

with only 26 thousand tons in 1900, and 822 thousand tons as late as 1910. This high level of 1.9 million tons in 1918 was only exceeded after the outbreak of hostilities in 1939.

During the inter-war period the pattern for consumption of iron and steel products changed notably. The rapid rise of the motor-vehicle industry and development of the nation's hydro-electric power resources provided new uses for Canadian metal. Sales to mines and to farm and industrial-machinery producers also increased. Numerous multi-purpose steel alloys were developed. However, in the early 1930's, the decline in general business conditions seriously affected operations of the industry. Output fell rapidly after 1929, and for four consecutive years steel furnaces, taken as a whole, operated far below capacity.

After the outbreak of the Second World War the level of activity in the industry rapidly rose and it again began to expand. By 1942 domestic output had reached a record rate of 2.9 million ingot tons annually. Between 1942 and 1950 expansion was highly selective. Open-hearth and electric furnace capacity each increased by about 200 thousand tons. During these years more and more emphasis was placed upon modernization and on adding rolling mill and other fabricating facilities to permit greater integration and more effective operation of existing plants.

As a result of these outlays, Canada is now self-sufficient in tin plate. Production of cold-rolled strip, large-diameter oil and gas-line pipe, specialty alloys and stainless-steel sheet is also being carried out in this country on a large scale. Other items such as rail, bar, rod and wire products, as well as hot-rolled plate and sheet in certain widths are important products of Canadian mills.

Imports tend to be confined to products which are not made in quantity here. These include large items beyond the capacity of Canadian mills; Bessemer skelp for the production of pipe, special steel sheet material for large transmission towers, and certain wire products, forgings and castings. The tightness in steel since mid-1950 has occurred mainly in these products, including hundreds of shapes, many of which require expensive processing equipment for their manufacture. Such items are usually made to meet customers' specifications, and very large sums of money would have to be invested in new plant and equipment if Canadian mills were to attempt to produce all of the many varieties of steel which are now brought into the country.

Structure of the Industry

The Canadian steel industry is currently operating the following plants: 412 coke ovens, with an annual rated capacity of 2.6 million tons; 15 blast furnaces with an annual rated capacity of 3.0 million tons; 76 electric steel furnaces with a rated capacity of 690 thousand tons; five blooming mills; five billet mills; numerous bar mills and galvanizing units and many subsidiary plants producing tacks, nails, screws, rivets, bolts, wire, wire products, forgings, pipes and a wide range of associated steel products.

The structure of the industry is largely determined by the degree of integration from raw materials to rolling and drawing mills. In all, there are 13 primary manufacturers in