

REPORTS AND ENQUIRIES

The Legal Position of Commercial and Industrial Travellers and Representatives : III¹

THE SITUATION IN THE DIFFERENT COUNTRIES (*cont.*)

Switzerland

Legal Provisions

The legal position of commercial travellers and representatives is governed by the Federal Act of 4 October 1930 relating to commercial travellers and by the Administrative Regulations of 5 June 1931 issued under the Act.

Prior to the Act of 4 October 1930, the relations between travellers and their customers were regulated by the Federal Act of 24 June 1892 relating to fees for licences. The application of this Act, which was mainly intended to conciliate the requirements of cantonal finance with the interests of commercial travellers, had given rise to a number of difficulties and claims. As the result of a resolution adopted by the National Council in 1920, the Department of Commerce, with a view to the revision of the Act, undertook an enquiry which covered all the unions and associations concerned. As this enquiry seemed to be conclusive, a draft Bill was prepared in 1923 and submitted to a conference composed of representatives of the groups consulted and the federal administrative departments. The conference expressed the wish that a Bill should be submitted to Parliament by the Federal Council. The preparatory work carried out in conjunction with the organisations concerned, which held further conferences in November 1926 and January 1927, lasted several years. The outcome was a Bill which was submitted to Parliament in a message of the Federal Council of 11 January 1929. This Bill, after undergoing some amendment, ultimately became the Federal Act of 4 October 1930.

The Act begins by giving a definition of the term "commercial traveller" which leaves some uncertainty as regards the position

¹ For the first two parts of this report, cf. *International Labour Review*, Vol. XXXII, No. 2, Aug. 1935, pp. 209-229, and No. 3, Sept. 1935, pp. 374-389.

of representatives, and as a result of this want of precision the courts have had to take a number of decisions on the subject. The wording of the definition is as follows :

“ Any person who, in his capacity of head, employee, or representative of an industrial or commercial undertaking, solicits orders for goods is deemed to be a commercial traveller within the meaning of the Act and is required, in order to exercise that trade, to obtain a trade permit.”

The main provisions of the Act are summarised below.

The Act applies to :

(a) the soliciting or acceptance of orders for work the execution of which involves the provision of materials, unless such orders have been solicited personally by the head of the undertaking or by members of his family living in the same household as himself, and unless the head of the undertaking has played a preponderating part by his own work in the execution of the order ;

(b) the soliciting of orders for distilled liquors (spirits, liqueurs, etc.) in the wholesale trade, in accordance with the Federal legislation relating to alcohol ;

(c) exhibitions of samples or models where orders are booked but where no goods are actually delivered ; the Federal Council may, however, make exceptions in favour of such exhibitions when they are of a public character.

The Act, on the other hand, does not apply to :

(a) the soliciting of orders by agriculturists for the produce of their undertakings ;

(b) The soliciting of orders in the territory of a commune in the name of an undertaking which is established in the same commune and has there a permanent centre of activity in the form of manufacturing premises or a shop ;

(c) the acceptance of orders when the customer has himself taken the initial steps in the matter.

No fee is charged on permits issued to commercial travellers who enter into business relations only with traders, manufacturers, and handicraftsmen, or with undertakings, administrative departments, and establishments of any kind, private or public, trading in the goods they offer or using these goods in any manner in the exercise of their activities (wholesale travellers).

An annual fee of 200 francs is charged on permits issued to all other commercial travellers (retail travellers).

The permit for wholesale travellers of foreign firms is issued free of charge on production of a certificate (industrial permit) drawn up by the proper authorities of the country concerned, showing that the firm is authorised to carry on its business or industry in that country, and on condition that travellers for firms established in Switzerland are treated in that country in the same way as travellers for national firms or for those belonging to countries enjoying most-favoured-nation treatment. In application of international agree-

ments, wholesale travellers for foreign firms may be exempted from the obligation to have a Swiss permit.

The Federal Council may prohibit or subject to a special tax the issue of a permit to wholesale travellers for firms in countries which do not allow wholesale travellers for Swiss firms to canvass for orders or authorise them to do so only in very onerous conditions.

Permits for retail travellers for foreign firms are issued only in virtue of an international agreement and on production of an industrial permit.

A permit is valid for one year reckoned from the day on which it was issued.

Commercial travellers may carry samples, but not goods for sale except by special permission of the Federal Council.

In order to protect the public, the Federal Council has a right to forbid commercial travellers to solicit orders for goods the offer and sale of which may very easily lead to abuses in business carried out through the intermediary of travellers.

The Act makes provision for penalties (imprisonment and fines) in the event of breaches of its provisions.

Any person who, while acting on behalf of a firm not established locally, calls on persons likely to become customers of the firm, and shows them or praises an article, is considered to be a commercial traveller for the purposes of the Act, even although he does not himself accept orders.

In addition to these legislative provisions, the Federal Council approved on 7 July 1931 a standard contract of employment for commercial travellers.

This standard contract was drawn up under section 324 of the Code of Obligations, which reads as follows :

"The Federal Council and the authorities appointed by the cantons may, after consultation with the trade associations concerned or with associations of public utility, draw up standard forms for various sorts of contracts of employment or apprenticeship ; in the absence of any agreement in writing to the contrary the terms of these contracts shall be deemed to express the desires of both parties.

"The standard contracts shall be published in due course."

The standard contract for travellers came into operation on 1 October 1931. It does not apply to a traveller who is in the service of several independent firms at the same time, unless it has been expressly recognised as valid by one of them. Nor does it apply to an employee for whom travelling is not his principal activity.

The main stipulations of the standard contract are as follows.

The traveller undertakes :

(a) to observe the prices and conditions of sale laid down for him, reserving for the consent of his employer all proposed changes in such prices and conditions, and the settlement of all disputes ;

(b) not to conclude any business on his own account or on account of a third person, nor to act as intermediary for the conclusion of any business without written authority from his employer ;

(c) to follow the itinerary which has been fixed for his journeys unless important reasons oblige him to depart from it ;

(d) to report to his employer on all journeys under conditions agreed upon, and to forward to him at once any order he may book ;

(e) to keep secret all the affairs of the firm ;

(f) to safeguard in all respects the interests of his employer, devoting to this purpose all his efforts and the care required of a good business man.

The traveller is responsible in accordance with section 328 of the Code of Obligations for damage caused by him to his employer, whether intentionally or by neglect or imprudence.

In commerce, travellers and representatives are not covered by social insurance. In very exceptional cases they may be covered on the express condition that the firm which employs them is compulsorily subject to the Federal Sickness and Accident Insurance Act of 13 June 1911 or the Federal Factory Act of 18 June 1914. Such an obligation is comparatively rare for firms which are of a purely commercial nature and which do not possess warehouses or machinery.

In industry, travellers and representatives are generally covered by social insurance, since practically all employers fall under one or other of the above-mentioned Acts, and particularly the latter.

As regards unemployment relief, travellers and representatives are not eligible for the benefits of the official insurance funds, but they may belong to the private funds which have been set up by most trade organisations.

Method of Payment.

Remuneration

The standard contract states that the traveller receives a fixed salary for his services, with or without a commission on sales. He is entitled in addition to the repayment of his travelling expenses.

If a commission has been promised him, he is entitled to it for all orders placed by customers within the department which has been assigned to him exclusively. This right ceases when the execution of the order has been prevented by a cause for which the employer is not responsible. The commission is held to be acquired as soon as the employer accepts the order forwarded to him. The commission account is to be made up, as far as possible, at the end of each month, and not later than two months after the employer accepts the orders giving the right to commission. If the employer and the traveller do not agree on the amount of the commission, the traveller may, if necessary, require the production of the books and documents to be taken into consideration for the preparation of the account. The commission is payable, as far as possible, immediately after the account has been made up, and not later than three months after the order giving the right to commission has been accepted by the employer.

If the traveller asks for advances, the employer is bound, in accordance with section 334 of the Code of Obligations, to grant them in proportion to the work already performed, on condition that he can do so without danger to himself.

The traveller is entitled to the repayment of all expenses which, according to his periodical accounts, his work has required him to meet. A reasonable deposit must be paid him under this head before his journeys.

In order to facilitate the general adoption of the principles embodied in the standard contract, the Swiss Commercial Travellers' Union has drawn up a model contract containing definite clauses on all the points covered by the standard contract, which are at the same time in conformity with the Act of 4 October 1931. The model contract, which is intended for guidance only, is at the disposal of all commercial travellers.

One of the most difficult matters considered during the discussion of the Act of 4 October 1930 was the repayment of travelling expenses. An amendment had been submitted proposing that the new Act should embody a provision to the effect that before a commercial traveller's permit could be issued to a firm in Switzerland, the head of the firm should be required to give his traveller the assurance that he would refund all expenditure incurred in connection with his work, and pay him in addition a fixed minimum salary. The idea behind this suggestion was to ensure that no firm would be able to engage travellers solely on a commission basis. This amendment met with violent opposition and was finally rejected.

It may be noted that the text of the standard contract of employment did not find favour with the Swiss Salaried Employees' Federation, which therefore in February 1933 petitioned the Federal Department of National Economy to re-examine the contract and to study the possibility of taking further measures to improve the very difficult situation of commercial travellers working on a commission basis. The other organisations including commercial travellers, considering that it was too early to pass judgment on the contract, expressed the opinion that at least five years from the date of its adoption should be allowed to elapse before undertaking any revision of its text. The Federal Department of National Economy agreed in principle with this opinion, pointing out in particular that if the conditions of engagement of commercial travellers were not altogether satisfactory, the blame could hardly be attributed to the standard contract, and that it should rather be sought in the present economic difficulties.

Following the reply of the Federal Department of National Economy the Swiss Salaried Employees' Federation requested that, pending the improvement of commercial travellers' conditions through legislative channels, some immediate steps should be taken to improve their situation. The measures suggested were that the employer should be obliged : (a) to pay a salary to the traveller employed by him for all work performed in accordance with section 319 of the Code of Obligations, such salary to be composed partly of a fixed sum (minimum of subsistence) and partly of commission (payment by results) ; and (b) to refund expenses actually incurred in the exercise of the occupation of traveller (railway expenses, cost of board and lodging when away from home).

According to information published in the trade press, it seems

that the standard contract has not produced all the results that were expected. As already stated, the standard contract becomes applicable only in the absence of written agreement to the contrary. Most firms, however, have preferred to continue the practice of individual contracts, which do not always correspond to the provisions of the standard contract.

The most usual methods of remuneration are as follows : a fixed salary with payment of expenses (travelling and hotel expenses); a fixed salary with payment of expenses and a percentage on turnover (commission); a percentage on turnover.

The phrase "payment of travelling expenses" means that the firm refunds the amount actually expended. It sometimes happens that firms allow their travellers or representatives a fixed sum per day to cover these expenses. Firms which employ this system do not concern themselves with whether their employee has spent more or less than the fixed sum allowed; consequently, the traveller or representative has to make his own arrangements on the basis of the fixed allowance made him.

With regard to remuneration, there is a distinction between wholesale and retail travellers. Wholesale travellers, i.e. those who visit merchants and manufacturers, generally have a fixed salary with payment of travelling expenses, and sometimes a percentage on turnover. The chief part of their remuneration, however, is the fixed or guaranteed minimum salary. Retail travellers, on the other hand, i.e. those who visit private customers, do not generally receive a fixed salary. Their earnings consist wholly of commission, the rate of which is necessarily higher than it is for travellers working for a fixed salary with commission.

There is no general rule for determining the fixed salary and the matter is regulated by direct and individual written agreements between the parties. Sometimes, but rarely, these written agreements provide for increments of salary according to length of service.

Travelling expenses are generally paid by means of a fixed daily allowance, which is always paid in advance and for periods of from one to four weeks. In the case of long journeys abroad, these advances are made for longer periods.

Privileged Claims.

There is no special provision for the recognition as preferential claims of salary and commission due to travellers. This matter is regulated by the provisions of ordinary law. Section 219 of the Federal Debtors and Bankruptcy Act of 11 April 1889 includes among preferential claims in the case of the bankruptcy of an employer the salaries of clerks and office employees for the six months preceding the opening of bankruptcy proceedings. In practice commission due to commercial travellers working for a single firm and remunerated solely on a commission basis is considered to be a preferential claim of the first category in the case of the employer's bankruptcy. On the other hand, claims for commission owing to representatives, agents, commission agents, and brokers enjoy no preference, as these persons

are considered to be carrying on business on their own account. In deciding whether a person is entitled to preference, the essential and determining factor is the presence or absence of a state of subordination towards the firm.

Period of Notice. Termination of the Contract

With regard to notice of dismissal, travellers and representatives come under the provisions of sections 347 and 348 of the Code of Obligations, which read as follows :

"Section 347. If a contract has not been made for a fixed period, and if such a fixed period should also not be a necessary consequence of the expressed purpose of the service, then notice of termination may be given by either party.

"If no other period of notice has been fixed by agreement or by law, then notice may be given by either party to take effect, in the case of manual workers, at the end of the week following such notice ; in the case of clerks and office employees, to take effect at the end of the following month ; and in other cases of contractual relations, at the end of the second week following the said notice.

"It shall not be permissible for different periods of notice to be agreed upon for the two parties respectively.

"Section 348. If contractual relations have lasted for more than one year, notice may be given by either party to take effect at the end of the second month following the said notice.

"By agreement, this period may be altered, but it may not be less than one month in the case of clerks and office employees and not less than two weeks in the case of all other kinds of employees."

Radius Clause.

The radius clause is also regulated for commercial travellers and representatives by the provisions of the Code of Obligations (sections 356-360), which reads as follows :

"Section 356. In a contract of employment which allows the employee to get to know the customers or the trade secrets of the employer, the parties may agree to insert a clause stipulating that on the expiry of the contract the employee may not conduct a business in his own name competing with that of his employer, or act as a partner or in any other way be interested in such competing business.

"The prohibition to compete shall only be permissible when the employee might be in a position seriously to injure his employer's interests by making use of the knowledge he has thus acquired.

"If the employee was a minor at the time the contract was concluded, such a prohibition shall be null and void.

"Section 357. The prohibition to compete shall be binding only within definite limits, appropriate to the circumstances, as to time, place, and object, and provided that it shall not form an unfair impediment to the business career of the employee.

"Section 358. No prohibition to compete shall be valid unless the agreement is in writing.

"Section 359. A person who disregards a prohibition to compete shall be responsible to his former employer for any loss that such infringement may cause him.

"If an agreed penalty is attached to the infringement of the prohibition, the employee may as a rule release himself from the said prohibition by payment of the penalty, but he shall remain under the obligation to pay compensation for any further injury that may result therefrom.

"In exceptional cases, and where a special written agreement to this effect has been entered into, the employer may demand, in addition to payment of the agreed penalty and compensation for all further damage arising, that the state of things contrary to the contract shall cease to exist, if the importance of the employer's injured or threatened interests, and the conduct of the employee, shall justify the same.

"Section 360. The prohibition to compete shall lapse if it can be proved that the employer has no real interest in its maintenance."

Settlement of Disputes

In cases of dispute, commercial travellers come within the jurisdiction of the probiviral courts (a special cantonal authority), which alone have competence to deal with disputes arising out of the contract of employment.

Czechoslovakia

Legal Provisions

The Commercial Assistants Act of 16 January 1910 was repealed by the Act of 11 July 1934 concerning the employment of private employees, commercial assistants, and other employees in a similar position (Private Employees Act), which came into force on 19 August 1934. The provisions of this Act apply also to the employment of persons who, on the basis of a contract of employment, work in the name and on the account of their employer as commercial travellers, representatives, or agents.

When the Act was being discussed, the representatives of the employees sought to obtain a fundamental revision of the conditions of engagement of representatives working on a commission basis. The employers' representatives opposed these demands, however, so that the Act still covers representatives working on a commission basis only if they are engaged as employees.

Under the Commercial Code a traveller is regarded as an independent representative if he represents one or more firms and stands security for any losses to the extent of part of his remuneration. He is bound to notify the competent authority of his business, and must pay the industrial tax and the tax on turnover. He is not subject to the provisions of the Private Employees Act.

In practice, travellers on a commission basis, and especially those working for several firms, are generally regarded as persons carrying on an independent business. Nevertheless, some recent social legislation, such as the Old-Age and Invalidity Insurance Act for higher employees in private undertakings, provides that representatives, even if engaged on a commission basis, are liable for insurance. This is a very important provision, and may perhaps prove of great value in the demand for the recognition of representatives on a commission basis as employees. It must be noted here that there is a growing tendency for commercial travellers to be remunerated on a commission basis, whereas before the war the great majority received a fixed salary.

Travellers and representatives who are subject to the Private Employees Act are insured against sickness and old age. Under the Act they are also protected in the event of sickness not due to their own fault, or accident, in that they have a claim to their remuneration for six weeks. After ten years' employment in the same undertaking this claim is extended by a fortnight, and for each additional five years by one week.

An employee who is prevented in this way from carrying out his duties may not be dismissed prematurely unless his absence exceeds the period for which he is entitled to his pay by more than a fortnight. If he is discharged during his absence, he is nevertheless entitled to his remuneration for the period specified above, even if his employment comes to an end earlier.

Social insurance measures do not apply to persons who are considered to be independent representatives under the Commercial Code.

Method of Payment.

Remuneration

About 25 per cent. of all commercial travellers and representatives are paid a fixed salary and their expenses. Sometimes they are granted a special bonus when they reach a specified annual turnover. In a few cases they receive a fixed salary, commission, and their expenses. Very often only a commission is paid; in some cases, however, the employer refunds part or the whole of the cost of the railway season ticket.

In principle no distinction is made between wholesale and retail travellers as regards remuneration, especially since the employment of travellers in the retail trade is not very common, and is restricted by police measures. When fixed salaries are being determined, account is taken chiefly of the traveller's ability and the results of his work. In most cases no account is taken of length of service, so that no increments are granted for seniority. On the contrary, there is a tendency to lower the salaries of the older travellers whose working capacity is decreasing.

The expenses are generally advanced in the form of a fixed daily allowance, the amount of which varies very considerably owing to the great differences in the cost of living in different parts of Czechoslovakia. Account must also be taken of the fact that in certain

branches of trade travellers have to take with them several heavy sample cases, so that their expenses are much higher than those of other representatives. The final settlement for expenses is usually made after the end of the journey.

For the payment of commission, the Private Employees Act of 11 July 1984 (sections 11-14) contains the following provisions :

“ Section 11. If it is agreed that an employee shall receive commission or other similar remuneration for transactions negotiated or concluded by him, he shall, unless otherwise agreed, be entitled to the commission or remuneration customary in the class of business in question in the locality where the firm employing him is established.

“ If an employee who is entrusted only with the negotiation of transactions arranges a transaction for the employer, he shall not be entitled to commission unless the employer approves the transaction, either expressly, or by not at once rejecting it when notified of it in due course by the employee, or by carrying out the arrangement.

“ Unless otherwise agreed, the employee shall be entitled to commission also on transactions completed without his direct intervention, during the period of his employment, between the customers assigned to or brought by him and his employer.

“ If the employee is expressly appointed sole representative of the employer in a specified district, he shall, unless otherwise agreed, be entitled to commission also on all transactions concluded in this district without his direct intervention, during the period of his employment.

“ If the completion of any transaction concluded or negotiated by the employee or the payment by the other party to the contract is wholly or partly prevented by the action of the employer, without the existence of any serious reasons for this in connection with the other party to the contract, the employee may claim the full commission in accordance with the above provisions.

“ Section 12. Unless otherwise agreed, the employee shall acquire the right to commission on sales, deliveries, and works as soon as the order has been duly carried out by the employer and accepted by the other party without justified objections, or, in the case of other transactions, as soon as they have been validly effected.

“ In calculating the commission, any discount granted by the employer on the agreed price shall be taken into account only if it is customary in the particular branch of business or according to the employers' general conditions, or if the employee has himself given grounds for the discount.

“ Unless otherwise agreed, the commission is due and shall be settled at the end of each calendar quarter. If settlement is made at intervals of more than a month, the employee shall receive suitable monthly advances on the commission earned. If the employment ends before the date of settlement, the commission to which the employee has acquired a right under the first paragraph of this section shall be due on the date on which the employment ends ; any further commission shall be settled, as claims to it arise, at the end of each calendar quarter. If commission is due in respect of contracts

concluded and still being carried out, it shall be payable after the end of the employment in calendar quarterly instalments after each payment arising out of the contract.

"The employer shall be bound at the employee's request to supply an extract from the books, concerning all transactions concluded or negotiated by him, but only to the extent that the employee needs the extract for the calculation of his commission ; this provision shall not affect any other statutory provisions under which the employee may demand the submission of the books.

"Section 13. If, contrary to the contract, the employer makes it impossible for the employee to earn commission or daily allowances to the extent agreed on or to be expected on the basis of the agreements concluded, the employee shall be entitled to suitable compensation.

"Section 14. An employee who is entrusted by the employer with the conclusion or negotiation of transactions may not, without the employers' consent, accept the promise or payment of commission or other remuneration, for himself or another, from another person for concluding or negotiating a transaction, or for refraining from doing so.

"The employer may demand that the employee shall hand over any commission or remuneration unlawfully received, without thereby losing his claim to compensation for any additional injury caused to him.

"This claim shall lapse if the employer does not bring it before the courts within six months of learning of the action of the employee, and at latest within three years of the payment to the employee of the commission or remuneration."

When this Act was being discussed, the employers' representatives, as stated above, opposed it on the ground that the great variety of commission contracts, even if these were to be regarded as contracts of employment, made it necessary to reject the adoption of special provisions for representatives on a commission basis, and that the determination of such provisions must be left to individual contracts of employment. On certain points, however, the employees' representatives succeeded in obtaining improvements as compared with the Commercial Assistants Act of 16 January 1910. In particular, it should be mentioned that under the new Act commission is due not when the payment is made by the other party, but as soon as the transaction is validly effected. In addition, commission becomes due and must be settled, no longer every half-year, but at the end of each calendar quarter.

It may be added that in about 90 per cent. of all cases, the conditions of payment of travellers and representatives are fixed by individual contracts, only about a third of which are in writing. Collective agreements are met with in a few isolated cases in industry.

Travellers and representatives who are subject as employees to the Act of 11 July 1934 pay no special fees. They are merely required to have a permit, the cost of which is low and is met by the employer. Independent agents, on the other hand, must pay an entrance fee to

their trade association and a fee for their occupational licence. The amount of the latter is fixed by the public authorities, and may be as much as 300 Kč. or more. It has to be paid only once. Thereafter, agents who act independently pay the industrial tax and the tax on turnover as well as a subscription to their trade association.

Holidays with Pay.

As regards holidays with pay, travellers who are subject to the Private Employees Act are covered by the following provisions, which apply to employees in general.

After uninterrupted employment in the same undertaking for at least six months, an employee is entitled to a holiday, during which he continues to receive all his cash remuneration. The length of the holiday is two weeks for a period of employment of less than five years, three weeks after five years, and four weeks after fifteen years. Periods of absence due to sickness, accident, public duties, or military service must not be counted as part of the holiday.

Period of Notice. Termination of the Contract

If the contract is concluded for an indefinite period, it may be terminated on six weeks' notice to take effect at the end of a calendar quarter, provided that the employment has not lasted more than fifteen years in the same undertaking. If it has lasted more than fifteen but not more than twenty years, the period of notice is three months for the end of a calendar quarter; and if it has lasted more than twenty years, the period of notice is five months for the end of a calendar month. By agreement between the employee and the employer, it may be provided that the notice of six weeks or three months shall take effect at the end of a calendar month.

Either party may terminate the employment without notice if serious reasons are present, these being enumerated in detail in the Private Employees Act.

Radius Clause.

A radius clause is not binding on the employee if at the date of the agreement he had not reached his majority, if he had no possibility of acquiring a knowledge of his employers' business secrets or secret processes, or if his remuneration at the end of the employment did not exceed 18,000 Kč. a year.

If his remuneration exceeded this figure, the radius clause is only binding provided that it serves to protect the employer's business secrets or secret processes; that it imposes a restriction on the employee only in regard to activity in the employer's branch of production or business, and not for more than a year after the termination of the employment; and that it does not interfere unduly with the employee's career, account being taken of the object, place, and time of the prohibition and the commercial interest of the employer in its observance.

The period of the radius clause may be extended to five years if the employer undertakes to pay the employee, for any period in excess of one year up to the expiry of the radius clause, the remuneration he was receiving at the termination of his employment.

A radius clause is not valid unless concluded in writing.

General Questions

After the adoption of the Private Employees Act, the Chamber of Deputies passed a resolution requesting the Government to introduce at the earliest possible date a Bill on the employment of travellers and representatives, for the purpose of settling the questions affecting this occupational category which could not be dealt with in the Private Employees Act.

The Federation of Private Employees of the Czechoslovak Republic has drafted a Bill, which it proposes to submit as a basis for the regulation of the conditions of employment of travellers and representatives. This draft rests on the assumption that all travellers and representatives who are entrusted with the negotiation or conclusion of transactions solely in the name and on the account of one or more employers, in return for a fixed remuneration or commission, are to be deemed to be employees, and as such are entitled to the protection of social legislation.

The draft is opposed to the system of *del credere* commission, and seeks to regulate the questions of the calculation and payment of commission and of minimum remuneration. It proposes, further, that after the termination of the employment, representatives should be entitled during a specified period to commission on the transactions concluded by the firm with customers recently brought to it by them.

The draft also proposes a settlement of the question of the holiday of representatives employed by several firms. During absence on account of sickness, accident, or other reasons, the representative would be protected by a provision that during a specified period no one should be allowed to visit his customers without his permission.

The draft also contains provisions concerning seasonal representation, the payment of daily allowances and travelling expenses, the provision of motor-cars, etc.

In addition, the Ministry of Justice has drafted a Commercial Agents Bill, which it has submitted to the Ministry of Commerce. This Bill would merely regulate the legal status of independent agents. It is at present being discussed at the Ministry of Commerce by a committee of the travellers' and representatives' organisations.