

**THE BOOM IN THE IRON AND STEEL TRADE.**

Wherever iron and steel manufactories exist a boom is just now being experienced, which, in its universality, has never been equalled. For good or for ill, there is no one line of trade more potent than iron, nor any one which, in its conditions, has more significance. Iron is the barometer of trade, and, to a great extent, of finance, the monetary interests involved in it being so vast. It is the first to show signs of improvement after a time of depression; it usually is the one to exhibit the extreme form of such improvement, and commonly it is the last to give way in an extreme form when depression has set in. It has been said that every financial panic was immediately preceded by a boom in the iron trade. Without falling into the fallacy of making one event which follows another necessarily the effect of the preceding one, it would be very significant, to say the least, and suggestive too, if it were established that iron trade booms are the precursors of panics. From a schedule in a London contemporary we are able to give the following record of the iron trade since 1857, a year in which widespread financial disturbance paralysed business, both in England and on this continent.

Periods of Contraction in the iron trade.	Periods of Expansion in the iron trade.
1857 to 1862 6 Years.	1863 to 1866 4 Years.
1867 to 1870 4 "	1871 to 1874 4 "
1875 to 1879 5 "	1880 to 1883 4 "
1884 to 1888 5 "	1889 to 1890 2 "
1891 to 1897 7 "	1898 to 1899 2 "

Although not included in the above record, it is well known that, up to 1857, there had been a lively boom in iron, owing to the rapid development of railways in Europe and on this continent. The collapse in 1857 came like a bolt from the blue, and the iron trade had nearly six years of low prices and light production. Then, in 1863, came a rapid recovery, again chiefly, owing to new railways all over the world, the booming of which by speculation precipitated the panic of 1866. Another depression followed which lasted up to 1870, so it is quite true that, the panics of 1857 and 1866 were preceded by a boom in iron, the boom in each instance having been caused by railway construction having been carried on in excess of the actual capital available for the new lines constructed, and the vast outlays they involved in rails, and other equipments. Canada did her share in bringing about the expansion from 1871 to 1874, by entering upon an era of railway building which, in 1875, had added 2,515 miles to our railway system. Then came another ebb tide from 1875 to 1879, mainly arising from over-production, then in 1880, and up to 1883, the trade again became brisk, then another five years of contraction up to 1888, followed by a brief but quite active revival for two years, and this was the prelude to the longest period of depression experienced for nearly a century. We are now in the second year of revival, and all indications point to the prosperity now general in the iron trade all over the world continuing for some

years. The production of pig iron in the last three years in the three countries where it is chiefly smelted was as follows:—

	1898. Tons.	1897. Tons.	1896. Tons.
United States....	11,533,934	7,652,600	8,623,127
Great Britain.....	8,817,169	8,681,151	8,659,681
Germany.....	7,215,927	6,864,405	6,372,575
Total Tons....	27,566,970	25,198,236	23,655,383

It will be noted that the increased production has been almost confined to the States and Germany. This must not be taken as indicating that the trade of Great Britain has stood still while that of her rivals has increased largely. The demand for iron and steel in Great Britain is now greater than can be supplied. The iron trade is almost certain to be very prosperous all next year, stocks being so small and orders so expensive and so far in arrear. Prices consequently have risen considerably. The following quotations show the rise this year to end of June:—

	Scottish pig iron, per ton.	Common bar iron, per ton.	Steel rails, per ton.
	£. s. d.	£. s. d.	£. s. d.
January 7 .....	2 10 3	6 2 6	4 12 6
June 30 .....	3 9 3	7 0 0	5 5 0
Increase .....	19 0	17 6	12 6

Compared with previous years the prices were:—

	£. s. d.	£. s. d.	£. s. d.
1895.	2 3 10	.. ..	3 12 6
1896.	2 6 2	.. ..	4 10 0
1897.	2 5 9	.. ..	4 10 0
1898.	2 5 9	.. ..	4 10 0
1899.	3 9 3	.. ..	5 5 0

The extraordinary demand for iron and steel which is now forcing furnaces and mills up to their limits of production, arises, to some extent, from the modern system of using these metals for constructive work. This practice can hardly fail to permanently enlarge the demand for iron and steel, the trade in which is promising to be very extensive for a length of time, and in which we trust the enterprises of Canada will have an abundant share.

**THE CABLE SYSTEMS OF THE EMPIRE.**

"A nuisance to commerce, an injustice to the poor, and a peril for the Empire." Such is the description given by Mr. Henniker-Heaton, of the condition of things to which a cable ring has reduced telegraphic communication within the Empire, and it makes a subject of extreme interest to the colonies of Great Britain and of importance to the trade and commerce of the Empire, that an influential deputation waited upon the Chancellor of the Exchequer (Sir M. Hicks-Beach, M.P.), about three weeks ago, demanding an inquiry into the anomalous and excessive charges associated with the cable systems of the Empire. Among those present were Sir C. Dilke, M.P., and Mr. Henniker-Heaton, M.P. In introducing the deputation.

Sir E. Sassoon said they were present to call attention to what was universally considered as the exor-