

that the opposition to it would be even stronger in the United States than in Canada. We believe that the *Tribune* is altogether in error in supposing that the Canadian Government has made an offer to the United States to establish uniform duties on both sides of the line. There is a provision in the new tariff that whenever the United States either repeal or reduce the duties on certain articles, chiefly breadstuffs, coal, salt, butter, cheese, lard, tallow, meats and lumber, the Governor in Council may repeal or reduce the duties on similar articles imported into Canada. This is in substance a provision for the old reciprocity treaty, but we do not understand that any effort has been made to induce the United States to take the necessary steps to enable the Canadian Government to adopt a measure of reciprocity. The *Chicago Tribune* wholly misapprehends the policy of the Canadian Government, and may rest assured that there never was less probability of its favorite scheme of a Zollverein than there is at this moment. The *Tribune* hints at the possibility of retaliation on the part of the United States with the view of closing its trade with Canada altogether, but acknowledges that such a policy would be unwarranted. We confess that, although England has at least a plausible pretext for complaining of our fiscal policy, considering that she admits all our products free of duty, we are unable to discover what the United States can complain of. It has set us the example of placing high duties on foreign imports, and yet it complains that we have followed the example set us. Our duties are much lower than those of our neighbor, and yet we are charged with retaliation and threatened with vengeance. The tariff we presume may now be considered finally disposed of. Mr. Mackenzie's amendment, which we shall copy at foot, and which was carefully framed, was defeated by a vote of 136 to 53.

"That, while this House is prepared to make ample provision for the requirements of the public service and the maintenance of the public credit, it regards the scheme now under consideration as calculated to distribute unequally, and therefore unjustly, the burden of taxation; to divert capital from its natural and most profitable employment; to benefit special classes at the expense of the whole community; tends towards rendering futile the costly and persistent efforts of the country to secure a share of the immense and growing carrying trade of this continent, and to create an antagonism between the commercial policy of the Empire

"and that of Canada that might lead to consequences deeply to be deplored."

#### CANADIAN AND AMERICAN COAL.

Some indications of an improvement are already discernible if we may judge by the more hopeful tone that pervades business circles throughout the Dominion. There is a confident looking forward to more prosperous times; capitalists are beginning to consider the policy of investments in various industrial enterprises, and considerable enquiry has been directed to the natural resources of Canada, and to the possibilities and best means for their development; in short, everywhere are perceived those initiatory stages of improvement conducive to real progress and full activity of the producing forces. To expect a rushing torrent of change would be absurd. Probably no task of statesmanship is more difficult than that of adjusting the duties on imports, with a view to the protection of domestic industry, when the tariff is the main source of revenue, when an increase of revenue is indispensable, and when a multitude of conflicting interests enter into the problem. This task becomes still more intricate and arduous when, as in the case of Canada, a vote of the people has directed a radical change of the tariff policy of the Government, a change, moreover, which forces the colonial dependency, for its own welfare, to restrict its importations from the mother country, and may expose its legislation to bitter opposition from that superintending authority.

Coal and iron are two of the products of Canada that seem, under the new tariff, destined to acquire an importance the lack of protection never heretofore permitted them to obtain. The statement of the immense supply, the rapid development, manufactures and commerce cannot fail to attain under the new fiscal policy are subjects of too great interest at the present stage of the revival of our industry to pass unnoticed.

The coal fields of the Dominion are said to cover an area of 60,000 square miles, an area more than five times greater than that of the coal fields of Great Britain. These deposits comprise the anthracite basins of Queen Charlotte Island, British Columbia, the bituminous coal fields of Vancouver, New Brunswick and Nova Scotia, and the lignite deposits in the Saskatchewan, Pembina, Arthabasca and Fraser River. Confining ourselves to the most important coal fields and collieries of the Dominion on the Atlantic seaboard, the coal basins of Nova Scotia and Cape Breton, our purpose is to examine whether

the protection given to Canadian coal by the new tariff is in apposition with the interests of the Western provinces, or in other terms, is the Canadian coal of the Atlantic shore equal in quality to the imported foreign article? Is its production cheap enough to compete with advantage, and can the transportation inland place the Nova Scotia or Cape Breton coal at the wharves of the consuming western cities on a level with the Ohio or Pennsylvania production?

The imports of foreign coals during last year amounted to 895,380 tons, of a value of \$3,054,846, divided as follows:

	Tons.	Value.
Anthracite Coal.....	127,196	\$ 330,558
Bituminous " .....	736,447	2,638,637
Other Coal .....	31,737	\$5,651

895,380 \$3,054,846

Averaging \$2.59 per ton on the 127,196 tons imported from Great Britain and \$3.57 on the 736,447 tons imported from the United States.

The collieries of Nova Scotia and Cape Breton, possessed of all the conveniences most conducive to working and trading in coal, have an annual capacity of 2,200,000 tons, and their output last year was only 927,426 tons, of which 343,082 tons, having a value of \$1,216,953, were exported to the United States, at an average value of \$3.54 per ton. The balance of the output 584,344 tons, was added to the consumption of the country, amounting thus with the imports to 1,479,724 tons.

The numerous analyses of Canadian coal, and the report of the Select Committee of the House of Commons in 1877, on coal and international trade, demonstrate that the production of Canada is in many respects equal to the imported article. The gas companies of Montreal and Ottawa do not use any other coal, and it answers, according to the report of the Canal Commissioners, "steam purposes most admirably." The cost of producing coal shows favorably when compared with that of other countries. Last year the actual cost in England was, in Durham \$1.23 per ton, and in Northumberland \$1.40. In the United States, the output of the Blossburg bituminous coal mines in Pennsylvania was 182,107 tons, and its cost per ton was \$1.02; in 26 bituminous collieries in the county of Allegheny, the cost per ton was 99 cents; and in Nova Scotia, at the Glace Bay mines, the cost per ton was only 95 cents. Consequently coal can be produced as cheaply in Nova Scotia as in the United States.

A statement of the prices of the principal coals coming from the United States at present used in Toronto may serve to