

AMENDMENT OF THE INLAND
REVENUE ACT.

If people will drink whiskey, the Government concedes that it is its duty to see that the whiskey that goes into consumption is as harmless as possible. At least the introduction of a bill intended to insure to the consumer whiskey not less than two years old points in that direction. The fusel oil which whiskey, made from grain, contains is, not only extremely deleterious to the human system, it is an active poison. It is, like the spirit with which it is mixed, an alcohol, but an alcohol totally distinct from the spirit, and the elimination of which is necessary before the whiskey can be said to be fit for use. In time the spirit when kept in wood parts with the fusel oil or the greater part of it; and therefore time as a purifier of whiskey is to be called to the aid of the consumer. The aim of the Government is to prevent the sale of whiskey which is less than two years old.

Objections to the proposed change have been made, on several grounds. In the Province of Quebec, certain parties, it seems, intend to get up a distillery for the purpose of distilling spirit from the beet, and it is contended that the proposed change in the law would make that enterprise impossible. The general effect of the measure, its opponents contend, would be to make the manufacture of whiskey a monopoly, at the expense of the public. It is pointed out that distilleries have already become gigantic concerns some five of which have a practical monopoly of the whole business. The growth of large distilleries and the disappearance of small ones are doubtless due to an economic law; there is more profit in the business when it is done on a large scale and with the best appliances. There is no monopoly and no other advantage on the side of the large distilleries than that which capital can legitimately command. In distilleries we see exemplified the law of the survival of the fittest; the weak and inferior die and the best survive. The proposed alteration of the law would enable distilleries with large capitals still more effectually to increase the advantage which they already possess. But this is not the object of the bill; it is an incident of the attempt to prevent the sale of the worst kind of whiskey, and if there be no other way of attaining that object, the measure justifies itself. It is quite true that re-distillation will get rid of the fusel oil, so that scarcely a trace remains. To attain this result nothing short of triple distillation will suffice. The government, it seems to us, ought to be satisfied with a certain standard of purity, which could be ascertained by the application of a scientific test. What is required is freedom from fusel oil and it is of no consequence whether this be obtained by re-distillation or by the effect of time. Whiskey, which has not been re-distilled, might be left to the improving process of time, as proposed, but an exception might be made in favor of re-distilled spirit which comes up to the required standard. There is no reason why this change should not be made, but every reason why it should. The

wholesale opposition to the bill is not reasonable and should not be listened to.

The proposed distilling of spirits from the beet is a separate matter. The product is not whiskey but brandy. In France by far the greatest proportion of the brandy made comes from the beet; the proportion as compared with that which is distilled from wine has, for years, been increasing. Brandy made from the beet is far superior in quality to whiskey made from corn. It probably contains much less fusel oil to begin with; and if it could be produced at the same price it ought to supersede whiskey altogether. Among spirit drinkers, the world over, there has of late years been a strong tendency to substitute whiskey for brandy. The fact that brandy has greatly risen in price probably goes far to account for the change; but there is also a conviction in some quarters that whiskey is less injurious than brandy; a conviction probably due in large part to the fact that much brandy so-called, is made by doctoring whiskey, in which case the brandy is worse than the whiskey by the kind and degree of the doctoring resorted to. That good brandy is more injurious than whiskey there is no possible ground for believing. Any measure that would have the effect of substituting whiskey for beet brandy would not be in the interest of the public health. Beet brandy, like whiskey, might be subjected to the scientific test suggested above; and in that case whiskey, which has been distilled inadequately, would require to be kept for two years, as proposed, before it could be allowed to go into consumption.

COMMISSIONS TO FIRE INSURANCE
AGENTS.

The question of commissions to agents has, for years, been a source of much discussion among insurance men and one in which our various companies felt a lively interest. The percentage of commission paid to agents for securing business has, from year to year, increased to such an extent, that it absorbed what little profit insurance companies have been able to realize. Insane competition, which is the chief factor, has at last reached such a point as to force them to seek a remedy.

New companies are, we believe, chiefly responsible for the rapid increase of agents' commission. In order to get risks, a new company relies, in a great measure, on enticing business away from other companies. This can only be done by offering an agent such an inducement, in the way of commission, that he will be tempted to transfer business from one or more of his other companies to the new company. If the canvassing for business could be confined to bona fide agents, the evils arising from this source would be very much lessened.

In addition to those whose whole time is devoted to the business, there are many insurance brokers, who secure a large part. Companies have from time to time, endeavored to control this brokerage system but, so far without success. In Montreal, a short time ago, the question came very near wrecking the Tariff Association in that

city. Wise counsel at length prevailed, and a satisfactory understanding was finally come to that for the present averts the threatened dissolution of the Montreal board. As yet the system has not obtained a strong foothold here. We should like to see the solicitation of fire insurance risks confined to those whose whole time is devoted to the business.

The subject of agents' commissions came up for discussion before a general meeting of fire underwriters, held in New York a few weeks ago. About seventy companies, British, American, and Canadian, were represented. The meeting is described by the "Chronicle" as being of a most animated and lively nature. Numerous plans were suggested, amongst which might be mentioned, "contingent commissions," i.e., interesting agents in the profits of their agencies, and "flat commissions." A majority report recommended a "fixed commission of fifteen per cent.," and two minority reports recommended a "fixed commission, but no specified rate" and "both fixed commission and contingent commission," respectively. The meeting adjourned after two days' deliberation having resolved upon the following:—

That it shall be optional with companies to pay a flat commission not exceeding 15 per cent. or a flat commission not exceeding 10 per cent. and a contingent commission not exceeding 12½ per cent. on the profits of the agency, the same to be computed on the actual receipts for the year, deducting the losses and the expenses.

That no compensation other than the foregoing, either in the form of office rent, clerk hire, solicitors' fees or salary, or in other ways directly or indirectly, shall be paid to any agent or broker.

That instead of any agency, any company or number of companies may establish a branch office in any city, and compensate its manager by a fixed annual salary, in which case the manager shall be subject to the foregoing rules in regard to brokerage, and no allowance shall be made to such manager for any solicitor whom he may employ.

That no company shall place its agency or allow it to remain in the hands of any agent receiving compensation in excess of the foregoing.

That no company, member of this convention, shall change its commissions at any agency without giving notice in writing within sixty days in advance to all its associates.

That these resolutions shall be binding when signed by 120 companies, the companies signing do hereby pledge their honor to the observance of the same.

That a committee of fifteen formulate a compact in accordance with the action of this meeting, and submit the same for signature.

The meeting was of opinion that no brokerage should be paid in excess of 10 per cent. on premiums.

That in cities where the brokerage system now prevails companies may at their option make an allowance of 5 per cent. in addition to the 15 per cent. commission to their agents on such risks as are placed with them by brokers, and on which they are obliged to pay 10 per cent. brokerage.

—A deputation from the Winnipeg, the Toronto and the Hamilton Boards of Trade, which waited on the Government to ask the disallowance of the Manitoba Exemption Act, obtained from Sir John Macdonald a promise—all he could do—to refer the matter to the Minister of Justice, and from Sir Alexander Campbell an assurance that he would give the measure immediate attention. At a meeting of the Montreal Board of Trade, the subject coming under discussion the president remarked that he did not see