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OF CANADA.)

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Subscribed Capital.....1,000,000  
HEAD OFFICE—MONTREAL.

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## The Canadian Monetary Times.

FRIDAY, SEPTEMBER 3, 1869.

## THE COAL QUESTION.

The question of how to obtain a supply of coal at a fair price is being discussed in the United States with great earnestness. The people are groaning under the grievous burden imposed on them in the interest of the monopolists of Pennsylvania, and we in Canada have good reason to feel interested in the result of the movement now inaugurated. A memorial is receiving numerous signatures in New York, asking Congress to repeal the tariff on coal. Six mining corporations, representing, as they allege, \$20,000,000 of capital, have protested against the abatement of the present duty, on the grounds—1st. That their interests will suffer if this duty is abated; 2nd. That the English and Welsh coals cannot pay freight and compete with anthracite and bituminous coals of the United States; 3rd. That the Nova Scotia coals are not fit for steam generating or domestic purposes; 4th. That if the duty is abated, the only result will be an extra profit to gas companies; 5th. That they have not taken advantage of the excessive demand upon them to put the price of their coal above \$7.25 per ton in New York. The answer to these is, that

coal is one of the necessities of life, and consumers have to pay a heavy tax for the benefit, not of the Government, but of the monopolists; that Newcastle coal is imported to a considerable extent to be used in making gas in New England; and that Nova Scotia coal is good for domestic use, and as good for steam or smelting purposes as the average of English or Welsh coal; and that if the duty of \$1.25 per ton in gold does not enable these companies to obtain a higher price for their coal, they cannot object to its abatement. A committee, appointed at a recent meeting of the citizens of Buffalo to memorialize Congress on the coal question, have lately submitted a report, embodying the results of their inquiries on the subject. In this it is stated that the average cost of all the coals mined in Great Britain in 1854 was \$1.15 per ton at the pit's mouth. In 1859, the lowest estimate of cost in the anthracite region of Pennsylvania, including all expenses of machinery and repairs, was about 65 cents per ton, and seldom reached \$1. In 1859, anthracite coal was about \$4 per ton. When the inflation began, the price of coal rose to \$6.50 in August, 1863, and to \$10.75 in August, 1864. In May last the price was \$4.50, and lately it has risen to \$10.75. Of anthracite coal, Pennsylvania, has undoubtedly the monopoly. Of bituminous coal, there are extensive deposits in Maryland, Virginia, Ohio, and Missouri. The Cumberland deposits of Maryland and Virginia are now actively worked, and the trade in their yield has doubled within five years. The coal fields of Nova Scotia are naturally attracting the attention of the people of the Northern and Eastern States; and it is not unlikely that the coal owners of that Province, who have been complaining so bitterly of late of their loss of trade, will have the opportunity of showing what they really can do in the way of competition, and what their mines are worth.

The amount of coal raised in Nova Scotia in 1827 was but 11,491 tons; in the year 1866 it had increased to 684,766 tons. The distribution of the coal raised in the latter year was as follows:

	Round.	Slack.
Sold for home consumption.....	87,639	11,988
Exported to neighboring colonies.....	95,077	11,583
Exported to foreign countries.....	378,712	16,303
Total.....	561,412	39,874

For the year ended Dec. 31, 1868, the total quantity raised and sold was 453,618 tons. The distribution was:

	Round.	Slack.
Sold for home consumption.....	97,715	19,914
Exported to neighboring colonies.....	91,376	11,433
Exported to foreign countries.....	224,466	8,714
Total.....	413,557	40,061

Notwithstanding the duty with which this coal has to contend since the abrogation of the Reciprocity Treaty, in entering the United States, it has managed to find its way thither. Much ingenuity is now being exhausted by American writers in the interest of the Pennsylvania operators, to show that Nova Scotia coal is not likely to be in much demand, even with the duty taken off. Some journals give a very gloomy picture of the Nova Scotia coal region. The *U. S. Railroad Journal and Mining Register* paints it in these colors:

"Large sums have been spent in deepening harbors, building sea walls and piers, sinking shafts and slopes, and laying tracks; but all this has to be done in an unsettled country, at a vast distance from the machine shops of the world, with a population of fishermen speaking the Gaelic language, and on the shores of a gulf against which the Arctic ice, floating down through the Straits of Belle Isle, banks itself sometimes to a distance of forty miles out, so that seal, bear, and foxes have been hunted on it. While across the mouth of the gulf hangs, for a great part of the year, a perpetual fog bank, fifty miles wide and a mile high, making navigation dangerous. But were all obstructions to mining and exporting these coals entirely removed, it would be just as unfortunately true that the exports must be small, owing to the fewness and thinness of the beds, and to their peculiar situation—a situation which makes a small trade very easy (for the mines are close to the sea, and the beds actually crop out in the cliffs beaten by the waves), but a large trade impossible. One or two of the companies now mining will make money, and from a plant of a few hundred thousand dollars will get large dividends. But all the rest will barely keep their trade alive, without the possibility of increasing the total exports of the district."

The *New York Chronicle* says the tariff "will probably be repealed" at the next session of Congress. The argument is, that the lowest price at which the Nova Scotia coal can now be sold by the cargo in New York is \$9 per ton, including the duty of \$1.25, whereas Cumberland coal is selling there at \$6.75. The actual cost of mining in Nova Scotia is placed at \$2 per ton, and of freight to New York, \$3. We have not at hand the figures necessary to check the calculation, but we have been under the impression that, prior to the repeal of the treaty, Nova Scotia coal could be laid down in Boston at \$3 per ton. However, if it has been able to find its way into the States, even to a limited extent, in spite of the duty, it is not impossible that a change in the tariff, by which a relief of \$1.25 in gold is afforded, will create a large demand, and thereby lower prices through the effect of competition. It may be that the immediate cause of the present high price of coal is the strike on the part of the miners of the principal American coal region, but it is not unlikely that the monopolists have done all in their power to force up the market.