SOME RESOLUTIONS PASSED AND SPEECHES DELIVERED.

At the Convention of the National Association of Local Fire Insurance Agents of the United States.

The twelfth annual convention of the National Association of Local Fire Insurance Agents of the United States took place last week at Richmond, Va., and was attended by over 150 agents. Among many important resolutions passed was one recommending that local boards adopt a rule governing future agency appointments with a view to bringing all appointments eventually down to a sole agency basis, and reaffirming opposition to the appointment of side-line, non-recording and soliciting agents. Another reaffirmed the action taken at Indianapolis in recommending uniform flat and contingent commissions on all classes of business throughout the country.

That conditions in the realm of fire insurance are not yet ideal has a rather direct acknowledgment in the existence of a standing Grievance Committee, which in its report gave an incisive opinion upon the disastrous effects of rate wars upon all concerned.

COMMISSIONER BARRY ON THE STATE'S ATTITUDE.

Probably no one person in America is so in demand as a speaker at large insurance gatherings —whether fire, life or casualty, composed of managers, agents or state commissioners—as is Hon. J. V. Barry, Insurance Commissioner for the State of Michigan. On this occasion Mr. Barry spoke upon the timely topic of the Attitude of the State towards Fire Insurance. Despite the fact that the address dealt largely with a frank expression of the opinion that both fire and life companies expended too much in agents' commissions the meeting ordered by a unanimous vote that it be printed in full and distributed. More particularly, the commissioner dealt with the matter of so-called "preferred business."

"The use of this term is certainly a frank confession that too great a charge is made for indemnity covering the class of risks to which it attaches. Two wrongs never yet made a right, and it is no justification for an overcharge to assert even with an absolute show of truth that there are numerous instances in which experience demonstrates that risks are being carried at a loss.

"Thus far I am quite incapable of understanding why any company should desire volume unless it is a paying volume secured at rates which insure absolutely fair treatment to all of its clients. Not the least objection to the preferred system is that it results in false ratios and is fraught with abuses which tend to seriously demoralize the business and make it the prey of the agitator who immediately proceeds to take advantage ot the opportunity to incite the enactment of unwise and burdensome legislation."

The commissioner concluded his address with the contention that the abolition of preferred business would eliminate the evil of rebating and the company would receive its full proportion of the premium charged, while the agent would retain his reasonable commission and earn as much if not more. The policy-holder must look to the agent to direct legislation into the proper channel.

THE COMMISSION SITUATION.

Secretary Putnam, to whose indefatigable efforts the association owes much, reviewed the commission situation in part as follows:

"I deem it a duty to say to you that, in my opinion, we are likely soon to see some important changes in the commission situation. The contingent idea seems to be gaining ground, not only in the south but in all parts of the country. You will notice a very marked modification of the views of company officers. A few years ago hardly a company was favorable to the contingent idea, and to-day very many of them are.

"The company would receive its full and just proportion of the premium charged, the agent would retain his reasonable commission and actually earn as much, if not more, than he does under the present system, and property owners generally, and those owning preferred risks in particular would be able to purchase indemnity at a reduced rate, instead of, as now, enabling a few strenuous ones to profit at the expense of the many."

EDUCATING THE PUBLIC.

Manager Frank Lock, of the Atlas, gave some valuable and timely suggestions as to the necessity of removing from the mind of the public and its legislators the unfounded prejudice that seemingly exists against fire companies. He believed that agents were better able than company officials to influence the views of the public with whom they are in constant contact. So, too, in the matter of influencing legislation. Hostile enactments are apt to be pushed along on the supposition that the more the companies oppose them, the better they must be for the public. But where the company official is powerless, the successful local agent "can explain to his schoolmate who is in the House of Representatives that the coinsurance clause is nothing but an equalization of tax assessment between men; that an anti-compact bill compels fire companies to grope blindly in the dark, with the effect that the man of wealth, influence and power will be able to get what he wants while the man lacking those advantages has to suffer, and that a valued policy law is a direct rewarder of the criminal at the expense of the honest man, while the cost of appraisals at the time of taking out insurance would in most cases be greater than the premium itself."

"Agents can make clear and emphatic that a fire insurance trust is an impossibility; that high rates do not denote extortion but that the higher the rate the greater the difficulty in inducing companies to accept the risk; that while in 1880 companies reporting to New York with $40,000,000 of capital insured seven billions of dollars of risks, in 1905 with only $59,000,000 of capital they insured thirty billions, showing there is not enough in the business to attract capital into it; that a tax on fire insurance companies is a tax upon a tax; that the fire loss of the country is a national disgrace and that companies must have opportunity to accumulate strength against the next great disaster. The greatest enemy to the public is the prejudice which they nurse in their own bosom against the business upon which they are obliged to rely!"