

Background of the Industry

Historical Sketch of the Industry

The production of primary iron and steel has been carried on for many years in Canada and is now one of the country's key industries. Practically all the pig iron and more than 2/3 of the rolled and drawn products consumed are produced here. Some 37 thousand persons make their living in Canadian primary mills. Industries which use these products, taken together, employ another 282 thousand people.

Manufacture of primary metal in Canada is not a recent development. Over 200 years ago ore was first smelted to make pig iron near Three Rivers in the Province of Quebec, and it is reported to have been the most important manufacturing industry during the Napoleonic Wars. In those days charcoal furnaces were used in Canada as elsewhere. Economic production could be carried on wherever there were deposits of iron ore and forests reasonably close together and reasonably near to local markets. Throughout the 19th Century similar operations were undertaken in other parts of Canada. Some were in Nova Scotia. Several were located in Eastern Ontario. It is interesting to note that large deposits of medium grade ore in this latter area are again attracting attention.

Although pig iron was being produced in volume in Canada during the last century, the manufacture of steel lagged behind that of other countries. The result was that imports of ingots, billets, slabs and bars began to rise soon after processes for making steel on a large scale were discovered and developed in the United Kingdom and Europe in the 1850's. There were several attempts to make primary metal in Canada, but for many years steel production was confined to the remelting of scrap. During the latter half of the 19th Century, the tendency was to erect finishing facilities to process shapes imported from abroad. A number of rolling and drawing mills were set up in order to make nails, nuts, bolts, rod and light bars for industries such as the construction and farm implements industries. Production of wire fencing and re-rolling of railway rails also became important in the 80's and 90's, when Canada's transcontinental railways were being built.

It was only at the turn of the century that modern-type blast furnaces and steel-making plants came into operation in Canada. The period from then until 1913 witnessed the establishment of all four present-day major producers. Steel output rose rapidly to meet the needs of a swiftly growing economy, particularly to meet the demand for rails and for light plate and structurals to be used in building railway rolling stock. In the Maritime Provinces export trade also became an important outlet for the industry. Primary operations began to be concentrated in a few large industrial centres and ownership of finishing plants scattered across the country gradually passed into the hands of the larger mills.

During World War I demand for heavy gun forgings and castings as well as for rolling-mill products required in the manufacture of munitions kept Canadian producers operating at capacity. New installations resulted in an output of 1.9 million tons of steel ingots and castings in 1918, compared