

discount of 25 per cent. on par value. If it is not then taken up it may be offered to the public. Messrs. Jackson R. Booth and W. Hamilton Fisher were added to the Board of Directors. The total salaries of the board will now aggregate \$7,000 per annum. The chairman, Mr. E. F. B. Johnston, K.C., declared that the payment of \$45,000 in dividend had been a mistake. It should undoubtedly have been left in the treasury. The report of Mr. Frank Loring was read. Mr. Loring reported \$60,000 worth of ore in sight. Mr. Adler, mine manager, said that \$96,000 worth additional had been extracted. He recommended prospecting under Glen Lake. The present net indebtedness amounts to \$11,000, plus the June accounts. All the resolutions passed with little opposition.

The annual meeting of the Dominion Iron & Steel Company, which was to have been held in Montreal on July 5th, was postponed indefinitely. The directors' annual report is given here-with:—

Before discussing the year's business your directors find it necessary to speak of the company's relations with the Dominion Coal Company, which have been seriously disturbed during the year. A memorandum covering this matter will be submitted. It may be briefly stated that in November last the Coal Company tendered large quantities of coal not in accordance with the terms of the contract, which it was impossible to use on the plant, that on the rejection of a portion of this coal the Coal Company declined to supply coal under the contract, that the company's operations have since been carried on with coal bought from various sources, including the Dominion Coal Company, Limited, but at very high prices, and that a suit is pending in the courts of Nova Scotia for the enforcement of our rights.

For greater convenience and regularity the coal used is charged against the operations at the contract price, \$1.28 per ton, as heretofore, the excess cost has been charged to a special account with the Coal Company as part of the damages for which the suit is brought. Up to 31st May this amounted to \$810,713.72, of which about \$500,000 was paid to the Dominion Coal Company. The balance represents the extra cost of coal bought from others.

On this basis our earnings for the year were \$2,247,536.45. The interest charges for the year were \$684,384.82, and the net earnings \$1,563,151.61.

From this amount we have transferred to contingent account \$810,713.72 to offset the amount charged to the Coal Company for the excess cost of coal, leaving \$752,437.89 of the earnings now available. Out of this we have written off the sinking fund of the first mortgage bonds, and the surplus has sufficed to cover the deficit carried from past years in profit and loss account and to leave a credit balance of \$318,711.41.

The aggregate earnings from November to the end of February fell off about \$250,000, as compared with the average of the preceding months of 1906.

This was due wholly to the disturbance and partial stoppage of our operations by the interruption in our coal supply. Bearing this in mind, your directors think that the year's results show satisfactory progress.

It had been hoped that a greatly improved financial position would have been shown this year as the result of surplus earnings available for the liquidation of liabilities. But even under the exceptional circumstances met with, the company's affairs have improved. The greatly increased volume of business, which increases the amount of stock to be carried, and the policy of providing reserve stocks of pig iron and billets to ensure the steady operation of the open hearth furnaces and mills, account for an increase of \$447,863.92 in liquid assets. Our current liabilities are a little higher, but the net indebtedness of the company is \$192,221.19 less than last year.

During the year \$306,335.57 was spent on capital account. The chief items under this head were the Bessemer plant, the extension and equipment of the coke ovens, new rolling stock, exten-

sion of the ore yard and its adjuncts, and extension of the plant at Wabana.

Your directors, being of opinion that the company must ultimately own or control its own coal mines, have secured options on several coal properties which are now being prospected.

Profit and loss statement May 31, 1907:—

Gross profits for 12 months .....	\$2,247,536.45
Charges inst. of first mortgage bonds .....	385,387.51
Interest on 2nd mortgage bonds .. .. .	120,293.44
Interest on current loans .....	178,703.89
Total .....	684,384.84
Balance net profits .....	\$1,563,151.61

### STATISTICS AND RETURNS

Shipments from the Springhill collieries of the Cumberland Railway & Coal Company, Springhill, N.S., for the month of June, were 34,310 tons.

The amount of bounties paid out on iron and steel for the nine months ending March 31st, 1907, was \$1,299,801; petroleum, \$266,533, and lead, \$1,994.

The Dominion Iron & Steel Company's production for the month of June was:—Pig iron 23,000 tons; ingots, 24,325 tons; blooms, 208,000 tons; rails, 7,400 tons; iron rods, 6,700 tons.

The output of the Crow's Nest collieries for the week ending July 5 was 17,748 tons, or a daily average for five days of 3,549 tons. In the same week last year the mines had two holidays, Dominion Day and July 4, and the output fell to 11,692 tons, of a daily average of 2,923 tons.

The Consolidated Mining & Smelting Company's plant at Trail, B.C., received the following amounts of lead ore up to the end of May, in pounds. The weight of lead extracted is also given in pounds:—

	Ore.	Lead.
January .....	2,873,428	860,323
February .....	2,685,815	823,026
March .. .. .	4,244,551	1,620,823
April .. .. .	4,359,928	2,178,858
May .. .. .	2,258,114	808,649

Cobalt re statement for week ending June 30th to July 6th, 1907:—

July 1st, Buffalo Mines, 120,000; July 1st, Nipissing Mines, 102,170; July 3rd, McKinley-Darragh-Savage Mine, 48,000; July 3rd, Coniagas Mine, 86,000; July 5th, Coniagas Mine, 186,000; July 3rd, Imperial Cobalt, 37,530; July 6th, LaRose Mine, 60,115; total, 639,815.

British Columbia ore shipments, week ending June 22nd:—

Boundary shipments—week, 32,080; year, 466,331.  
 Rossland shipments—Week, 6,285; year, 126,204.  
 Kootenay-Sloean shipments—Week, 2,856; year, 58,861.

The total shipments from the mines in the above districts for the past week were 41,211 tons and for the year to date 651,396 tons

British Columbia ore shipments, week ending June 29th:—

The Boundary district made a new shipping record last week, the output being 36,781 tons, or 7,000 tons larger than the previous week's output.

The returns from the other districts show a distinct gain, and the whole total is well above the average for the year.