

ly shown than in the following article, copied from the "Philadelphia Intelligencer:"—

The problem of the local agent in fire insurance has been greatly complicated by reason of the peculiar relations which exist between him and the assured. While simply an agent of the companies, he represents, and so subject to the law of agency, the local agent is about all the principal the assured ever sees. To be sure, a special agent may now and then flit across the horizon of the assured or policyholder, but he is not taken seriously as a rule, except when he has a loss to settle. The man to whom the policyholder goes with his tale of sorrow as to requirements, or his angry kick because of an increase in rate, is the local agent.

The policyholder recognizes that there is somewhere a something known as a company, but he does not often think about the company except to be thankful that the local agent understands his business and will see that he—the policyholder—is treated right. The writer recalls a substantial old German who gave some of his insurance to a young agent to place. The old agent who had formerly had the business came round and asked him if he knew what kind of companies the young agent represented. He replied to the effect that the young man belonged to the board, and he guessed the companies were all right; at all events, he was willing to trust the young man. That is the subject in a nutshell. The property-owner knows the agent, and gives his insurance to him on the strength of that knowledge, and does not give the subject of companies a second thought. Of course, it is nice to think that business comes to the company because of the high regard the property-owner has for it, but, as a rule, it is the hustling of the agent that makes the company acceptable. There are exceptions. We recall one instance where a man refused to change from one company to another because the company he was insured in had paid him a loss, and he thought it fair to let the company get square if it could. Such men are exceptions. The most of men place their insurance because of the regard they have for the agent or the obligations to him which they are under. The agent is the representative of the company, but he is also the friend of the property-owner. This last-mentioned fact makes a lot of difference. Unless it is taken into account the problem is practically insoluble.

Then another fact which complicates the question still more is that in many cases the property-owner makes the agent of the company his agent to get his insurance for him. Here you have the anomaly of a man being the agent of both parties to the contract: You say this cannot be: We reply that theoretically it may be an impossibility, but practically it is an actuality. The local agent, as the agent of the company, is doing his work for it in a manner, which, as a rule, is deserving of nothing but praise. The same local agent is also trying as the agent of the property-owner to justify his being intrusted with the placing of the insurance. The property-owner is right at hand, while the company is far away. Is it strange that when the two interests clash the property-owner's interests have the preference? That the company does not suffer more times than it does is simply evidence of the generally high character of the local fire insurance agents of the country.

These dual relations of the local agent, while they complicate the agency question, also furnish a hopeful point of view. The local agent who possesses the confidence of the property-owner, so that he

will take the policy he offers, can also reach him as no one else can in the imparting of knowledge of fire insurance. We do not mean technical knowledge, but just plain, simple information which cannot fail of being influential for good. Why is it that the fraternal organizations can usually defeat legislation which is inimical to their interests? Just because the orders have learned the value of securing the sympathy of the policyholder, so that it can be counted on to influence his vote. The legislator knows that when the session is over and he goes home he will have to explain those votes against the fraternal orders, and if he does not give a satisfactory explanation he will stay at home next time. The local agent may not be as powerful as the fraternal, but he can stop a whole lot of bad legislation. The companies have not used him. That is, they have not kept him educating his patrons so they will be ready when the time comes. They have now and then called on him when in a tight place. The agent should have been at his teaching when there was apparently no need for it. His pupils would have been ready then when needed. It has been needed many times. It will be needed more times in the future. Why not get ready? This does not mean any special paper or organ published by managers' organizations or local agents' organizations. It does mean that every company should see that their agents are equipped for teaching common sense about fire insurance. Companies will teach differently, but they ought all to teach their agents. The agents are the surest and best way to reach the property-owner. He must be reached if fire insurance is to have a fair show. The local agent has been the cause of much friction in fire insurance. He can be made of much value as a factor for moulding public opinion. Managers and agents are interdependent.

NAVIGATION IN NORTHERN WATERS.

Late Australian papers record the results of an investigation of more than passing interest to captains and pilots who are familiar with the coast and waters of British North America. It seems that during the course of an enquiry into the grounding of a ship in Port Phillip Bay some time ago, several pilots alleged that there existed an unaccountable attraction to the westward on the run to the Gallibrand lightship. At the suggestion of the Court, the Marine Board appointed a committee of experts to ascertain the truth of the allegation. In August this committee brought up its report.

The committee stated that, after inquiry, it had no difficulty in unanimously arriving at the following conclusions:—1. That the evidence given by certain of the Port Phillip sea pilots before the Marine Court of Inquiry is not borne out by the experience of a large majority of the sea pilots, by the adjusters of compasses licensed by the board, or by the examiner in pilotage. 2. That there is not any extraordinary condition attached to the navigation of Port Phillip which the ordinary precautions used in navigation are insufficient to guard against. 3. That in the opinion of your committee there is no attraction, unaccountable or otherwise, towards the west on the northerly course in Port Phillip Bay, by which the committee assumes is meant a local influence directly