

West Indians about their flour, we can hardly agree that the general opinion down there is so unfavorable.

At the same time the lesson which the *Herald* seeks to inculcate is a most important one, viz., that Canada must, if she desire to win and retain that market for flour or for other stuff, send only good goods and consult the taste of the market as to packages.

#### LIFE ASSURANCE REBATES.

The practice of giving back to the assurant, in the way of rebate, a portion of the premium upon his life policy, is one that has given vast trouble on this continent. The companies blame the agents. The agents accuse one another. And between the two there is a clear loss of premium to assurers, with a corresponding monetary advantage to the ordinary citizen who finds no fault with either, but lies back in his easy chair and laughs as he fingers the \$10 or the \$50 he has saved on his first premium. There have been various efforts to cure this custom. One proposes statutory enactment. The National Convention of life agents in the States the other day seemed to favor co-operation of the life companies to dismiss any agent allowing rebate of premium as an inducement to assure. This to be enforced by an agreement that no offending agent should be re-engaged by any life company which had joined in this non-rebate agreement. But the president of a prominent American company, the Mutual Life, asks, in a recent letter to a New York journal: Since laws on this matter are found to be evaded, how can the rules of the companies be enforced? The companies cannot compel the attendance of witnesses under oath or impose any legal penalties, and yet every accusation of rebating involves a trial and a sentence. The conclusion of this gentleman is that "the remedy lies with the agents exclusively. When they seriously determine that the practice shall stop, it will stop."

That the practice of rebate is a demoralizing one is shown by the ascertained fact that many persons who have taken out life policies and obtained rebate off first premiums have deliberately allowed the policy to lapse year after year because they got a larger rebate from some other company, and took out a fresh policy yearly. We have some reason to know that in Canada this practice of rebate is taken advantage of by assessment societies, who declare that old line companies' rates of premium must be too high or they could not afford such rebates as are given. It is of interest to learn how the matter is regarded in England, where, though they have once felt the evils of rebate, they appear to have gotten fairly rid of it. Says the *London Observer*, last month:

"We are tempted to ask, why all this bother? We are prepared to acknowledge that rebate must be an infinitely more terrible thing in the United States than it is in this country, where it is hardly important enough to excite remark. It is very evident that, even in America, further legislation on the subject is beset with difficulties, and that evasion of its requirements, in more ways than one, is easy. Possibly the view which we

take of the question is the unpopular one; but, writing at this distance from the spot, we must confess that we are not prepared to admit that the interference of legislatures in such questions is either politic or necessary. *Prima facie*, the question seems to be this: if the agent A, in order to facilitate business, presents his client B with one-third, or a half, or three-fourths, or even the whole, of his commission, in what way does the transaction affect the other letters of the alphabet? We readily perceive that it affects A, who is the poorer, and B, who is the richer on account of the transaction; but it is less easy to understand how it can concern the outside public to an extent that demands legislation. That the custom is unsound, and that, unless understood to be universal, it creates unfair competition between agent and agent, must at once be admitted. That, however, is a question to be determined by the companies themselves, who, although to all appearance uninjured by the rebate allowed by their own agents, are morally, as well as for their own reputation's sake, bound to see that their representatives engage in the struggle with clean hands. But, after all, life assurance is only one out of many branches of business in which competition is equally keen. Yet, so far as we are aware, no one, even in New York, demands the interference of the law against similar evils in other branches of commerce. Let the companies, then, eradicate the evil by co-operation amongst themselves; but we should be sorry to see the day when competition should, in this country, give rise to rabid clamors for legislation."

#### FIRE UNDERWRITERS AND MUNICIPALITIES.

A complaint was made that at the fire which occurred in Stratford on the 6th September, resulting in the destruction of Mr. G. G. McPherson's brick dwelling, "the water pressure was inadequate, and the brigade was badly handicapped through want of proper equipment." Letters were received, we are told, shortly after this occurrence, by the secretary of the association, from the president of the Stratford Board of Trade, and from Mr. J. P. Macdonald, chairman of general improvement in Stratford, asking what was required in the fire appliances of that city to raise the classification of the city. To these communications the secretary replied, it appears, that Mr. Forsythe, inspector of the association, would visit Stratford at an early day to inspect their water-works system and other fire appliances.

In accordance with this promise, Mr. Forsythe went to Stratford, and at about 6 a.m., on Saturday, the 22nd instant, rang an alarm, with the manifest object of ascertaining how promptly and in what shape the Stratford fire brigade would turn out. For thus calling out the brigade Mr. Forsythe was summoned before the police magistrate of the place for giving a false alarm without cause.

It is contended that the officer in question should have first got permission from the mayor or some other competent authority to do what he did. As a general rule, we believe, this course is followed, but the inspector was informed that, to use a common phrase, "a job had been put up upon him," when he was in Stratford in July last, and that his test was therefore not a fair one. Determined that no such charge should be made in this case, he called out the brigade without getting the usual permission.

In order to properly test the water supply and other fire appliances of any place,

that is, to ascertain the average condition of the means of fighting fire, the fire brigade must be called out when not expected. It would be absurd to inform the authorities of a town beforehand that a fire alarm was to be given at a certain hour. A test thus made would be utterly useless as to either the water supply or the efficiency of the fire brigade. There would appear to have been undue haste in making a police court matter of Mr. Forsythe's action in the case in question. It may be contended with some reason that the course taken was intended in the public interest, especially in the interest of the city of Stratford. To protect such officials, and indeed to protect municipalities from irresponsible experiments by amateurs or practical jokers, we suggest that credentials be always carried by the inspectors of the underwriters, and that a friendly understanding shall be had with municipalities that the properly accredited officer of this body shall be at liberty to make unexpected tests. There is no sense in quarreling over proceedings which ought to form part of a friendly bargain between the underwriters on the one hand and those whom they undertake to rate upon the other.

#### THE MILWAUKEE FIRE.

On Friday night last a large portion of the city of Milwaukee was swept by fire during a gale of wind. At 5.40 in the evening a barrel of oil exploded in the Union Oil Company's storehouse on Water street, and as the nearest steam fire engines were in requisition at other fires' twenty minutes elapsed before a steamer arrived, and the storehouse was a mass of flames. Fanned by the strong wind blowing, the fire spread to wholesale grocery houses, furniture works, distilleries, railway sheds and trains of cars, and before its ravages were stayed 465 houses were destroyed, and 358 families, mostly of the poorer class, rendered homeless. The loss is placed at \$3,375,000 and the insurance at about two-thirds that amount. Over a hundred fire insurance companies are interested.

It was the district south of Detroit street that burned, bounded on the west by the river and on the east by Lake Michigan.

Milwaukee has a good fire department; it is well equipped, and was well handled on this occasion. But with the wind blowing from thirty to forty miles an hour, any brigade has a hard task to fight whole blazing blocks and railway trains. There is a lesson to be learned from this conflagration that Torontonians will do well to heed. We are too much accustomed to rely on the pressure in the mains for water to put out city fires. But suppose a fire high up in one of the tall buildings in our midst, can any one guarantee that there will be pressure enough to reach it? Certainly the chief of the fire department will not. That official has, in two successive annual reports, made it known to the city council that he needs more and better equipment, and it has not been provided. We are told that there is no other city in America of the size of Toronto that attempts to do without several steam fire engines. Is it apathy or a desire for so-called economy that prevents our city fathers from providing them? False economy it would prove if we find some night, with a thirty-mile gale blowing off Lake Ontario, a dozen of our choicest blocks in the business quarter reduced