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Western Archives, Western University

ASH Wednesday 25 Oct

My dear Father

I have three of your letters before me which should have been answered while I was on leave or at least one of them (with statement) should have ~~and~~ ^{but} I will not attempt to make any excuse except that I hardly believe you can realize how difficult it seems to be to do very much letter writing under such circumstances. When I last saw Wood on 11th, just before I left, we fully discussed the statement and he was going to make what few remarks he could, so I don't feel that you have not heard from us.

Before going any further I want to wish you very many happy returns of the 16th in case I do not get a chance to write again. May you enjoy many more of

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under less strenuous conditions than now exist. You are doing wonderful work for a man of your years and I feel very proud of you in every way.

I got back yesterday and wrote Mother a few lines. As I fear I have neglected the diary letters also and was anxious to let her hear from me.

Your letter of 18th Sept is the first one I have not answered although I have acknowledged it.

I do not think you are raising the roof of the boiler house enough as I consider the boilers should be raised at least 4 to 5 feet above the grates and you seem to figure out only two. It is not enough. I consider Mr Moffat's design should be followed as closely as possible in this matter. We have drawings made and filed somewhere showing this setting. D.R.

Annual Statement. The papers you sent were in very good shape and explained the situation as well as is possible when such a distance separates us.

I feel there is very little that can be said, the fact remains that we have not made the profits we all had hoped due to a number of unforeseen circumstances ~~and~~ such as hot weather, labor troubles, and the changing from 4.5" shells to 60 pounders and the consequent increased loss (from 4/10% to $2\frac{1}{2}\%$) in shells.

The reduction in bank account which was apparently so encouraging does not represent a reduction of liabilities, but a transference of our assets of stock (roughly finished) and our other accounts into cash. This is good but we would require similar advances again to carry on a corresponding

business in the ^{IV} future. Our position
is better \$ by far than it would
have been if we had not taken up
the shells which is a great satisfaction.
Without them I have no doubt from
the ballin and engine indications
and from your statement also that
we would have made a further loss

It appears to both Wood and I that
items P and Q (especially Q) are
very large and that these items
have eaten up what would
otherwise have been profit.

Neither of us can quite reconcile
your explanation of this item (Q)
with Mr Halmer's (second paragraph
of his letter of Sept 20th). You say
it is labor and material on
shells and I should think ^{this} labor
should be included with Z and
apparently it is, but why
should the #15239 appear twice
on the same side of the ledger.

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Mr Holmes on the other hand says it is labor & material overhauling and fitting up tools to make shells.

If possible and convenient please explain "G" more fully although I do not see that it will help matters much as we will have to stand by the statement as it now is. It might however make our minds easier as to where the profits have gone.

The next point that strikes me for the coming year is that our capital expenditure for the shell making business should be kept down as much as possible and as big an output as possible be sought for with present plant.

The third point is that unless you can make large profits between now and next April there will be very little hope of

of taking the option up there
although it might be well to
try and get Sir George to extend
it.

Another point that I think
should be brought after is
some method of keeping the
cost of each batch of shells from
row on so that you will know
how you stand more accurately
each month and not be
mislead as we all were
recently. I should think this
would be possible and without
some such system we will be
unable to determine next March
whether there would be any hope
of taking the option up at cost.

placed
letter

I notice in the memo added
to the bottom of assets & lia. sheet that
you have figured the 7% profit
on a capital of 257,500. I should

this not have been figured on
 common stock only (177,500)
 as you have provided for the
 dividend on preferred stock in
 your P.O.L. sheet. I am not
 quite clear on this however.

Have your books been audited
 by Mr. Coyle as in 1915?

In item K I do not see why
 the item of Tooling (\$15,239) is not
 included with labor on shells.
 We will have nothing to show for it
 once we are finished with the shell
 business. Besides if put there
 it would tend to reduce the ~~cost~~
 profit on shells and so the
 war tax.

With reference to the branches
 I think expenses at Montreal
 are too high still as compared
 with London and I think the

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Calgary office should be closed up.
The reduction in sales in
Montreal has fallen off in a
much larger proportion than
the reduction in expenses.

Calgary is a dead loss as far
as I can see.

I should have thought that
the interest % would have been
less due to the reduced bank %.
It is practically the same as 1915.

I am very pleased you have
written off so many bad debts.

Are you drawing out your
full \$7000 per year?

You did not send the
separate memo "frightts" that
you mentioned but it does
not matter.

Once again I might say

that item ⁹ Q is the one that
appears to me to be responsible
for our poor showing.
Perhaps next year this item
will be reduced or eliminated.

I understand the statements as
sent us are tentative and I
would be glad therefore to have a
copy of the final statement you
file with the government.

Once again I can only say "plug
away" and express my confidence
in what you have done and
will do with the assistance of
Margaw and Holmes in spite of
many obstacles. I consider you
are all to be congratulated on the
year's business and I have every
hope that the current year
will bring even more
gratifying results

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your two letters of Sept 25th & Oct 2nd were waiting for me here on my return and I will briefly answer them. I am glad you are tightening down the screws you were responsible for spoiling shells and injuring machines.

I would also urge you once again not to break with the inspectors in any way. I consider it would be fatal. I consider this most important. How is it you got along so well with them when you first started and are now having trouble?

The prices of boiler plate that you mention seem outrageous. Any person with a large stock should have made a fortune.

While in London I called on Mr Blair and saw their Montreal agent Mr who is sharply going back. He said he had

been unable to do business with
you and also that the Corporation
(I suppose USSPEX Co) were still
harboring up an old score
against us. He promised to
see you when he went back.

Mrs Blair was very kind and
I took the opportunity of thanking
him for getting such a nice
word for Sarah when she
crossed.

Am sorry you are disappointed
about plates and fear it will
be hard on the boiler business
this fall if you are so short.

Yes I know what "carry off" means
although I have never done it like
you.

I will cable tomorrow and
likely say something about boiler
house roof. Am sorry I have no
direct ~~word~~ word from Wood, but
his artillery have not moved
to this post with the rest of the

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Crops. I received the "Electric Wheel" tractor catalogue and like its looks. They all seem much on the same line.

McEwen says they are not as suitable for Ontario farms with slopes and valleys and small fields as they are for the large level fields in western Canada and U.S.

I now have your letter of Oct 2nd. You must miss mother and Alice but I feel better when I hear you have gone to look after you. Give them my love. She is very close to all of us.

I have no objection to your investing some of my funds in Canadian Bond yielding 5.3% if you think well of it and if I have any, which is the great question after all.

Am glad Mr. Hargan did not break with the Inspectors. I

am sure it would be a mistake
from our point of view.

I feel very strongly about the Y.M.C.A.
and do not approve of your
giving them so much support.
They are making money out
here out of the soldiers hand over
fist and still asking for
subscriptions at home. You
have some idea of how profitable
regimental canteens are from
the figures I gave you of the one
I ran in London and from
them you can realize what
they are making. They take
all business away from the
regimental institutes and the
Army Chaplains and do not
deserve or NEED the support
you give them. Get Washburn
to write Lt Col Allyn over
here as to his difficulties with
them and how they grab

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everything. It would open his
eyes a little to what they are
doing. They are simply
living on the soldiers pay over
here and we don't know
what ~~they~~ do with their
enormous profits.

I am sorry you agreed to be
chairman and disapprove of
a donation from the firm.

I am sorry I did not make
the enquiries about opportunities
in Russia when in England
but really did not have time.

I cannot understand what you
say about their refusing to
renounce their claim of
IMB cheques. What claim can
the BWA have if we don't owe
them anything. Please explain?

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I suppose of bringing a car
load back from Vancouver
if you can get both freights
out of the sale. It seems
rather hard to believe.
I believe there will be the same
demand for these goods in
the west soon.

Please pay my dues to the
A. S. M. F. O.

We are most comfortable
here and all (including horses) in
billetts. I have a fire place in
my cosy room in a Chatow
beside which I am writing.

I fear this is rather a disappointed
letter but hope you can make
something of it. Once again
wishing you very many happy
retires and with much love
your devoted son
J. H.

P.S.

Spent you some papers and
other matters from England
which may be of interest and
which please keep. I also
enclosed a bundle from Wood.

I also sent you personally a
German helmet as a birthday
present. With it is one for
my Groom's wife

Mrs M. LESLIE

717 ELIAS ST.

LONDON.

which please send. Yours has
the bullet holes and hers has the
gilt eagle. I hope they arrive
safely.

Amongst the other papers
was a map you asked for
some time ago.

I also sent diary no 9

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