CHANGES IN THE EXCISE FORCE.

WE understand that some very important changes are being introduced into the Excise department of Upper and Lower Canada. These are of such a nature as to amount to a remodelling of the whole Excise system. The changes were recommended we understand, some time ago by the Provincial Inspector of Excise, Mr Brunel, and were doubtless suggested by the facts brought to light in the Maitland Distillery case, which served to excite fears that our revenue system was not so complete as it ought to be. The new system will be far more cumbrous and costly than that which it is to displace, but it is believed by the Government that it will go far to render impossible frauds upon the revenue, and be the means of increasing the Provincial income arising from this source.

The changes proposed and about to be adopted, so far as we can learn, are as follow.—The Province is to be divided into five inspection districts, three in Upper and two in Lower Canada. These are to be presided over by five District Inspectors, whose salaries are to range from $1200 to $1600 per annum. The five districts are to be sub-divided into divisions, of which there will be 18 in Upper and 15 in Lower Canada. Each of these divisions is to have a collector and Deputy collector the salaries of both being divided according to classes, of collectors, there are to be five classes who will be paid as follows. 1st class $1600, 2nd, $1200, 3rd, $800, 4th, $500, and 5th, $400. Of Deputy collectors, there are only to be three classes—the 1st receiving $500, 2nd, $400, and 3rd, $300. Below the Collectors and Deputies of divisions, there are to be Excisemen the number for each division being regulated by the amount of excise business required to be done. The number allotted to Upper Canada is 37, and to this section of the Province, 8. The pay of the Excisemen is also arranged on "a sliding scale," the 1st class receiving $700, 2nd, $600, and the 3rd, $500. The whole number of inspectors, collectors, and excisemen required to carry out the new arrangements is as follows.—

	U. Canada.	L. Canada.
District Inspectors	3	2
Collectors	18	15
Deputy Collectors	24	23
Excisemen	37	8
Total	82	48

The above is certainly a very large staff of officials, and if mere numbers would render evasions of the revenue laws impossible, ought assuredly to do it. The immediate inspection of distilleries, breweries and tobacco factories will be the work of the Excisemen, and we understand that in the case of distilleries they will be required to visit them once every twenty-four hours. The Collectors and Deputies are to have charge of the divisions, and their chief duty will be to see that the Excisemen carry out their instructions and make correct returns, then the Collectors are to be under the supervision of the district inspectors, and the chief of the department, Mr. Brunell will have the general management of the whole. With an inspection so constant and thorough as this machinery is expected to produce, it is believed that evasions of the revenue laws will be rendered exceedingly difficult, if not impossible.

The principal objections which strike us against these new excise arrangements are their costliness and cumbrousness. The machinery lies open to the charge of being complicated, and a person is almost tempted to ask what so many officials will find to do. The expense for salaries, &c., must be vastly greater than the Province has ere been called upon to pay before, and with every increase in the number of distilleries, breweries, and tobacco factories, the number of officials and the amount of expenditure must increase. If the system works well, however, the objection of expense may be overlooked, for the Halliday case as we have mentioned before, proved that the old system urgently needed improvement.

There is another feature of the system, which is open to criticism. We refer to the fact that the more direct dealings with distillers and others paying excise, will be in the hands of a larger number of persons with smaller salaries than at present. One of the principal dangers of fraud arises from collusion between the inspecting officer and the manufacturer. Now, under the new arrangements, the salary of excisemen is such, that first-class men will not accept the position. As it is intended that these shall be shifted about from one place to another, the excisemen are likely not to be men of much responsibility, and whether it is the best way to decrease frauds to bring so many of these officials—with salaries barely large enough to sustain them—in contact with the manufacturers, may fairly be questioned. Whilst not doubting that the large majority of excisemen will, like the great majority of the manufacturers, prove to be honest and upright, we think it possible that a smaller number of officials, better paid, would more efficiently perform the duty required of them.

We throw out these remarks in a friendly spirit, and trust that Mr. Brunel will find the new system turn out as successful as he doubtless anticipates it will. We believe a reform was urgently needed in the excise department. If this end could have been accomplished without increasing the number of officials and expense so much, it would have been a desirable thing. Whether it could or not, we are not exactly in a position to decide. Neither do we wish to be considered as expressing condemnation of the new arrangements as a whole. They are, we think, rather cumbrous and costly—but they may work well. This can only be decided by experience, and should the new system result in securing more revenue to the Government and in the prevention of frauds none will rejoice more heartily than we will.

THE WORKING OF A BANKRUPTCY ACT.

THERE can be no question that one of the results of the new Bankruptcy Act has been that persons are more easily induced to come to a stand and put themselves into insolvency than formerly. We heard of a remarkable instance of this kind which happened a few weeks ago. A person who had been in partnership with another for some years back, and had done as was believed, a successful business, dissolved the partnership, with the intention of carrying on a portion of the old business on his own account. On the dissolution a fair surplus accrued to each, and the new arrangement went into operation to the entire satisfaction of the creditors of the old firm.

To the astonishment of everybody, about a month after this, an announcement was made by an official assignee that the effects of this person had been placed in his hands for distribution under the Insolvency Act, and calling upon creditors in the usual way for claims. On a meeting being called, and indignant remonstrances made, the only explanation that could be offered was that he considered he had been left with the worst share of the assets of the old firm, and that they were in such a shape that he could not get money out of them for the purpose of carrying on his business. He had, he said, gone on for a week or two but found that the prospect of success, even though he had a considerable nominal surplus, were very slight, and concluded without involving himself further, to bring the whole thing to a stand, and wind up under the provisions of the Insolvency Act. Now had it not been for the facility with which a settlement of his affairs could be arrived at through the provisions of the Insolvent Act, there can be little doubt that in this case the struggle to keep on would have been protracted and in all probability it would have been successful. Friends would have been appealed to, endorsers would have been obtained, and the necessary funds for carrying on business raised. Scores of men, now in the easiest circumstances, have gone through this experience in past years, and owe it to their energy and perseverance, (and perhaps not a little to the absence of examples of legal failures around them) that they are now independent.

It were much to be desired that the same feeling about insolvency prevailed here as does in Great Britain. There bankruptcy or insolvency is a *disgrace*, felt as such not only by the trader, but by his children and his relations. Every possible effort is made to avert such a calamity, and when a trader is struggling manfully he will rarely be forced to succumb. Here there is a fatal facility in failing. It is no disgrace, it injures a man's credit only in a trifling degree, and as to his character, unless there has been something notoriously roguish about the breakdown, he comes out before the world with as fine a reputation as ever. Even when men have been known to make money by failing, although the act is nothing less than deliberate robbery, and ought to be punished as fraud by imprisonment in the penitentiary, so lenient is public opinion in such matters that it soon blows over. Bye and bye the course is clear, the best construction is put on doubtful circumstances, credit is given again by some good natured merchant, and the way is opened for a repetition of the fraud at no distant day.

The remarks we have just made as to the working of the Insolvent Act are confirmed by an observation of a wholesale merchant not long ago, when referring to the promptness or otherwise with which his debtor remitted in settlement. We cannot now, said he threaten to sue and bring pressure to bear upon our customers as we formerly could. They very speedily begin to talk about the Insolvent Act if we do this kind of things. This is doubtless true. The act was clamoured for on behalf of hundreds of broken down traders, mostly in Upper Canada, and numbers of them have availed themselves of its provisions. We doubt however, if their freedom has done them much good, for there are men who never can and never will succeed under any circumstances. It has, however, undoubtedly enabled numbers to obtain a clearance from their debts, who would under other circumstances have been compelled either to pay them, or to offer a fair compromise.

THE REASON WHY.

A LEADING American shipbuilder named Webb gives the following to the New York papers as the cause of the decline in American ship building. 1 Increase in the cost of labor—75 per cent; 2 Increase in the cost of material—60 to 60 per cent. 3 High tariff on imports, 4 American boys will not be apprenticed to trades, preferring to be counter jumpers, or something else that will enable them to live without *bona-fide* work.—*Exchange.*

The picture which Mr. Webb draws is not very flattering. That it is a faithful picture however, will be recognized by all acquainted with American affairs, at the present time. Not only ship-building, but almost every branch of their foreign and home trade is in an unhealthy state—and why? Mr. Webb's first three reasons are the best answers which can be given. In consequence of the burden of taxes, aggravated greatly as it is by absurd so-called protective legislation, many branches of American industry are unable to hold their ground in the race of competition. Under the pretence of protecting trade, Congress have put on duties which have run up the cost of production to fabulous prices. Take the case of ship-building, for instance. Even two or three years ago, the shipyards of New York and Boston turned out a good number of vessels. Since that time, however, the Pennsylvanians have clamored for "more protection" on iron, and the price has gone up to nearly double what it could be brought from England for. Then Canada must be "starved" into Annexation, and a heavy duty is placed on Canadian Lumber,—a duty, by the way, which has come wholly out of their own pockets. This has increased the price of lumber very considerably. Iron and lumber are the principal raw materials which the ship-builder uses—and with these increased in price 50 to 60 per cent. as Mr. Webb states, is it any wonder that their ship-building trade has been almost entirely used up?

When we add to the cost of material, the increased prices which the shipbuilder has to pay for wages, and for every article his business or his family requires, it is not at all remarkable that the docks of New York and Boston have been deserted during the past season. Those in want of ships or any other article, will not buy it from the United States, when other countries can sell to them much cheaper, and as Congress blindly insists in piling duties on the raw material which shipbuilders and other manufacturers require, the ruin of many branches of their trade must inevitably ensue.

Mr. Webb is rather hard upon the youth of the United States in his last reason. He ought to be in a good position to know, and he tells the world that "American boys will not be apprenticed to trades" "preferring to be counter-jumpers, or something else" "that will enable them to live without *bona-fide* "work." This charge is not now advanced for the first time, and we fear it is rather too true, that the young scions of Brother Jonathan are rather loth to engage in occupations requiring manual labour. This is a dangerous symptom in any country, and we regret that it is not entirely confined to the neighbouring Republic. Some of the same symptoms are being manifested in Canada, but we trust and believe not to the same extent as across the lines. If Mr. Webb could only suggest a remedy, he would become one of his country's benefactors.

ANNUAL GENERAL MEETING OF THE ST. LAWRENCE TOW-BOAT COMPANY.—At this meeting, held on the 12th instant, the following gentlemen were elected Directors for the ensuing year: A. Joseph, W. J. Withall, Thos. McGreevy, D. C. Thomson, J. Wilson, G. Irvine, L. Bourget, L. Parant, and J. Begin. At a subsequent meeting, held yesterday, Mr. A. Joseph was elected President, and Mr. Withall, Vice-President.