

ONTARIO'S COAL SUPPLY.

Mr. Forward, Secretary of the Canadian Federation of Boards of Trades, has a communication in the Ottawa Free Press which in a pointed way shows the great risks Ontario is running by being dependent on the United States for her coal supply. Mr. Forward estimates that Ontario buys some 6,000,000 tons of soft coal yearly from the U. S., and points out that an edict of the President of that country could summarily shut off supplies. Labor troubles also might effect a similar result, not to speak of other causes beyond our control. Were the imports of coal suspended even temporarily for say two or three weeks, the effect on Ontario's industries would be disastrous. The article proceeds:

"Can it be said with certainty that such an emergency will not arise? Seven years ago we had a slight foretaste of what would happen in such an event. The truth is we are living in a fool's paradise in regard to this matter. The importing of soft coal by Ontario is unfavorable to Canada's best interests, not only because \$12,000,000 or \$15,000,000 a year go out of the country to foreign railway and mine operators and workers which might be kept at home to the enrichment of the Dominion, but we are making the very life and existence of the industries and carrying trade of our most populous province every year more dependent upon a precarious and uncertain source of fuel supply. . . . Meanwhile our eastern partner, Nova Scotia, is looking in vain for an American market for her coal. In 1867 a United States import duty of \$1.25 a ton killed her trade to the States, which dropped from 338,492 tons, to 16,099 tons in 1893. In 1894 the duty was changed to 40 cents a ton for screened coal and 15 cents for slack, the former being raised to 67 cts. in 1897. Shipments increased until in 1903 they were 908,832 tons, chiefly slack coal, entering under the low duty of 15 cents a ton.

Under the tariff signed by President Taft a few days ago the duty was again lowered to 45 cents a ton. Last year's exports were 559,592 tons, a falling off of over 400,000 tons since 1903. Of these nearly 500,000 tons were shipped by the Dominion Coal Co., comprised largely of shipments to the Everett gas works of coal classed as culm or slack, and paying only 15 cents a ton duty. Under a proviso of the new tariff much, if not all of this would apparently be now subject to a duty of 45 cents per ton. In any event the falling off in the trade, as pointed out, has been very marked lately, and prospects are that on conclusion of existing contracts, the amount exported will be very small.

What the situation plainly demands is some decided action on the part of the Government to open the Ontario market to Nova Scotia coal. That was one of the objects of confederation that has miscarried. As a matter of national security, if nothing else, Ontario urgently wants a domestic fuel supply. Nova Scotia wants additional home market for her coal.

The Dominion Coal Co. have built up their Quebec trade until over 2,250,000 tons a year come up the St. Lawrence as far as Montreal, employing a fleet of 25 to 30 vessels of 3,000 to 7,000 tons each during the season. Open the Georgian Bay Canal and these colliers can go all the way to Fort

William, distributing coal throughout Ontario, and bringing down Northwest grain to the winter ports of Canada for shipment when the St. Lawrence is closed.

Within a decade from the opening of the route, coal shipments should reach 4,000,000 or 5,000,000 tons, giving the Province of Nova Scotia a large additional revenue from mining royalties, distributing several millions of dollars more yearly in wages alone, and substituting a permanent and stable market for one at the best fluctuating and precarious."

NOT ONE CENT.

Mr. Morrow, the chief witness for the prosecution in the coal operators conspiracy case, though subpoenaed by the prosecution, is making a splendid witness for the defence. The following from the Chronicle's report of the proceedings bears this out:—

"A list of a dozen companies which have gone into the business in the past decade having been read by Mr. Macdonald and Mr. Morrow said that all these companies had become strong competitors with the larger concerns in the markets of the Province. The small companies, so called, had increased their sales in Nova Scotia by 200,000 tons in that period and in 1908 these concerns had over a fourth of the total sales in the provinces, outside of the sales to the steel companies.

"Would you consider it possible in view of the limited market for the coal of Nova Scotia and the wide competition for two or three companies to combine and tie up any proportion of the sales of the Province?" asked Mr. McDonald.

Objection was taken to this by Mr. W. R. A. Ritchie as it was one of the questions to be determined by this inquiry. The Stipendiary thought the question might be allowed.

"It would be no more possible than that two or three grocers could tie up the trade in Halifax," replied the witness.

The witness stated that the larger companies had lost 200,000 tons of their sales in the Province to small companies in eight years and they were also subject to American and English competition. About 200,000 tons of soft coal was sold in Halifax in 1908. Half of this was Dominion coal.

"There was a general increase in the coal prices in 1900 was there not?" asked Mr. McDonald.

"Yes," replied the witness, "there was a general advance all over the world then. Nowhere was the advance so small as in Nova Scotia and much of the advance here was merely nominal."

"Has there been any change in the prices made then?"

"The only change was a reduction of five cents in run of mine."

Witness said that all advances were made by him on instructions from the head office.

"Who would give you these instructions?" asked Mr. McDonald.

"Mr. John S. McLennan of Sydney, who was then treasurer of the Company."

"And these increases were all made on his instructions?"

"Yes."

"Have these prices been adhered to ever since?"

"Yes."