

**A Good Investment.** Some years ago, during one of the busiest hours of the day, a Scotch visitor to Montreal belonging to a quiet, seashored, old city of some forty thousand inhabitants, stood at the junction of St. James with McGill street "waiting for a car." Not caring to enter one of the many crowded conveyances which passed loaded with passengers, many of whom were clinging to the straps, he said to a companion: "I don't like to risk trying to get on one of those cars; but I'll go back to the office and get—to buy for me some of this company's stock." However much a Montrealeur may be inclined to laugh at the caution displayed by this timid visitor to our city, we have good reason to admire his wisdom in judging by appearances of the prospects of the Montreal Street Railway Company.

The report of the President and Directors of this company for the year ended 30th September last was submitted to the shareholders on the 2nd inst. The net profit for the twelve months amounted to \$601,704.18, an increase of \$93,848.58 over the previous year. After payment of quarterly dividends, amounting to 10 per cent. for the year, the balance of \$138,787.52 has been added to the surplus, which now amounts to \$373,034.78, and this after deducting therefrom no less a sum than \$100,000, as a very proper provision for any special renewals of the road-bed and rolling stock. The report of the President and Directors quite rightly claims credit for the excellent proof given to the public of the Company's preparedness for emergencies when in September last, despite the loss by fire of a car shed, and many cars, the receipts on the following day showed no diminution and the service continued as usual.

The only method of forming a true estimate of the extraordinary growth in the traffic and earnings of the Montreal Street Railway is by a study of the interesting figures furnished in the statistical statement of the company, from which we condense the following table showing the increase in the five years from 1892 to 1897, and in the twelve months covered by the statement under review:—

	1892	1897.	1898.
Gross Receipts.....	\$564,406	\$1,342,367	\$1,471,939
Operating Expenses...	466,647	736,424	764,884
Net Earnings .....	97,761	605,939	707,055
Passengers carried ...	11,631	32,047	35,353
Transfers.....		8,765	10,508

\* Cents omitted.

The operating expenses in 1892 were 82.68 per cent. of car earnings. Since that year a steady reduction in expenses is shown, and the expenses of the last twelve months were 52.15 per cent.

The statement of assets and liabilities is as follows:

ASSETS.	
Cost of Road and Equipment:	
Construction, &c.....	\$2,901,959.38
Equipment, &c.....	2,093,061.47
	\$4,995,020.85
Real Estate and Buildings.....	1,207,942.08
Stores.....	40,421.45
Accounts Receivable.....	20,796.19
Cash in bank and in hand.....	146,490.82
Cash on deposit with City of Montreal..	25,000.00
	\$171,490.82
Total.....	6,435,671.39

LIABILITIES.	
Capital Stock .....	\$5,000,000.00
Uncalled issue of 1897.....	300,000.00
	\$4,700,000.00
Bonds:—	
5% payable March, 1908.....	292,000.00
4½% " August, 1922.....	681,333.33
	\$973,333.33
Mortgages.....	5,014.61
Accounts and Wages payable.....	60,320.87
Accrued Fixed Charges:—	
Interest on Bonds.....	5,170.00
Tax on Earnings.....	64,355.48
	\$69,525.48
Employees Securities .....	4,324.00
Unclaimed Dividends.....	2,062.49
Unredeemed Tickets.....	18,815.56
Suspense Account.....	11,740.37
Dividend, payable 2nd Nov., 1898.....	117,500.00
Contingent Account.....	100,000.00
Su plus.....	373,034.78
	\$6,435,671.39

During the period covered by the statistical statement (1892-1898), the gross receipts of the company have nearly reached seven and a half millions of dollars, and the operating expenses about 4 1-2 millions. In 1893, the net income per cent. of capital invested was 8.17 and for the present year 13.00.

Truly, a record of which the projectors of this enterprise may well feel as proud as the Scotch investor referred to herein doubtless does of his prescience.

**Branch Banks** Reference was made in these columns in the some time ago to the proposed formation of a great American bank with branches in London, Paris and several of the business centres of the world. The recent acquisition of dependencies like Cuba and Puerto Rico has made the subject of branch banking one of much importance, and the special correspondent of the *Commercial Bulletin*, at Washington, selects this question as the sole subject of a long letter, from which we quote the following sentences:—

"The subject of branch banking under the laws of the United States is likely to come before Congress in several forms at the coming session. The wishes of the New York bankers who desire uptown offices would be fully covered by the proposals of the pending currency reform bill for general branch banking under authority of the Secretary of the Treasury. It is doubtful whether this branch of the subject is taken up by Comptroller Dawes in his annual report, but he will take up the subject of branch banking in the new dependencies. He proposes to discuss the subject with prominent bankers and business men and to examine the charters of the big English banks before deciding upon his recommendations to Congress. It may not be thought advisable to raise the issue of general branch banking at home in connection with American interests in the colonies, but it is felt that it will be absolutely essential to authorize banks doing business in Porto Rico and the Philippines to have branches in New York and probably in other leading American cities."

The Comptroller has no occasion to go so far away from home as England for an example of what he wants. Any Canadian Bank manager could introduce a system admirably adapted for our neighbours' wants.