

From the holdings of
Western Archives, Western University

Feb. 18/18.

Lieut. Col. Ibbotson Leonard,
Canadian Light Horse,
B.E.F., France.

Dear Ibb,-

SUNDAY Feb. 10th. 20 above and mild. Attended church in school room. Alice took two soldiers out for an hours drive through the City and entertained them to tea, both very intelligent fellows, one was with the 12th Battery up to last fall and spoke well of dear Woodman, the other went forward with the 34th from this City under Oliver which was disbanded when they arrived in the old country, the former very badly wounded and it will be a question if he is any good after this. Wrote you about Tractors to-day, F.H. Ball War Tax Inspector and promised details afterwards.

MONDAY Feb. 11th. Quite mild 33 above and bright. Third heatless day. No power working in the shop where coal is necessary, men however working putting up counter shaft and crane in mounting shop. Finishing some shells. The engine only ran to heat the buildings, this is generally being done throughout the City.

Received an order for 20,000, 4.5" shells for the month of May at \$3.50 each which we are all very glad of as we can continue on without any more education for the next three months.

I.M.B. send us \$3542.00 on car 30th January. Maitland cleaning up G.T. switch and loading shells.

Chas. Waterous and Mr. Gould of Brantford made a short call on us, inquiring about you. Took them through the machine shop, they were here attending Mr. Hale's funeral. Did not have an opportunity to speak to him on business but from what I hear they were and are very busy on pulp mill machinery.

Attended Mr. Hale's funeral at St. Pauls and met many old friends.

We are three Government Inspectors short owing to sickness and holidays.

TUESDAY Feb. 12th. Again mild, foggy, rain and slush all day, snow going fast. Did not go to office in afternoon but attended Huron & Erie weekly meeting and the Canada Trust annual meeting and passed an excellent progressive report of the latter which may lead to 6% dividend in the near future, a number of changes suggested. London & Western and other Co's do not appear to have done as well as we have from what we can hear.

Holiday who was our Agent at Calgary and recently working with McCormick's has started putting crane and machines in order in mounting shop, will now finish big punch castings which was cast last fall.

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NIL.

Made a deposit of \$14180. to-day.

WEDNESDAY Feb. 13th. Mild and bright, 38 above. The papers announce that the Dominion Government have contracted for one thousand and an option for two thousand more Ford Tractors for \$800. each cash to be sold to Farmers in different parts of Canada through the different Provincial Governments. They are determined to get a much larger area broken up for crops for the coming year, we discussed the matter fully together and will not deviate from our plans to force the sale of the three plow Huber Tractor we have already ordered. The difference between the two plow and the three plow is so attractive that they will have a swing for a couple of years anyway, but in the N.W. we are satisfied a three plow will be the most popular. I told you before that 80% of Tractors sold in the U.S. last year were three plow. We have learned also that a number of factories in the U.S. had started on a two plow but had abandoned it for the three plow which seems to be just what the ordinary up to date farmer wants.

Edward Barr from the Trade & Commerce Branch, Ottawa called and we gave him our letter head for an add in the Counsellor's Registration circular which that department are about to issue to the 3000 British Commercial Agents in the different parts of the world. They inform us that the English Statesman is waking up to the necessity of catering for the Empire's manufacturing, they are making a tour through the country and we hope something will come out of it. If we could get one line of Tractors and a Foreign Trade in that way it would be the best thing that ever happened this Company.

Decided to advertise and prosecute the three plow tractor in spite of the Ford purchase. Discussed also an agency for the N.W. on commission as it looks as if trade would revive in that part of the Dominion very soon as money is pouring in there very rapidly and they must have new engines and boilers as the old ones are either played out or those idle have been resold.

The coal position in Alberta has taken new life.

Attended Huron & Erie stock holders meeting and seconded the report as per paper clipping which I will send you under another cover, the attendance was only 20 which surprised me very much. After being elected a Director was also made third Vice President.

Major McTaggart & Major McEwen late of the 6th Field Battery called at Oakwood and went over dear Woodmans connection with many sad thoughts. Major McTaggart appears to be a very fine young man, he will return to duty as soon as he is sufficiently recovered from his wounds. Major McEwen we understand has secured a position in Montreal and will not go back to the front.

THURSDAY Feb. 14th. Mild, 36 above zero. Jas. Lamond went to Springfield on a prospective order which did not materialize.

W.W. Hicks of Winnipeg called, says things are getting better in the N.W. Discussed the agency with him but decided to do as we have done for the last year, he will send inquiries to us and we will quote prices provided we have the stock to make boilers. He has done very well with several agencies he is now representing. London Electric notifies us and all citizens they are going to close up on the 31st of March and scrap the plant. Price of coal has knocked them out. A severe discussion is going on in the public prints but I do not think the company can be induced to continue against the Hydro rates which we understand will be cut again on certain lines and conditions. This will be pretty hard on McKenzie Mann but they bought the whole thing in for little or nothing and the price of scrap may pull them out.

Evans has done a business of some \$53,000. in 1917, largely outside machinery replacing the engine and boiler business which is quite satisfactory.

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EILV..

He is making some suggestions that I will write to you about later.

FRIDAY Feb. 15th. 36 above and thawing. Had our first thunder storm with thunder and lightning. Water on the lawn about the swing, the highest I remember seeing it. Ice went out on the forks after flooding Thames and Horton Streets. Am sending you some clippings.

Paid \$3995. to 209 men including \$2042. piece work.

Sent Ames cheque for \$10,000. worth of Victory Loan.

Shipped car of shells 1926 which will nearly meet our quota for the week.

A letter from W.H. Wood, Media, Pa. who says by making some changes in our plant we can drive a $\frac{3}{8}$ rivet for Marine boilers, which is very nice to know as we were afraid that our plant was not strong enough to make a boiler to carry 160 lbs.

SATURDAY Feb. 16th. 10 above. Platform crane broke at the C.I. foot with a 38" Upright boiler and suspension, it very fortunately did not fall far and all the men escaped. We will likely now substitute the wood for channels and make a good job of it. Board discussed the wages in the boiler shop and revised the list.

Steel

$\frac{3}{8}$

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(Business part of private letter)
3. of Feb. 18/18.
EIL.

RE ANNUAL STATEMENT JUNE 30/1917.

To start with I am enclosing R.S.H. letter copy Aug. 21/17 which we think you may not have received and may help you even if late now as it goes into comparisons. The totals of course do not compare but serve as examples.

I also enclose a corrected statement of our profit and loss account which we are going to submit to the War Tax auditor Mr. Tambling in a very few days. You see in letter August 21st that we sold half a million in shells and \$240,000 from general business. This item would be \$110,000 less if sale amounts were reduced to normal amounts before the war. We have also a credit of \$1220. on credit side of interest the first time in the history of the works, which is very satisfactory. The item of depreciation we will likely have a time to get Mr. Tambling to accept which I mention in my last letter due almost entirely to patterns and our not having made out and out a single engine for four years and we will have a tussle on machinery (shell working, 22 hours per day) as well.

RE BUSINESS WAR TAX.

I am enclosing a slip showing upon which this is based. In the year ending June 15, 1915 our business made a loss which wiped out our surplus of \$10,000 and \$9000 beside so there was ~~June-1916~~ no War Tax. Our business ending 30th June 1916 there was some profit and upon which the Government are claiming about \$3000. payable next month. We thought this would be half this amount as we had charged preferred dividend to dividend account and should be paid out of profits and not charged up before the profit and loss was struck and then pay out of profits. Our business ending 30th June 1917 we enclose a statement of what we think is right according to law. As this shows a profit of ~~37 1/2%~~ ^{34 1/2%} on our capital of \$269,669 it comes under earnings ~~less than 30 & 50%~~ per printed slip. Estimated at \$47580. likely a little more depending how the auditor interprets our bookkeeping and manner of arriving at our totals. That sum means half our profits which if others are paying we should not grumble. This is far more than I expected. It will take nearly \$50,000 to pay these two years Taxes in the next three months which I do not think we can do but will borrow from the bank if necessary and pay when they request. The great pull the Government have is in the third lap taking 75% and allowing us only 25%. Why this is done no one knows unless it is to get more out of the big "profiteers". The acts ends December 31st 1917 but a "CYCLONE" is being prepared for the current year under the name of an "Income Tax" which is to cover everybody even the "farmers" roping in some of the "shackles" from 2.20 wheat, etc, etc, they have been getting lately.

of 30% and under 50%