

business, but also to the general public, and that the threat held out by the transportation companies was not an idle one.

Agreements of various kinds had prior to that time been entered into by the coal dealers of Toronto for the protection of their interests, but for reasons which it would be idle now to discuss they had generally resulted in failure.

Owing to the pressure which was brought to bear from the United States to compel organization here and the adoption of uniform prices the coal dealers of Toronto organized themselves into a branch of the Toronto Board of Trade under the provisions of the charter of that institution.

It might here be pointed out that in forming this branch the coal dealers have simply adopted the course taken by other business men in the city of Toronto who are also members of the Board of Trade. Branches or sections have been established in many lines of business for the purpose of protecting the interests of those engaged in that particular line. Each branch has its own constitution and by-laws adjusted so as to be applicable to the peculiarities of each line of business. The constitution and by-laws of the coal trade branch are subject to the approval of the council of the Board of Trade who have the right to interfere if improper or exorbitant prices for coal be fixed by the coal trade branch. They are open to public inspection at all reasonable hours and do not in any sense constitute a secret agreement. The council of the Board of Trade may at any time demand from the executive committee of the coal trade branch a statement showing the percentage of profit made by any member of the branch and may take such action upon such statement as the circumstances may warrant.

It has been charged against the coal trade that those engaged in it are bound by a solemn oath to keep up the prices. This charge may be met by a very simple explanation. It is a matter of general knowledge that every well conducted corporation, society or other organization has some form of obligation to be subscribed to by its members, containing a promise or undertaking to obey and conform to the rules or by-laws of the corporation or society as the case may be. In some instances this takes the form of a simple subscription as in a stock book and in other cases it takes the form of a declaration. In the coal trade branch it takes the latter form. The declaration to be made by each member is in the following form:—"I have carefully read the constitution and by-laws and special rules of the association known as 'The Coal Trade Branch of the Toronto Board of Trade,' and that I will, so long as I continue a member of the said association, truly, faithfully and honestly observe, perform and keep the provisions and terms thereof, and shall not commit or attempt to commit or allow others on my behalf to commit, or attempt to commit any secret or other evasion or violation thereof." This is the only obligation that members of the branch are required to enter into.

Having shown that the organization is one which has been forced upon the coal dealers by those having control of the market in the United States that its object is not to exact exorbitant rates or to wring a high price out of the people, that the price lists are subject to supervision by the council of the Board of Trade, and that the obligations entered into by its members do not differ materially from those entered into by the members of any other society or organization, some of the results of the organization may now be pointed out. They are as follows:—

a. The uniform price of coal in Toronto during the past two years, it is believed, has been less than in any other part of Ontario where the cost of transportation and expenses are as heavy as in Toronto.

b. The net average profits of the coal importers who are members of the association, since its organization, out of their coal trade, has not exceeded 25 cents per ton, which is less than a fair profit, and which it is most respectfully submitted is very much less than ought to be expected from the large amount of risk assumed in the business. An attempt has been made to show that in the calculation upon which this margin of profit is ascertained, the coal dealers have not taken into consideration the circumstance that in the United States coal is purchased by the gross ton, *i. e.*, 2,240 lbs., but is handled and sold in this province by the net ton, *i. e.*, 2,000