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The Iron Industry.

The condition of the iron industry at present is nothing short of extraordinary. In all the leading iron and steel producing countries of the world, furnaces are being taxed to their utmost capacity, old ones are being blown in, and new ones built, yet with production going on at an unprecedented rate, there is a positive dearth of pig iron, steel billets and raw material generally. In the United States, now the largest producer of iron, the trade papers are filled with accounts of the scramble machinery makers are engaged in for iron and steel. For instance, the Philadelphia market, under date of 5th September, is thus described:

"Efforts to place orders for October and November deliveries were met with a demand for \$3 to \$5 advance on billets, and about the same on plates and shapes, and even then the mills, after taking a few orders for the last-mentioned articles, had to stop, as they were soon filled to their extreme capacity. Buyers are here in person from nearly every point of the compass, and take whatever they can lay their hands on for shipment, especially to the west and north-west, etc."

In Pittsburg we are told:—

"It is admitted by everybody, both buyer and seller, that prices are entirely too high, but with the exorbitant demand for material there does not seem to be any way from keeping them from advancing. It is a sellers' market, and has been for months, and with a shortage in supply in nearly everything, it is a question of getting the material, and not one of price."

At the Alabama furnaces "prices were advanced without lessening the demand, and the sales were liberal and very well distributed among the buyers all over the country." The English engineering trade was never so good, and large orders for locomotives wanted by the Midland Railway Company for immediate delivery have had to be filled in the United States, because English makers could not furnish them until months after they were wanted. For a wonder, strikes and labor troubles in England are at the moment almost unknown. The shipbuilders of the Clyde, the Tyne and the Tees, have orders on hand to employ the full capacity of their works for at least six months. Such immense concerns as the Armstrong Whitworth Company at Elswick, employing 25,000 men, are running night and day. In Germany, a similar state of things prevails. Pig iron is being imported from England and other countries, notwithstanding the fact that for the seven months ending July 31st last, the output of German furnaces was 4,685,858 tons, or 11 per cent. more than for the corresponding period of last year. Germany, in fact, is rapidly over-hauling England in the production of pig iron, and appears likely soon to take second place.

The inevitable result of all this activity has been a decided rise in prices. The following figures taken from *The Iron Age*, New York, of the 14th inst., show how great the increase has been during the past year:—

	Sept. 14th, 1898.	Sept. 13th, 1899.
Pig Iron, Foundry No. 2, standard, per ton . . .	\$10 75	\$22 25
" " " southern "	9 50	20 00
" Bessemer, per ton	10 50	23 75
" Charcoal, "	11 50	23 50
Steel Billets, per ton	16 00	38 50
Wire Rods, "	22 00	45 00
Steel Rails. "	18 00	32 00

So far, this doubling of values has not had the effect either of lessening the demand or checking the output, though the natural tendency to both of these results is bound sooner or later to make itself felt.

To keep the blast furnaces going, extraordinary demands have been made on the iron mines. New deposits have been opened, operating mines extended, and abandoned ones un-watered and re-worked. The stock piles at the Michigan and Minnesota mines have completely disappeared, and yet the demand for vessels to carry the ore to the furnaces at Cleveland and other lower lake ports has been so great as to send freights on ore up to \$2 per ton—an unheard of figure. In the month of August alone the tremendous total of 3,000,000 tons of iron ore was brought down the lakes.

There are vast deposits of iron ore in Canada, and it is not creditable that in such a period of general and unprecedented demand they should play so small a part. Many are remote from transportation facilities, and others are in the hands of those unable to work them. The recent discovery of large bodies of good hematite in the Michipicoton district and the opening up of the Atik-oka and Mattawin Ranges, by the Ontario and Rainy River Railway, should bring about a state of things resembling, on a smaller scale, the great iron mining and shipping business on the American side, and should make the Ontario furnaces less dependent on American ores than they now are. A notable development of the iron industry in Canada is that recently decided on by the Dominion Iron and Steel Co. at Sydney, C.B., where proximity to coke supplies and the great deposits of iron ores of Bell Island, Newfoundland, combine to give unusual facilities for the business. Four furnaces are to be built, with a capacity of 250 to 350 tons each per day, and contracts have been let for the erection of a complete modern plant, which will include a 38-inch blooming mill and ten 50-ton electric travelling cranes. The whole contract, including that for the blast furnaces, is one of the largest ever awarded in America, and will amount to nearly \$5,000,000. With the nine existing furnaces in Canada and the six additional ones that are in course of construction this country should be able to do a good deal towards at least supplying her own requirements, and perhaps, spare a little for English and foreign markets.

The reserves of iron ore in England and Germany are not great, and the prospect of exhaustion of home supplies, especially in the former country, is anything but re-assuring to ironmasters there. Even in the United States, where nature has been lavish of this raw material, more valuable for the upbuilding of a nation than gold, the rate of production is so great and increasing at such a pace, that sooner or later the supply will fail to meet the demand. In 1898 the world raised about 70,000,000 tons of iron ore, of which 22,000,000 tons came from mines in the United States, 16,000,000 tons from Germany, and 14,000,000 tons from Great Britain. The Canadian production was insignificant, but in view of higher prices for ore and iron, of the undoubted abundance of supplies, and of the substantial bonus offered by Provincial and Dominion Governments—if any such additional inducement is now required—there can be little doubt that the near future will see a large increase in the output, both of Canadian iron mines and blast furnaces.