



to violent fluctuations in the past. Prior to Confederation the New England States were the best customers for Nova Scotia coal. But the trade built up during the existence of reciprocity with the United States was soon destroyed at its close. In 1867 the United States Government imposed an import duty of \$1.25 a ton. Shipments to the United States, which in 1860 amounted to 404,252 tons, fell off, until in 1893 they were only 16,009 tons. In 1894 the duty was made 40 cents on screened coal and 15 cents on slack. Through taking advantage of classification bringing most of the shipments under the lower rate, and through the active interest of American financial men the exports rose again until in 1908 they had reached 968,832 tons. In 1907 they had fallen off to 616,812 tons, and in 1908 the receipts of the port of Boston were nearly 200,000 tons less than in 1907.

The uncertainty of the export trade hinders investment of capital to provide proper equipment for handling large traffic. And to the extent that the mining industry of Nova Scotia is dependent upon the United States market it feels and must continue to feel the effect of this uncertainty in cramping its activities and preventing the investment of capital necessary to its development. The opening up of an enlarged market in Canada would undoubtedly greatly improve the conditions of production, and tend to render the position of this important industry far more stable than at present, as trade developed wholly under our own flag would be of a more permanent character than trade dependent upon tariff relations subject to fluctuation.

#### (5). Freeing of Ontario from dependence on the United States for fuel supply.

The railways of Ontario are operated and its factories run with American coal. The position of industries wholly dependent upon a foreign fuel supply must always be precarious. That of Ontario's industries is peculiarly so, for if the supply of coal from the United States were for any reason at any time shut off, under existing transportation conditions its place could not be supplied at reasonable cost and within any reasonable length of time from domestic or other sources. So it may be said that we are practically at the mercy of circumstances and forces over which our Government can exercise no control.

Not only will the deep waterway remove this danger by allowing coal vessels to ascend from the Atlantic to all our upper Lake ports, but the