

MONTREAL SECTION

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FRENCH BANK FOR MONTREAL?

Not Much Credence Given Rumour—Street Railway
Affairs—Industry for Lachine.

Monetary Times Office,
Montreal, October 24th.

There has been some talk here recently regarding the probability of the establishment in Montreal of a branch of a French bank. There is a report to the effect that when the Hon. L. P. Brodeur was in Paris, recently, with the Hon. Mr. Fielding, he carried on some negotiations with the directors of the Comptoir National d'Escompte, with the result that that bank will probably open a branch in Montreal, possibly next spring, and will then extend its ramifications throughout Canada. It is claimed that one of the directors made the statement that \$50,000,000 could be invested in the Province of Quebec alone, on most advantageous terms.

Sufficient Banks Already.

Inquiry among the French financial institutions in Montreal does not tend particularly to confirm this report. These seem to think that there are already a sufficient number of banks to take care of Montreal's financial necessities, and that the bank referred to would make this discovery during its investigations of the situation. It was also pointed out that Canadians are not accustomed to discount banks, such as is the French bank, and that many difficulties would be encountered in familiarizing the people with its methods of operation and in securing their confidence. Some years ago the Credit Lyonnais established a branch in New York, and after operating for some time withdrew. One of the names mentioned as on the directorate of the Comptoir National d'Escompte does not appear in the list of directors of that bank, but on that of another. The list, however, is a year or so old and the name may since have been added. For these and other reasons, the French financial institutions of Montreal, do not feel disposed to place much dependence on the report, at least until further particulars are announced.

The Comptoir National d'Escompte is among the largest discount banks in France. It has a paid up capital of 150,000,000 francs (\$30,000,000) and its last dividend was at the rate of 30 fr. (\$6) or 6 per cent. The stock is quoted at 670 fr. or equal to 135 4-5 per cent.

Montreal Street Railway Report.

A permit for the construction for the new addition to the Post Office has been taken out by Mr. A. Gobeil, Deputy Minister of Public Works. The building will be of stone, backed with brick and fire-proofed, and will have a height of seven stories, costing \$487,537. The work of pulling down the old Gazette building is to be commenced immediately. Petef Lyall & Sons are the contractors, but the Government architects will have oversight of the work.

The annual meeting of the directors of the Montreal Street Railway Company was held on Tuesday, Hon. L. J. Forget, president, being in the chair. Owing to the way "Street" has been acting on the Stock Exchange for some time past, there has been no little apprehension in the mind of the public respecting the result of the year's operations.

That the statement is an excellent one will be most gratifying to all those interested in the welfare of the railway. The gross earnings for 1907 amounted to \$3,503,643, being an increase of \$403,157 as compared with those of the previous year. Operating expenses amounted to \$2,104,653, an increase of \$253,934. Expenses per cent. of earnings were therefore 60.1 as compared with 59.69 for the previous year. Net earnings were \$1,398,990, being an increase of \$149,204 or about 13 per cent. Receipts from the Montreal Park and Island Railway amounted to \$55,104, making a total net revenue of \$1,454,091, an increase of \$204,325.

The company paid the city the sum of \$214,840, as against \$178,408. This payment is the percentage on its earnings paid to the city by the railway for the use of the streets. After deducting the amount of renewals and rentals of leased lines, the surplus amounted to \$868,840 as compared with \$728,703. From this was deducted \$763,100, being the amount of dividends, and \$25,000 which was placed to the credit of the fire insurance fund, leaving a balance of \$75,740 to be transferred to the credit of the surplus account as compared with but \$3,704 a year ago.

Hitherto the Montreal Street Railway has not been permitted to carry freight on the streets of Montreal. This was

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probably due to the opposition from carters and express men, whose business would be affected by new competition. Frequently the question of altering the bye-law, so as to permit the railway to run freight cars under certain restrictions, has been broached, and for some time past there has been considerable agitation in favor of it.

About two months ago, a petition to this effect was circulated among the business men and was freely endorsed by them, the feeling being that the present cartage service was expensive and somewhat inadequate to the requirements of the city. The railway has been doing its own freighting on the streets and a misunderstanding in this connection has already led to a complaint that they were hauling for others, being placed before the City Council. A new arrangement may now be made with the city, whereby the company will be permitted to run freight cars. At a meeting of the City Council on Friday week, the company was granted permission to operate these freight cars during hours the twenty-four of each day, saving between five and seven o'clock each evening and between six and eight o'clock in the morning, and also excepting such other times as would occasion interference with the passenger traffic. The company proposes to construct the sidings and service lines at its own expense and to stand any costs that may be necessary in connection with the establishment of the service.

It will pave between the rails and water the streets on which it runs its tracks three times daily. What is probably of still greater interest, is its offer to pay a percentage on its receipts from the new service. The percentage would be on a graduated scale commencing with 4 per cent. freight earnings up to \$200,000, and moving up to 6 per cent. on earnings from \$200,000 to \$500,000, to 8 per cent. on earnings from \$500,000 to \$800,000; 10 per cent. on earnings from \$800,000 to \$1,000,000; 12 per cent. on earnings from \$1,000,000 to \$1,500,000, and 15 per cent. thereafter.

Mines in the Eastern Townships.

While the Eastern Townships, a short distance south-east of Montreal, are not known as a rich mineral section, there is considerable talk from time to time of opening up mines of various kinds there. Excellent asbestos mines are now being worked there and attempts made to get out copper. Some little excitement has been caused by a prospector selling the mining rights in an asbestos property near Eastman for \$31,000. A copper vein was also discovered near Mansonville, which is reported to be very promising. All these discoveries are along the line of the Orford Mountain Railway and would consequently be very close to the market.

The Montreal City Council has come to a somewhat unusual resolve by deciding to invite tenders for its supply of gas and electricity, from firms throughout the world. Many Montreal men not accustomed to such a broad treatment of the subject, are seeking an ulterior motive.

A large new industry, the Imperial Locomotive Company, of London, England, is about to be added to Lachine, which is situated within a few miles of Montreal. The electors of the town of Lachine this week decided to grant a bonus and other concessions to the industry. The company is to invest not less than \$2,225,000, and to employ not less than 500 men the first year, 1,000 the second and 1,500 the third. The bonus is to be paid them in three installments, \$20,000 on employing 500 men, \$15,000 on employing 1,000, and \$15,000 on employing 1,500.

They are also to get water at 5 cents per thousand gallons and exemption from taxation for twenty years, while for purposes of school taxes they are to be assessed at half the cost of construction for twenty years. It is figured that the company will pay \$9,000 a year school taxes and \$4,000 water rates, which the mayor believes will be a good return for the bonus.