

Subsection 4.—Coal*

Production from Canadian coal mines in 1965 was 2.4 p.c. higher than in 1964; increased production of subbituminous and lignite coals more than compensated for a lower output of bituminous coal. Compared with 1956, production in 1965 declined about 3,300,000 tons, consumption about 9,500,000 tons and imports about 5,600,000 tons. Exports, on the other hand, showed a fairly steady increase over the decade, from 600,000 tons in 1956 to 1,200,000 tons in 1965. This increase, however, was attributable only to higher exports of western bituminous coking coal, mainly to Japan. The weak competitive position of Canadian coals is caused by several factors but mainly by high production costs due to low productivity in comparison with coal mines in the United States, and by high costs of moving coal long distances, particularly bituminous coal from mines in Nova Scotia and New Brunswick to the industrial centres of Ontario and Quebec. Mechanization of production, underground and surface coal preparation, particularly of slack and fine sizes, and efforts to control quality through coal sampling and analysis have all been increased to enable the industry to supply higher quality products at reduced costs. On the basis of costs per ton in Western Canada, significant improvement was noted but in Eastern Canada costs continued to increase in 1965.

Assistance to the coal industry was continued by the federal and provincial governments through research programs. The problem of fine coal production received particular attention, with research directed toward improved methods of mining, beneficiation and combustion. Technical assistance was also rendered in the field of quality control through sampling and analysis and through studies of the coking properties of coals in relation to their preparation for export markets and their use in prospective steel industries. Financially, the Federal Government continued assistance to the coal industry through payments administered by the Dominion Coal Board with aid in the acquisition of new equipment and subventions on coal transportation (see pp. 583-585).

Production and Consumption.—Coal produced in Canada in 1965 amounted to 11,589,000 tons with an average value of \$6.55 a ton. The number of man-days employed by the industry was 2,261,185, compared with 2,230,376 in 1964. In Nova Scotia, which is the major producing province and the one whose economy is most affected by changing coal markets, there was an increase in coal-mine employment of 2.6 p.c. to 1,565,693 man-days; increases were also shown in Alberta, Saskatchewan and the Yukon, amounting to 1.3 p.c., 6.4 p.c., and 2.5 p.c., respectively. In New Brunswick employment decreased 1.1 p.c. and in British Columbia 9.9 p.c.

Of the coal produced, 60.1 p.c. was bituminous with an average value of \$9.44 a ton at the mine, 22.0 p.c. was subbituminous with a value of \$2.52 a ton, and 17.8 p.c. was lignite with a value of \$1.80 a ton. The proportion of the output won by stripping methods was 47.9 p.c. The output per man-day of coal from strip mines was 30.40 tons and that from underground mines 3.45 tons representing a decrease from 1964 of 1.67 tons for the former and 0.28 tons for the latter. The over-all output per man-day was 16.36 tons compared with 15.89 tons in 1964.

Coal consumption in Canada was about 26,775,000 tons in 1965, somewhat higher than the 25,100,000 tons consumed in 1964. About 62 p.c. was imported, of which over 96 p.c. was bituminous coal used mainly in Ontario and Quebec; imports were 10.7 p.c. higher than in 1964. The production of coke used about 5,900,000 tons of coal, over 90 p.c. of which was imported. Sales of coal to the commercial and household heating markets amounted to about 2,100,000 tons, and the amount used by industrial consumers, including thermal-electric power plants, was about 15,500,000 tons, an increase of 15.5 p.c. over 1964. There were 1,200,000 tons of Canadian coal exported in 1965, most of it from mines in Western Canada going to Japan and the United States for blending in the manufacture of metallurgical coke. About 4,800 tons went to the Island of St. Pierre

* This Subsection contains final 1965 figures for coal which do not quite agree with the preliminary figures given in the introductory write-up to Section 1.