

EXPORTATION OF ELECTRICITY—AN INTERNATIONAL PROBLEM

RELATION OF A POSSIBLE COAL EMBARGO BY UNITED STATES TO A CURTAILMENT OR STOPPAGE OF CANADA'S ELECTRIC POWER—AN INSTRUCTIVE STATEMENT OF AN IMPORTANT MATTER.

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THE people of Canada, and especially of Ontario, should understand and fully realize the extent to which they are dependent upon others for their coal supply, and understand also their increasingly great dependence upon hydro-electric power as well as its relationship to coal.

Both the United States and Canada, as well as many of the European countries, are now experiencing a shortage of coal supply with consequent increases in price. The present, therefore, is an opportune time to review the Niagara power situation. In the course of this survey we shall consider a number of statements† made by various authorities.

In November, 1916, the District Attorney in charge of the investigation held at Buffalo respecting the coal situation, asked one of the witnesses:—

"If the Canadians put an embargo on power when there is a power shortage, should we not put an embargo on their getting coal when there is a shortage here?"

In 1891, Mr. E. B. Borron, in making his report to the Ontario government on the lakes and rivers, water and water powers of the Province of Ontario, drew special attention to the fact that Ontario has no true coal. Mr. Borron stated:—

"Thus it will be seen that in respect of fuel and consequently of steam power, Ontario occupies on this continent a very unfavorable, one might say, unenviable, position, as compared with the maritime provinces and British Columbia, and with many, if not most, parts of the United States, and still worse as compared with England, Belgium and other great manufacturing countries in Europe."

That the time may come when the United States may deem it expedient to reserve her supply of coal for her own use, is not impossible. Dr. George Otis Smith, Director of the United States Geological Survey, commenting upon the world's supply of coal, and with particular reference to the reserves in his own country, states:—

"This glance at the world's reserves of coal shows plainly not only that the United States leads all other countries in production, our annual output being nearly 40 per cent. of the total, but also that it possesses the greatest reserves. Yet in respect to no mineral is there greater need to emphasize the folly of exporting the raw material. Let us keep our coal at home, and with it manufacture whatever the world needs."

Dr. Smith advises: "Let us keep our coal at home and with it manufacture whatever the world needs." Is it without significance that such a policy should even be suggested?

Examples are not wanting to show that when countries have recognized the fact that certain of their natural resources were essential to their national welfare, policies have been adopted designed to stop or curtail the exportation of such natural commodities.

†For purposes of emphasis portions of the statements are here printed in special type.

Consider, for example, the phosphate rocks so valuable as agricultural fertilizer. A few years ago when the United States government perceived that they would require the products of their own phosphate beds, the phosphate lands of the west were formally withdrawn from private entry, thus retaining these deposits of fundamental importance to the future of the nation, as its property. Commenting upon the phosphate situation, President Van Hise, of the University of Wisconsin, stated:—

"Indeed, by the statesmen of foreign civilized nations, exportation of phosphates would be regarded as unthinkable folly."

and, to use his own words, he urged for the United States: "that there should be a law which prohibits absolutely the exportation of a single pound of phosphate rock."

However, it is not necessary to go outside of Canada to find advocates of this doctrine. It has been stated time and again that the growing industrial and other needs of Canada require that there no longer be exportation of Canada's electrical energy to the United States, without acceptable *quid pro quo*. This policy of Canada's retaining her electrical energy for her own use, is that which stimulates one like the District Attorney to ask the very pertinent question above quoted:—

"If the Canadians put an embargo on power when there is a power shortage, should we not put an embargo on their getting coal when there is a shortage here?"

As we have just seen from a foregoing quotation, Dr. Smith goes even further and definitely counsels, "let us keep our coal at home and with it manufacture whatever the world needs."

Ontario and Canada may yet require every unit of electrical energy just as much as the United States may yet require every pound of phosphate rock, or may find it expedient to retain every pound of coal.

In an article dealing with the *Exportation of Electricity*,* the writer in 1910, made the following statement, which is equally true to-day: "Certainly the people of Ontario and Canada are in better circumstances to maintain a supply of heat and power if their water powers, including their full share of international water powers, are reserved to themselves and not permitted to be exported, except upon terms and conditions which will conserve absolutely the present and future interests of the citizens of Canada. Not only would the water powers of Canada provide, to a certain extent, a substitute for the coal supply of the United States as a means of furnishing light and heat and power, but control of these water powers would secure a basis upon which negotiations for coal could be conducted in a possible day of need. Canada would be in a position to exchange, if need be, part of her electric energy for part of the coal supply of the United States. It is obvious, however, that if the United States interests should control both the coal and the

**The Exportation of Electricity*. By Arthur V. White, in *The University Magazine*, of October, 1910.