Montreal Street Railway.

The directors' report presented at the 49th annual meeting of the Montreal Street Railway Company on Wednesday, shows gross earnings of $3,874,838 for the year ending September 30. These compare with $3,677,432 during the preceding year. Operating expenses of $2,255,019 were unusually heavy; nevertheless the net earnings of $1,619,819 showed an increase of about $100,000 for the year.

A chief reason for higher operating expenses was the larger amount spent on the maintenance of the property of the company and the expenditure for new extensions that have been constructed and operated during the past year. It was not to be expected that these extensions would prove immediately profitable, but owing to the growth of the suburbs, and the building-up they will in future induce, it is only a matter of a short period when they must show good earning capacity for the company.

President L. J. Forget stated at the meeting that the company had many further plans of extension for a much improved and more adequate street railway service.

Following are the comparative operations for years 1909 and 1098:

	1909	1908
Gross earnings	$3,874,838	$3,677,432
Operating expenses	2,255,019	2,158,394
Net earnings from operations	$1,619,819	$1,519,038
Interest from M. P. & I. Railway Co.	55,606	72,011
Total income	$1,675,425	$1,591,049
Fixed charges—City p.c. on earnings	260,203	242,431
Interest on bonds and loans	179,725	207,187
Rental leased lines	5,821	5,019
	$ 445,749	454,638
Net Income	$1,229,676	$1,136,411
Dividend 10 per cent	976,332	900,724
Surplus	$ 253,344	$ 235,686
From which has been appropriated—		
Contingent account	$ 175,000	$ 175,000
Insurance fund	25,000	25,000
Transferred to surplus account	53,344	35,686

The gross earnings increased during the year $197,406.06, or 5.37 per cent., the operating expenses $96,625.11, or 4.48 per cent., the net earnings $100,780.95, or 6.63 per cent.

As showing the recent growth of the company's business, the following record of gross earnings is interesting:

1909	$3,874,838	1905	$2,707,474
1908	3,677,432	1904	2,463,824
1907	3,503,643	1903	2,222,787
1906	3,100,486	1902	2,046,208

Citizens of Montreal generally as well as shareholders have direct interest in the company's increasing operations—an important item of the fixed charges for the year being the city's share of earnings amounting to $260,203 as compared with $242,431 and $214,846 in the two years preceding.

Australia's Tariff Preference.

The first year's working of Australia's tariff preference to Great Britain has apparently checked the rate of decline in imports from the motherland that had unfortunately characterized preceding years of trade. Between 1905 and 1906 British imports fell from 55 to 53.66, or by 1.34 per cent. In the next year the fall continued to 51.92, or by 1.74 per cent., whereas in 1908 the decline amounted to only .38 per cent. The Standard of Empire points out that it must not be forgotten that, in common with the rest of the world, Australia's purchases in 1908 showed a decline, and in the present year, when recovery has manifested itself in the Commonwealth, the prospects are much more promising.

It is not possible, of course, to judge of the probable effects of reciprocal preferential trade from the one-sided arrangement into which this overseas dominion or that has entered with the Motherland. So far as Canada is concerned, the most striking example of the effects of preferential trade is to be found outside the Empire altogether. In the year 1893, when Canada entered into the "Little French Treaty," exports to France were only $335,000. In the year ending March 31, 1909—a year of trade depression generally—exports were almost ten times that amount. Within the past ten years, Canada's total trade with France has doubled; that with Belgium (in which case no special trade arrangement existed) increased by less than one-third; while trade with Germany (under adverse surtax) fell off by one-quarter. These developments would seem to furnish evidence of a very direct relation between tariff arrangements and international trade.

But had the preference affected nothing more than the "stopping of a leak" it would have done a good deal for British trade. It is to be noted that—where tariff preference is non-existent—most important British colonies tend rather to decrease than increase the proportion of their imports from Great Britain as they develop their own industries. As the present British Premier pointed out at the last Colonial Conference, in spite of an expanding Colonial Empire Great Britain's intra-Imperial export trade has proportionately grown but little in the half-century.

Municipal Lighting Plant.

The Montreal City Council is still discussing in an academic kind of fashion the question of a municipal lighting plant. A by-law on the subject passed its second reading on Tuesday. There was little opposition and little interest manifested. Whenever the question becomes serious, there will be lots of interest and lots of opposition.