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THE CANADIAN STEEL INDUSTRY

(Prepared in the Iron and Steel Division, Materials Branch, Department of Industry, Trade and Commerce, Ottawa.)

By international standards, the Canadian steel industry is small, ranking twelfth in the world and producing approximately 1.9 per cent of the total world output. However, the industry experiences an above-average growth-rate of close to 7 per cent *per annum*, compared to the world average of just over 6 per cent. Capacity figures for the Canadian steel industry are 13.5 million short tons for 1972, 15.4 million for 1973, 16.3 million for 1974, and 16.9 million for 1975. The latter are estimates based on returns from the industry concerning its intentions. Production estimates are 12.7 million short tons for 1972, 13.2 million for 1973 and 14 million for 1974. Various estimates have been made for production to 1980, and these estimates range from 18 million to 24 million short tons.

The Canadian steel industry is operating at 90 percent capacity, which is high by international standards. It is a highly efficient, dynamic, active and modern industry. Productivity is good. It is competitive in price when competing on an equal basis. The Canadian industry has been in the forefront in some of the newest steelmaking technologies: BOF practices, continuous casting, direct reduction and the new bottom-blown open-hearth process. Considerable investment is being made in expansion projects.

The industry has come a long way in a short time. From 1736, when history records forged-iron production in the St. Maurice forges in New France until the 1940s, the industry was almost non-existent. Peak annual production amounted to about one million tons. From the 1940s onward, strong demand at home and abroad encouraged a high level of growth.

The pace has increased steadily. Large iron-ore mines have been opened up, additional units of open-hearth, blast furnaces and basic-oxygen furnaces have been installed, the electric-arc furnace has been developed, new rolling-mill facilities have been added, old mills have been expanded and modernized, and the list of products obtained from steel ingots has grown steadily. The industry has become more efficient and more diversified. It has more than tripled its productive capacity within the past decade, made