CONTINGENT FIRE INSURANCE COMMISSION.

A fortnight ago the Arkansas Association of Fire Insurance Agents approved the action of the National Association in recommending that fire insurance business-getting should be remunerated on a basis of 15 p.c. flat commission and 10 p.c. contingent. The multiple and dual agency practice was condemned at the same session by a unanimous report. From the latter circumstance it would seem probable that the Arkansas agents are more alive to the logical outcome of introducing contingent commissions than are some others of the advocates of the system.

It is only recently that the question of contingent commissions has become much more than a matter for utopian theorizing and academic discussion. But in the southern field especially, United States agents are making the matter more and more a practical issue. So decided has the movement become that the Southeastern Association has provided for a committee of company officers and managers to meet and discuss the desirability and feasibility of the plan.

As with every other plan there are arguments not a few, pro and con. On behalf of the contingent commission it is urged that the interests of both agents and companies will be mutually promoted for at least three reasons. First, the agent from self-interest will seek to increase the company profits in which he is definitely to share. This will involve careful scrutinizing on his part of every risk assumed—alike as to physical and moral hazard. Secondly, he will become a self-constituted inspector, seeing to it that the hazard is not afterwards increased through neglect or fraud. In the third place, rate-cutting will be much less likely, as the agent will realize that unduly low rates will mean loss to himself as well as to the company.

Such reasoning in the abstract seems well nigh conclusive. But there are practical difficulties to be considered. So long as agents continue to represent two or more companies, will not self-interest tempt them to discriminate in placing the business? Suppose that a particular company represented by an agency has sustained local losses which would for the year put it out of the profit-making class. Would not the agent's impulse—he's but human, after all—be to slight that company during the year ,by putting the best risks elsewhere and using it for any business about which he was not so hopeful? He would, of course, be sure of the flat commission on the dubious risks, while by putting the "cream" of the business into the profit-paying companies he would secure the maximum of contingent additions to his income. From the companies' standpoint the resultant effect would be strongly reminiscent of the scriptural statement regarding him that hath and him that hath not. Certainly under multiple and dual agency conditions the practical working of the contingent commission plan is more than doubtful.

FIRE RESISTING CONSTRUCTION.

It is a matter for some encouragement that insurance journalism is at last receiving some cooperation from other branches of the public press in preaching the gospel of fire-resisting building construction. In the July issue of Moody's Magazine, New York, F. W. Fitzpatrick writes forcefully of the public duty of fire prevention. Fire he terms a "municipal cancer," whose tremendous blighting effect upon American cities is preventible only by fire-proof construction of buildings.

"Fire constitutes the greatest single tax levied upon us. Even in a normal year fire costs us $200,000,000. No country on earth, not even Japan or China, has such a fire record as that of America, and yet we pretend to be the most civilized! This year promises to be a phenomenal one in the building world. We hope to complete $750,000,000 worth of buildings. What think you of a people that destroys—wantonly, negligently, carelessly, criminally—5-7ths of what it produces and then cackles over being a great producer? An absolutely fireproof building means one whose exterior cannot be damaged by external fire and will not permit fire to gain access to the interior. The frame must be of steel completely and perfectly protected with brick or tile or other non-damageable fireproofing material, or the construction may be of reinforced concrete. The interior fittings and furnishings should be of incombustible material. The windows should be of wired glass and metallic sash, the stairs and elevators should be closed in absolutely fireproof partitions and self-closing doors, so that every story constitutes a unit by itself, and further, the units of space in those stories should be as small as possible, so that any fire originating in the contents of a room would be confined to a limited area in which it would be easy to combat it."

BRITISH BOARD OF TRADE STATISTICS for 1906 show that the total imports from foreign countries and British possessions during the year amounted to $3,039,442,500, as against $2,825,099,585 in 1905, while the exports were $1,877,876,690 in 1906, as compared with $1,271,170,300 in 1905. The total value of the imports from British possessions and protectorates in 1906 was $710,826,200. The total exports to British possessions and protectorates were valued at $606,706,390.