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THE IRON AND STEEL BOUNTIES.

Mr. Fielding, the Finance Minister, on April 23, presented his resolutions providing bounties upon the production of iron and steel in Canada.

Summarized the bounties are:

(a) In respect of pig iron manufactured from ore on the proportion from Canadian ore produced during the calendar years—1907, \$2.10 per ton; 1908, \$2.10 per ton; 1909, \$1.70 per ton, and 1910, 90 cents per ton.

(b) In respect of pig iron manufactured from ore of the proportion from foreign ore produced during the calendar years—1907, \$1.10 per ton; 1908, \$1.10 per ton; 1909, 70 cents per ton, and 1910, 40 cents per ton.

(c) On puddled iron bars manufactured from pig iron made in Canada during the calendar years—1907, \$1.65 per ton; 1908, \$1.65 per ton; 1909, \$1.05 per ton, and 1910, 60 cents per ton.

(d) In respect of rolled, round wire rods, not over three-eighths of an inch in diameter, manufactured in Canada from steel produced in Canada, from ingredients of which not less than 50 per cent, of the weight thereof consists of pig iron made in Canada, when sold to wire manufacturers for use of, when used in making wire in their own factories in Canada, on such wire rods made after December 31, 1906, six dollars per ton.

(e) In respect of steel ingots manufactured from ingredients, of which not less than 50 per cent, of the weight thereof consists of pig iron made in Canada, on such ingots made during the calendar years—1907, \$1.65 per ton; 1908, \$1.65 per ton; 1909, \$1.05 per ton, and 1910, 60 cents per ton.

(f) On pig iron manufactured from Canadian ore by the process of electric smelting during the calendar years—1909, \$2.10 per ton; 1910, \$2.10 per ton; 1911, \$1.70 per ton, and 1912, 90 cents per ton.

(g) On steel ingots manufactured by electric process direct from Canadian ore and on steel ingots manufactured by electric process from pig iron smelted in Canada by electricity from Canadian ore during the calendar years—1909, \$1.65 per ton; 1910, \$1.65 per ton; 1911, \$1.05 per ton, and 1912, 60 cents per ton.

The Minister, in introducing the motion incorporating the new iron and steel bounties, which were made public some time ago, said that since the resolution was placed on the order paper a number of petitions had been presented to the House, chiefly from Ontario, very largely signed by people who objected to the passing of the proposed bounties. He had no doubt that many of those who had signed the petitions did so because they objected to the principle of the bounties, but probably many others signed under a misapprehension as to what would be the burden placed on the taxpayers by the payment of these bounties. He thought, however, that it would be generally admitted that if any industry in the country deserved encouragement, if they were to adopt the principle of aiding new industries, it was that of iron and steel, for the country that did not develop its iron and steel industry could not be progressive. There were several reasons why the industry should be aided by way of bounty rather than in the form of customs duties. The chief of these was that if a duty were imposed to protect the iron and steel industry, owing to that product entering into so many lines of manufacture, it would lead to a general increase of the cost of those articles to the consumer.

The Minister said the ore used at Sydney, N.S. was almost entirely of Newfoundland origin, while at Sault Ste. Marie both native and American ore was used. In 1905-06 the Algoma Steel Co. turned out 222,891 tons of steel, the ingredients of which were 180,472 tons of Canadian pig iron, 21,219 tons of foreign pig iron and 46,821 other ingredients.

Mr. Fielding said that there was an erroneous impression abroad that the iron and steel industry was protected to a particularly large degree. No doubt many farmers were under that impression when they signed the petitions, but perhaps they would be surprised to hear that the protection afforded was not so great as that given to some lines of agricultural products. Taking pig iron at an average price of \$16 a ton, the duty and bounty together came to \$2.60, amounting to a protection of something like 16½ per cent., which was much less than that enjoyed by other lines of industry, and, taking steel ingots and billets, the duty was \$1.50, the bounty on pig iron \$1.50, the steel bounty \$1.65, making a total of \$4.65, which is equal to about 17½ per cent. under the preferential tariff. He believed that if the farmers who had signed these petitions had known the facts they would not have taken the position which they had.

The Minister promised, in response to a request, that he would bring down a return showing the percentage of Canadian ore used, stated that it should be borne in mind that most of the foreign ore used at Sydney was of Newfoundland origin. Many people did not regard Newfoundland as a foreign country, and Sir Charles Tupper had