STOCKS IN MONTREAL.

MONTREAL, Jan. 25th, 1893.

Stocks.	Highest.	Lowest.	Total.	Sellers.	Buyers.	Average. 1892
Montreal	236½	235	103	236	231	221½
Ontario	118	118	4	....	117½	11[illegible]
People's	116	116	20	120	115	98
Molsons	175	175	3	175	172	164
Toronto	252	252	2	....	253	....
J. Cartier	....	....	....	140	130	103
Merchants	165½	164	31	170	166	145
Commerce	146	145	235	146	145⅝	132¾
Union	....	....	....	....	10[illegible]	89
M. Teleg. x. d.	153½	153	520	154	153	129¼
Rich. & Ont	75½	73¼	2217	74	73	54¼
Street Ry.	183	176	490	185	183	185⅛
Gas	234½	233	752	233½	232½	203
C. Pacific, cash	89¾	89¾	400	....	....	....
do. x. d.	87½	86¾	830	87	86¾	90
C. P. land b'ds	....	....	....	....	108	108
N. W. Land	90	90	50	91	....	79
Bell Tele.	164	164	107	165	163½	160
Montreal 4%	....	....	....	....	....	....

COMPETITION OR CO-OPERATION.

THE RELATIONS BETWEEN STOCK COMPANIES AND FACTORY MUTUAL COMPANIES.

It is not many years since the writer had a friendly controversy with the president of one of the principal fire insurance companies of New York upon the functions of the underwriter. The writer held that the only person or persons who could insure property of any kind against loss or damage by fire must of necessity be either the owner, the occupant, or the person in charge of the property for the time being, the limit of the functions of the insurance company being to pay a sum of money as a partial or total indemnity for any loss which might occur. It therefore followed that the true function of the underwriter or representative of an insurance company should be to instruct owners or occupants how to build and how to protect their property, to the end that it might not be destroyed, or, if ignited, might be but little damaged. My contestant held that it was not the function of the underwriter to attempt to control or direct the doings of the owners or occupants of insured property; that his duty consisted only in having suitable inspections made of the property, whatever it might be, investigating also the conditions of the public fire department, and then fixing a rate which, according to his judgment, would suffice to meet losses and expenses and leave a reasonable profit upon the stock of the insurance company.

The writer held that all contracts of insurance are and must be in their very nature mutual, since the indemnity promised to the insured must of necessity be paid out of the premiums contributed by the insured either to a stock or mutual company, for the reason that if the premium fund does not suffice to meet losses, expenses and profits, the insurance company must either wind up or become bankrupt. Therefore there could be no difference in the essence of the contract between those issued by stock insurance companies and those issued by strictly mutual companies. . . .

Since that controversy a great change has occurred. It became evident that a system of betting on the chances that bad risks would not burn would endanger the whole system of stock insurance and might bring about such conditions that any great conflagrations would bankrupt or wind up so many companies as to make it impossible to conduct the business of the country on a scale of sufficient magnitude.

Suitable measures were then taken by stock underwriters for co-operation in districts, in sections, and even on a national scale. Methods of inspection of a systematic kind were organized on behalf of combined stock insurance companies. Methods of instruction were adopted to secure safer methods of building. The "mill floor system," so-called, and the mill roof were brought into conspicuous notice, and in many ways the rules and practices which had made textile factories excellent risks were applied to warehouses and other buildings in which textile fabrics and other goods are distributed. Yet more, the automatic sprinkler, having justified its work in the risks insured by the mutual companies, has been rapidly extended throughout other classes of property. . . . .