

thought you might be in a position to give very useful information. Will you be good enough to tell us what you know?—I have been engaged since 1874 in the coal business and the management of coal-mines. The Brunner Coal-mine was at one time my property, and continued so up to about twelve months ago, when the mine, of which I had been previously separate owner, was amalgamated with other mines in the district of Greymouth. The trade at the present time—that is to say, the output of the combined mines—now is, I should say, very much the same as it was at the time of the amalgamation. I cannot say exactly what the whole of it is, as I have not the return of the other two mines with me. The return for the year ending 1888 of the whole output was 160,000 tons. For the last half of that year it was rather better than usual, owing to the Newcastle strike being on: it would not have been so much as 160,000 tons by perhaps from 6,000 to 10,000 tons. Allowing that, about 150,000 tons as the ordinary output would be the correct thing. The output for the first half of the present year is under the average: it is about 66,000 tons. The principal falling-off was in the first three months of the year. That was due largely to the fact that gas companies and other large consumers drew very largely upon us under their contract, taking considerably more coal than was required by their ordinary consumption. Apprehending, perhaps, that a strike would also take place with us, they therefore laid in large supplies. The effect of this was that the railways, which used to take away, say, 3,000 tons a month, took nothing like that for the first three months of the present year. Very lately, during the last three months, the output is about what it was previously to the amalgamation. I think it is just about the same as if no amalgamation had taken place.

571. When you speak of amalgamation, do you include any of the mines at Westport?—No, at Greymouth. There is no other amalgamation.

572. Would you give us their names?—I was the owner of the Brunner Mine; the Westport Company owned the Pit Heath and the Wallsend: there was, indeed, the Tyneside, but that was an offshoot of the Wallsend Company. I do not speak of that as a separate mine: so that there were really only three mines.

573. Has the amalgamation made any difference in the cost of the coal?—Our price at our local works at Greymouth is a little higher—that is, for local sales. When there was a keen competition it was below what we considered payable; but, since, the price has been something firmer. The average price is no better now than the prices obtained previously by the separate owners.

574. Looking to the cost of wood and the other things necessary for winning coal, added to the charge made by Government for haulage, do you think that proper and reasonable facilities are given at such rates by the Government as tend to develop the industry?—Every reasonable facility is given, I think; but there are the matters of royalty and railage. It is a question whether these two items are not too high. In every other respect the facilities are what we should expect.

575. Are the charges reasonable for the distance the coal has to be hauled, according to your knowledge, compared with what is charged in other places?—I cannot say that I am an authority as to the charges made in Newcastle.

576. We have it in evidence that the charge is—for one mile, 6d.; for seven miles, 1s.; and for ten miles, 1s. 1d.?—Our distance is just seven and a quarter miles. By the official tables it is called eight miles. The charge that we pay for this seven and a quarter miles is 2s.

577. That is on a dead level is it not?—It is practically level, but there is an incline. This, however, is against the empty trucks going up. In the coming down it would be in favour of the load. In Newcastle there is a charge of 1s. 6d. for railage. For this we pay 2s.; that, at once, would account for a difference of 6d. a ton—that is, 6d. a ton is more than we make on the whole output of the mines betimes.

578. There is another charge in New Zealand that they have not at Newcastle, in the shape of royalty?—Yes; the present royalty is 6d. per ton. Seeing that a company which embarks its capital in this business cannot make 6d. a ton, it looks monstrous that the Government should have as much or more real profit without any risk, more particularly on small coal. There is also a provision in these leases that at a certain time the royalty shall be doubled. That would bring it up to 1s. per ton. That will mean something like confiscation for coal property. In the case of the Brunner lease, it would come into operation in about six or seven years.

579. Do I understand you that the Government, together with the Railway Commissioners, have it in their power to give a considerable impetus to the coal industry or to stop its growth completely?—No doubt of it. My experience of the business is that it is a very difficult thing to carry it on at a commercial profit.

580. Now?—Yes; and has been for some years.

581. *Mr. Fish.*] On account of the competition?—Yes; in most years on account of the competition among ourselves, and competition with Newcastle at all times.

582. If a duty were put on Newcastle coal, would it help the local mines?—No doubt it would.

583. Would not that raise the price to the consumer in proportion?—I have already made a statement that if a duty were put on coal, owners would be content to increase the output, and the sales might be restricted to present prices by statute. The profit would be obtained wholly from the greater output.

584. Do you think that half the charge for haulage at Greymouth would amply pay the Government?—I scarcely know that; it might, assuming an increased output; but, with the present trade, the maintenance of the line is pretty heavy. It has been working a considerable time. They are now laying 53lb. rails, and that takes a lot of money. If you were to anticipate a large increase of trade, no doubt it could be hauled for half the money, without leaving any loss to the department.

585. Are you aware what return of interest is derived from the coal industry?—I think the net profit the Harbour Board is getting amounts to something like £800 a month.

586. Do you know the return of interest on the cost of the railway?—No; I cannot tell you.