Some Aspects of the Coal Mining Industry

The Coal Mining Industry Is Handicapped by Wrong Publicity—A Suggested Remedy for This Condition

By S. A. Taylor, Pittsburgh, Pa.

There is probably no other mineral industry of which the public has as much information and misinformation as it has of the coal industry. Unfortunately, however, the general public’s knowledge of the coal industry, outside of the particular kind of coal it is accustomed to, by reason of use, is largely made up of information received from newspaper and popular magazine articles, in which the mine workers are depicted as overworked and mistreated men, and the coal operators as “coal barons.”

Those who have any specific knowledge of exact conditions in the coal industry know how unjust and unfair such an opinion of the coal industry is, not only to the miner but to the operator as well. Many reporters and writers of magazine articles are misled by statements regarding the condition of the miners that are exaggerated and not founded on facts and, if an investigation of the conditions of the miner’s work, his habitation and surroundings were fairly made, it would at least compel more truthful statements by those who write for public reading. That such an investigation would not reveal anything that was wrong, or anything to be censured or cured, no one, I think, would maintain, but I do think that any fair investigation of the facts would show that conditions in and around the newer and later-developed coal mines and communities would compare favorably with those of manufacturing districts, and that where the mines and communities are old and not very attractive places to work, or live in, they carry with them other considerations, compensating for these conditions, and cannot be remedied by reason of a lack of sufficient coal to warrant economically any costly changes.

The coal operator, where he is permitted to do so, will, I think, generally have the welfare of his men in mind, and will go as far as the remuneration from his operations will allow him to provide for the happiness and contentment of his workers.

Origin of Name

It is easy to understand how the opprobrious epithet of “coal barons” came into use and why it is still being applied. In the early days of coal mining in this country most of the employees were men who came from the British Isles, where most of the mines were owned by titled men of affairs, barons, knights, etc., some of whom were very over-bearing, and the title of “coal barons” was used as a term of disrespect. This term was no doubt used by some of the early workmen in this country and seized by reporters as something that would attract attention to the articles written, without analyzing the terms as to their real or just applicability to the situation they were describing. It is apparent that the public, from reading these articles, would naturally receive a wrong impression of the men engaged in the production of coal.

This impression is further aggravated when, for some reason, the dealers from whom the public purchases its necessary coal supply charge an unwarranted price for the coal, blaming the high price charged on the operator. Here again, if a little investigation were made, it would generally be found that the price the operator was charging for the coal at the mine was only a small part of the cost the consumer has to pay; and the consumer might be greatly surprised to find that the retailer and the railroads were each getting as much for the service they were rendering as the coal producer was getting for the coal at the mine, though the latter includes the wages of his employees and the capital charges necessary to produce the coal, and his profit, if any, as compensation for his service in the matter of producing the coal.

It is very apparent, I think, that as long as such a condition exists the general feeling among the public that the coal operators are the arch conspirators against them is going to continue.

The Remedy

The question naturally arises, How can this situation be remedied?

The answer is not so easy to give because it is very difficult to disabuse the minds of the public of the illusion that the statements which they read, and which are made to them by certain interested parties, are the facts as they exist.

It appears to me that the real facts should be secured by some fair tribunal or commission so constituted as to secure the support of all three parties at interest; namely, the public, the miners, and the operators. The public is entitled to know the amount of coal needed by the country, the amount available for that need, immediately and for the future; the cost of producing coal in various districts; the wages paid the workers; the amount of money invested in the production of the coal; what a fair profit on the investment, all things considered, would be; what a fair charge should be by the railroads for transporting the coal from the mines to the yard of the retailer, investment and service considered; as well also what would be a fair charge for the retailer to make for the service rendered and his investment. If this information were secured and given out to the public through the press and otherwise, I believe it would go a long way toward clearing up the misinformation which today exists. This should, if carried out in a fair and impartial way, tend to more hearty cooperation between the consumer and the producer of coal.

The next question along this line is, how can such a commission or fact-finding body be formed? Of course, the easy way would be to have some branch of the
national government or some specially constituted body, clothed with authority to secure the information, undertake this work. It is needless to say that it should be free from political influence if it is to be effective and give the consideration to the facts as found that the importance of the problem warrants and should receive.

Such a fact-finding body could be appointed by the President of the United States from men recommended by such organizations as the Chambers of Commerce. Boards of Trade, or civic societies, on behalf of the public, and for the coal operators or producers from men selected by operators in various districts or by operators' associations where they exist, and for the miners by miners' organizations in each district where there are such organizations. This latter would of course be hard to do where no organization is in existence, as the men might not be in position to select the proper men. I can see many difficulties in this way of getting a representation that would enlist the confidence and support of all three parties at interest.

In all probability the best place to initiate such an undertaking would be in the U. S. Department of Commerce which has the personnel to carry out such an investigation, and its findings would probably be received with more general confidence than if constituted of persons selected from outside the Government.

In making this suggestion I would not have you think that I am in any way advocating government ownership or control of business, as this is farthest from my thoughts (indeed I realize that it is rarely, if ever, that any business is conducted by any government either as economically or efficiently as by private enterprise), but I am offering this tentative suggestion only as a possible means of getting the facts to the public in such a way that they would be generally accepted.

**Experience in Europe**

I wish to quote from the address of Julius H. Barnes at the meeting of the United States Chamber of Commerce at Atlantic City, May 11, 1926, to show the effect of government ownership and operation of public utilities, as follows:

In the Old World the problems of natural monopoly such as railroads, telephones and electric service, found no answer but social theories that looked to government ownership and government operation as the solution. America is fortunate that it was able to develop a policy of fair and just public regulation which protected the public interest against unrestrained monopoly, but still preserved in industry the driving power of individual initiative. The lethargy and lack of enterprise which follows bureaucratic administration is shown clearly in the field of telephone communication. Again it is no accident that under private ownership in America this sparsely settled country possesses fifteen telephones per 100 of its people, as against three telephones per 100 in Great Britain with its government-owned service, and against the government monopoly telephone of Russia with its one telephone for each 1000 of its people.

Placing these figures in the same comparative position, will be: America, 150 telephones per 1,000 people; Great Britain, 30 telephones per 1,000 people; Russia, 1 telephone per 1,000 people.

The use of facilities depends on efficiency, and again it is no accident that in America our telephone conversations are annually 192 per capita, against Great Britain with its twenty-four and Russia with its five. In no other industry is painstaking and expensive research more quickly reflected in facilities that increase earning power of industry and add to the actual comfort of people. The devices which enable New York to talk easily with San Francisco came not as a flash of inventive genius, but as the result of painstaking research and experiment, with the investment of costs that have returned themselves a thousand times in service. But no Parliament or Congress, sitting as the board of directors of government operated industry, would have sanctioned the expense of experiment which private industry has justified a thousand-fold. Therefore, on the government lines of Europe no such long distance telephone conversations are possible as in America and this expanding industry is deprived of a great service facility.

The above shows very conclusively what government ownership or operation means and should be sufficient to make any thinking person avoid government ownership or operation of any business that can be operated by private enterprise.

**What Would Interest the Public**

It seems pertinent to note and discuss some of the questions that would be of interest to the public.

1. The public would like to know in a general way how long the coal supply of the country would last. The data for this are already in possession of the United States Geological Survey, and are modified from time to time as study and investigation reveal additional areas of coal available. This information could be amplified by giving the data for each state and district of each state. This would show some of the districts that have a certain kind of coal suitable for special purposes are nearing exhaustion, but with this fact stated should also go a statement indicating where the supply could come from when this particular kind of coal was exhausted.

2. Data should be given of the past production and consumption of coal, and of the probable requirements of the future, together with the amounts of the various kinds and qualities of coal needed for various uses, and also the substitutes that could be used under various conditions and requirements as well as where they can be secured.

3. The probable cost of railroad or water transportation, based on the present freight rates, from the mines to various large centers of population and users of coal. A study of this subject would no doubt reveal a more scientific method of establishing freight rates. This would be of great value to all concerned: railways, producers, and consumers alike.

This commission could no doubt suggest a means of fixing freight rates on a more equitable basis than that prevailing now, which is all the commodity will bear. A freight rate is composed of three main components all of which are susceptible of mathematical determination: (a) An assembling charge for bringing the cars from the mines to an assembling yard; (b) A transportation charge from the assembling yard to the terminal point; according to a statement which I read to the effect that the I. C. C. reported that the average cost of transporting a ton of coal was 3 mills per mile, allowing four mills per mile would give a fair profit on this part of the service; (c) A terminal charge, similar to the assembling charge.

The assembling charges should be about 25 cents to 30 cents per ton, from the best information I have
on the subject. With these figures at hand it is an easy matter to make a freight rate that would be fair and equitable between all districts producing coal, and would tend toward stabilization of the coal business.

(4) This study would also show the investment cost per ton of coal produced in various districts, on which a fair return should be allowed; also the cost of production on various wage scales; and the amount of profit that it would be fair to grant to those engaged in the production of coal. Such a study should reveal whether or not the production capacity was equal to the requirements of the country or greater than needed; and if greater, how long, all things considered, it would take the country to catch up with the producing capacity of the mines.

(5) This study would also show how many men are employed in the industry, and how many the industry should have in order to give the country the necessary coal without burdening society with a large number of idle men for a large number of days.

(6) A further consideration linking into the above is what would be a fair wage scale to allow those employed at the mines in various districts to attain a comfortable living, and to lay by a competence for old age. This could perhaps be deduced from comparisons based on the index of living costs. The adjustment of the wage-scale difference in 1919 by the Commission was based on the increased cost of living over the cost of that of 1913 to 1914. I believe the same principle could be used for making a long-time contract with the miners, on the basis of adjustment every three months if desired, by taking the index of living costs at the end of each period and increasing the wages above those of 1913 to 1914. The objection raised to this program is that there would never be any betterment in the mine workers' conditions. To overcome this the wages could be increased one or two per cent each year from the basis of 1913 to 1914. I believe that some such scheme as this would adjust a continual controversy which would also tend to stabilize the coal industry.

(7) Such a study should divulge what would be a fair amount to allow the retailer or distributor of coal in large centers of population, taking into account everything that enters into this delivery cost.

These are only some of the main questions which would present themselves to an investigating body and while a great amount of data along these lines is now available, yet it is in such shape that it is not readily intelligible even to those who have a very good knowledge of the business. To make it useful to the public it would, of course, necessarily have to be put in readily intelligible form.

In case such information were available I feel sure the newspapers and monthly periodicals of the country would be glad to publish it. This should have the effect of clearing up a great deal of the misinformation now existing in the minds of the general public, and I believe that such facts would be a great help in stabilization of the coal industry, a condition very much to be desired.

Western States Convention
Joint Meeting of the Institute, the American Mining Congress, the Silver Producers and Petroleum Geologists a Great Success

The Western States Joint Convention opened at Denver on Sept. 20, with about 400 registered the first day. Monday was devoted to the American Mining Congress, and the afternoon session was taken up with a discussion of the public land laws of the United States. Hubert Work, Secretary of Interior, and William Spry, Commissioner of the General Land Office, presented a comprehensive review of the origin and operation of the laws and argued against any general change in the system. Charles E. Winter, Congressman from Wyoming, marshalled the arguments in favor of turning over the public lands to the states within which they lie, and George H. Dern, Governor of Utah, presented a well-reasoned argument in favor of allowing the school sections to pass to the states regardless of their mineral or non-mineral character. The debate made it clear that in the West especially, there is strong feeling against any further development of the policy of reserving and leasing the public lands.

Tuesday forenoon was devoted to the Silver Producers Association, F. H. Brownell and Charles A. Thomas being the principal speakers, and in the afternoon the American Association of Petroleum Geologists met with Alex. W. McCoy presiding, and Glenn C. Clark, J. V. Howell, and J. W. Beede presenting papers.

Wednesday was A. I. M. E. day. John Wellington Finch presided over the morning session. The addresses given appear elsewhere in this issue, or in the October issue, except that of G. F. Loughlin, who in speaking on the subject of ore at deep levels in the Cripple Creek district said that development at Cripple Creek since Lindgren and Ransome's report has borne out their conception except as to probable depth to which telluride ores could be expected in commercial quantities. The study of the deep workings shows that the occurrence of ore-shoots at deep levels is dependent on structure. The structural evidence points to a more restricted area of promising ground, but the ultimate depth of mining from present evidence depends on the grade that can be mined at increased costs rather than on the persistence of ore downward.

The session was concluded by a paper by C. H. Birdseye, chief topographer of the U. S. Geological Survey, who pointed out that only 52 per cent of the area of Colorado, 33 per cent of New Mexico, and 22 per cent of Utah had been adequately mapped, and considerable of what has been is covered by out-of-date maps made forty years ago by crude methods. Congress has passed an act to provide for completion of the map of the United States in twenty years, but this is contingent on securing the cooperation of the states. Utah and Wyoming have so far made no con-