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AS TO NICKEL.

Last week a large delegation of the business men of Toronto accompanied Mr. S. J. Ritchie on a visit to Hon. Oliver Mowat, Premier of Ontario, to lay before the Provincial Government the desirability of its giving material aid to the establishment of extensive steel works in this Province, for the manufacture of nickel steel. Mr. Ritchie read an address in which was set forth the large amount of business that would originate with such an enterprise; the value of the mineral wealth that would be developed by it; and that if the industry was well established it would give Canada a much-to-be-desired pre-eminence as a manufacturer and exporter of a material the demand for which would be practically limitless.

It will be remembered that in our issue of November 21st last we published the text of a proposition Mr. Ritchie had just made to the Dominion Government asking a bonus of \$6,000 per mile to the Central Ontario Railway from Coe Hill to Sudbury, a distance of about 206 miles, and a bonus of \$3,200 per mile on the portion of that road already built between Trenton and Coe Hill, a distance of about seventy-two miles; and that the Government would guarantee the interest at the rate of three per cent. per annum on a capital stock of \$5,000,000 for a period of ten years, to enable him to erect and operate a plant for the manufacture of nickel steel. Mr. Ritchie stated to Mr. Mowat that when the Dominion Government came to consider this proposition it was pointed out that all the industries alluded to were or would be in Ontario; and that for this reason he had modified his request in that direction, asking help only for the building of the railroad; hence his appeal to the Ontario Government for aid to build the steel plant, this aid to be a guarantee of the interest at the rate of three per cent. per annum for ten years on the

proposed capital stock of \$5,000,000 of the steel company. The President of the Toronto Board of Trade, the Mayor of the city of Toronto and many other prominent and influential gentlemen also made appeals to Mr. Mowat for his favorable consideration of the proposition.

No one can doubt that the establishment of a large works in Ontario for the manufacture of nickel steel would be of vast benefit to Canada; and all that Mr. Ritchie and the other gentlemen claimed in that direction was, in our opinion, well within the bounds of probability. But as we have before said, we do not see why the Dominion Government should be expected to give \$1,500,000 for the construction of a railroad that would probably not benefit any interests in Canada except those of Mr. Ritchie; and we do not see why the Ontario Government should be expected to donate a like sum towards the establishment of Mr. Ritchie's nickel steel works. No doubt the city of Toronto would gladly appropriate all the land necessary to secure the location of such works here; and, being here, there would be found all necessary railroad facilities already existing. There would be no gaps to close to enable the nickel ores from Sudbury, the iron ores from any and all the opened iron mines of Ontario, and the fuel from the coke ovens of Pennsylvania being brought to the works without interruption or delay. At this time the establishment and success of the steel works does not require the extension of the Central Ontario railroad from Coe Hill to Sudbury.

There is this to be said against the Ontario Government guaranteeing the bonds of Mr. Ritchie's proposed steel works—it would be establishing a precedent which should not be followed. This journal desires earnestly to see steel works established in Ontario and the establishment of such should be encouraged, but not by guaranteeing the bonds of any and every company that might desire to embark in the business. If, however, the bonds of Mr. Ritchie's company are guaranteed, it would be unfair and unsatisfactory not to guarantee those of other applicants; and the precedent once established, where would the bonusing business end?

It would be a better arrangement, in our opinion, to bonus the production of steel instead of the company owning the plant. Granting that Mr. Ritchie's request for \$150,000 a year for ten years is reasonable, would it not be more desirable to pay that much per annum for the production of certain quantities of the product? Suppose a scale were established whereby during a term of years the output of any plant should be bonused to the extent of say \$100 per ton for the first thousand tons produced during the first year, and \$10 per ton for each succeeding year for ten years, the aggregate of all such bonuses not to exceed \$150,000 for any one year. Under such arrangement, if there were no competition, Mr. Ritchie, if he established his works, would receive just the same amount of money as he now asks for; but if there were competitors, and there probably would be, the bonus would be divided among them. This is only a suggestion, but we think some such arrangement would be better for the Ontario Government and for all concerned than that which would guarantee the bonds of only one company.

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