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Sydney threw itself yesterday "over the 'Alleged Morgan-Whitney Deal.' We are reminded of the harmful predictions that heralded Mr. Whitney's investment in the coal business in 1893.... The coal mines were to be sold at once to Pennsylvania 'coal barons' and closed up.... Mr. Whitney and the men associated with him were freely denounced as 'freebooters,' 'robbers,' and 'blowhards.'... The predictions were each and all jointly and severally falsified by the event, and everybody now recognizes that the real industrial development of Cape Breton dates from the 'crime of 1893' (creation of Dominion Coal Company). The blue ruin bogeyman cannot be worked today. That ghost will not walk." But it did walk, and the next day: "Timid people are still in a state of alarm." The paper reminded that Whitney said "(1) that there is no foundation for the report and (2) that the businessmen of Sydney need have no fear of anything being done that will interfere with the fullest development of the iron and steel business in Sydney and make it a great industrial centre. We are thus assured by Mr. Whitney that in any event the interests of Sydney will be safeguarded." A real estate agent denied the Halifax Herald's report that property in Sydney had slumped 25% because of the "Ryan episode and rumoured steel transfer... The Herald correspondent's other statement, namely that many merchants had cancelled their spring orders for goods, appears to be equally unfounded...." March 1st, they published a letter Whitney had written to a friend: "It is much better for us and our stockholders to work out our own salvation, and that we should come out ourselves in the promised land with good healthy incomes and fat dividends for stockholders before the end of the next 18 months." But the nervousness was still in the air. As if preparing Sydney, just in case, the Record reminded that the evil things now being said about Morgan were said about DISCO. The world is evidently full of credulous people • ?? and hard-headed businessmen among them • who lie awake nights with the fear of capitalists and millionaires conspiring how they can acquire the subservience of the people. They attribute powers to the great corporations which they certainly have not. The corporation or trust cannot acquire undue power unless it is deliberately handed over to them by the people themselves. The real power of a trust can be seen when the common labourers whom it employs, inspired by a few agitators, can if they choose suspend its operations, paralyze its work in every department, tie up its railways and steamships, and finally dictate terms to it before it is allowed to resume its normal functions. Instances of this kind are too numerous and too well-known to need mention. Still, the rumour of Morgan's takeover broke out twice more in 1901. It never actually happened. And the press was always there to counter that threat or, in fact, any hint that the boom was over. But by the end of summer, 1901, the major portion of the construction phase was over. S. T. Woods wrote for the Toronto Globe (reprinted locally): Although the work of construction is by no means completed, and steel-making will not be under way before October, the change from a construction to a working force is already felt. The great capacity



dining hall of the company stands like an abandoned skating rink, and the long row of buildings in which the army of construction workers were housed is almost empty. Many of the former occupants and patrons have taken up their residence in the town, but many more have finished their work and gone elsewhere. Other than this article, the local papers did not talk about winding down, nor use Woods's explanation for several business failures, that they were due to the shift to a steady, operating mode after the construction boom. They looked for the boom to continue, they were listening for every hint that the spin-off manufacturing industries that would locally use iron and steel were in fact planning to come. By December, 1901, the first steel was poured. Both Whitney and Moxham were gone from the company. James Ross was the new president and control was firmly in Central Canadian financial hands. Whitney and Moxham would be accused of "reckless and extravagant expenditure and miscalculation," and that they were as "extravagant in building the plant as in talking of it." Don MacGillivray's 1980 article: "A rail mill was partially erected and then discarded and replaced by another type. Considerable expense was incurred before it became obsolete." A compendium of humorous, fascinating and sometimes little known historical items, accompanied by hundreds of witty illustrations. The book was compiled by Pam Newton, with illustrations by Cape Breton artist, Ellison Robertson. Full colour dust jacket - quality soft cover - 200 pages. Retail \$14.95 (51)