DOMINION IRON AND STEEL COMPANY, LIMITED

Sir H. Montagu Allan.	Frederic Nicholls, Esq.
Geo. Caverhill, Esq.	Col. Sir H. M. Pellatt, C.V.O.
Hon. R. Dandurand.	J. H. Plummer, Esq., D.C.L.
Hon. Robt. Mackay.	W. G. Ross, Esq.
Hon. David MacKeen.	Sir Wm. C. Van Horne.
Sir Wm. Mackenzie.	E. R. Wood, Esq.
Wm. McMaster, Esq.	Mark Workman, Esq.
Col. the Hon. James Mason.	

At subsequent meetings of the newly-elected Boards of Directors the following officers were elected:—

DOMINION STEEL CORPORATION, LIMITED

President—J. H. Plummer, Esq., D.C.L.

Vice-Presidents—Sir Wm. C. Van Horne; Wm. McMaster, Esq.; Frederic Nicholls, Esq.; Col. Sir H. M. Pellatt, C.V.O.

Secretary and Treasurer—Mr. C. S. Cameron.

Assistant Secretary and Assistant Treasurer—Mr. W. A. Doig.

Executive Committee—The President, the Vice-Presidents, W. G. Ross, Esq.; E. R. Wood, Esq.; Mark Workman, Esq.

DOMINION COAL COMPANY, LIMITED

President—J. H. Plummer, Esq., D.C.L.
Vice-President—Frederic Nicholls, Esq.

DOMINION IRON AND STEEL COMPANY, LIMITED

President—J. H. Plummer, Esq., D.C.L.
Vice-President—Wm. McMaster, Esq.

DOMINION STEEL CORPORATION, LIMITED

REPORT OF DIRECTORS TO SHAREHOLDERS

Your Directors submit herewith the Consolidated Balance Sheet as at 31st March, 1915, together with the Profit and Loss Account for the year ending on that date.

The net earnings of the Corporation and its constituent companies, after making full provision for bad and doubtful debts and after adjustment of the values of materials on hand, were $3,571,058.98.

From this amount there has been reserved for depreciation, sinking funds, and proportion of discount on bonds, the sum of $1,064,279.88. The undivided profits carried forward have been increased by $225,256.24. The business of the Steel Company was seriously disturbed during the year, and the Directors were obliged to postpone payment of the dividends on its preferred stock.

The operations of the Coal Company were affected unfavorably by the closing down for some months of the steel plant, but its business was on the whole well maintained. The prospects for the coming year are good, but the requisition of our colliers by the Admiralty is seriously affecting the question of transportation.

In the early part of the year a distinct revival in the demand for iron and steel in Canada was apparent, but business came to a standstill with the outbreak of the war. We have as yet experienced no revival of the Canadian demand, but there is a considerable tonnage of steel required for war purposes, and the demands for the export trade are large, while prices abroad have risen to a level more in keeping with the heavy cost of transportation. Your Company is receiving a full share of business in these lines.

The only material addition which your directors have made to your properties since the last annual report is a plant for the recovery of benzol and other hydrocarbons, the erection of which was undertaken in February. This plant, although not quite complete, is producing a considerable quantity of these by-products, which are now greatly in demand. Even under normal conditions the plant should yield a very good return on its cost.

The properties of the Corporation and their equipment have been maintained at the usual high standard of efficiency and repair.

On the whole your Directors are pleased to be able to report a marked improvement in the outlook for your constituent companies in the coming year, as the result, mainly, of the special demands from abroad.

Your Directors desire to express their deep appreciation of the zealous and untiring services rendered by the officers of the constituent companies during the year. Their burdens and responsibilities are greatly increased in such times as these, and the response of your officials in their various fields of labor has been uniformly loyal and efficient.

All of which is respectfully submitted.

For the Board of Directors,

J. H. PLUMMER,

President.

Montreal, 28th May, 1915.

PRESIDENT'S REPORT

To the Board of Directors of the Dominion Steel Corporation, Limited:

To meet the wishes of many shareholders who reside abroad I beg to submit a report on the business of the Corporation, which may be appended to the annual report and balance sheet.

FINANCES: There has been a considerable reduction in our liabilities and a steady improvement in the financial position. We are hopeful during the year to complete the replacement of most of the working capital which was absorbed in extensions of the plant not provided for by new capital issues.

In preparing the Balance Sheet this year a very severe scrutiny was made of all outstanding accounts and inventories, and full provision made for any loss or deficiency in their realization.

COAL BUSINESS

PRODUCTION: The output of coal for the year ending March 31st, 1915, was cut down by the closing of the blast furnaces of the Steel Company, so that our figures show a shrinkage for almost the first time on record. The reduction in the Cape Breton Collieries for the year amounted to 541,641 tons; the total production at all collieries for the last four years was as follows:—

Year ending 31st March,	1915......	4,550,512 tons.
" " " "	1914......	5,047,683 "
" " " "	1913......	5,051,603 "
" " " "	1912......	4,406,263 "

The capacity of our collieries, on a full summer working basis, is just 500,000 tons per month, and it is hoped that the output in the current year will again exceed 5,000,000 tons.

CAPITAL EXPENDITURE: No new work was undertaken on the coal properties during the year, but in the new collieries in the Lingan District expenditures in the completion of work under way amounted to $75,457.80. This practically completes Nos. 12, 14, 15 and 16. Some further work has been done on No. 17, but under the conditions prevailing it was not thought well to push the development of that colliery. The total capital expenditure for the year was $127,860.55.

COLLIERIES CLOSED: During the year we closed one of our oldest collieries, No. 8, where the supply of coal has been exhausted, and the time is approaching when No. 3 must be abandoned. The equipment and organization of the latter are already being transferred to No. 11, which underlies it. I might remind you that as against the loss of the output of these exhausted collieries we have in recent years opened the four Lingan Collieries mentioned above, and Nos. 21 and 22 in the Morien District, and have also re-opened Colliery No. 11.

SPRINGHILL COLLIERIES: The working of this property has been much improved and its value is now fully demonstrated. The new colliery which it is intended to open has been postponed until times improve, but we have contracted for the installation of a modern compressor plant to replace the steam power now used underground, which under the increased depth of our workings has become inefficient and costly.

TRANSPORTATION: The efficiency of the Company's arrangements for transportation has been maintained as fully as possible, but we have suffered severely through the requisition by the Admiralty of some of our best colliers. The Company has lost in this way the services of the Twickenham, 8,100 tons dead-weight capacity; Kendal Castle, 6,750 tons; Lord Strathcona, 11,000 tons; Kamouraska, 7,400 tons; Wabana, 7,400 tons, and Maskinonge, 7,400 tons; a total carry-