

CONSUMERS' GAS COMPANY

The Forty-Seventh Annual Meeting of the Consumers' Gas Company was held at the Company's Office, 19 Toronto Street, on Monday, 28th October, 1895, at noon.

Present:—Sir Frank Smith, James Austin, T. R. Wood, Morgan Baldwin, I. C. Gilmor, Geo. Robinson, Thos. Long, Dr. Larratt W. Smith, Henry Cawthra, W. H. Pearson, Walter S. Lee, David McGee, G. R. Cockburn, M.A., M.P.; Geo. S. C. Bethune, W. N. Eastwood, D. F. Jessop, Henry Swan, J. G. Ramsey, Robt. Gilmor, J. C. McGee, R. W. Boyle, F. J. Phillips, James Henderson, Dr. Grasset, J. Laxton.

The President, being called to the chair, read the Forty-Seventh Annual Report. Having referred to the careful and judicious manner in which Mr. Pearson had managed the affairs of the Company, to whom he said was due most of the credit for the satisfactory statement presented, and spoken in warm terms of the efficiency of the staff, he moved that the Report be adopted. This was seconded by the Vice-President, who took occasion to refer to some matters connected with the Company's affairs. Considering the general business depression and the keenness of the competition from a variety of sources, he thought the result of the year's business highly satisfactory. For the increase in consumption, the Company was indebted principally to the growth of the fuel business. The works were in better condition than ever, and owing to the skill and ability displayed by the Manager and his indomitable energy and perseverance the various departments of the Company's business were in a most efficient condition. He read some of the provisions of the Act of 1887, and explained to the Stockholders the technicalities of the suit now pending against the Company, showing that should it in the end be found that the Directors had wrongly interpreted the Act, the Consumer would be the loser, as the course taken by the Company in investing the Reserve where it would yield the largest return, was quite as much in the interest of the Consumer as of the Stockholder. Expert accountants had stated that the investment of the Reserve in the Company's business had yielded at least one-half as much more than could have been realized from its investment in debentures. He referred to the difficulty of carrying out the provisions of the Act according to the interpretation put upon it by Mr. Justice Ferguson, and suggested the advisability, if possible, of obtaining some legislation to place matters on some clearer and better footing, and as a Committee of the City Council had recently invited a Committee of the Board to a conference, something may possibly result from it. Meanwhile on the advice of Counsel, who were sanguine as to the result, the Company had appealed against the judgment in the Johnston case. In supporting the motion for adoption, Sir Frank Smith said that although he did not often speak at the meetings, he felt he could not let the present opportunity pass without referring to the baseless charges which had been made against the Company. He proceeded to show that the Directors had always dealt fairly and even liberally with Gas Consumers, and when the financial position of the Company had warranted it, reductions had been made in the prices of gas. They had not waited until the law compelled them to do so; if they had they would probably be waiting yet, and it might be many years before they could reduce the price again, if it should eventually be held that the Company's accounts must be arranged as has been claimed by a Consumer who has brought suit against the Company. It was the general impression that the Stockholders of the Consumers' Gas Company received 10 per cent. upon their investment. He would state that from 5.05 per cent. to 5.15 per cent. was all that could be made after payment of premium and broker's commission. Referring to the comparisons which had been made with other cities—Cleveland in particular—Sir Frank claimed that, allowing for the difference in the cost of coal (including duty) in Toronto and Cleveland, the price of gas supplied in Toronto was lower than in that city, to say nothing of the better quality of the gas, and, taking the circumstances into account, lower than in any other city on the continent. He contended that outsiders, who posed as critics of the Company, were not in a position to dictate to the Directors what they should or should not do, not knowing the circumstances and difficulties with which they had to deal. Mr. T. R. Wood followed with some very forcible and pertinent remarks, confirmatory of the statements made by Sir Frank Smith, after which the Report was unanimously adopted.

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