

### Investments

The steel companies in Canada that have made substantial investments in plant and equipment recently are the Algoma Steel Corporation in Sault Ste. Marie, Ontario; Dominion Foundries and Steel Ltd. (Dofasco) and the Steel Company of Canada Ltd. (Stelco) in Hamilton, Ontario; Sidbec/Dosco Limited in Quebec; and the Sydney Steel Corporation (Sysco) in Nova Scotia. Other Canadian companies, including Atlas Steels, Interprovincial Steel and Pipe Corporation Ltd. (Ipsco), Slater Steel Industries Limited (Sivaco), and Quebec Steel Products, have also initiated expansion plans.

With the exception of the pipe and tube mills, the wire and fastener plants and the forging industry, less investment has been made relatively on expansion by the smaller manufacturers of secondary-steel products in Canada. There has been some expansion in the secondary sector during the past three years. The larger primary-steel companies have increased investment in the secondary sector to more than double their shipments of manufactured products, particularly for use in automotive parts and in structural steel. Considerable investment has been directed toward rationalization and pollution-control. The iron and steel foundries are investing heavily in pollution-abatement equipment. The steel-fabricating plants are investing in modernizing their equipment. The forging and metal-powder plants are not expanding their facilities.

Most investment has been directed to the expansion of capacity in flat-rolled products; the net result may be a capacity of 20 million ingot tons by 1980, of which ten million tons will be directed to flat-rolled products. The bulk of the investment in expansion plans for the steel industry has been concentrated in Ontario, Quebec and Nova Scotia. There has been considerable effort recently on the part of provincial authorities across Canada to encourage the establishment of a basic steel industry in particular provinces.

### Foreign investment

There is a certain amount of foreign investment in the Canadian steel industry. Two of the steel companies (Atlas and Crucible) are 100 percent foreign-owned. Atlas is 100 percent owned by Rio Algom, which is part of Britain's Rio Tinto Group. Crucible is 100 percent owned by Colt Industries of the United States. British Steel, through Stanton Pipe, has acquired 51 per cent of the stock of Slater Steel. It is estimated that foreign interests hold less than 5 per cent of Dofasco shares. Stanley Steel is a subsidiary of the Stanley Company in the U.S. and Union Drawn Steel also has U.S. ownership. Last year, Stanton Pipe, a subsidiary of the British Steel Corporation, acquired 51 percent equity in Slater Steel, which owns Burlington Steel in Hamilton, Ontario. The British Steel Corporation has also acquired, through Slater Steel, a 25 percent interest in Ipsco. While the Algoma Steel Corporation purchased the current assets of Mannesmann Tube Company Ltd. in Sault Ste. Marie, Ontario, last year and leased Mannesmann's seamless-tube plant for a term of 15 years, with an option to purchase the plant, Mannesmann of Germany still holds 25 per cent of Algoma's outstanding shares, the largest single block, and it has three of its executives on Algoma's board of directors.