

on that account we may make a distinction between what is said and what is meant, though the difficulty is to know exactly where to draw the line.

In the debate on Wednesday, the question was asked by Senator George, of Mississippi, whether the *modus vivendi* would not fall with the rejection of the treaty, and Senator Morgan answered that it would. But this we think is a mistake. The licenses issued for a year are good for the year, and if we mistake not there is authority to issue them again, next year. The object of the *modus vivendi* was to carry us over a possible interregnum, and give time if necessary for further action. When the heat of the Presidential contest is over, and the Senate has changed its complexion as the result of the November elections, it will probably be possible to obtain for the question calmer and fairer consideration.

THE REBATE NUISANCE.

There is considerable discussion prevailing in life assurance circles on the other side of the line with reference to the mischievous practice of allowing a rebate on life assurance premiums among our American neighbours. It is an evil that has been gradually growing for years. Several causes have led up to this state of matters. All are agreed upon the desirability of checking and, if possible, doing away with it altogether. Not a few can trace its origin to the disposition on the part of some of the larger companies to cut rates, and thus prevent the too rapid multiplication of new companies, by rendering it next to impossible for them to successfully compete with their big rivals. Others, again, attribute its beginning to the inordinate pressure brought to bear upon agents, with the view of securing a larger volume of business, especially at the close of the fiscal year. At a meeting held in New York quite recently, a committee was appointed to take this vexed question under consideration. The remedy that alone will prevent this practice, or at least abate it, is one that can only be applied by the unanimous action of all, at least, of the leading companies—namely, by cutting down, to a reasonable figure, the commission paid to agents. These agents could not then afford to allow a rebate to the assured on the regular premium in order to obtain business. The rebate now paid by agents, if done away with, would ultimately go to the assured, in the shape of increased profits.

We do not think that this practice obtains in Canada to any great extent in life assurance, and it is to be hoped that it never will assume the proportions it has amongst our American neighbours. Let the regular life insurance agent keep to himself all the commission his company allows him. If his volume of business is not quite so large at the end of the year as it would have been had he divided his commission with the assured, his income will be quite as large, if not larger. He will, in addition, have the satisfaction of knowing that he has done an honest, legitimate business, and secured a class of clients that will be more likely to remain with him

than those who are continually clamoring for a portion of his commission.

The practice of dividing commission with the assured is, we understand, practised to some extent in fire business—especially in this city. Besides those agents whose entire time is given to soliciting insurance, there is a large number of persons engaged in other callings who constitute themselves insurance agents; canvassing for risks and claiming commission from any company that is willing to accept the business from them. Loan companies—with a few honorable exceptions—also claim commission on all business on which they have an insurable interest. Various other persons advertise themselves as insurance agents, and must have commission allowed them. Bank managers, too, in some cases, claim commission on the business placed by them, and in which their bank has an interest. Then there are book-keepers in wholesale houses and factories to whom is assigned the duty of placing the firm's insurance, who usually expect, and no doubt sometimes receive, a part of the agent's commission. The Toronto Board of Fire Underwriters has from time to time endeavoured, by carefully prepared rules, to do away with this disreputable practice. We understand that each company is now permitted to have three city and three special agents, whose names require to be registered in a book kept for the purpose, and who are exempt from the payment of a license fee. Any company having more than that number must submit the names to the board, and if approved, the special agent is required to pay a fee and obtain a license to place business with the company appointing him, and with no other company. So long as the person named is acceptable to the board, and pays a license fee, the number of special agents which a company may engage is not limited. This plan has not been long enough in operation to test its efficiency in securing the end sought by it. It is to be hoped, however, it will result in conserving the interests of the *bona fide* insurance agent. Such a consummation is also in the interest of the companies.

INDUSTRIAL SCHOOLS FOR THE YOUNG, PRISONS FOR THE OLD.

In reply to an enquiry as to the carrying on of schools such as that recently established at Mimico, Ontario—the scope of which, by the way, is evidently misconceived by our correspondent, in that he thinks it a penal one—we may give a few particulars, not altogether new, perhaps, to the readers of this journal, but important, and, when rightly viewed, even interesting.

The purpose, then, of the Victoria Industrial School is that of a preventive home, which shall receive boys who are waifs, orphans, incorrigible truants, juvenile vagrants in danger of becoming criminals. Instead of being sent to gaol, to become hardened by contact with drunkards and thieves, they are cared for by a house-father and a house-mother, disciplined, trained to cleanliness and order, taught gardening, carpentry, shoemaking perhaps. They are surrounded by good influences,

instead of bad; encouraged to do well instead of being driven by the kicks and cuffs of society, or left through the associations of the mistaken machinery of the criminal law to learn evil habits. We have no desire to say anything harsh of reformatories, and can hardly subscribe to the saying of the author of *Scintille Juris*, "Reformatories serve two ends: they clear the streets and fill the prisons." Still, we cannot but recognize that a prison taint hangs to the lads who have served a term in the reformatory, and this is a dreadful drawback. Prevention of crime, not its punishment, is the object aimed at in such a school; and the effect on these lads of kind, but at the same time, firm treatment is surprising. Body and mind are kept clean, industry and thrift inculcated, while they are not refused play nor taught to be niggards. The little fellows soon lose their slinking ways, or wolfish looks, and become bright, active, and happy.

This is not a fancy picture. Any one who cares to see such a system in daily operation, need only go to Mimico in this province, or to the Halifax Industrial School. The writer knows a young man earning \$14 a week as foreman in a city shoe store who learned his trade in one of these schools, and has been out of it only six years. And he knows lads who graduated from an industrial school into good situations and comfortable homes. These, but for such training, would probably have been among the criminal classes, or supported by the State in gaol or reformatory.

We observe with interest in a number of the *International Record of Charities and Correction*, edited by Mr. F. H. Wines, an account of the proceedings of a body which has for its object the identification of criminals. It proposes, very sensibly, to look below the surface of things for the causes of crime; to make a distinction between the treatment of misdemeanants and that of inebriates. It believes that every one sent to gaol is not equally guilty, equally ignorant and debased; and it recognizes some truth in the contention that "prisons exist in part, if not primarily, for the moral improvement of those committed to them." At the Toronto Prison Congress in October last, Capt. Joseph Nicholson, superintendent of the Detroit House of Correction and president of the Wardens' Association, thus described its aims:

"This association will try to overcome a most stubborn obstacle to the proper administration of justice, and to our efforts for the reformation of criminals, by seeking to know the real desert of every criminal brought up for sentence, by knowing his parentage, his moral perceptibilities, physical structure, habits of life when not in confinement, the temptations he failed to resist, and the causes that have driven him into criminal pursuits. With these facts easily obtained by courts of justice, as we propose they shall be, under proper restrictions, there will be no difficulty in telling the first offender from one of the crime class. Our records for identification will work no injury to those imprisoned for the first time, after being released, as long as they keep from criminal practices, but failing in this, upon conviction, they must be