

THE FIRE INSURANCE AGENT.

A few words to agents from the Company's point of view may not be inappropriate at the approaching end of a second consecutive year of generally unprofitable fire insurance business in Canada. It is not always from want of will, but want of thought, that so many agents fail to realize the serious responsibilities that rest upon them. It is obvious that a dishonest man will make a dangerous fire insurance agent. But unfortunately there are agents whose integrity is beyond reproach, who, through ignorance or carelessness, have wrought more far-reaching calamity than these defects could have produced in almost any other branch of business.

If these hints serve to interest and strengthen the good agent on his steadfast course, or to awaken the careless one from his casual slumber to a sense of the necessity of eternal vigilance, they will have effected a good purpose; could they touch the heart of the special hazard hustler and commission hunter, they would indeed be a new gospel.

The agent is the money maker for the insurance company. This is his life work, and in many cases his sole means of subsistence. He has a right to look to his company for cordial support, but he has his responsibilities to which we would particularly draw his attention. We say then to the agent:

Try to realize the importance of your position. You are the trustee of thousands, may be millions, of dollars of security, out of which you are only to make a grant to those morally worthy of it, and on such property as your company deems a fair risk. You are not only responsible to the company but also to the public. One bad moral hazard insured may mean the destruction of a village, a town, or of human life. You were an accessory to this crime if, when you took the insurance, you knew, or had doubts which you smothered, as to the moral hazard. Give your company the benefit of any doubts you may have about a risk; the assured will have all the benefits of doubt after the fire. Make yourself familiar with all the forms and papers of the company in your possession, and their proper use. You have special applications for manufacturing risks: applications for dwellings, and ordinary mercantile risks, farm property applications, and perhaps others. Carefully use the right one for the risk you are taking, and then have all the questions answered considerably. If a question does not apply to the particular risk, indicate it by some mark; it will guide the company. If you have more information than the questions call for, give it to the company by letter.

You have printed instructions, table of limits, list of prohibited risks. Keep these where you can refer to them easily, and so save much unnecessary correspondence.

Obeys instructions promptly, and of all instructions, that to cancel. The time for explanation and further information has passed when the order for cancellation comes. True, had you given complete information with the application the risk might have been accepted, but you did not. You had better cancel. You don't

want a fire on your hands under an interim receipt that you have been giving back talk about; you will feel crushed; while the manager will not be one bit humbled, though the risk intact stares him in the face ten years hence.

What is a good risk? We must know both good and bad, and there is often more money in avoiding the latter than in securing the former.

Is it well constructed of its class? Was it constructed for its present occupation? Is it clean? Is it well run on modern principles? Is it profitable? Is it well protected against fire? If you are able to answer these questions satisfactorily it must be a fairly good risk of its kind.

Is it poorly built? Is it dirty and full of holes and corners, where useless odds and ends accumulate? Is it out of date in its methods and machinery? Is it unprofitable and in the wrong situation? Is it a nuisance to the neighborhood? Is it endangered by other bad risks? Do changing, or changed conditions of trade and commerce, or customs and revenue regulations affect its permanency and profit? Do the owners quarrel with their employees? Is it mortgaged beyond reasonable probability of redemption? Is it a combination of various tenancies and occupations? Is it over-insured? Is it on your prohibited list? If you can answer a few of these questions in the affirmative, you want to pass by on the other side, and your company will applaud your action. Do not fight and kick against the rules laid down by your company, and delay complying with them while you show them a much better course to pursue. If you are a good agent your manager will doubtless give consideration to any suggestion you may make for facilitating business and improving its condition and your own, but the time when he is awaiting fulfillment of his instructions is a poor opportunity.

The company wants its accounts and remittances by a certain date. It does not recognize credit to the assured. It looks to you for the money. You say collections are slow. The company cannot help that; its books must balance at certain periods. You are in the same position as other business men, in that you must not give credit beyond the means of your own capital to support. But you are even more responsible than ordinary mercantile men. All trade has an element of chance as to the amount of profit to be realized; but you are not in trade. The courts have said so. You have not to buy ten thousand dollars worth of insurance and peddle it out, and take your chances of making a profit or loss. You know just how much you will make on every transaction with the trust funds in your care. These rules and regulations that govern the conduct of any sound company are, or should be, the result of a vast accumulation of experience, not only of your immediate managers, but of many managers, inspectors and agents that have gone before. Principles cannot be waived for one individual or one risk. Like the one swallow that does not make a summer, the loan risk, against the refusal of which you protest, cannot make an average. You are doubtless as intelligent a man as your manager, or inspector; but grant that, and experience overbalances in their