

To encourage the erection of blast furnaces and steel plants in Nova Scotia and Ontario, a bounty of \$3.00 per ton was paid on pig iron made from Canadian ore, and \$2.00 on pig iron made from imported ores. Additional bounties were paid on the steel products.

About \$17,000,000 were paid out by the Dominion of Canada to these industries in Nova Scotia and Ontario; but only about 5 % of this amount was paid in respect of pig iron made from Canadian ore, as at that time our iron mines were not sufficiently developed to take full advantage of these bounties.

Our blast furnaces and steel plants are almost all in Eastern Canada and represent an investment of about \$125,000,000, with an annual output, at present prices, of about \$100,000,000.

With these plants in existence, when the Great European War broke out, Canada was enabled to successfully manufacture hundreds of millions of dollars worth of war material at very profitable prices. During the ten years 1906-1915, Canada imported from the United States iron and steel products of the value of about \$632,000,000. In 1916, these imports amounted to about \$156,000,000. The electric furnaces of Canada have now a capacity of about 100,000 tons of high-grade steel per annum.

THE IRON AND STEEL INDUSTRY THE LARGEST INDIVIDUAL INDUSTRY IN THE UNITED STATES

The value of the output of the iron and steel industry in the United States in 1917 would be about \$3,500,000,000. The capacity of these plants has been increased during the past six years from 33,000,000 tons to about 50,000,000 tons, which would be about 25 times greater than that of Canada.

The United States Steel Company produces about 45 % of the entire output of the United States. In 1917 this company had assets amounting to \$2,449,550,206, and their output for that year amounted to \$1,683,962,552. They handled over 69,172,000 tons of iron ore, coal, and limestone in the production of 15,000,000 tons of pig iron. They paid \$263,385,502 in wages to their 268,058 employees, who all received, on an average, \$4.10 per day. This Company, in 1917, paid in war taxes to the United States Government \$212,467,249.

In 1914, all the railways in Canada handled less than 101,395,000 tons of freight, while this one company last year contributed over 69,000,000 tons of freight for transportation.

Millions of Dollars were spent to secure the economical production of Iron Ore in Northern Ontario.

The payment by the Dominion Government of bounties on pig iron made from Canadian ore eventually induced experienced Canadian and American capitalists interested in securing additional traffic for the Can-