

MONDAY MAY 7 1917  
CANADA

SESSIONAL PAPERS NO. 142

RETURN TO AN ORDER OF THE HOUSE OF COMMONS,  
dated the 5th May, 1917, showing a copy of the report  
of the Royal Commission appointed by Order in Council,  
20th September, 1916, to inquire into and report upon  
the conditions in regard to the delivery of cargoes  
of coal to coasting vessels in the Maritime Provinces.

*W. L. Patterson*

Secretary of State.

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Reference No. 126

Cover: Mr. Hughes (Kings)

Dated 5th May, 1917.

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Ottawa, Ontario, 6th December,  
1916.

To The Right Honourable

Sir George Elias Foster,

Minister of Trade and Commerce of Canada,

O t t a w a.

Sir,-

The Members of the Royal Commission; appointed by the Order-in-Council of the 20th September, 1916, on the recommendation of the Acting Minister of your Department, in response to the terms of a Resolution of the Legislative Assembly of the Province of Prince Edward Island; have the honour to report as follows:-

The Members of the Commission, Messrs. Wilfred E. Tupper, Archibald R. Tibbitts and J. Fred McDonald, had their first meeting at the Halifax Hotel, in Halifax, on Friday, October 6th, 1916, and organized the Commission.- Mr. W.E. Tupper, as the representative of the Department of Trade & Commerce, being named as Chairman.

The Commissioners deemed their object to be, in accordance with the terms of the Order-in-Council appointing them, as follows:-

1. To obtain the evidence of as many of the captains and owners of coasting vessels as possible in relation to their complaints of delays in loading coal cargoes.
2. To visit the coal mines of the various ports of Nova Scotia and to inspect the systems employed and the facilities provided for delivering coal to sailing vessels, and to obtain statements from the officers of the Coal Companies in explanation of their attitude with regard to delivering cargoes of coal to sailing vessels.

3. To ascertain from both parties to the controversy their suggested remedies to alleviate the conditions complained of.

4. From a study of all the evidence and information available, to recommend to the Dominion Government some regulations that might apply to both the carrier and the producer of cargoes, if it were developed that the conditions complained of were the result of any causes that might be affected by such regulation.

Method of Procedure Adopted,  
and Programs.

It was decided by the Commissioners, that the above objects would be more easily and quickly - and as efficiently accomplished; by holding informal sessions and acquiring as much evidence as possible, without the formality of legal counsel or the examination of witnesses under oath; and, as a consequence, all the investigations were conducted in that manner. Accordingly, after organization, the Commission carried out the following programs:-

Friday, October 6, - Met at Halifax Hotel and organized, - interviewed the Deputy Minister of Mines and the Deputy Attorney General of the Province of Nova Scotia, in Halifax, with regard to any possible existing Provincial Legislation for the regulation and control of the Coal Companies, in respect to the manner of shipment of coal cargoes, and as to the existing opinion regarding the authority of the Provincial Government in the premises.

Saturday, October 7, - Visit the offices of the Dominion Coal Company at Sydney, N.S., - interview its executive officers and inspect the Company's pier and loading facilities; also visit the Nova Scotia Steel and Coal Company's offices at North Sydney and inspect their loading facilities. Call at the office of the brokers who book the Nova Scotia Steel & Coal Company's shipping orders, and inspect their books, having a lengthy

interview with the brokers. Later have an interview with the Company's Transportation Shipping Manager.

Tuesday, - October 10, - A session was held by the Commission with the owners and captains of coasting schooners in response to an advertised meeting for 10 o'clock that morning at the office of the Marine Department in Charlottetown, at which were present representatives of the coasting schooner trade of Prince Edward Island, New Brunswick and Nova Scotia. In the evening, interview Messrs. Duntain, Bell & Company, the local agents of the Acadia Coal Company.

Wednesday, October 11, - Inspect the loading pier of the Intercolonial Coal Company at Pictou and interview the Manager at Westville; also interview the Manager of the Acadia Coal Company at Stellarton.

Thursday, - October 12, - An inspection and interview with the Manager of the Inverness Coal Company at Port Hastings.

This wound up the activities of the Commission until it should meet later in Ottawa to prepare its report, based on the evidence obtained.

GENERAL.

At the outset the Commissioners realized that the conditions existing since the present war began could not be considered as normal, and that their conclusions must be based largely on evidence as to conditions that existed before the war. Initial enquiries developed the fact that none of the mines at present were able to produce anything near their normal output, owing to the fact that so many of the miners had enlisted for service overseas; and in spite of this shortage in the output, there was an increased demand for supply from munition plants and overseas transports, so that it had been impossible to fulfil even their already existing contracts. The Commissioners' enquiries, therefore, were directed largely to ascertaining conditions prior to the beginning of the present war.

An analysis of the evidence thus obtained from the various sources would appear to establish:-

Firstly; That there is some justification for the complaints of sailing vessel owners and captains as to delays in loading their vessels after they have arrived at the port where the mine ships its output, and the time consumed, in some cases, before they are enabled to depart loaded.

Secondly; That the coal mining companies admit there have been delays in loading schooners, but they maintain there is equal justification for their claim that, under the conditions heretofore existing, these delays are unavoidable and are due to a number of causes beyond the power of the companies to regulate without the co-operation of the vessel owners themselves, or without considerable financial loss.

Thirdly; That there has never been any organized effort of the part of either side to arrive at an agreement that might relieve some of the causes of the delays; and neither side has suggested a remedy that would be acceptable to

the other.

the other.

SUMMARY OF VESSEL-OWNERS' CASE.

The evidence of the captains and owners of the sailing vessels, on complaints in this matter, being all along practically the same lines, may therefore be summarized as a whole.

Primarily it must be noted, in consideration of the evidence presented by this side, that in only one instance were any definite dates given for specific instances of the occurrences complained of.

It was developed by the enquiry that none of the captains examined were in the habit of keeping a regular Ship's Log and, as a consequence of the absence of any written records the Commissioners, in weighing this evidence, were compelled to form their conclusions almost entirely on general statements from the captains and owners, given from memory and without the support of data that would have fixed definitely dates of actual occurrences; and that might have been checked with the records of the coal shippers. All the captains and owners who related their experiences, with the one exception, gave details based only on memory; and the dates of the various instances which they related were in many cases very indefinite, - sometimes not even the year of the occurrence could be placed.

In effect, the evidence of all those examined was identical, and united on the statement that, for some years past, they had been delayed over a varying period, - stated to be from one day, as the minimum, to as much as three or four weeks as the maximum.

It was further developed that very few, if any, of these sailing vessels ever went for cargoes of coal under charter; but the usual practice was to endeavour to obtain some cargo, such as produce, etc., to a coal port, and to bring back a cargo of coal as a return. In this way the visits of the

sailing vessels to the coal ports were intermittent and irregular, and in a great many instances it was evident that the vessel laid some days discharging her cargo of produce before being ready to take on a cargo of coal.

The captains all claimed that they only dated the beginning of their delay from the date on which they had booked the order for their cargo with the coal company, but in this regard there seems to be some confusion, and the Commissioners are not at all positive but that in some instances the captains have considered that they were booked when the coal companies did not admit this claim. The lack of any definite dates, however, in the evidence submitted by the captains, prevented an investigation of the books of the companies specifically with a view to obtaining evidence confirmative or otherwise of this statement, except in the following two instances:-

1. In the evidence given by one of the captains, a general statement was made that he had not been loaded in less than 9 days at North Sydney any time during the last 18 years. In comparing this statement with the records in the books of the Brokerage Company booking the orders at North Sydney, it was found that the average time consumed between booking and loading this captain's particular schooner, according to the Company's records extending over the past two years, - and during which period conditions have admittedly been abnormal, - had been only five days. In connection with these records the Company make the statement that the booking dates simply show the date that the order was sent to the Coal Company and that if the order reached the Coal Company before the vessel was discharged of inward cargo or ballast, that the vessel would not be booked until she was so discharged of ballast or cargo; and this Company further makes the statement that the captains fully understand this point that they cannot book until they are ready to load. In spite of this statement, it would appear that the captains must have counted a portion of the time for which they claim they were delayed from the date at which they reached the loading port in the first instance.

2. The Captain of the Schooner "Bonus" testified that "He arrived at Pictou at 4 P.M. May 15th, booked morning of the 16th, was not finished loading until May 30th. Again, arrived on June 18th and on 27th his turn was due. For some reason or other he was put back, - another Schooner taking his place; on the 30th his own load was completed. Arriving again on August 13th he was not despatched until August 28th and in all cases he was ready for cargo when he arrived." This evidence the Commissioners were able to check accurately, as this was the single instance where definite dates were given. The circumstances relating to each instance of delay complained of by this captain were given by the Acadia Coal Company as follows:- "In each case this captain applied for a cargo of Acadia nut coal; that this is a class of coal of which the company only makes a very limited quantity, but that during the

season in which this captain applied for it, there was a more than usual demand and that they could not begin to produce sufficient to meet that demand. When this captain called a large number of other schooners were in port for a similar class of coal and would take none other. This captain did not need to remain unless he so chose, as their shipping agent could have assured him immediately on his arrival as to when he might expect his cargo."

The logical inference is that the schooner complained of as "taking his place" was satisfied to take another grade of coal, that was on hand.

There was very little evidence to show that there was any complaint on the part of any captains of sailing vessels as to any preference being given in the order of loading sailing vessels,- their main complaint being against steamers, chiefly those chartered by the companies for carrying the coal to fill their contracts to the larger centres. It was claimed that in some instances steamers had been loading when schooners had applied for cargoes and that the loading of the steamer had been completed, the steamer had departed for her destination,- usually some port on the St. Lawrence,- had discharged and had returned and been loaded again while the schooner was still waiting to receive cargo.

There were complaints against all the coal companies of Nova Scotia, but the greater number of complaints were against the companies using ports along the Northumberland Strait. The St. Peters Canal did not seem to be popular with the masters of sailing vessels and the greater difficulty of navigating to the Sydneys led to the selection, by sailing vessels carrying coal to Prince Edward Island, of the ports on the Straits in preference to the longer trip.

The charge was made in the evidence given by one vessel-owner in Charlottetown, that captains of sailing schooners were promised cargoes which were not furnished them and he maintained that if this were not the case, but if the captains were told definitely that they could or could not be loaded within a certain time, that this would be satisfactory.



as it then would, leave the option with the captain of remaining the necessary time or departing if he did not want to wait. There was, however, an admission on the part of some of the captains that some of the companies had at times notified them that they could not promise to furnish them with coal cargoes within a definite time, but that if the captains wished to book and wait they could do so;— and that if under these circumstances they had elected to wait, they have still considered that they were being done an injustice. The only condition, apparently, that would really satisfy the sailing vessel people would be one brought about by some regulation compelling the coal companies to book all vessels for cargo from date of application, and then to load in order of booking, without distinction.

The claim was made by some of the captains of sailing vessels at their hearing that in the United States ports sailing vessels were loaded in their turn of arrival without distinction with regard to any other class of vessel. To determine the correctness of this statement, the Commissioners communicated with the Department of Commerce, Bureau of Navigation, at Washington, enquiring what the regulations were in this regard, and received a reply from the Commissioner of that Department stating that this was not a matter that was covered by Federal Statute, but that if any such regulations existed, they were issued by the local harbour authorities at the various ports.

It was admitted by one of the Coal Companies that the circumstance related by one of the sailing captains as to his having been in port for a cargo of coal and having to wait during the time a steamer had loaded, gone out and discharged and returned, was correct, but the company stated that this was a very rare instance and only due to unusual exigencies and the necessity for filling their regular contracts, which they

could not allow to be interfered with by the irregular applications of the sailing vessels for cargoes.

SUMMARY OF THE CASE AS PRESENTED BY THE  
COAL COMPANIES.

As conditions are not the same at the different collieries it may be well that a summary of the statements of the officers of the various coal companies be presented individually, with a general resumé of the composite facts adduced by each.

The Dominion Coal Company, Sydney.

This company makes the claim that it has been especially nursing the business with the small sailing vessels, - that a portion of their International Pier has been set aside exclusively for the use of these vessels, at which tips of a much lower height than those at other portions of the pier are provided for greater ease in chuting the coal into the holds of these smaller vessels, which, of necessity, are much lower in the water than larger ships.

The Commissioners inspected this Pier, and witnessed the loading of a schooner that would carry 100 tons, dead weight, of coal. One of the greatest difficulties in loading these small sailing vessels expeditiously, is from the fact of the small cargo space which they contain. In most cases both the cabin and forecastle accommodation occupy a portion of the space that would ordinarily be the hold of the vessel, leaving narrow and low spaces at either side and below the cabin. In all these spaces the coal has to be conveyed by hand, - a crew of men known as trimmers being provided by the coal company for the purpose.

A further difficulty to be contended with is the small size of the hatches with which these vessels are provided. Owing to this, only a little coal at a time can be dumped from the chutes into the hold, - when the hatch becomes blocked, necessitating a wait until this can be relieved. The

Company maintained that if it were not for these difficulties, a schooner of this tonnage could be loaded to her capacity in a very few minutes. As it is, it takes from 6 to 7 hours.

This company further makes the claim, supported by their records, that the average time of loading these sailing vessels this year at Sydney had been two days seven hours; at Louisburg, 3 days 20 hours, and at Glouce Bay, 3 days 1 hour, exclusive of Sundays and holidays, and the maximum time taken to load any vessel was claimed to be one week. At the same time, the Company admitted that preference was given to the loading of steamers, as these vessels are always on charter to carry cargo, or for bunkers, and their detention might entail heavy loss through demurrage charges, and also an accumulation of expenses, which sailing vessels were not liable for unless in much smaller proportions. Steamers applying for bunker coal were given preference in loading over cargo steamers, and sailing vessels came next in order of booking.

The Company further stated that they provided free towage to move sailing vessels from any part of the harbour to any part of the piers at any time of the day or night, and that they considered no vessel booked for cargo until she had discharged her cargo, or, if in ballast, until she had discharged the latter. It was ascertained that the Company's regular chartered steamers, carrying coal to large ports, etc., took from 12 to 15 hours to load if trimming were necessary, and from 4 to 6 hours, if trimming were unnecessary,

This company is only producing this year 60% of its normal output, owing to conditions previously mentioned caused by the present World War.

The Commissioners consider that, with the record of the figures produced as before given, it is reasonable to contend that the despatch in loading vessels before the beginning of the war and since the special facilities above mentioned

for this class of vessel were provided, was even better than the record the company claims for this year. In conjunction with the shortage in their output they have had to furnish bunker coal for many more vessels than usual, the greatest demand being for the bunkering of transports and naval vessels, the necessity for the expedition of which is easily apparent. The company claims that after war conditions have ceased there can be no reasonable complaint of the despatch obtained by all this class of vessels that are able to come to Cape Breton for cargo. This Company has more than one port of shipment, these being at Sydney, Louisburg and Glace Bay. In many instances, when schooners call at Sydney for cargoes and complain of delay, they could be expeditiously loaded if they had gone to Glace Bay or Louisburg, and this circumstance will show the advisability of some system or regularity in the application for their cargoes by sailing vessels.

The Nova Scotia Steel & Coal  
Company, North Sydney.

A large part of the coal business of this company is handled by Agents and Brokers, who take the orders from the vessels and transmit them to the coal company. As before explained, if the vessel is then ready to load, the order is booked by the Coal Company, but if the vessel is not yet discharged when cargo is applied for, the order is not booked until she is discharged ~~when cargo~~ and ready to load.

The company has no special provisions for loading smaller vessels, except that they are usually sent to a particular portion of the loading pier.

This company is affected by the same conditions, due to the present war, as complained of by the other companies; but it would appear in an even more extreme manner, for they claim they have been able to supply only a small portion of the cargoes applied for by sailing vessels during the period of the war

war. Such records as were available show that the despatch to sailing vessels in previous years has been similar to that obtained by these vessels at the other coal-loading ports. There have been delays due to various causes, always, according to the claims of the Coal Company, unavoidable.

The Acadia Coal Company,  
Stellarton.

The conditions at the shipping piers of this Company are similar to those at the piers of the previous Company, and the same conditions due to the war were complained of as with the other companies, so that, for the period since the beginning of the war, these can not be judged as representative of the general results there, any more than at the other Companies' piers. The loading facilities are similar to those of the other two companies before mentioned, except not on quite as large a scale.

This Company admitted that there were frequent complaints on the part of vessel owners as to delays in obtaining coal cargoes, but put forth the same claim as the other companies; that they did their best to give quick despatch and that only such circumstances as the shortage of coals, the necessity for filling previous contracts or furnish vessels with bunker, or the fact that the vessel would take only a certain grade of coal, not at the time in stock, prevented all vessels being promptly loaded. They claim that there was no discrimination against any class of vessel, but that it was their effort to take care of all the business offering to the best of their ability. They further claimed that notwithstanding the shortage in their output, they have supplied more coal to Prince Edward Island this year than in the previous year, having treated this Province in this regard more generously than any other portion of the Maritime Provinces.

The Intercolonial Coal Company, Westville.

This Company furnishes a grade of coal that is popular only for commercial purposes as steam coal and it has extensive contracts with the Canadian Government Railways as well as other railways. It makes the same claim as other companies, that it has always done its best to supply cargo to all vessels without discrimination, but, as is the case with the other companies, it gives preference to steamers; first, those applying for bunker and second, those carrying coal cargoes, after which sailing vessels were loaded without discrimination in their turn. Loading facilities are similar to those of other companies, except on a smaller scale than those of the Companies at the Sydney. This company since the beginning of the war is in the same position as the others as regards shortage of output, and such records as were available of previous-to-the-war shipments show that despatch at their mines had been on a par with that obtained at the mines of the other companies investigated.

The Inverness Coal & Railway Co.,  
Inverness.

This company claimed that the demand at its loading piers for cargo by sailing vessels was so irregular and infrequent that it was necessary for the company to purchase its own steamers and to develop a retail market in order to take care of its output. This market was supplied on contract with the resultant necessity of the company fulfilling its contractual obligations within a certain period; that contingent on these contracts the company did its best to supply sailing vessels as promptly as possible with coal cargoes.

This company also, in common with one or two other companies, made the claim that the demands from the sailing vessels all came with a rush and that the three closing months

of the season of navigation were always those selected for carrying coal cargoes by this class of vessel; that they, like the other companies operating on Northumberland Straits, made frequent efforts to induce the sailing vessels to take their cargoes earlier, but that they had met with very little success and it would appear that these vessels only applied for coal cargoes when there was no other charter available, as during the summer months they were occupied with transporting lumber and in fishing.

They further claim that they have made it clear in the past to all sailing vessels applying for coal, that the Company could make no inducements for them to wait for cargoes if there were none available at the time they applied, but that it was entirely a matter that was in their own hands; in fact, they have gone so far as to urge vessels to go to other piers where there was more coal available.

It is also claimed that in some cases these vessels were chartered for the month of May to load a cargo of coal at their piers, but that they did not arrive for the cargo until October or November, and in some cases not at all, if a better charter offered elsewhere, - citing that forty cases of this kind had occurred in one year.

CONDITIONS CONTRIBUTORY TO DELAYS  
IN LOADING SCHOONERS, AS ADDUCED BY COAL  
PRODUCERS.

The contributory conditions, therefore, to the delays complained of by the schooner interests in regard to their obtaining coal cargoes, judged from a consideration of the statements of the coal companies' officers and their records, may be summarized as follows:-

1. Irregularity in the applications from vessels of this character for cargoes, and the tendency to crowd all the business into the final part of the season of navigation.



2. The necessity claimed by the coal companies for giving first consideration and despatch to steamers applying for bunker coal, or under charter for carrying coal for supplying contracts.

3. The difficulty of loading schooners expeditiously on account of the small size of their hatches and the inconvenient cargo spaces, into which coal has to be conveyed by hand.

4. The tendency of this class of vessel to await favourable weather conditions for making the run from Prince Edward Island ports to ports in Nova Scotia, for coal cargoes, - this resulting in a great many of these vessels arriving at the coal ports at about the same time.

In relation to the latter condition, it was developed by enquiry that the greater portion of the vessels employed in the trade between Prince Edward Island and the Nova Scotia coal ports, were generally very old vessels, many of them hardly safe to take far from sheltered waters, or where they would be subject to heavy weather.

An examination of the Shipping Register in the Department of Marine, with relation to the date of building of the different schooners whose captains or owners gave evidence before the Commission, partially confirms this statement and it was found that the average age of these 19 vessels was 26 years, - several of them being much older than this; but three of these most recently built making an average of about 11 years, while three of the older vessels have an average of 42 years.

The claim was made by the Coal Companies of Northumberland Strait that on account of this condition, these vessels would await a period of fair weather, when they would all start for a coal cargo at once, - one mine manager stating that an

many as twenty would arrive at their loading port in one day, and without notice; as a consequence, it was naturally impossible to give them all quick despatch in loading.

It may be noted here that the facilities for loading at all the ports where the companies ship their output are similar. A long trestle pier is built out into the harbour, over which the loaded coal cars of the hopper-bottom type can be run, dumping their load of coal into a bin underneath, - from which bin chutes, at frequent intervals, extend out from the side of the pier, chuteing the coal into the holds of the vessel lying alongside of the pier.

THE COMMISSION'S CONCLUSIONS AND  
RECOMMENDATIONS.

After considering all the different phases of the matter as brought out by the Enquiry, the Commissioners arrive at the following conclusions:-

1. That there is reasonable ground for some of the complaints on the part of the captains and owners of sailing vessels as to unusual delay in obtaining cargoes of coal at the various coal shipping ports.
2. That the above condition is not due to any deliberate purpose of the Coal Mining Companies, but rather to a combination of circumstances, some of which may be considered possible of remedy if action were taken by both parties with a view to arriving at an understanding to obtain a working agreement which would be equitable to both parties and would lead to the correction of some of the conditions, and a consequent improvement, in some of the matters complained of.
3. That some permanent organization should be effected by the sailing vessel owners for the purpose of negotiating with the Coal Mining Companies to obtain the above result, and to effectually represent to the Companies any point in relation to conditions affecting their interests when at any time thought necessary.
4. That the Commission can recommend no effective legislation to correct the conditions complained of by the first mentioned interests and that, if any legislation were to be considered for the purpose, the necessary action belongs to the Provincial Legislature, from which body the leases to the coal areas worked by the Companies are issued, and not to the Federal Government; and that the action requested in the Petition of the Prince Edward Island Legislature to the Dominion

Government

Government is not a matter to be dealt with by that Government, but, if at all, by the Provincial Government of the Province of Nova Scotia.

Respectfully submitted,

(Sgd) W. E. Tupper,  
Chairman.

" J. Fred McDonald,

" A. R. Tibbits,

Commissioners.