

Prices, Wages and Trade. Announcements of wage reductions by other large steel companies throughout the United States are expected to follow the ten per cent. cut (officers' salaries included) made by the Lackawanna Steel Company, of Buffalo—the largest independent concern outside of the Gary plant. It will be remembered that the New England textile manufacturers a year ago took the bull by the horns, and reduced both wages and selling price of their output—with the result that their trade has recovered more nearly to normal than has any other important industry. The joint theory of the steel trust and the labour unions, that arbitrarily maintained prices and wages would aid industrial recovery, has been abandoned by the former—and must now perforce be given up by the latter. Its tendency was to discourage demand for iron and steel products, and to lessen the number of wage-earners. Lower wages to a larger body of employed was the more helpful condition to which the textile companies' method contributed.

Just what effect steel price reductions will now have on the demand for construction material in the United States, is problematic. However, evidence is not wanting that the scaling down of prices has brought some increase in the volume of new orders, especially for fabricated and structural shapes, for steel bars, billets and plates. But until the railroads generally give greater support to the steel mills, business is likely to continue far from brisk. The Pennsylvania Railroad, the Chesapeake and Ohio, the New York Central and the St. Paul Railroad are among those that are now calling for considerable steel for bridge-building and terminal purposes.

Railroad Demand for Material.

Though no material change in steel rail prices is favoured by steel interests, it is said that the independents are nevertheless trying strongly to tempt purchasers with special concessions. But railroad building is not very largely contemplated for the present in the United States, and the call for rails will be but moderate, whatever the price. One important order, however, is announced this week—and one which Canada will help in supplying. The New York Central has arranged to buy 101,000 tons of steel rails for 1900 delivery. This is the most important contract placed with the steel companies since the rate war began. The order includes 20,000 tons already delivered to the railroad. The remaining 81,000 tons will be delivered between now and August 1. The Lackawanna Steel Company gets 51,000 tons of the order, the United States Steel Corporation, 42,600, the Algoma Steel Company of Canada, 5,400, and the Bethlehem

Steel Company, 2,000 tons. The price is not announced.

Asked this week in Montreal, as to the effect of United States changes upon Canadian steel prices, the president of the Dominion Iron & Steel Company replied as follows:

"It will not affect our policy. The fact is, we anticipated this action on the part of the United States Steel Corporation, and made our reductions beforehand. Our reductions were not so sweeping as theirs, but our prices are reasonable and fair."

Mr. Plummer further stated that the company's mills are running full time, and that orders are up to expectations. The thousands of miles of railroad upon which active construction work is to be carried on during 1909, throughout Canada, will do much to keep fairly busy, not only the iron and steel trades, but Canadian industries generally.

Mining and the Mining Institute.

Whether through intent or fortunate coincidence, the preliminary report upon the mineral production of Canada in 1908 has been made public by the Department of Mines, at Ottawa, during the week in which the Canadian Mining Institute is holding at Montreal its eleventh annual session. A detailed table, with comparisons extending over the past decade, will shortly appear in THE CHRONICLE. In the meanwhile, it is of interest to note that the 1908 total value of \$87,323,849 compares with \$38,412,431 in 1898, in which year the Canadian Mining Institute was founded. At its beginning, the association had sixty-five members. Its steady growth—commented upon in this week's address of the president, Dr. W. G. Miller—has brought the membership up to 830.

Speaking of the Dominion's mineral areas, Dr. Miller pointed out that the tendency has been to regard the Maritime Provinces and British Columbia as the areas of wealth in coal, gold and copper, the interior provinces, under the universal fallacy, being considered almost solely agricultural. As a matter of fact, the great formation of pre-Cambrian origin, which constitutes 2,000,000 of the 3,700,000 square miles total area of the country, is not agricultural, and great mineral resources are found there. It is in this formation that Sudbury and Cobalt lie, and there are conditions in this area which are merely a repetition of the formations, of which they are the continuation, lying south of the Canadian boundary. In those sections of Michigan and Minnesota the wealth of the copper deposits has been revealed and development will doubtless duplicate this state of affairs in this country.

Regarding the iron bearing rock in Minnesota, the same conditions repeat themselves in Labrador and to the West of Hudson's Bay.