NOVA SCOTIA

Renewal of P. W. A. Agreement with Dominion Coal Co.—The long-standing wage agreement between the Provincial Workmen's Association and the Dominion Coal Co. has been once again renewed. The agreement would ordinarily have expired at the close of 1916, but the unusual conditions brought about by the war, particularly the increased cost of living, caused the anticipation of the usual negotiations. The new agreement provides for an increase in all mining rates and day wages at the mines of six per cent., effective at the first of June, to be followed by a further increase of four per cent., making ten per cent. increase on the rates paid in May, effective at the first of January, 1917; the agreement being renewed and extended for a further two years, or to the end of 1918.

The history of this wage agreement is unique in the labor annals of Canada. The first wage agreement contracted between the P.W.A. and the Coal Co. dated from the beginning of 1905 for a period of three years. Upon the expiry of the agreement at the end of 1907, certain adjustments in rates were scheduled by the Coal Co. which were objected to by the workmen, and a Board of Conciliation was called under the chairmanship of Prof. Adam Shortt. The award of this board made certain modifications in the published schedule, and in all other particulars carried forward the understanding of the so-called Three Years' Contract of 1904. The Shortt award has been renewed on subsequent occasions in 1909, 1911, 1913 and now again in 1916, so that the present renewal, carrying the agreement as it does until the end of 1918, links up a continuous agreement covering a period of fourteen years, during which long term of years the two parties to the agreement have loyally kept faith with each other. The present willingness of the Coal Co. to anticipate the expiry of the 1913 renewal by seven months, and to grant a substantial increase in wages, under the existing difficult and uncertain conditions of the coal trade, is proof of the good understanding that exists between the company and its workmen. During the fourteen years referred to the rate of wages for unskilled mine labor has increased from $1.32 per day paid in 1904 to $1.80 from the 1st of June, 1916, and will increase still further to $1.87 per day in January, 1917.

The Dominion Coal Co. at the present time is operating under two grave handicaps, namely, a decrease in outputs due to shortage of labor caused by recruiting, and a most serious shortage of vessels to carry coal to market.

The production of the company's collieries, operating to full capacity of the available workers, was in May this year 90,000 tons below the production of May, 1915, and indications point to a further reduction in production.

Notwithstanding the drop in outputs the available freighting tonnage will not suffice to transport to a market even the reduced production of the mines, and unless the authorities can be prevailed upon to release for the coal-carrying trade the vessels now under Admiralty requisition, it will result in the partial idleness of the collieries at an early date, and it may even force the temporary closing down of certain collieries. With the exception of the requirements of the steel companies and local bunker sales, the coal trade of Cape Breton is entirely an export business, and it is quite evident that if freighting vessels are not obtainable there is no outlet for the coal production, which must necessarily be reduced in proportion to the shortage in carrying tonnage.

The shortage of vessels may also restrict the coal requirements of the steel companies. The raw materials for steel making, with the exception of coal, have all to be assembled by water, the iron ore coming from Newfoundland, and the limestone from the interior of the Bras d'Or Lakes. It is necessary, because of the climatic conditions, to stock sufficient limestone and ore at the steel plants during the summer to last until the disappearance of the drift ice in the spring, this being usually about the middle of May. If stocks are insufficient to last through the winter, steel manufacture must be restricted, or cease entirely. In such an event the consumption of coal will be affected.

The need of ships for Admiralty purposes is undoubted, and may be imperative. But the need for coal and steel is fully as imperative. The unique nature of the Cape Breton coal-trade consists in the fact that the principal market for Cape Breton coal is inaccessible during six months in each year. It is therefore necessary to compress the requirements of twelve months into half that time, and unless shipping commences promptly and in heavy quantity immediately the ice has gone, the lost time cannot be regained. The gravity of the present situation will disclose itself very unmistakably next autumn, but it will then be too late to remedy the shortage which will have accrued, in production, and in transportation to market.

The "Colliery Guardian," in a recent editorial, remarked that: "Only Germany so far seems to have realized that success in modern warfare is limited to ability to produce and carbonize bituminous coal." This sentence crystallizes well informed opinion on the status of coal in the present war. Your correspondent has for a long time past endeavored to point out that 1916 will see in Eastern Canada a considerable diminution in the production of bituminous coal, the one basic, paramount, and indispensable munition of war, the substance which enables the soldier to go to the front and provides all his weapons of offence. There is every reason to suppose that the production of bituminous coal in Eastern Canada will in 1916 be two million tons below the capacity of the collieries. If success in modern warfare really does depend on the production of bituminous coal—and the more this dictum is considered and pondered over the truer it will be found to be—the reduction in the output of coal in Nova Scotia is more than a question of the dividends of the coal companies, or the ability of the miners to earn wages that will give them the necessities of life, or the supply of coal in Montreal next winter; it is a matter of national import. The manufacture of munitions in Canada, the enormous necessary expenditures on military matters, and the million and one expenses arising out of the war, are being paid for by borrowed money. Would it not be just as well to mine two million tons of coal in Canada as to buy the coal from the United States? Two million tons of coal to-day should easily be worth ten million dollars, and that is ten per cent. of the Canadian Government War Loan, on the raising of which we so plumed ourselves a little while ago.

A prominent mining man, who visited Belgium shortly before the war, has expressed the opinion that the Germans in their initial burst through Belgium did not expect to take Paris, but that their operations were really conceived with the idea of occupying and exploiting the coal fields of Belgium and the iron ore deposits of Lorraine.