on the coal trade of Inverness, Pictou and Cumberland, let me quote further from Mr. Duggan's testimony:

"While the export business of the Company amounts to 56 per cent. of the total sales, the per cent. of export among the other companies of Nova Scotia is only 41 per cent. I have shown that the export trade would be practically lost to us, and that unless we could secure some of the Nova Scotia trade of the other companies, the business would be reduced 56 per cent,. as the export tonnage of the Company in 1907 was 20,000 tons greater than the entire sales of all the N. S. companies put together including both their home and export sales. We should find it necessary to absorb the whole of the home coal trade of Nova Scotia, and even this would mean a reduction of 800,000 tons in our annual output."

Further in his evidence he states that an addition of 35 cents to cost would practically kill the coal industry of the province.

It may be asked: 'How is it possible that American coal coming long distances by rail can successfully compete with Nova Scotia Coal with highly favorable transportation facilities between the mines and Quebec." One might be content with the statement "I do not know, but I know it is done." Some reasons, however, may be advanced in explanation of the fact. The American Mines can produce coal 60 per cent cheaper—or even more cheaply than that—than the Nova Scotia Mines. The price of coal at the mine in the United States is $1.00 to $1.15 a ton; in Nova Scotia the price is from $2.25 to $2.75. Figures compiled from an American authoritative source clearly demonstrates that any advantage the Nova Scotia Mines may have over American, as regards transportation, is fully set off by the much heavier cost of production. Ill informed advocates of reciprocity in coal, in Nova Scotia, suggest that the reason coal cannot be produced so cheaply in Nova Scotia, as in the United States, is owing to the management of the Mines being