

THE largest contract for fuel oil that has been made for some time is reported from Pittsburg as having just been completed between the Crescent Pipe Line and the Pennsylvania Steel Company at Steelton. The contract is for 1,000 barrels daily. The claim that that oil can be used for making steel at higher prices than that article of fuel is commanding at present, and still compete with coal, is creating considerable attention along that line.

FOR some weeks past Mr. George E. Drummond, the president, on behalf of the Canada Iron Furnace Company, of Montreal, has been in communication with the Mayor of Toronto looking to the establishment of a large blast furnace plant by that company in this city. A few days ago Mr. Drummond wrote the following letter to the mayor:

We understand that certain parties now negotiating with Hamilton have stated that it is their intention to use American ore in their furnace. This means that the establishment of a blast furnace would be of little value to the community in which it is situated, inasmuch as the number of employees attached to the furnace itself will be comparatively small, and certainly not of sufficient account to warrant a large bonus being granted.

As you are aware, the bulk of the labor employed in the carrying on of the pig iron industry will be for the working of the mines, and the production and shipment of ore and fuel. If this work is done in the United States, the enterprise, as stated, will be of comparatively little value to the Province of Ontario, and to the City of Toronto.

In our opinion it would be unwise for either Toronto or Hamilton to make arrangements with any concern until prospectors have time to prove beyond a doubt that a full supply of iron ore can be secured in your province.

We are fully aware that a great number of mines have been located, and in many cases the ore is of exceptionally good quality. We have yet to learn, however, that any of these mines have been fully proved to be capable of supplying the necessary quantity of ore to keep a furnace of 100 tons daily capacity running. You understand that a furnace of this capacity will require from 75,000 to 100,000 tons of ore per annum, and the securing and delivering of this large quantity of raw material would be of incalculable benefit to your city, and would certainly warrant you in making a very liberal grant of land for the erection of a blast furnace, inasmuch as all the supplies required by the men at the mines would unquestionably be drawn from the furnace centre and the benefits would be very far reaching; whereas, as already pointed out, if all this work is done in the United States American labor will be benefited at the expense of Ontario.

In our opinion the settlement of the matter should be delayed for at least six months, and time given for a full and complete investigation into the ore question. We are willing to take up this matter, provided the City Council of Toronto can give us some satisfactory assurance that in the event of the investigation proving satisfactory the City of Toronto will be ready to deed us a sufficient acreage of Ashbridge's marsh, together with sufficient perfected land to admit the erection of a furnace and accessories, also necessary bridges, etc.

To take up this work on any other lines than the foregoing would be to do it on a speculative basis, and we are not speculators. Our desire is to establish an iron industry in your centre, but it must be on solid business principles. We have no wish to go into the venture, for the sake of merely securing the land or a bonus, nor yet with the idea of unloading furnace plant.

Discussion of the question as to whether Ontario is to have a blast furnace industry has brought the matter so prominently to the notice of capitalists that it seems that all that is yet to be done to ensure the consummation of the event is to demonstrate the fact Mr. Drummond asks for—that

Ontario ore can be had in sufficient quantities and at reasonable cost. It has been asserted time and again that we have the ore in unlimited quantities, that it is of the right sort, and that it can be easily and cheaply worked. If these assertions are anything more than talk, let those who are interested satisfy Mr. Drummond as to their correctness, and we will soon have the industry.

WHEN Mr. Foster is remodelling the tariff let him increase the duty upon scrap iron to not less than \$10 per ton, and that will give us a puddled iron industry; and let him put a duty of \$10 per ton on steel rails, and give a bonus of \$5 per ton upon the home production of the article, and that will give us a steel rail industry and a pig iron industry also.

WARDEN MASSIE, of Central Prison, Toronto, was in Montreal a few days ago endeavoring to secure the contract for the steel and brass bedsteads needed by the Royal Victoria Hospital in that city. In an interview with a Herald reporter Mr. Massey said that he prided himself upon the bedsteads and wire mattresses made in Central Prison. Most of them are from his own designs and covered by his own patents. For the past thirteen years he has been adding to the industries carried on in the prison, and now within its walls are a woollen mill, in which carding, weaving and spinning are done; a department for the manufacture of steel bedsteads; a tailoring shop; a shoe-making shop; a broom factory, turning out 175 dozen brooms per day, and a cordage and binder twine factory. We are not informed if Mr. Massey captured the order for the bedsteads for the Montreal hospital—we most sincerely hope that he did not—but if the ability to cut prices far below what should obtain where free labor is employed would give it to him, it is probable the Montreal hospital will be equipped with bedsteads made by prison labor. There are quite a large number of factories in Canada employed in producing this particular line of goods. Large capital is invested in them, and the proprietors have to pay whatever taxes may be assessed against them. They give employment to a large number of free Canadian workmen, who also pay taxes. And yet we see a representative of the Ontario Government out on the road like a commercial traveler for a private enterprise, soliciting orders for prison-made goods. We quite agree with the argument that prison convicts should be employed at some useful occupation, but our contention is that the products of convict labor should not be brought into competition with the products of free labor. It is a gross injustice both to the manufacturer and the labor he employs.

THE first Bessemer steel converter used in America is on exhibition at the World's Fair at Chicago. It is shown by the Cambria Iron Company, of Johnstown, Pa., and was used by that company during their early experiments with the pneumatic process for making steel from 1858 to 1861. We regret that we are able to announce that the first Bessemer steel converter in Canada is not also on exhibition at Chicago, simply because it has never yet been made. There are hundreds of converters in use in the United States, but not one in Canada. This is not because we have no use for Bessemer steel, for there are several million tons of it now in use in Canada, but because no effort has ever been made to establish the industry here.