

# Some of the Coal Producer's Problems\*

By D. H. McDougall.

On the occasion of our last meeting of the Mining Society of Nova Scotia, I made reference to the part played in this war by coal, and the subsequent course of events has given the general public and ourselves a very lively appreciation of the value of our domestic fuel supplies. We have realized through actual trial and experience the bearing of fuel supply upon our national independence. A combination of labor shortage, inadequate transportation facilities and unprecedentedly severe weather conditions during the past winter caused a fuel crisis in the United States which, but for swift and drastic action on the part of the United States Government, would have brought about a national catastrophe, in which we also should have been involved.

We have realized that no nation can stand alone unless it possesses an adequate fuel supply within its own borders. Fortunately for Canada, the Republic to the south of us is our ally and companion in arms, and Canada has received most generous consideration from the United States in this matter of fuel supply.

## Canada Will Have Same Treatment as United States.

Recently in Ottawa a representative of the Fuel Administrator of the United States told the assembled coal miners, operators, and transportation men of Canada, that Canada would receive the same treatment from Dr. Garfield as though it were part of the United States itself. We were told that in the distribution of the available coal supply of the United States the boundary line between the two nations would be absolutely ignored, and that so far as the distribution of this most vital munition of war was concerned, North America would be looked upon as being one nation with one common aim.

## Fuel Supply and Transportation.

We have learned the intimate connection between fuel supply and transportation facilities. In this country of vast distances they are in fact practically indistinguishable one from the other. The problem of the utilization of the great bituminous and lignite fields of the Canadian West—as was abundantly demonstrated during the recent Fuel Conference at Ottawa—is altogether one of transportation.

I may remind you that the coalfields of Nova Scotia remained undeveloped, and the industry, which we so largely represent, did not emerge from its small beginnings until the transportation problem was solved, and the St. Lawrence market was opened to Nova Scotian coal by the provision of modern coal freighting vessels and of modern loading and discharging plants.

At the present time the enormous increase in the percentage of coal consumed within the Province of Nova Scotia itself, accompanied by declining outputs, has obscured the present importance of transportation in our own particular case; but this problem will revive and will face us in greater intensity whenever we seek to regain the St. Lawrence market as an outlet for Nova Scotian coal.

We have further learned that the value of fuel, and all questions of comparative excellence of fuels become considerations of a secondary character during times of fuel scarcity. We are learning to make the best of our own natural resources, and when fuel such as anthracite, possessing the desirable features of smoke-

lessness and high calorific value, cannot be obtained, we must perforce turn our attention to the utilization of such fuels as peat, lignite, and even wood.

The Fuel Controller of Canada has announced that it is extremely unlikely that United States anthracite will be available next winter in the prairie territory west of Winnipeg, which means that bituminous coal and lignites will have to be used as substitutes.

It is not an unmixed evil for a people so virile and enterprising as our own people to be thrown back on their own resources, because it naturally leads to development and progress and probably the discovery of unsuspected excellences both in our natural resources and in our ability to make the best of them.

I may, in passing, point out that the shortage of anthracite is not a mere phase originating in present conditions. No country in the world, unless perhaps it is China, has been so favored in the possession of anthracite resources as the United States, but that the anthracite fields there are approaching a period of comparative exhaustion is evidenced by the fact that very thin seams of anthracite are to-day being worked, seams which in the past it would not have been deemed worth while to operate.

## The Intrinsic Value of Coal.

Another thing that we are learning is the intrinsic value of coal itself. Probably in regard to no basic raw material has there existed so widespread a misconception as in the case of coal. This misconception has not been confined to the general public, but it has extended to those whose daily business is the production and sale of coal.

## The Selling Price Has Been Too Low.

The ultimate factors entering into the cost of coal have not been fully understood, and, without entering into detail, it may be briefly stated that coal has, in the past—both in Canada and in the United States—been sold at prices below the actual cost of production, when such cost is considered over the whole life of any given coalfield. Further, it may be stated that the material value of coal itself has been underestimated, and perhaps no raw material has been so wastefully and unscientifically consumed in the past.

We are learning that the price of coal is not a deciding factor in days of fuel scarcity. The important thing, the paramount necessity is to produce the coal; to produce it as cheaply as possible, but above and beyond all other conditions, to produce.

The United States has experienced the sharpest lesson in this connection. No small part of the barely averted catastrophe of last winter was due to the arbitrary fixing of coal prices in the summer of 1917. Any action in the fixing of prices which ignores the essential factor of production and does not simultaneously with the restriction of prices, provide for the stimulation of production, is a mistake and defeats its own object. In the case of a raw material of such fundamental and vital importance as coal, all government action should have as its first and guiding motive the increase of production.

## Efficient Use of Men.

Increase of coal production does not necessarily mean the opening of new mines, but rather the reverse. There has been, throughout North America, a general reduction in the working force at the collieries. In