

WIRES WERE HINDRANCE
TO WORK OF FIREMEN

Had Difficulty in Getting Ladders
Placed at Bay Street
Blaze.

The volley of alarms sent in around 1 o'clock yesterday morning kept the firemen guessing for a little while. A false alarm from 172 at Niagara and Tecumseh-streets took the west side sections on a useless run, while 254 took the east end companies hurrying to Queen-street and Broadview-avenue. Telephone calls for reinforcements sent the Lombard-street hose down shortly after and then boxes 12 and 414 chased themselves in, calling the central companies to Bay-street, where appearances were very threatening.

Great difficulty was experienced by the firemen in private lane to the rear of this building. There was a network of wires extending from one sidewalk to another, and down and across the street, making the handling of ladders a very difficult task. This was rendered more difficult by the manner in which the lane was badly blocked up with snow and numerous boxes and barrels of refuse. The loss totals about \$10,000, divided: Hercules Thompson, \$3,500; Dominion Paper Box Co., \$3,000; damage to building, \$3,500.

The loss by the fire in Riverdale is about \$25,000, divided: Loss to Bowles Bros. stock, \$14,000; loss to Miss Barrett's stock, \$4,000; building, \$5,000; losses to upstairs tenants, about \$2,000. The fire was a very difficult one to get at, extending thru the basement, the floor above, and reaching its way to the roof when discovered, and the firemen were given a hard job. Chief Thompson, Capt. Crawford and Fireman James Dickson were more or less overcome by smoke. Ten streams of water were used. One hydrant was found frozen. Twenty-four occupants of the upper rooms made their way to the street in scanty attire.

Wm. Beasley, 84 Niagara-street, was caught in the act of turning in the false alarm from Niagara and Tecumseh-streets early yesterday morning. The firemen have had several bogus calls from that box, and William was fined \$10 and costs, or 20 days without time to pay the fine. At yesterday's meeting of the Canadian Club at McConkey's, Chief Thompson took precautions in case of a fire. Firemen were detailed to be present in the assembly hall, while another squad, with ladders, were in readiness on Melinda-street, for instant work.

CHINA-HASTENS HER TROOPS.

Border Complications and Success of Rebels on Frontier Cause of Haste.

PEKIN, Feb. 11.—Border complications and the success of the rebels on the French border, due, it is believed, to foreign assistance, have induced the Chinese Government to hasten the organization of her modern drilled troops at all frontier points. The government proposes again to send Prince Su to Mongolia for the purpose of developing the plans looking to the organization of defenses for frontier districts. A modern drilled frontier brigade is now on its way to Tibet for the purpose of organizing a Tibetan division.

EMPEROR'S SON IN PARIS.

Will Have Good Influence on Franco-German Relations.

PARIS, Feb. 11.—Prince Elitel Frederik, second son of Emperor William of Germany, who arrived here last night, accompanied by the members of his suite, from Lisbon, where he represented Germany at the funeral services of the late king and crown prince of Portugal, left Paris this afternoon for Berlin. This is the first time since the Franco-Prussian war that a member of the royal house of Prussia has come to Paris other than in a private capacity. It is generally believed that the prince's visit will have a good influence on the relations between France and Germany.

T. H. of Trousers at Hoberlin's. Hoberlin Bros., 151 Yonge-street, are advertising a big sale of trousers to order for to-day. The price has been made \$5.00, and includes lines worth from \$4 to \$5. The patterns are up to date and the materials those fine English and French wools. No much sought for by particular dressers. It's a splendid opportunity to "tone up" your suit with an extra pair of pants. See advt. in another column.

Outside Phones for Car Men.

The Street Railway is to have a telephone system all of its own. In order to communicate with inspectors at the principal intersections. The telephones on this line are in series, and a signal system is therefore necessary. The telephones at the outside points are provided with a loud gong. This makes a noise sufficient to attract the attention of the roadmaster, even if busy about his duties on the street. The telephones are placed in boxes on the company's poles, which are also used for stringing the wires.

Water Plugs Were Frozen. ROCHESTER, Penna., Feb. 11.—Fire departments from this city, Monaca, Bridgewater, New Brighton and Beaver Falls, joined in fighting a fire here which caused over \$50,000 damage and threatened the entire business section for a time, burning three buildings and damaging others. On account of frozen water plugs, the fire department was unable to get a stream playing on the blaze until half an hour after it broke out.

Speaker Cole Exonerated. SALEM, Mass., Feb. 11.—The indictment against Speaker John N. Cole of the Massachusetts House of Representatives, charging him with violating the statutes by soliciting transportation below regular rates, was quashed to-day.

Count Boni Guilty. PARIS, Feb. 11.—Count Boni de Castellane, the divorced husband of Anna Gould of New York, was to-day found guilty by the Correctional Court of criminal assault and battery on Prince Helle De Sagan, his cousin, and fined \$50. The prince was awarded twenty cents damages.

Toronto Electric Light Coy's
Annual Meeting.

The Twenty-fourth Annual Meeting of the Shareholders of the Toronto Electric Light Company, Limited, held at the Head Office of the Company, No. 12 Adelaide Street East, on Tuesday, the 11th day of February, 1908, at 12 o'clock noon.

The President, Sir Henry Pellatt, took the chair, and Mr. W. A. Martin was appointed to act as Secretary.

Report of the President and Directors of
the Toronto Electric Light Co., Limited
For the Year Ending December 31st, 1907.

Your Directors beg to submit the following statement of the affairs of the Company for the past year.

The income for the year has been \$1,039,716.42, and the expenses (including interest on Debentures) have amounted to \$651,925.57, leaving a balance of profit of \$387,790.85, out of which have been paid four quarterly dividends at the rate of eight per cent. per annum, amounting to \$245,503.39, leaving a balance of \$142,287.46 to be carried forward to Profit and Loss, and bringing the amount at the credit of that account up to \$160,344.89. Of this amount the sum of \$150,000.00 has been transferred to the Reserve account.

During the year a large proportion of the change has been made from the steam plant to Niagara power machinery. As both systems have been more or less used in operating, the percentage of expenses to gross receipts has been somewhat larger than would otherwise have been the case, but during the coming year an increased revenue may confidently be expected, and at less cost for operating.

The Company's steam plant is in good repair, and will be held in reserve as an auxiliary in case of accident at Niagara Falls or to the power transmission line.

HENRY M. PELLATT,

PRESIDENT.

Statement of Assets and Liabilities
FOR THE YEAR ENDING DECEMBER 31st, 1907.

| ASSETS | LIABILITIES |
|---|----------------------------------|
| Plant Account (including Real Estate) | Capital Stock Paid Up |
| Incandescent Light Company Plant, etc. | Company Debentures Payable |
| Investment Account | Sundry Accounts Payable |
| Supplies, Fixtures, etc., in stock | Bills Payable |
| Accounts Receivable | Amount Due Bank |
| Insurance paid in Advance | Reserve Account |
| Cash in Office | Profit and Loss Account |
| | |
| \$5,215,805.28 | \$5,215,805.28 |

Profit and Loss Account
FOR THE YEAR ENDING DECEMBER 31st, 1907.

| DR. | CR. |
|---|---|
| To Operating Expenses of all descriptions (including all Repairs, etc.) | Balance from last Statement |
| To Four Quarterly Dividends Paid | Revenue from Lighting, Power, Rents, Sales, etc. |
| To Transfer to Reserve Account | |
| Balance | |
| \$1,057,773.85 | \$1,057,773.85 |

Auditors' Report

To the President and Directors of the Toronto Electric Light Company, Limited.

Gentlemen,—We have audited the Books and Accounts of the Company for the year ending December 31st, 1907, and have found them to be correct.

Sydney H. Jones,

Ernest S. Ball,

Auditors.

Toronto, Feb. 3rd, 1908.

Statement Showing the Growth of the Business during the last
Ten Years, as shown by the Gross Receipts:

| Year | Gross Receipts. |
|------------|-----------------|
| 1898 | \$ 316,174.88 |
| 1899 | 352,889.52 |
| 1900 | 411,021.78 |
| 1901 | 457,341.95 |
| 1902 | 525,808.61 |
| 1903 | 630,263.59 |
| 1904 | 752,315.20 |
| 1905 | 775,948.73 |
| 1906 | 899,578.56 |
| 1907 | 1,039,716.42 |

President's Address

Twenty-Fourth Annual Report.

In submitting to the Shareholders the Twenty-fourth Annual Report of the Toronto Electric Light Company, I take the opportunity of presenting a short sketch of the operations of the Company during nearly a quarter of a century. I am prompted to do so partly because it is instructive to look back over this period of the laying of foundation, and partly because the Company has been brought so prominently before the public during the past year that everyone connected with it ought to make himself thoroughly familiar with its position, and understand the principles which have actuated the Company and dictated its policy.

Statements of the Public Press.

This is the more necessary because certain statements calculated to prove injurious to the Company have been made in the public press and elsewhere, which need for their complete refutation nothing more than a clear setting forth of the facts. The attention of the Shareholders is especially invited to the fact, which the following pages demonstrate—and which, in view of the statements just referred to, it becomes necessary to emphasize—that no "watered" stock has been issued by the Company at any time. Every issue of stock has been made at par, and represents money invested in the undertaking. The only allotment of stock for which actual cash was not received directly was a bonus of stock voted to the Shareholders in 1891 in lieu of a cash dividend. This represents the only return which the Shareholders received on their investment from 1884 to 1890 inclusive—a period of seven years.

Inception of the Company.

The Toronto Electric Light Company was incorporated in the year 1883—when electric lighting was still in the experimental stage—with a paid-up capital of \$175,000, to operate an arc light system. The original installation of dynamos was made in the old Bolt Works' premises, at the corner of Sherbourne and Front Streets. A year later a building was secured a little further north on Sherbourne Street, in which new machinery was installed and the business carried on till it outgrew the accommodation. A second move was made in 1887, when the Company erected a frame and iron-clad building at the foot of Scott Street. These premises were extended from time to time and ultimately rebuilt, with new engine house and boiler house. The waterfront was also improved greatly, and new wharfage accommodation provided. This has remained the Company's electrical headquarters till the present time, the

commercial headquarters being in the Company's new building on Adelaide Street.

Period of No Dividends.

To carry out all these improvements, and at the same time extend the system to new districts in the City, most careful husbanding of the resources of the Company was necessary, and no dividends were expected or declared for several years. During the first few years, the operations of the Company were confined to street lighting mainly, with a few arc lights in stores and public buildings. All the earnings were used to improve the plant and extend the buildings. While the benefits resulting from the scientific progress made in electric system, and consequent lowering of the cost of production, were allowed to accrue to the consumer by frequent reduction of rates. This is well illustrated by the following table showing the successive contracts made with the City of Toronto for street lighting:

| Year | Amount of Contract |
|------------|-------------------------------|
| 1884 | \$226.30 per light per annum. |
| 1886 | 200.75 per light per annum. |
| 1891 | 108.59 per light per annum. |
| 1896 | 74.83 per light per annum. |
| 1901 | 74.83 per light per annum. |
| 1906 | 69.35 per light per annum. |

This policy was regarded by the Directors as an eminently sound one, because they felt confident that if they provided light at the cheapest rate possible, and put all their earnings into improvement of the plant and extension of the system, the time would come later when the Shareholders would receive a good return in the shape of a large business, successfully established on sound economic principles, and yielding a fair rate of interest on the accrued value of their investment. That time has come at last, and the Shareholders have a right from now on to look for reasonable returns for the money which was allowed to accumulate during a number of years without yielding any return at the time in the shape of dividends. The financial position is presented to the eye at a glance by the following table, which covers the whole period from the organization of the Company:

| Year ending 31st December. | Capital Authorized. | Capital Paid-up. | Dividend. |
|----------------------------|---------------------|------------------|-----------|
| 1884 | \$ 200,000.00 | \$ 175,400.00 | 0 |
| 1885 | 200,000.00 | 175,800.00 | 0 |
| 1886 | 200,000.00 | 200,000.00 | 0 |
| 1887 | 200,000.00 | 200,000.00 | 0 |
| 1888 | 200,000.00 | 200,000.00 | 0 |
| 1889 | 200,000.00 | 200,000.00 | 0 |
| 1890 | 200,000.00 | 300,000.00 | 7 |
| 1891 | 300,000.00 | 390,390.00 | 8 |
| 1892 | 500,000.00 | 489,900.00 | 8 |
| 1893 | 500,000.00 | 494,405.00 | 8 |
| 1894 | 700,000.00 | 666,346.00 | 8 |
| 1895 | 1,400,000.00 | 1,284,501.23 | 7 |
| 1896 | 2,000,000.00 | 1,459,008.16 | 7 |
| 1897 | 2,000,000.00 | 1,731,324.49 | 7 |
| 1898 | 2,000,000.00 | 1,949,860.86 | 7 |
| 1899 | 2,000,000.00 | 1,998,690.00 | 7 |
| 1900 | 3,000,000.00 | 2,000,000.00 | 7 |
| 1901 | 3,000,000.00 | 2,000,000.00 | 7 |
| 1902 | 3,000,000.00 | 2,439,950.84 | 7 |
| 1903 | 3,000,000.00 | 2,966,440.00 | 7 |
| 1904 | 3,000,000.00 | 2,991,910.00 | 7 |
| 1905 | 3,000,000.00 | 2,997,900.00 | 7 1/4 |
| 1906 | 4,000,000.00 | 3,385,477.29 | 8 |
| 1907 | | | |

These facts in connection with this tabulated statement deserve special notice:

1. The statement made in some quarters, that there were issues of stock for which no value was received by the Company, is entirely without foundation. For every dollar of stock issued the Company received par value. In respect of the bonus in 1891, already mentioned, the value received was in the form of dividend earnings made over to the capital of the Company; the stock being credited to the Shareholders' accounts instead of cheques being issued for the dividend and their cheques being taken in return in payment for the stock. Of the whole balance, amounting to \$3,085,477.29, every dollar was new money added to the treasury and invested in the Company's plant and buildings.

2. The issues of new stock from time to time were made at par to the Shareholders of record at the date of issue. This method of placing the stock has been the universal rule in all Canadian companies, and was nothing more than fair to the Shareholders, in view of the small amount of dividend received by them during the early years, and the necessarily hazardous and experimental nature of the business.

Losses by the Company.

In 1897 the Company had to face considerable loss in the destruction by fire of their principal building. The disaster, serious though it was, served to show the capacity of the Company and the excellence of its organization, by the rapidity with which the business was re-established. On the second night after the fire every alternate street light was in operation, and in a week's time the commercial customers were again being supplied. In place of the premises which had been destroyed, permanent buildings of the highest class and of fire-proof construction were erected. These buildings have since been enlarged from time to time, and they now form valuable headquarters for the Company's business.

Underground Conduits.

At this time underground work was commenced in the city, and has been prosecuted steadily up to the present time. The work is carried on according to a systematic plan, which aims at providing eventually an entire underground system for the whole city.

Incandescent Lighting.

In the year 1889, while the Toronto Electric Light Company was still engaged exclusively in a street lighting and commercial arc lighting business, another organization was established for incandescent lighting. This was a new development in the science of electricity, which was rapidly coming into favor in larger cities of the United States.

When this new Company had been in operation some seven years, and had about reached the limit of increase possible under its system, it was felt that the interests of both companies as well as of the citizens of Toronto would be best served by one company carrying on both systems of lighting. In this way the whole field would be covered, and the growing needs of the city adequately met. Accordingly the Toronto Electric Light Company acquired by purchase the plant of the Incandescent Company, with the immediate result that a reduction was made in the price of light for residential purposes of 33 1/3 per cent. This was followed by still further reductions later on.

The Interests of the Public.

That the interests of the public have not suffered—but on the contrary have greatly benefited—by this, as well as by the whole policy and administration of the Company, is shown by the following tables:

1.—Table showing reductions in price of Gas during period of competition of the Electric Light Company.

| Year. | Price of Gas per thousand feet. |
|---|---------------------------------|
| 1882 | \$1.75 nett |
| 1884 | 1.60 nett |
| 1885 | 1.50 nett |
| 1890 | 1.12 1/2 nett |
| 1893 | 1.05 nett |
| 1896 | .90 nett |
| 1903 | .80 nett |
| 1906 | .75 nett |
| Total reduction from \$1.75 to \$0.75 nett. | |

11.—Table showing amount expended on Plant and extensions of lines during past ten years to meet demands of citizens for light and power.

| Year. | Expenditure |
|------------|----------------|
| 1898 | |
| 1899 | |
| 1900 | |
| 1901 | |
| 1902 | |
| 1903 | \$2,837,096.37 |
| 1904 | |
| 1905 | |
| 1906 | |
| 1907 | |

III.—Table showing rates charged for light and power by the Toronto Electric Light Company, in comparison with rates charged in other cities.

| LIGHT RATES | Small Users and House Lighting. | Medium Users. | Large Users. |
|--------------------|---------------------------------|---------------|--------------|
| Per K. W. Hour— | Cts. | Cts. | Cts. |
| Chicago | 14. | 10. | 8. |
| Denver | 15.7 | ... | ... |
| Boston | 15. | 12. | 7.2 |
| New York | 10. | 8. | 5. |
| Baltimore | 10. | 8. | 6.5 |
| Brooklyn | 12. | 7.5 | 4. |
| Pittsburg | 10. | 9.6 | 6. |
| St. Paul | 13.5 | 8. | 7. |
| Philadelphia | 10. | ... | ... |
| St. Louis | 11. | ... | ... |
| Montreal | 13 1/2 | ... | ... |
| Average | 12.2 | 8.9 | 6. |

TORONTO RATES—

| | Small Commercial. | Medium. | Large. |
|----------------------|-------------------|---------|--------|
| House Lighting | 8. | ... | ... |

| POWER RATES | Small Users. | Medium Users. | Large Users. |
|---------------------|--------------|---------------|--------------|
| Per K. W. Hour— | Cts. | Cts. | Cts. |
| Chicago | 8.5 | 7.5 | 6.3 |
| Denver | 12.6 | 4.7 | 3.72 |
| Boston | 13.3 | 5.8 | 4.3 |
| New York | 10. | 8.6 | 7.24 |
| Baltimore | 9.6 | 8.4 | 6. |
| Pittsburg | 8. | 7. | 6. |
| Brooklyn | 9. | 7. | 6. |
| St. Paul | 11.5 | 4. | 3. |
| Philadelphia | 10. | 6.66 | 5.5 |
| St. Louis | 9.5 | 6.4 | 4.6 |
| Average | 10.2 | 6.6 | 5.2 |
| Toronto Rates | 8. | 4. | 2.66 |

General Average of Toronto Rates Below Above Rates ... 16 per cent.

Necessity of Soaling Charges.

In comparing the price of electric light with gas, there is an essential and important contrast to be borne in mind. The manufacture of gas can be carried on during the whole 24 hours of the day, stored in tanks, and sold at a uniform rate to all users, large and small alike. Electricity, on the other hand, must be generated at the moment of its use, and this fact necessitates an entirely different basis of rates. The hour of the day when the current is consumed; the quantity used; the number of consecutive hours of use; the regularity or variation in the supply required by the consumer—these and many other considerations have to be taken into account before a fair and equitable rate can be quoted. The scaling of charges to various classes of consumers, so that each may bear an equal share of the fixed charges, is a most difficult problem. To may bear an equal share of the fixed charges, is a most difficult problem. To may bear an equal share of the fixed charges, is a most difficult problem. To may bear an equal share of the fixed charges, is a most difficult problem.

Niagara Power

The possibility of using current transmitted from generators at Niagara Falls was thoroughly investigated at an early date by the Directors of the Company, and in 1903, after mature consideration, a favorable contract was entered into with the Toronto and Niagara Power Company, with a view to utilizing Niagara power exclusively for the purpose of our Company. New installations of machinery were accordingly undertaken in the two Central Stations of the Company and underground conduits and cables were laid to establish connections with the transmission line and to distribute the power. This machinery is of the highest class and of the most modern description, and the operation of it has proved entirely satisfactory. The generating and transmitting plant of the Power Company has also been built and equipped in the most perfect manner possible, and with all necessary duplication for ensuring continuous service. With this splendid equipment, and under the contract made with the Power Company, the Toronto Electric Light Company is in a position to supply light and power to all parts of the City of Toronto at a rate at least as low as can possibly be made under the plan of the Hydro-Electric Commission of the Ontario Government, or under any other plan that is practicable at the present time.

Proposals for Municipal Control

In order to meet the views of the City Council and others, who believe that some municipal control should be exercised over the rates to be charged to citizens, as well as over the general operations of what have come to be styled "public utilities," your Board has submitted several different propositions for the consideration of the City authorities, and has shown a willingness and readiness to meet the Council in any reasonable manner. Three propositions were made to the City on behalf of the Company:

1. To limit the dividend of the Company, and devote the balance of the revenue to making reductions from time to time in the price of light and power, as is done in the case of the Consumers' Gas Company.
2. To allow the City of Toronto to become partners in the business of the Electric Light Company, and to elect representatives to the Board of Directors on terms to be agreed upon.
3. To sell out the plant, franchise, and assets of the Company for such a sum of money as would compensate the shareholders for their interest in the business.

Negotiations in regard to these proposals are now in progress, and it is hoped that an arrangement may be reached which will prove equally advantageous to the Company and to the City.

Competition with the City

In view of the passage of the Bylaw authorizing the City Council to spend \$2,750,000 in the installation of a plant for the distribution of electric energy for the use of the citizens of Toronto, a very careful estimate has been made in order to ascertain just what such competition would mean to the Company. The following report gives a very fair idea of what this competition is likely to amount to, and your Directors feel reasonably sure that the Council will realize, when they are fully seized of the situation, that the interests of the citizens can be better served by entering into a working agreement with the Company than by duplication of plant and by entering upon a campaign of competition. This, as admitted on all sides, would entail an economic waste, and could not but result in loss to the taxpayers for many years to come.

January 15th, 1908.

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