adian Northern Railway and the Algoma Central & Hudson's Bay Railway systems, to spend millions of dollars in exploring, diamond drilling, and equipping iron mines in the Atikokan, Michipicoten and Moose Mountain Iron Ranges. Branch lines of railways, ore docks, and terminals to handle the ore were constructed. Water powers were developed to secure cheap hydro-electric power for the operation of the mines. Expensive modern plants for the calcining, roasting or concentrating of these ores were erected. These mines were developed, apparently with the expectation that about one-half of the output would be exported to the United States, and the necessary coal for the steel industries imported as return cargo; and thus secure low freight rates on both the coal and the iron ore. It was planned that this large ore tonnage would furnish remunerative traffic to portions of their railway lines in great need thereof. The average price of Old Range Bessemer ore, carrying 55% iron content, at Lake Erie ports during the eight and sixteen years respectively, prior to 1914, was about $4.57 per ton. In 1914 the price of iron ore was lowered from $4.40 per ton in 1913, to $3.75 in 1914. The Messabi non-bessemer ore carrying 51.5 per cent. iron was reduced from $3.40 to $2.85. The Newfoundland ores are non-bessemer and average about 52% iron. Practically all the iron mines in Canada ceased to ship ore in 1914, except the Magpie Iron Mine, as they could not profitably export ore at $3.75 per ton; and there was no duty levied on American ore; and the former iron bounties were not renewed. During the previous 16 years, the price of iron ore was lowered, apparently below cost price, periodically, every five years or so, for only one year; but in 1915, the price was still kept down to $3.75 per ton. Since then, the price of iron ore has been increased to $4.29 per ton in 1916, $5.75 in 1917, and $6.65 in 1918. If the Ontario iron mines were paid a bounty of about 50 cents per ton on iron ore, or if a duty of 15% ad valorem were placed on American ore, to prevent unfair dumping from the Messabi Range, and the Canadian railways charged the same rate per ton per mile as the American railways are compelled to do, it would appear reasonably clear that these iron mines, already equipped, could operate at a fair profit, and produce 1,000,000 tons of iron ore annually. The blast furnaces and steel plants in Ontario are conveniently located to secure American ore of such quality and in such quantities as and when they require same, without being called upon to make any capital expenditure whatever. During the period of 1912-13, the price of pig iron and steel products was forced down, apparently, below cost price, and most of the Canadian steel industries were in a most precarious position financially; one or two companies actually went into liquidation. About the same period, strenuous efforts were put forth by American capitalists to acquire control of our steel industries.

THE IRON AND STEEL INDUSTRIES SHOULD BE THE LARGEST INDIVIDUAL INDUSTRIES IN CANADA.

The Government of Canada should adopt the necessary policies and take the necessary steps to have the present capacity of about 2,000,000