

MONTREAL STREET RAILWAY.

Annual Report Shows Gratifying Increases in Earnings and Surplus.

The annual statement of the Montreal Street Railway Company is being received with general interest in financial circles. The showing as to earnings, etc., for the year ending September 30, is not only gratifying to shareholders, but to the citizens of Montreal as a whole—since a notable feature of the report is the sum of \$214,840 received by the city for its percentage of earnings, as against \$178,408 in 1906.

Despite the considerable increase in the wages of employes, and other advances in operating expenses due to conditions affecting traction interests generally, the net earnings show a very satisfactory increase over those of last year. Gross earnings for 1907 amounted to \$3,503,643, as against \$3,100,486 in 1906, an increase of \$403,157. Operating expenses amounted to \$2,104,653, as compared with \$1,850,719 for 1906, an increase of \$253,934. The percentage of expenses to earnings was, therefore, 60.1 p.c., as against 59.69 p.c. for 1906. Net earnings were \$1,398,990, as compared with \$1,249,766 for 1906, an increase of \$149,224, or about 13 p.c. There was received from the Montreal Park & Island Railway the sum of \$55,104, making the total net revenue for the year \$1,454,091, as compared with \$1,249,766 for 1906, an increase of \$204,325. The surplus as shown below amounted to \$868,840, as compared with \$728,703. From the surplus there was paid in dividends \$768,100, and the sum of \$25,000 was placed to the credit of the fire insurance fund, leaving a balance to be transferred to surplus account of \$75,740, as against \$3,703 in 1906.

The statement follows:—

	1907	1906
Gross earnings..	\$3,503,643	\$3,100,486
Operating expenses.....	2,104,653	1,850,719
Net earnings..	\$1,398,990	\$1,249,766
To which add:—		
Received from M. P. & I. Ry., on account of interest.....	\$ 55,104	
Total net revenue	\$1,454,091	\$1,249,766
From which deduct:—		
City percentage earnings.....	\$214,840	\$178,408
Interest on bonds and loans.....	195,833	163,599
Contingent account for renewals.....	171,517	179,055
Rental of leased lines.....	3,059	
	\$ 585,250	\$ 521,063
Surplus.....	\$ 868,840	\$ 728,703
From this there has been paid four quarterly dividends of 2½ per cent. each.	\$768,100	\$700,000
Placed to the credit of fire insurance fund.....	25,000	25,000
	\$ 793,100	\$ 725,000
Transferred to surplus account.....	\$ 75,740	\$ 3,703

MANUFACTURERS' ASSOCIATION MUTUAL FIRE INSURANCE COMPANIES.

The Canadian Manufacturers' Association has issued the following circular to its members:

"We now take pleasure in advising you that the Dominion Government has issued a license to the Central Canada Manufacturers' Mutual Fire Insurance Company to transact business, and that the office of the company has been opened at Rooms 628-632 Traders Bank Building, Toronto. Mr. B. L. Anderson has been appointed secretary and is now in charge.

"The license for the Eastern Canada Company will follow in a few days, meanwhile it has been arranged that the Central Canada Company will cover all risks for both companies. The Head Office of the Eastern Canada Company is in the Board of Trade Building (Rooms 101-2) Montreal, and Mr. R. R. Samuel has been appointed secretary and is now in charge. By mutual arrangement the underwriting and inspections for both companies will be carried out at Toronto and in due course you will be advised of the plans upon which they will be operated.

"In completing the task of organizing these two companies the committee has placed within reach of the members the opportunity of a material saving in their insurance cost and has laid the foundation of a system destined to play an important part in the conduct of the fire insurance business of the country. It now remains for the manufacturers to support the companies organized on their behalf, and all we can do is to commend them to you as worthy of fullest confidence.

"The companies from this time forth will be under independent management, and the Insurance Department of the Association will continue as heretofore in charge of Mr. E. P. Heaton with whom you are invited to confer at all times on matters affecting your insurance interests."

Yours faithfully,

ALPH. JEPHCOTT, *Chairman.*

The Association has a big problem to solve and one which may be a costly experiment.

THE ONTARIO RAILWAY COMMISSION have set an example in the matter of seeking outside insurance by insuring the property of the Temiskaming & Northern Ontario Railway with the Lloyds, of England, and with a New York syndicate, 40 p.c. going to the former, and the balance to the latter. The Commission is good enough to express regret that the insurance should have to go to outside concerns, but complains of the rates of Canadian companies—and omits any reference to the fact that Provincial taxes are paid by the home companies, not by the others.

SAYS THE REVIEW OF LONDON:

The report of the Postmaster-General contains one section devoted to the insurance department, which, by the way, is a dead failure. The reason is not far to seek. Until the Post Office authorities undertake the business on modern lines, and emulate the methods of the companies, the returns will continue to be ridiculously small.