

Subsection 4.—Coal

Production from Canadian coal mines was about 2 p.c. lower in 1966 than in 1965. Since 1956, annual production has declined about 3,500,000 tons, consumption about 9,800,000 tons and imports about 6,200,000 tons. Exports, on the other hand, doubled in the decade but this increase is accounted for almost entirely by higher exports of Western Canada bituminous coking coal, mainly to Japan. The weak competitive position of Canadian coals is attributed to a number of factors, including high production costs because of low productivity in comparison with coal mines in the United States, and 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 quality control through coal sampling and analysis have all been increased by the Canadian industry in an effort to supply higher quality products at reduced costs.

Assistance to the coal industry was continued in 1966 by the Federal Government and the provincial governments concerned through research programs. The problem of fine coal production continued to receive 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 studies of the coking properties of coals in relation to their preparation for export markets and their use in the metallurgical industry.

Financially, the Federal Government continued to assist the coal industry, through the Dominion Coal Board, in the acquisition of new equipment and by the payment of subventions on coal transportation. The latter amounted to almost \$33,000,000 in 1966 compared with \$26,700,000 in 1965. Assistance amounting to \$3,000,000 was applied to the export of about 1,000,000 tons of coal from Alberta and British Columbia, and federal payments of almost \$3,100,000 were made under the Atlantic Provinces Power Development Act, 1958, which indirectly aids the marketing of coal. Two loans for mine mechanization under the Coal Production Assistance Act were made during the year.

Production, Employment and Consumption.—Coal output in Canada in 1966 amounted to about 11,392,000 tons and the average value for all types was \$7.16 a ton. The number of man-days employed by the industry was 2,199,678 as against 2,233,447 in 1965. All producing provinces (except British Columbia) and Yukon Territory contributed to the decrease; Nova Scotia recorded a drop of 0.9 p.c., New Brunswick one of 4.5 p.c., Saskatchewan 7.1 p.c., Alberta 5.1 p.c., and Yukon Territory 23.5 p.c. Employment in British Columbia mines increased 7.3 p.c.

Of the total coal produced in 1966, 59 p.c. was bituminous with an average value of \$10.70 a ton at the mine, subbituminous accounted for 23 p.c. with an average value of \$2.28 a ton, and lignite for 18 p.c. with an average value of \$1.79 a ton. Production of bituminous coal was down 3.5 p.c. from 1965 but subbituminous and lignite production increased 1.3 p.c. and 0.7 p.c., respectively. The proportion produced by stripping methods was 47.2 p.c. The output per man-day from strip mines was 20.15 tons and that from underground mines 3.11 tons. The over-all output per man-day remained about the same in 1966 as in 1965.

Consumption of coal in Canada in 1966 was about 26,500,000 tons, almost 62 p.c. of which was imported. Of the imported coal, 96.3 p.c. was bituminous coal used mainly in Ontario and Quebec. Imports were slightly lower than in 1965. The production of coke used about 5,900,000 tons of coal, of which about 93 p.c. was imported by Ontario