
NEWS NARRATIVE

To use the reference figures of this Department for obtaining continuous news narratives:

Observe the reference figures in any article; turn back to the page they indicate and find there the next preceding article, on the same subject; observe the reference figures in that article, and turn back as before; continue until you come to the earliest article on the subject; then retrace your course through the indicated pages, reading each article in chronological order, and you will have a continuous news narrative of the subject from its historical beginnings to date.

Week ending Tuesday, February 14, 1911.

Conservation of Alaska Coal.

Gifford Pinchot, as president of the National Conservation Association (p. 12), made a public statement on the 5th regarding the Alaska coal fields, which appears to have received such scant attention from the newspapers as to make its publication in full in these columns desirable. Mr. Pinchot said:

The National Conservation Association is now and has steadily been a vigorous advocate of the immediate opening of the Alaska coal fields to development under a system of leasing by the Federal government. But any bill for the purpose of developing Alaskan coal under lease should be fair to the people of Alaska and the Pacific coast, and free from "jokers" favorable to the special interests.

The Nelson Coal Leasing Bill (Senate Bill 9955), reported with amendments on January 30, is unduly favorable to the special interests both in its open and its concealed provisions, and leaves the consumer of coal wholly without the protection against extortion which it pretends to give him.

If the Morgan-Guggenheim syndicate should succeed, directly or indirectly, in leasing the coal lands covered by the Cunningham claims under the royalty fixed in this bill, the net profit to the syndicate above what it would have made out of its bargain with the Cunningham claimants would be from \$18,000,000 to more than \$35,000,000, according to whether the whole or only half of the coal was included.

By the official estimate of the Land Office expert, there are more than 80,000,000 tons of available coal in the Cunningham claims. By the agreement of July 20, 1907, between the Cunningham claimants and the Morgan-Guggenheim syndicate, the syndicate undertook to pay merely the cost of mining, as estimated by the syndicate's expert, or \$1.75 per ton, for all coal used by its railroad, and to pay \$2.25 per ton for all coal to be sold to the public. In other words, the syndicate was to get fuel for its railroad at cost, while it was to pay a profit or royalty of 50 cents per ton on all coal intended for the market. As against this royalty of 50 cents per ton, established by actual bargain, the Nelson bill proposes to lease the coal at a royalty of 5 cents per ton. This price is not to be increased during the period of the lease, which is for 30 years. The advantage to lessees under the bill, as compared with the Cunningham-Guggenheim bargain, is therefore 45 cents

per ton, or more than \$35,000,000 for the available coal in the 33 Cunningham claims.

The bill provides that the price at which coal may be sold shall be controlled by the Interstate Commerce Commission, but such control covers only sales made by the lessee. This clause contains a "joker," and leaves the consumer entirely unprotected. All that would be necessary to defeat it would be for a leasing syndicate to organize a selling company, which company, being beyond the jurisdiction of the Commission, could charge the consumer whatever his necessities would compel him to pay.

The clause purporting to prevent transportation companies and their stockholders from being interested in any lease is made futile by the absence of any provision for its enforcement or penalty for breaking the law.

The bill does not provide for the classification and disposal of coal in Alaska according to its value, as is now provided by law for government coal in the United States. And it limits for 20 years in advance the maximum royalty the people of the United States can receive, and fixes it at a fraction of its true value.

Other provisions of the bill are undesirable, but these are sufficient to show that it must be radically amended before its passage would be safe. As it stands, the bill is a most unfortunate example of the legislation so common in the past, under which at every critical point the people get the worst of it.

+ +

The American Single Tax Tour of Joseph Fels.

Accompanied by Daniel Kiefer, chairman of the Fels Fund Commission (vol. xiii, p. 761,1145) and part of the time by W. G. Eggleston of Oregon and Robert L. Scott of Winnipeg, Joseph Fels (vol. xiii, pp. 1087, 1099; vol. xiv, p. 42) has been making a tour of the United States (p. 12) with a view to promoting favorable sentiment and action along the lines of land value taxation as advocated by Henry George. His tour began early in January at Cleveland, where he spoke to a large and enthusiastic audience over which Tom L. Johnson presided. With intermediate stops, he has addressed audiences in Toledo, Detroit, Chicago, Champaign (at the State University of Illinois), Milwaukee, Madison, Minneapolis, St. Paul, Winnipeg, Regina, Calgary, Edmonton, Vancouver, Victoria, Seattle, Tacoma, Portland and San Francisco.

+ +

At Vancouver Mr. Fels was entertained at a public luncheon by the Mayor, L. D. Taylor, which was attended by nearly 200 representatives of this object-lesson city of Canada. Among the guests were Joseph Martin, formerly premier of British Columbia and now a member of the British Parliament. The principal subject of discussion here was the fact that Vancouver has carried land value taxation to the point of taxing nothing else, as Mr. Fels explains, except liquor