

pensation to the agent was also to be limited to the commission on the life rate irrespective of the form of policy.

IMPORTANT CONCESSIONS.

As amended the bill omits entirely Section 97 concerning loadings, so that commissions need not necessarily be limited to the life rate, though the commission on a limited payment or endowment policy, if the law be passed, can exceed the commission on the life policy only to the extent that the loading on the former exceeds the ordinary life loading.

Renewal commissions are now allowed at $7\frac{1}{2}$ per cent. of the gross (not life) rate for nine years with the provision that the renewal on endowments running for less than twenty years shall not exceed 5 per cent.; there is to be a collection fee of 2 per cent. after the tenth policy year. The provision for the first year is that the compensation of agents, including medical and inspection fees and advances not earned, must come within the loadings and mortality margins on the new business secured.

The percentage of the life premium thus available for agency compensation and medical and inspection fees varies in the different companies with their differing methods of figuring loadings, from about 58 per cent. in the Mutual Benefit to almost 65 per cent. in the New York Life and Equitable. Making provision for medical and inspection fees and for losses on advances to agents (which will evidently not be greatly indulged in hereafter) the companies should be able to pay first year's commissions of 45 per cent. or 50 per cent. In effect the standard of agency expense set up for all the companies is practically that now maintained by some of those most economically conducted to-day.

The result cannot be regarded as anything but a great victory for the agents. As compared with the original section the number of renewals has been more than doubled, and by the elimination of the proposition to base renewals on the life rate the amount of renewals has been increased by one-third. The provision for first year's commission is also at least 50 per cent. greater than the original bill would have allowed. In fact, there is no other section of the bill which has been so materially modified, and the companies, as well as the agents throughout the entire United States, are to be congratulated upon the fight so successfully conducted in their behalf by the agents of the State of New York.

The provisions of the original section were such that it would have destroyed the agency organizations of all the companies, affecting tens of thousands of agents throughout the United States and in effect legislating them out of their occupations. Under the new section there will have to be some economy in agency work by a number of the companies, but the standard set up is one under which the agents can make a living. The better class of agents will probably do as well as before, if this legislation puts a stop to rebating, leads to better agency organization, and drives irresponsible and part-time men out of the business.

QUERIES' COLUMN.

In order to furnish our readers with information we propose to devote this column to replies to correspondents. Letters should be addressed to "THE CHRONICLE, Enquiry Department, Montreal."

Answers will only be given to such communications as bear the writer's name, not for publication, but as evidence of good faith, and only to questions referring to matters of general interest in regard to which the Editor of Queries' Column will exercise his own discretion.

1549.—C. B. S., Montreal.—The rates for cables and 60 and 90 day drafts on London is calculated on the rate for demand sterling. The fluctuations, either of addition for cables or deduction for 60, or 90 days, are based on the London rates of discount. The par of exchange is $9\frac{1}{2}$ p.c. or \$4.86 $\frac{3}{4}$ for the £1.

1550.—H. C. O'H., Carberry, Man.—Greene Consolidated Copper Company pays 8 p.c. dividends and its capital is \$10,000,000, its property in Mexico is stated to be 10,412 acres in area.

LAKE OF THE WOODS MILLING COMPANY, LTD.

A special meeting of the shareholders was held at the company's office, Montreal, on the 10th inst., to ratify the agreement entered into between the Lake of the Woods and the Keewatin Milling companies. The arrangement was considered an excellent one, and was unanimously approved by the meeting, at which nearly all the shares of the company were represented. The Keewatin shareholders receive \$750,000 of 6 p.c. bonds on the Keewatin property guaranteed by the Lake of the Woods Company, and \$200,000 in cash. This means that for an additional fixed charge amounting to \$45,000 per annum, the Lake of the Woods Company acquires an additional mill having a capacity of 4,000 barrels per day. This mill will be up to date in every respect. In addition the Lake of the Woods Company gets a fire-proof elevator of 500,000 bushels' capacity. The same management and operators can run both plants, as they are situated within a short distance of one another, and a saving should be made in operating by water power instead of steam or electricity. The \$200,000 payment by the Lake of the Woods Company has been provided out of surplus earnings. This will give the company an output of about 9,000 barrels per day, and place it in the front rank of milling industries in the British Empire. The president and directors are to be congratulated upon the excellent arrangement which they have entered into.

A dividend at the rate of 6 p.c. per annum, being 3 p.c. for the half-year, has been declared to shareholders on record on the 14th inst., and is payable on the 17th inst., so that the stock is now on a 6 p.c. basis.