1887

THIRTY-NINTH ANNUAL REPORT

OF THE DIRECTORS OF THE

CONSUMERS' GAS CO'Y OF TORONTO

1. For many years past, the Directors have been enabled to report a steady and gratifying increase in the business of the Company. In now presenting their Annual Report, with the accompanying statements, they have pleasure in stating that the ratio of increase has been more than maintained during the past year. That this has been so, is a gratifying evidence to them of the wisdom of the course pursued in dealing liberally with their customers, in placing the price of gas at so low a figure as to make it cheaper than any other illuminant.

2. The negotiations to secure a lot in the west end of the city—referred to in the last Annual Report—resulted in the Company's purchasing from Mr. John Doty the property on the west side of Bathurst, opposite to Front Street. On this lot, the excavating for a brick gasholder tank, 150 feet in diameter by 35 feet 10 inches deep, was commenced in February last, and the whole work has just been completed by the contractor, Mr. E. A. Smyth, of St. Catharines, from the plans and specifications prepared by the Secretary, and under his supervision.

The contract for the gasholder has been awarded to the well-known firm of Messrs. C. & W. Walker, of Donnington, England. A considerable portion of the material is now on the ground, and the construction of the holder is to be commenced about 1st April next, to be finished by about 1st August. This holder will have a capacity of about 1,200,000 cubic feet, and will be by far the largest in Canada, and amongst the largest on this continent.

3. The rapid increase in the consumption of gas has rendered it imperative to erect an entirely new works, as well as to make provision for the erection of another coal shed; the capacity of the present works being barely sufficient for the coming winter. To provide space for these works, it has been found necessary to acquire additional property. Accordingly, two very suitable lots on the west side of Berkeley Street, south of Front Street, immediately opposite to the Company's property on the east side of Berkeley Street, have been purchased. On this additional property it has been decided to build a new purifying house and coal shed, and to erect a retort house, and the other buildings, on the Company's property on the east side of Berkeley Street. The walls of the purifying house are nearly finished, the retort house is well advanced, and it is expected that these buildings will be completed by the end of the present year. The plans for these buildings, with the exception of the iron roof for the retort house, were prepared by Messrs. Strickland & Symons, Architects, in which they were aided by the practical experience and suggestions of the Secretary and Superintendent of the works; the erection of the buildings being carried on under the superintendence of the architects. The iron roof is to be constructed by Messrs. R. & J. Dempster, of Manchester, England, from their designs. The erection of the other buildings is to be commenced as early in the spring as possible. A contract for the erection of some benches with regenerative furnaces has been entered into, arrangements are being made for the erection of the various apparatus required, and it is hoped that before this time next year the works will be in operation. It is intended that these works shall be amongst the most complete, as they will be amongst the largest, in America. Their capacity will be 4,000,000 cubic feet per diem. This, added to that of the present works, will make a total of 6,000,000 cubic feet per diem. It is intended, in the first instance, only to erect a sufficient number of benches of retorts for the manufacture of about 1,000,000 feet, with other plant of 2,000,000 feet capacity, and to add thereto hereafter as it may be found necessary.

4. During the year 24,051 yards, or about 13⅔ miles, of new mains have been laid, and 1,550 new services put in.

5. The increase in the consumption of gas for cooking, heating and motive power, has been very satisfactory, the quantity being nearly double that of two years ago. There has also been a very considerable increase in the number of high candle power gas lamps used.

6. Application was made to the Legislature of Ontario, at its last session, for power to increase the Capital Stock of the Company to $2,000,000, the new stock to be allotted to the Stockholders, as had been usual, *pro rata* at par. This last provision was most strenuously opposed by the City of Toronto, represented by the Mayor and by other members of the Legislative Committee of the City Council, principally on the ground that it would be a bonus to the Stockholders, which, it was claimed, was not contemplated when the Company obtained its charter. After many protracted discussions, at which the representatives of the Company strongly advocated and supported the right of the Company to such an allotment, it was finally considered prudent, rather than to withdraw the bill, to consent to a compromise, and at the same time settle for ever the vexed question of the Company's right to accumulate a reserve fund, and by so doing, pursue a conciliatory course with the City, between whom and the Company, the Directors consider the most harmonious relationships should always exist. A Bill, drawn out in accordance with the terms agreed upon, was ultimately passed by the Legislature, a copy whereof has been mailed to all the Stockholders.

At a special meeting of the Stockholders, held on 26th May last, the action of the Directors in consenting to this amendment, was unanimously approved of, as the best arrangement which, under the circumstances, could possibly have been made.

At this meeting a by-law was passed adding to the Company's stock $1,000,000, and the Directors were then authorized to sell and dispose of, in manner provided by the Act, any amount of such stock up to $500,000, and they decided to dispose of $200,000, which was sold by public auction, on 5th July, at the average premium of 80.33 per cent.

The Directors have to regret the loss, during the past year, of one of their most useful members, by the death of Mr. Samuel Platt, a gentleman of long standing at the Board, whose thorough integrity and honesty of purpose had won for him the cordial esteem and respect of all his associates.

The following statement, compared with that of the preceding year, shows

	STREET LAMPS	CONSUMERS	GAS RENTAL
For the year ending 30th September, 1887	3,002	9,004	$378,705.37
" " " 1886	2,768	7,861	323,889.04
Showing an increase of	234	1,143	$ 54,816.33

The large increase in the Company's business, in addition to the great extent of the works in progress, has naturally added materially to the work imposed upon all the officers of the Company, besides requiring the exercise of more than usual vigilance, judgment and care on the part of the Secretary and the heads of Departments; and the Directors have much pleasure in testifying to the very efficient manner in which their several duties have been performed.

All of which is respectfully submitted.

JAMES AUSTIN, President.