

much easier to induce workmen in particular to purchase them from the state, than to purchase them from any other quarter, because the most astute financier would hardly feel the same confidence that an insurance or annuity company, however solvent today, would be equally solvent thirty or forty years hence, as he would that the government under which he lived would be able to redeem its obligations. No doubt a private company has this one advantage—a private company might conceivably invest its money at higher rates, and, possibly, give a little larger annuity. As a matter of fact, I am tolerably certain that no private company of decent standing could afford to give better terms than those I expect would be given under the Bill now before you, and for these very good reasons: The rate of interest which it is suggested should be allowed, will quite equal the rate which can be obtained today on first-class securities, and in the next place, as I remarked before, the government could conduct an operation of this kind very cheaply, and has no desire whatever to make one penny of profit out of the transaction; whereas, in the nature of the case, every annuity company must of necessity desire to make its reasonable profit.

In order that the House may understand it exactly, I have worked out this scheme at the ages of twenty, twenty-five, thirty and forty, and at a rate of interest varying from three and a half to three and three-quarters per cent. I am prepared to show, and I have the authority of the Insurance Department, besides, that taking the usual rates allowed by insurance companies in good standing, any man who begins at the age of twenty years, can, for a payment of twenty-five