

KRUPPS AND CANADIAN NICKEL

Our Nickel Deposits Were Once Offered to British Admiralty, But Turned Down

The statement has frequently been made that Krupps, the German armament firm, control the International Nickel Company, which obtains its ores in the Sudbury district, Ontario. This assertion was authoritatively denied in the House at Ottawa last week. When the question arose as to the possibility of Canadian nickel reaching the enemy, the Dominion government took steps such as they believed would prevent such a contingency. They deputed Mr. Graham A. Bell to make an investigation into the company's affairs in regard to this matter. Mr. Bell reported that since the war not one ounce of Canadian nickel had gone to Germany. In a letter written to Mr. Bell, dated November 24th, 1914, by Mr. Bostwick, assistant president of the company, he said:—

"To our positive knowledge, the Krupps have absolutely no influence in the affairs of the International Nickel Company, and it is our implicit belief that they have no ownership of any securities of the company. Our list of stockholders on record shows that only 158 shares of common and 263 shares of preferred stock are owned by stockholders resident in Germany and Austria."

This is a total of 428 of 469,441 shares of the company in enemy hands, or less than one share in every thousand.

Offered to Admiralty.

Sir A. Mond, chairman of the Mond Nickel Company, speaking in the Imperial House of Commons on January 10th last regarding the economic co-operation of the Allies, said:—"To my knowledge no German syndicate, no German firm, and no German capital has ever had any kind of interest, much less to speak about control, in the large nickel deposits of the Dominion of Canada. Those deposits have a curious history. They were first offered to the British admiralty by the Ontario government as an important matter of Imperial defence, and promptly rejected, which is usual with a crown department. The next exploit was made by a well-known firm of metallurgists in Swansea, who took up some of the deposits there and were unsuccessful with them. A third attempt, a successful attempt, was made by an American gentleman in the metallurgical trade in New Jersey, who managed to find a process, and the fourth attempt, and the only British attempt, was made by the company of which I happen to be chairman. Although Germans have at various times looked about prospecting, I think I am right in saying that there is not a single mine, much less to speak of a refining or smelting works, in that part of the world that is in any way owned by a German firm."

Output at Sudbury.

Although about three-fourths of the output of nickel ore is mined within the British Empire, namely, at Sudbury, Ontario, the greater part of the world's supplies of metal is refined in the United States, from imported matte. Thus, although the British Empire possesses the most valuable deposits of nickel ore in the world, consuming countries are largely dependent on the United States for the metal, the price of which is controlled by the refiners.

The International Nickel Company will build in the near future a refining plant in Canada on the Atlantic seaboard.

The statement of Mr. W. F. Maclean, M.P., during the budget debate, that a new process for nickel refining has been discovered in Canada by which 100 pounds of matte could be converted into 50 pounds of metal in 48 hours, is understood to apply to a new process of which Prof. L. H. Burrows, formerly of Washington, is the inventor, and which is being financed by Ottawa and Toronto capitalists. It is claimed that the new process will not only revolutionize the nickel industry but will also prove applicable to low-grade iron ores such as exist in the Laurentian range. Associated with Prof. Burrows in the proposition are a number of Ottawa men, including A. W. Fraser, J. W. Hennessey and E. Seybold, as well as prominent Toronto and Sudbury capitalists.

Nickel Exports.

The following table shows the exports of nickel contained in ore, matte or speiss from Canada during 1913 and 1914:—

To	1913.		1914.	
	Lbs.	\$	Lbs.	\$
United Kingdom..	4,826,783	718,141	6,479,250	960,621
United States	43,341,307	4,327,056	43,989,648	4,398,920
Other countries	111,638	15,197
Total	48,168,090	5,045,197	50,580,536	5,374,738

Eighty-seven per cent. of the exports in 1914 went to the United States.

The following table shows the exports of nickel, nickel oxide, and matte (but mainly the metal), from the United States during the years ended June 30th, 1913 and 1914:—

To	1913.		1914.	
	Quantity. Lbs.	Value. \$	Quantity. Lbs.	Value. \$
United Kingdom .	9,213,109	3,300,500	7,604,592	2,702,000
Germany	2,346,325	441,447	11,084,366	3,007,786
France	4,197,110	1,577,500	4,419,663	1,583,830
Netherlands	9,164,012	2,812,300	2,376,216	840,269
Belgium	1,719,285	666,108	1,230,274	475,175
Italy	1,075,303	414,100	1,276,905	446,900
Other countries..	166,133	63,759	903,226	347,749
Total exports..	27,881,277	9,275,714	28,895,242	9,403,709

BANKERS CREDIT FOR BRITISH ORDERS HERE

Canadian bankers have agreed to the suggestion of the finance minister for the extension of their part of a \$50,000,000 or \$100,000,000 credit to the British government upon exchequer notes. As a result, orders for \$100,000,000 of munitions and army supplies for the Allies may be placed in this country.

"SCOTIA" DEBENTURE STOCK OFFERING

An offering of 6 per cent. debenture stock of the Nova Scotia Steel and Coal Company is being made by the Bankers Bond Company, Toronto, at 95 and interest. This price will yield purchasers about 6 3/4 per cent., an attractive buy for investors. The issue is secured by mortgage on the company's assets, subject only to an issue of 5 per cent. bonds, limited in amount to \$6,000,000, and is a senior security to \$1,000,000 preference stock and \$7,500,000 common stock, having a combined market value of \$8,300,000. A conservative valuation of the company's mortgaged assets is \$20,000,000.

The prospectus states that the company has consistently and without default of any kind paid the interest on its bonds and debenture stock promptly as this interest became due, both through periods of depression and prosperity. Its earnings, after payment of all prior charges, including allowances for depreciation and betterments to plant, have averaged 45.20 per cent. on debenture stock outstanding each year since the time of its issue. In addition to its regular business, the company is producing munitions for the British government, and its subsidiary, the Eastern Car Company, has large contracts from the Russian and French governments.

The earnings of the Nova Scotia Steel and Coal Company for 1915 were as follows: Net earnings for the year, \$2,094,169; sinking fund and interest on 5 per cent. bonds, \$327,974; available for interest on 6 per cent. debenture stock, \$1,766,195; required for interest on debenture stock, \$189,452, leaving a surplus of \$1,576,743.

An interesting description of the company's properties appeared in *The Monetary Times* of January 7th last.

The wages paid for farm labor in 1914 fell to a lower point than in any other year. The causes for this decrease were the small crops of 1914 for the gathering of which fewer hands were required, the release of other laborers on the outbreak of the war and the increased cost of board. In 1915, owing to the abundant harvest and the effects of recruiting for the army, there was some reaction, and the average wages paid were more than in 1914, if not equal to those paid in 1910, the date of the previous inquiry of the census and statistics bureau.