

DOMINION STEEL CORPORATION, LIMITED

Proceedings of the Annual General Meeting at Montreal, Thursday, 24th June, 1915.

The Annual General Meeting of the Shareholders was held pursuant to notice at the offices of the Company, at 112 St. James Street, Montreal, on Thursday, 24th June, 1915.

Among those present were:—A. M. Rogers, H. J. O'Heir, M. E. Williams, James Skeoch, Geo. H. Smithers, H. Gordon Strathy, G. H. Bishop, W. R. Miller, F. C. Fairbanks, Louis Moquin, C. W. Lindsay, L. J. Beaubien, A. S. McNichols, A. P. Frigon, Thos. Tate, J. Pow, Jr., A. Dick, D. H. McDougall, D. J. S. Tyrer, Hector McInnes, John L. T. Poyart, J. A. Cote, Norris P. Bryant, Wm. A. Snowdon, E. Ross Ross, A. W. Stevenson, Michel Hurtubise, James Simpson, Alex. Michaud, J. M. Fortier, Jas. Devlin, J. J. Walsh, C. S. Martin, and the following members of the Boards of Directors of the Corporation and its constituent companies: Geo. Caverhill, Hon. R. Dandurand, Hon. D. MacKeen, Wm. McMaster, Col. Hon. Jas. Mason, Frederic Nicholls, Col. Sir H. M. Pellatt, C.V.O., W. G. Ross, Sir W. C. Van Horne, E. R. Wood and Mark Workman.

At 12 o'clock noon, the hour set for the meeting, the President took the chair, and Mr. C. S. Cameron, Secretary of the Corporation, was appointed Secretary of the meeting.

SCRUTINEERS

On motion Messrs. M. E. Williams and Louis J. Beaubien were appointed Scrutineers.

PROXIES

The Secretary laid upon the table proxies in favor of Mr. J. H. Plummer, President, and/or Sir Wm. C. Van Horne, Vice-President, from the holders of 228,353 shares in the stock of the Corporation.

The Secretary read the notice calling the meeting as published in accordance with the Articles of the Corporation.

The minutes of the Annual General Meeting held on 28th May, 1914, were read and confirmed.

ANNUAL REPORT

The Secretary was called upon to read the Report of the Directors and the Balance Sheet and Profit and Loss Account for the year ending 31st March, 1915, copies of which had been mailed to all the shareholders and distributed amongst those present.

PRESIDENT'S ADDRESS

In moving the adoption of the Report, the President said:—

This year, in compliance with many requests which have reached me from time to time from shareholders residing abroad, who wished to have with the formal statement from the Board, a brief review of the year's operations, we have added to the statement a report outlining the chief points in our business during the period which it covers. This report makes it unnecessary for me to take up so much of your time to-day or to discuss our affairs with the same fullness as has been our practice in past years.

The report which you have contains a fairly complete review in brief of the year's work, and with a little further explanation on some points will, I think, cover the subject fully. At the same time, as you have had the report before you, I have no doubt some points will have occurred to some of you about which you would wish other information, and we shall, of course, be glad to answer any questions.

The subject which is paramount in all minds throughout the world to-day cannot well be discussed except in its effect on our business, but I would like to say that, so far as our employees are concerned, they have not fallen short in their duty to the Empire. A large number of them are serving, many of them already in the trenches in France. From Sydney, early in the war, we sent a very complete and efficient unit of Field Artillery, composed largely of our men and, of course, many have joined other regiments. From the Collieries over 500 of our men have gone, young, able soldiers who are a great loss to us but a valuable contribution to the service. We have also contributed to the fighting ranks of the Allies in other ways, for we had a large number of men from Italy, Russia, and other of the allied countries, who have been called to their own colours. In the Colliery districts alone, the men from our employ, including Allies, who have gone to serve, are considerably over 1,000 in number.

I should not omit to say a word about our Newfoundland friends. We are, as you know, very large property owners in that ancient Colony, from which we get our ore and much of our limestone. In proportion to their population and means I think Newfoundland has shown its loyalty almost more fully than any other of the outlying portions of the Empire.

There is another aspect of the matter on which one might touch: the stocks and bonds of the Corporation not held in Canada are chiefly held in Great Britain, France and Belgium and although the business ties thus created look very unimportant when we are considering the political and military ties which bind the Allies, yet I think it not unlikely that, coupled with other considerations, these connections may help us to retain, when peace happily returns, some portion of the export business we are building up.

Turning to the statement, I think you may take a good deal of satisfaction out of the improved financial position of your Companies. The gross liabilities have been decreased during the year \$2,024,233, of which a decrease of \$1,688,247 is in the current liabilities. In an ordinary year the decrease would have shown about \$500,000 more, as we were carrying cash on 31st March just about half a million over the normal figure. This was largely due to the expediency of retaining for the moment a considerable amount at our credit in London paid in for shipments abroad.

Of our earnings I cannot say much more than the report gives you. It was a great disappointment to us that the figures were not larger. Up to the end of 1914 we had expected a distinctly better showing. We were, however, greatly disappointed in the result of our efforts to deliver material in Europe. I need not go into this in detail; we had secured all the ships which the sales made called for, but we met with most unexpected and prolonged delays in the completion of the voyages of these steamers. We made every effort to remedy this, but the congestion at the British and French ports was beyond anything one could conceive, and in the result the carrying capacity of our vessels was cut in half, leaving a large quantity of material on our hands not delivered until this Spring at—I am sorry to say—much higher freight rates.

We have chartered for our coal and steel trade all the available lake steamers suitable for the purpose, of which at present we have in our service nineteen, with three barges, apart from five steamers used for a month or two, but here too we met delays. The vessels were ready for despatch from Montreal and Quebec at a very early date in the season, but the exit from the Gulf and the entrance to Sydney Harbour were blocked with ice for about a month after the usual time.

However, we have got through all these troubles, have caught up in our orders, and are shipping our steel products freely to Great Britain and France. The orders on our books for export, which amount to some 75,000 tons, scarcely indicate the importance of the business. The tendency of prices abroad has been steadily upwards, and we have thought it desirable to keep our business well in hand, and not to accept orders too far in advance.

As far as we can judge, the export market will take all the steel products we can ship for a long time to come. We are constantly asked whether we expect the business to be a permanent one and this is, of course, a matter of great importance to us. The opinion of our representatives and friends in England is that we shall retain a good deal of the business. My opinion is that for some time after the end of the war, a large amount of iron and steel will be needed from this side. The prospects of the return of great prosperity in the United States seem to me excellent, so that there should not be any tendency there to take export business at low prices. In former years large quantities of iron and steel were obtained from Germany, but she held her export business largely by means of a very thoroughly organized system of contributions from the manufacturers of primary materials and special rates of transportation, which together were in effect equivalent to a very large export bounty. It is difficult to see how this condition can be maintained after the war. Taking all these things together our prospects for a good export business look to me to be very hopeful. The materials that we are exporting are of standard quality: rails, billets, wire rods, nails and wire.