

Q. Very.—A. In that case, the agent would be paid approximately \$25 as his commission in the first year, for selling the policy.

Q. \$25 out of \$100?—A. Yes.

By Mr. Browne:

Q. At what age?—A. Any age. Deferred annuity contracts with most of the companies are operated on a basis where they are not dependent on the age of the purchaser; they are entirely dependent on the amount of the premium.

By Mr. Pouliot:

Q. Would he have something else, afterwards?—A. Yes. He would be paid service commissions which would extend through to the tenth year.

Q. What would be the average commission over the 10 years?—A. In my own company the commission in the second year would be \$7.50; and in each of the years from the third to the tenth, it would be \$2.50.

Q. Some companies are more generous than that, and give more to the agent, as you know.—A. The commission arrangement will vary according to the circumstances of the company.

Q. The rate you mentioned is a minimum rate of commission, is it not?—A. We would not regard it as a minimum rate for the sale of a long term savings contract which did not involve insurance elements. In some respects it might be regarded as high, certainly, as compared with the commission paid on a group annuity contract. The rates I have quoted are very much higher than the commission rates on group accounts contracts.

Q. What would it be for a man of, let us say, 65 years of age?—A. You mean for a man aged 65 who is just starting?

Q. Suppose someone pays \$10,000 to a company for an annuity from age 50, or any age?—A. It is very seldom that we get a lump sum paid unless the annuity commences right at the time that it is paid. Suppose a man saves up his money and he comes to us and he wants to buy an annuity, let us say, for a single premium of \$10,000?

Q. Yes.—A. Under those circumstances?

Q. Would it be 10 per cent?—A. No, no. The commission we would pay in those circumstances is either $2\frac{1}{2}$ per cent or 3 per cent. It is a very small commission on a lump sum.

By Mr. Bryce:

Q. Is that paid to the agent who actually makes the sale?—A. Yes.

Q. Does anybody in between get a commission besides the agent?—A. No. I think you will find it to be almost universal in the life insurance business in Canada that the agent is dealing directly with the company. It is not so in the case of the fire or casualty insurance business, where there is sometimes a general agency intervening.

Q. I mean, suppose there is an agent in Winnipeg dealing with a man in Winnipeg, he, the agent, would be dealing with a company in the east.—A. No. The agent in Winnipeg would deal with a salaried manager of the Company in Winnipeg.

By Mr. Côté:

Q. Perhaps you have already given an answer to the question I am about to ask you, but if you did so, I missed it. You gave us a figure of 237,000 as being the number of deferred contracts with the various companies which are in force at the present time.—A. Yes.