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The Dominion Coal Company Ltd.

Our issue this month, following upon the very interesting and enjoyable meeting of the Mining Societies of Nova Scotia and Quebec at Sydney, Cape Breton, in July, is naturally redolent of the Dominion Coal Company, at whose hospitable invitation the gathering was held there. The strongest light of criticism has for many months past been thrown upon this company, and it is indebted to the press of Canada and the United States for a great deal of gratuitous advertising. The latest and by no means the least remarkable discussion of its aims and objects was evoked the other day in the Senate at Washington, by Senator Chandler's motion to appoint a commission of enquiry into the true inwardness of the Company's connection with the movement favoring free coal for the United States. Surely no body corporate starting out to conduct an important enterprise within the limits of the Dominion, has ever been attacked and belaboured to the extent this company has been in Nova Scotia. This hostility can no doubt be attributed to two causes: 1st. The fact that there is a preponderance of foreign, *ie.*, American, capital and influence about it; and 2nd. That it came into existence under the skilful manipulation of Premier Fielding, to whom accrued therefrom much political kudos, while, at the same time, a proportionate amount of chagrin and envy filled the breasts of his political opponents. At the risk of relating a story already familiar to many of our readers, and as an introduction to our description of the meeting of the Mining Societies in Cape Breton, we propose to give a brief history of the company from its inception until the present day.

The idea of combining the various Cape Breton collieries under one management is quite an ancient one and it would be difficult to trace it back to the original source. Prior to the imposition of the American duty on coal, the Cape Breton mines did a profitable business, chiefly with the United States, albeit on what seems now-a-days a very small scale, but with the loss of the American market, the coal trade languished, and much suffering ensued locally among the laboring classes in and around the mines. Then in 1878, as all are aware, came Sir John A. Macdonald's National Policy, under which, fostered by a duty on imported coal, the business gradually revived, not with leaps and bounds, as the most sanguine had predicted, but with sufficient steadiness to restore comfort and a moderate degree of prosperity for employees and employed. The producing capacity of the mines, however, was a good deal in excess of the demand, competition was very keen, and prices, in consequence, very low. The Montreal market then indicated but a faint shadow of the substantial growth it has since attained, and with the American markets closed to everything but slack coal, the outlet for Cape Breton coal was very limited. It was in 1881, we believe, that the Cape Breton Colliery Association was instituted by the resident agents and managers of the different mines. Its formation was prompted by the aggressive attitude assumed about that time by the workmen, and as a sort of counter-move to the Provincial Workmen's Association, which had just been started. But beyond being a combination for mutual defence against the machinations of Mr. "Bobby"

Drummond—we beg his pardon—the Honorable Robert Drummond—this Association essayed to regulate the course of business, and by entering into obligations more or less solemn, sought to keep the selling price of coal at a level which would ensure a decent profit. But, as is almost invariably the result in such cases, holes were sought for and generally discovered by the wiley manager, by which escape from the solemn obligations could be compassed, without sense of dishonor to an elastic conscience; so notwithstanding that from 1887 onwards, times sensibly improved, and although, with a steadily increasing demand from the St. Lawrence markets, the mines had now pretty well as much work during the season of navigation as they could handle at the capacity to which they were developed, only one or two of the mines could show a decent margin of profit upon their workings, while the rest of them were not doing much more than make both ends meet. As each succeeding Spring saw the blind struggle for contracts at bed-rock prices, the more sagacious sighed over such short-sighted and suicidal policy and figured enviously upon the prices they could legitimately have commanded, had common sense and mutual confidence prevailed among the coal owners. Such being the state of affairs, the ground was in a favorable condition for the operations of the gentlemen who sowed the seed of the great project which culminated in the Dominion Coal Company as it is to-day. The initial step of any significance was the purchase in the winter of 1891-2, of the Ontario Colliery at Glace Bay, (which had been practically idle for some years) by Messrs. B. F. Pearson, of Halifax and J. A. Grant, of Boston, acting for Boston people. Among whom were Mr. F. S. Pearson and the gentleman whose name is better known than any other in connection with the whole transaction, Mr. Henry M. Whitney, then President of the Boston West End Street Railway Co., of which Mr. F. S. Pearson was Engineer-in-Chief. We have understood that it was through the Messrs. Pearson that Mr. Whitney's attention was first drawn to the Cape Breton coal fields and to the vast possibilities that underlay a proper development of their resources. It was no difficult matter to estimate that, with increased and cheapened production, with Louisburg equipped as a shipping port and with modern means of water transit, it would be possibly to supply, in a measure at least, the markets of the New England States. Mr. Whitney was sufficiently impressed to post a large sum of money wherewith to secure options on all the working and workable properties lying within the limits of Cape Breton County. As he came to look more closely into the matter, an obstacle to the successful working of the scheme appeared in the shape of the uncertain tenure under which coal areas were leased from the Province of Nova Scotia, which could, through its Government, increase the royalty at will. Mr. Whitney at once recognised that it would be useless to attempt to enlist the assistance and capital of his countrymen in an undertaking which could be taken out of existence at any time, if the people of the country, through its Local Legislature so willed it. The royalty we may mention had just been raised from 7½ to 10 cents per ton in the teeth of strenuous and united efforts in opposition from the coal owners of the Province. At this juncture Mr. Fielding, the Premier of Nova Scotia, appeared as