

UNITED STATES STEEL CORPORATION IN CANADA

**Probable Effect of Establishment of Canadian Plant—
Its Present Organization in the Dominion—
Iron and Steel Imports**

The fact that the United States Steel Corporation has for several years been acquiring real estate at Sandwich, Ontario, led to the theory that at some time or another that corporation would establish a plant there. The time has apparently arrived, as, according to a dispatch from New York at a meeting of the directors of the United States Steel Corporation it was decided to build a new plant at Sandwich, costing approximately \$20,000,000, to manufacture practically all classes of steel. The company has about 1,500 acres of land, with 1½ miles of waterfront opposite Detroit, Michigan. The corporation will probably erect a number of blast furnaces in addition to wire, rail, structural and bar mills. Tinplate and tube works may also be erected. All the details have not yet been arranged but it is likely that a bond issue to meet part of the cost of construction of the new plant will be negotiated. No date has been set for the beginning of construction, but work will probably be started as soon as all arrangements have been made. To operate the plant, a new subsidiary of the United States Steel Corporation will be organized in Canada.

Room for all, Says Plummer.

Mr. J. H. Plummer, president of the Dominion Steel Corporation, discussing the above announcement, said:—"There is room for us all in Canada, and it is certainly better from the general standpoint that the trade should be in the hands of strong people. The Dominion Steel Corporation is not afraid of competition from the United States Steel Trust or anybody else."

Mr. J. R. Wilson, a Montreal director of the Dominion Steel Corporation, and also identified with the Canadian Steel Foundries, said: "One may draw his own conclusions as regards competition. For instance, in the buying of ore the Dominion Steel Company pays about \$1.75 per ton, while the United States Company pay \$3 to \$4 for the same, and yet the United States company, with their vast knowledge, experience and money, can and are selling their finished product at \$5 per ton lower than any other company, even at the recent advance of steel prices."

"Though I believe the United States Steel Corporation will do us no material harm, it is true there will be a great deal sharper competition immediately the plant begins to operate at Sandwich. Any competition will be felt largely in the West, where the country is growing and the demand is large, but in the East I do not believe the competition will be felt for the present."

Complains of Dumping.

In the annual number of The Monetary Times, published this week, Mr. Thomas Cantley, of the Nova Scotia Steel and Coal Company, complains of the extent to which Canada was utilized last year as a dumping market, illustrated by the fact that of the entire export of pig iron by the United States in 1912, 90 per cent. was thrown into Canada, while of finished products an enormous tonnage was disposed of in the same market at prices in many instances 20 to 25 per cent. below that at which they were selling raw pig iron five years previously.

Canadian steel manufacturers are anticipating early revision of the tariff. Any changes made will be announced in the budget speech which is not due, however, for several months yet. Mr. Cantley says that notwithstanding the enormous home demand, coupled with good trade and high prices in Great Britain, Germany and other European countries, owing to the ill judged action of the United States producers last year and the inadequate customs tariff applying to a considerable percentage of steel products imported from the United States. Canadian mills and forges find their earnings much less than they should have been under normal conditions.

Sandwich, where the United States Steel Corporation will establish its Canadian plant, is the capital of Essex County, Ontario, on the Detroit River. About two miles northeast of the town is Windsor, the terminus of the great western division of the Grand Trunk Railway. The town is on the line of the Sandwich, Windsor and Amherstburg Electric Railway and has a population of approximately 2,300.

United Steel's Present Canadian Interest.

The United States Steel Corporation is already doing considerable business in Canada through The United States Steel Products Company, which has charge of the corporation's export business. At least one plant in Canada. The Canadian Steel and Wire Company of Hamilton, Ontario, is already controlled by The United States Steel Corporation,

but it is not a very large plant, and up to the present time almost solely has been manufacturing farm fencing. This plant is under the management of R. S. Rider, and is not operated through The United States Steel Products Company.

The head office of The United States Steel Products Company is in the Hudson Terminal Buildings, New York City, with Canadian sales offices in the Bank of Ottawa Building, Montreal, and at 220 King Street West, Toronto. The chief products sold are those of the Carnegie Steel Company, The American Steel and Wire Company, the American Bridge Company, the Illinois Steel Company, the National Tube Company and the Lorain Steel Company. The Montreal sales force has been specializing on Carnegie Steel products and the steel pipe made by the National Tube Company. The Toronto sales force has been specializing on the Carnegie Steel products and the triangular mesh concrete reinforcement made by the American Steel and Wire Company. Mr. C. B. Rittenhouse, Mr. C. L. Kelley and Mr. George A. Childs are the managers of the Montreal office. Messrs. Fred and C. H. Bruncke manage the Toronto office. The principal sales made up to the present time in Canada by the United States Steel Products Company have been structural steel shapes, bars, rods, steel sheet piling, wire mesh concrete reinforcement and steel pipe. It is not believed that any great quantity of wire rope, nails and the many other products of the United States Steel Corporation, have as yet entered Canada.

Steel Imports from United States.

The imports of iron and steel and their manufactures from the United States have almost doubled during the past few years, as the following table shows:—

Imports from United States.	Dutiable.	Free.
1908	\$39,074,238	\$6,663,160
1910	39,699,913	6,944,686
1911	56,874,605	7,598,002
1912	71,885,228	8,093,006

The iron and steel imports from the United States upon which duty was paid have increased since 1908 by \$32,810,990 or 83.9 per cent. Those which came in free have increased \$1,429,846 or 21.4 per cent.

The largest items of our iron and steel imports from the neighboring republic last year were as follow:

Agricultural implements	\$4,181,842
Bar iron	2,334,208
Castings, various	1,010,113
Railway locomotives	187,329
Gasoline engines	2,069,655
Fittings for iron or steel pipe	650,244
Hardware	640,826
Hoop, bands, scoll or strips of iron or steel	730,419
Iron or steel billets	1,376,657
Iron and steel sheets, flat	668,850
Iron or steel sheets, rolled	1,173,026
Iron or steel plates, etc	592,772
Bridge parts	445,757
Wire rods for wire making	935,260
Iron in pig	1,491,278
Portable engines	6,000,815
Threshing machine separators	1,403,730
Machines, various	25,217,041
Angles, tees, beams, girders, etc.	4,456,646
Rolled iron or steel plates	874,606
Skelp iron or steel	2,021,185
Steel rails	2,422,722
Tools and implements	1,003,817
Tubing	1,550,462
Bridge plates	878,207
Wire	2,888,753

The imports of iron and steel from the United Kingdom last year were valued at \$13,802,461.

Big Merger Story Indefinite.

A Canadian press despatch from Montreal says:—"An American syndicate, backed by a billion dollars and headed by Mr. C. M. Schwab, is after the Canadian steel companies. It is known that influential capitalists have been approached in the matter and that a handsome offer has been made to J. H. Plummer for control of the Dominion Steel Corporation. The proposed combination comprises The Bethlehem Steel Company, The Midland Steel Company, The Pennsylvania Company, The Cambria Steel Company, and Labelle Iron Works, the Dominion Steel Corporation and the Steel Company of Canada. There is no doubt whatever about the offer to Mr. Plummer, but it is also said that he declines to recommend a sale."

In response to an inquiry addressed by The Monetary Times to the Steel Company of Canada, Hamilton, Mr. C. S. Wilcox, president, says: "We have had no communication