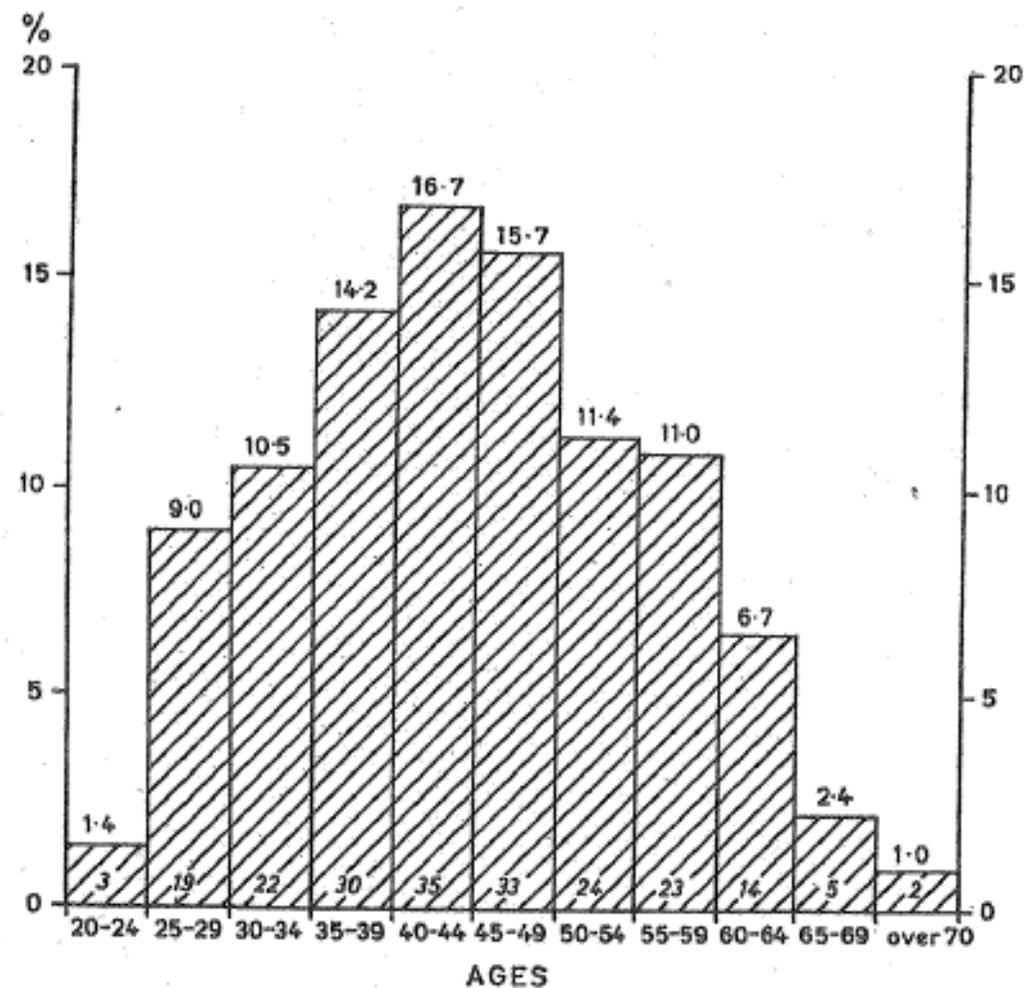


Age distribution of London civil servants in 1803

TABLE 11

Age distribution of 210 London officers serving in 1801
(by 5 year groupings)

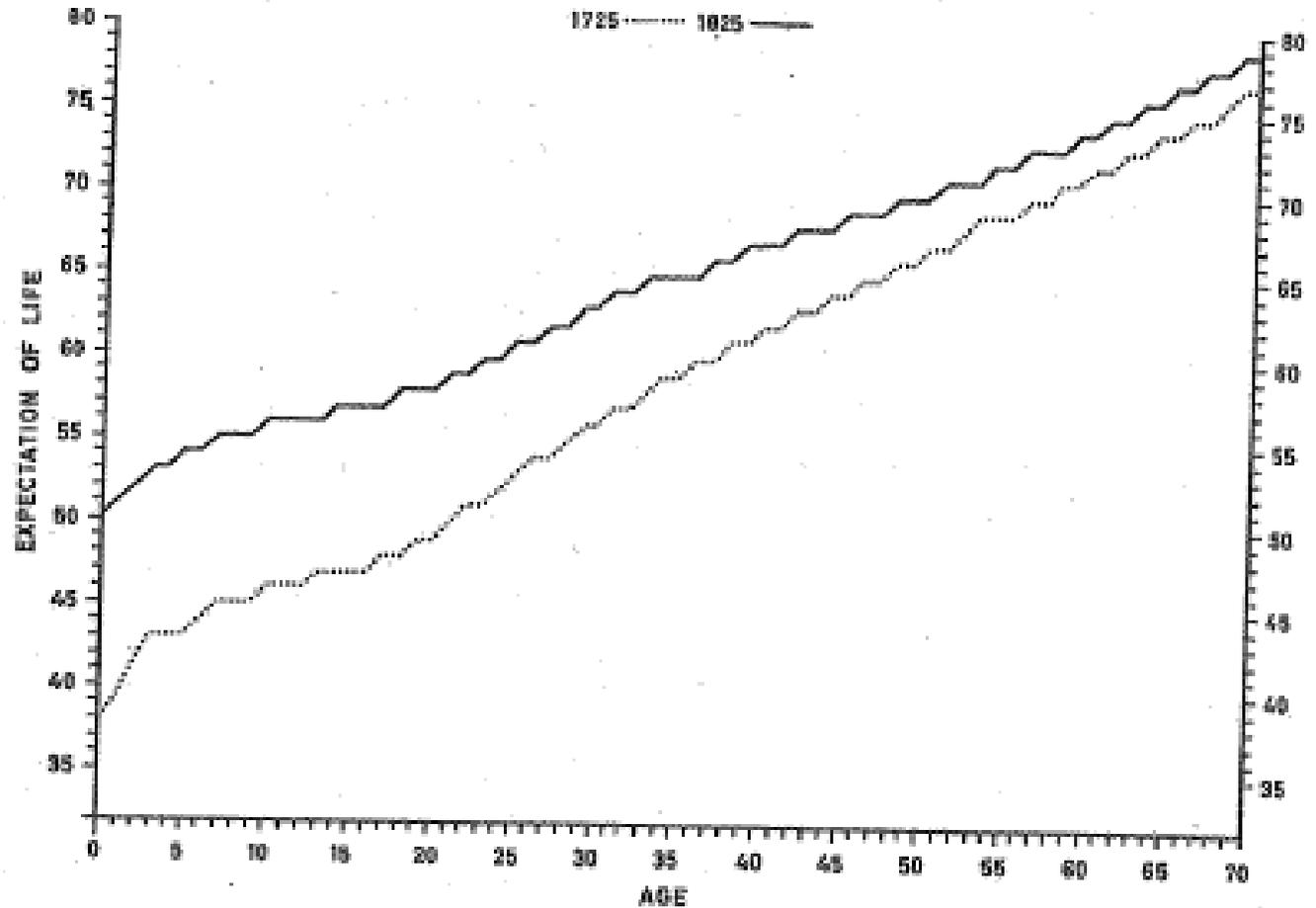
The percentage is calculated to the nearest decimal point
Figures in the columns show numbers of officers



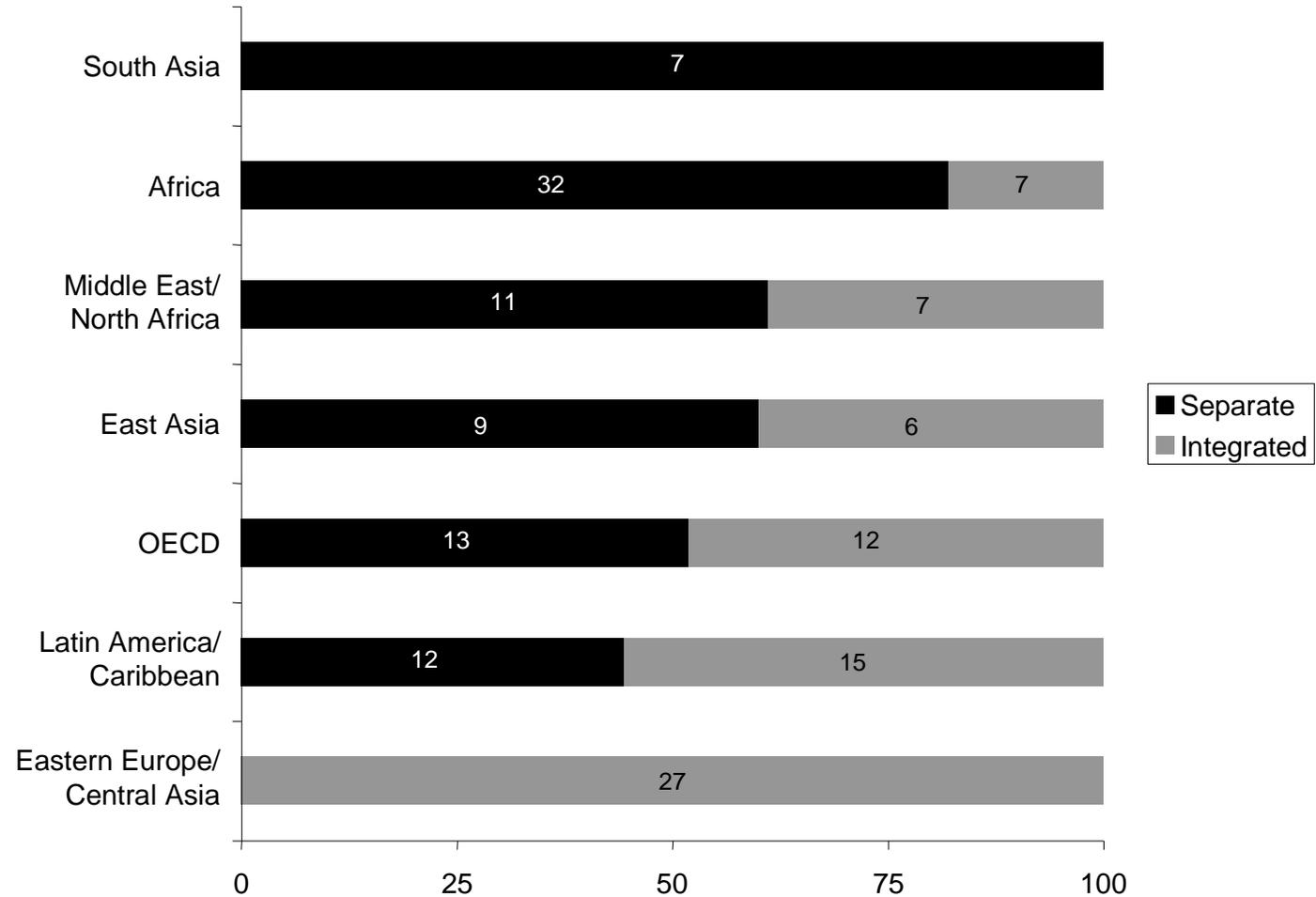
Life expectancy for males 1725 and 1825

TABLE 7

Expectation of life for males in 1725 and 1825 according to Finlaison's tables



Background: Global distribution of CS schemes today



Reconsidering the historical pension legacy

- There is a lot of inertia in pension policy, understanding history is important
- The colonial systems that have been inherited were the result of a mid-19th century bargain
- At the beginning of the 21st century, reformers began questioning this 150 year old model resulting in reforms
 - Hong Kong (2001), India and Nigeria (2004), Kenya (2015), next ??

Dated _____

Countersigned [in cases where Regulation 6 (ii) (b) (2) applies.]
Left hand thumb and finger impressions
of non-gazetted Government servant.

(Signature and designation of
examining medical authority.)
(Review of Medical Authority.)

Commutation Table prescribed by the Secretary of State in
Council under Rule 7 of the Civil Pensions (Commutation) Rules.
With effect from 1st August 1936.

Age next birthday.	Number of years' purchase.	Age next birthday.	Number of years' purchase.
20	21'268	51	14'312
21	21'119	52	13'986
22	20'966	53	13'654
23	20'810	54	13'312
24	20'651	55	12'967
25	20'488	56	12'618
26	20'320	57	12'264
27	20'147	58	11'907
28	19'971	59	11'546
29	19'790	60	11'185
30	19'604	61	10'821
31	19'413	62	10'442
32	19'217	63	10'143
33	19'015	64	9'796
34	18'808	65	9'453
35	18'596	66	9'113
36	18'378	67	8'777
37	18'154	68	8'445
38	17'924	69	8'118
39	17'687	70	7'796
40	17'445	71	7'479
41	17'197	72	7'170
42	16'941	73	6'866
43	16'678	74	6'570
44	16'408	75	6'283
45	16'131	76	6'003
46	15'848	77	5'732
47	15'555	78	5'470
48	15'250	79	5'218
49	14'949	80	4'975
50	14'634		

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Thank you