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## Backing Canada's Steel Industry

**PRESENT** *policy retards development of primary industries and incidentally Canada produced 50 per cent. less iron ore than ten years ago while its imports increased 250 per cent.*

**T**HE steel business is generally accepted as the barometer of conditions. In Canada, the barometer, while indicating the variety of industrial weather, is itself in bad repair. As a remedy many things are suggested. Some say bounties are the lacking. Tariff changes and various other forms of encouragement to the growth of the industry are suggested. With the big demand for steel in its various forms in Canada, there is the basis of a most important industry. Whatever arguments are advanced by the cynical critic of invested capital, a flourishing industry necessarily gives constant employment, a steady payroll, and a purchasing power to a large body of industrial workers. These are buyers, not only of manufactured goods but also of agricultural products. Opinions differ as to the extent to which Canada's iron and steel industries should be assisted, but there can be no division of opinion as to the poor condition in which that industry stands to-day.

The latest statistics regarding the iron and steel industry are for 1912. The figures compiled by Mr. John McLeish, B.A., chief of the division of Mineral Resources and Statistics at Ottawa, show that notwithstanding the rapid increase in production by Canadian manufacturers of iron and steel goods, the Canadian consumption continues to increase at an even more rapid rate than the domestic production. At present, less than 30 per cent. of the quantity of iron and steel consumed in Canada is supplied from Canadian plants.

### Low Margin of Profit.

The Canadian producers are, therefore, compelled to meet conditions, in so far as market and prices are concerned, which result from the condition of the industry in those countries from which our chief supplies are obtained, viz., the United States and Great Britain. Throughout the greater part of 1911 and a portion of 1912, low prices were quoted on iron and steel imported from the United States, and Canadian producers claimed that it was impossible to carry on business except at a very low margin of profit.

The production of steel ingots and castings in Canada in 1912 was 957,681 tons, as compared with 882,396 tons in 1911, and 822,284 tons in 1910. In 1912 the production of open-hearth ingots was reported as 692,236 tons; Bessemer ingots, 231,044 tons; direct open-hearth

castings, 31,845 tons; and other steels, 2,556 tons. The total increase in production over 1911 was 75,285 tons, or a little over 8.5 per cent.

### Heavy Imports of Steel.

The exports of iron and steel from Canada consist chiefly of manufactured goods, such as agricultural implements, automobiles, bicycles, machinery, etc. Compared with the value of imports, the total value of the exports is small, amounting to not more than 10 per cent. of the former. The total value of iron and steel exported during the calendar year 1912 was \$10,682,484, as compared with a value of exports in 1911 of \$9,907,281, and in 1910, \$7,895,489. The exports during 1912 included pig iron and ferro products, etc., to the value of \$310,702; scrap iron and steel, valued at \$145,250; stoves, gas buoys, castings, machinery, hardware, etc., valued at \$1,290,762; steel and manufactures of steel, \$785,731; agricultural implements, \$5,967,545; automobiles and bicycles, \$2,182,494.

The total value of the imports of iron and steel for the fiscal year ending March, 1912, was \$102,568,832, as compared with a value of imports during the fiscal year 1911 of \$85,319,541, and \$59,952,197 imported during the fiscal year 1910.

The quantity of the cruder iron and steel imports in 1912 was 1,323,348 tons, valued at \$37,709,118, or an average of \$28.50 per ton, as compared with imports of 1,172,380 tons, valued at \$33,838,905, or an average of \$28.84 per ton in 1911. Other iron and steel goods imported during 1912, and of which the weight is not given, were valued at \$64,859,714, and the value of similar imports in 1911 was \$51,480,636.

The imports of the cruder forms of iron and steel included: 200,317 tons of pig iron in 1912, as against 270,102 tons in 1911; ferro products and chrome steel, 18,865 tons in 1912, as against 19,173 tons in the previous year; ingots, blooms, billets, puddled bars, etc., 88,075 tons in 1912, as compared with 48,395 tons in 1911; scrap iron and steel, 82,665 tons in 1912, and 53,824 tons in 1911; plates and sheets, 243,482 tons in 1912, as compared with 205,690 tons in the previous year; bars, rods, hoops, bands, etc., 195,145 tons in 1912, as against 183,865 tons in 1911; structural iron and steel, 268,573 tons in 1912, and 232,585 tons in 1911; steel rails and connections, 98,083 tons, as compared with 36,690 tons