

THE STEEL COMPANY OF CANADA, LIMITED

To the Shareholders:—
Your Directors respectfully submit the statement of Assets and Liabilities, together with Profit and Loss Account as at the 31st December, 1917.
The net profits for the year, after deducting charges for repairs, maintenance and improvements and providing for War Tax, amounted to \$6,040,318.83. The statement below shows the manner in which these profits were dealt with:—

Interest on Bonds	\$ 515,203.40
Dividends on Shares—	
Preferred	\$454,741.00
Ordinary	690,000.00
Reserve for Bond Sinking Fund	1,144,741.00
Reserve for Depreciation	177,731.07
Reserve for Fire Insurance	177,531.07
Special Depreciation for Furnace "A"	40,000.00
Transferred to Betterment and Replacement Reserve	400,000.00
Credit to Profit and Loss Account	1,406,486.53
	1,550,356.83
	\$6,040,318.83

In the matter of Inventories we have followed the same policy as in former years and have placed the values of our raw materials and manufactured products on a fair and proper basis.

In conclusion, we should like to particularly draw your attention to the fact that The Steel Company of Canada is a valuable asset to the Dominion of Canada. We have done our share in providing large quantities of Steel for Munition, Agricultural, Railway and Shipbuilding purposes and in meeting the demands for other commercial and domestic needs, we have also contributed in the last three years, in the shape of War Taxes, a very large sum of money, the War Taxes for 1917 exceeding the total amount of dividends distributed to the Preferred and Ordinary Shareholders during that year.

In addition, we have paid in the last three years over Three Million of Dollars of duties on the various articles and raw materials which we have to import. We have been large purchasers of Dominion War Bonds and have contributed during the past year \$55,000 for Patriotic purposes, which we believe you will heartily approve of.

The splendid manner in which our employees have supported the various Patriotic Funds and War Bond purchases is a matter for your congratulation.
Signed, on behalf of the Directors,
Hamilton, Canada, March 14, 1918. ROBERT HOBSON, President.

Consolidated Balance Sheet as at December 31st, 1917

ASSETS.

Cost of Works owned and operated by the Company	\$25,267,810.95	
Investments in other Companies and Company's own Bonds acquired for Sinking Fund	725,794.57	\$25,993,605.52

Sinking Fund Assets—		4.64
Cash in hands of Trustee		

Current Assets—		
Inventories of Raw Materials and Finished Products, less reserve	8,008,655.64	
Accounts Receivable	4,121,185.64	
Bills Receivable	100,380.75	
Call Loans to Stockholders secured by Collateral since paid	231,200.00	
Cash on hand and in banks	1,370,844.29	
	\$13,832,266.32	
War Bonds and Other Securities	2,648,712.95	

Stock of the Company—		16,480,979.27
Held in Trust for Employees		206,869.53

Deferred Charges to Operations—		26,830.91
Insurance and other Expenses paid in advance		

LIABILITIES.

\$42,708,289.87

Capital Stock, Authorized—		
100,000 shares at \$100.00 each, Preferred	\$10,000,000.00	
150,000 shares at \$100.00 each, Ordinary	15,000,000.00	
	\$25,000,000.00	

Issued—		
64,963 shares, at \$100.00 each, Preferred	\$ 6,496,300.00	
115,000 shares, at \$100.00 each, Ordinary	11,500,000.00	
	\$17,996,300.00	

Bonds, 6 Per Cent. First Mortgage and Collateral Trust Bonds—		
Authorized	10,000,000.00	
Issued	\$ 8,850,000.00	
Less held in Escrow for redemption of Montreal Rolling Mills Co. Bonds	500,000.00	
	\$ 8,350,000.00	
Less redeemed through Sinking Fund	353,853.32	
	\$ 7,996,146.68	

Bonds of Montreal Rolling Mills Co.	500,000.00	8,496,146.68
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Convertible Promissory Notes—		
Due July 1st, 1918, 1919, 1920		270,000.00

Current Liabilities—		
Accounts Payable, including Provision for War Tax	\$3,191,814.88	
Bills payable	2,000.00	
Unclaimed Dividends	7,080.50	
Preferred Dividend No. 26, payable Feb. 1, 1918	113,685.25	
Ordinary Dividend No. 4, payable Feb. 1, 1918	172,500.00	
		3,487,080.63

Reserves—		
Furnace Lining and Rebuilding Reserves	\$ 337,171.26	
Reserve for Accidents to Employees	48,096.93	
Contingent Reserve	338,141.62	
Betterment and Replacement Reserve	2,360,013.21	
Fire Insurance Reserve	40,000.00	
	\$ 3,123,423.02	
Bond Sinking Fund Reserve	431,485.07	
Depreciation Account	2,706,000.00	
		6,260,908.09

Surplus—		
Balance as per Profit and Loss Account		6,197,854.47

Approved on behalf of the Board:		\$42,708,289.87
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ROBERT HOBSON, F. H. WHITTON,
Directors.

Montreal, March 15th, 1918.
Verified as per our report of this date.

RIDDELL, STEAD, GRAHAM & HUTCHISON,
Chartered Accountants.

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED DECEMBER 31st, 1917.

Profits for the year ended Dec. 31st, 1917, after deducting charges for Repairs, Maintenance and Improvements, and providing for War Tax ...	\$ 6,040,318.83
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Less Reserves—		
Bond Sinking Fund	\$ 177,531.07	
Depreciation	806,000.00	
Depreciation Furnace "A"	400,000.00	
		1,383,531.07

Less Interest on Bonds—		
The Steel Co. of Canada, Limited	\$ 485,203.40	
The Montreal Rolling Mills Co.	30,000.00	
		515,203.40

		\$ 4,141,584.36
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Less Dividends on Preferred Shares—		
Nos. 23, 24, 25, 26, at 1½ per cent.	\$ 454,741.00	

Less Dividends on Ordinary Shares—		
Nos. 1, 2, 3, 4, at 1½ per cent.	690,000.00	
		1,144,741.00

\$ 2,996,843.36

Job and the Food Problem

SOME irony is involved in putting Job on stage as has been recently done by Stuart Walker in New York. At least the audience would be expected to have patience. Quite likely most of the people who saw this spectacle just off Broadway had never read Job and had no idea—apart from its extremely religious and reverent character—how funny a story it is. Job has been the butt of many a popular joke. And yet the dramatizer has made the play-spectacle almost as serious as Everyman; how serious may be judged by the character of the narrator.

As a writer in the "Outlook" remarks, "the idea of visualizing the Book of Job and of apportioning its speeches among characters on a stage

near as any writer ever has come to encompassing the mystery that has assumed the form of a gigantic war to baffle a world of moderns.

THE patience of Job is needed in the food problem. The Canada Food Board know it, so do the people. Nothing is more bewildering just now than what to do and not to do in the matter of producing and consuming food. In the matter of production, Hudson Maxim, writing in Leslie's Weekly, says that the only way to avoid a near-famine in America is to employ Chinese farmers, who are the world's greatest experts in intensive cultivation. He would have a million Chinamen come over at once. Farmers, he says, have been called off the land by the drafts and the higher wages of munition work, and production has suffered.

The average American does not like farming. The sons of the prosperous farmers do not take kindly to the tilling of the soil with their own hands. They prefer the excitement and the diversions and stimulus of the life of city and town.

The average American laborer also finds the occupations of the city and town more congenial than farm labor. Consequently the farms are denuded of labor, and there is no remedy in sight unless we shall be able to overcome prejudice, enlighten our minds with understanding, and introduce Chinese labor to work our land.

They would solve the servant problem as well as the agricultural one, and we should have the best agricultural workers in the world and the best household servants in the world, in unlimited numbers, says the writer. They would not compete with American farm and household labor, because there are no laborers left in those two fields worth considering, and the few there are would, with the new opportunities and lower cost of living resulting from the introduction of Chinese labor in those two capacities, be able very readily to find more profitable and more congenial employment in other pursuits.

Queries From Quebec

(Continued from page 11.)

very fluently, and in a vastly higher ratio than the English who can speak French, even in the Province of Quebec. I can point with pride to the French-Canadians in Parliament, everyone of whom can make a speech in English. How many on the English side can do the same in French? What we ask is simple justice and no privileges. Let the other Provinces treat their minorities as Quebec treats hers and peace and harmony will reign supreme for the greatest benefit of every Province, of Canada and of the British Empire.

No one would wish to see the same troubles here as in Ireland, but as the same causes always produce the same effects, people who clamor for one school, one language, should stop and think a little.

As to the loyalty of the French-Canadians, I will say that it is First for Canada, and then for the British Empire. The opposition to conscription is quite strong in Ontario, or in



The Narrator in "The Book of Job."

is simple and obvious. The Book of Job is already dramatized as it is."

It is so disguised, however, by the typographical form that is given to it in the common English version of the Bible that it looks like a succession of somewhat disconnected "verses." Its wealth of imagery, its profoundly poetic expressions of some of the most deeply tragic and lofty of human experiences, cannot be concealed by any form in which it may be printed; but there are few readers who catch its interplay of satire, of humor, and of personalities. That is because few readers have imagination enough to distinguish in this vast poetic drama the various characters that take part in it. What Stuart Walker has done is to supply the imagination.

The mood of men to-day is receptive to such a poem as the Book of Job. In the sufferings of Serbia and Belgium, in the inexplicable power of an unscrupulous group of military leaders to bring immeasurable woe upon the world, in the vast, belligerent patience of France, men have been confronted with that which confronted Job and his friends. And the closer they have come to the experience of the world at war, the more keenly can they appreciate the impatience of the patient Job with mere pietistic or mere theological explanations of that experience. It ought not to be surprising that an audience of to-day should find themselves absorbed in the work of a master of literature who, though counted among the most ancient of the ancients, came as