

1900.
NEW ZEALAND.

COAL COMMITTEE.

(REPORT AND EVIDENCE.—MR. O'REGAN, CHAIRMAN.)

ORDER OF REFERENCE.

Extract from the Journals of the House of Representatives.

FRIDAY, THE 25TH DAY OF AUGUST, 1899.

Ordered, "That a Select Committee of ten members (three to form a quorum) be appointed to inquire into and report to this House on the prices charged for coal in the various centres of population; the Committee to have power to call for persons and papers, and to report within twenty-one days: the Committee to consist of Mr. Carson, Mr. Duthie, Mr. Hogg, Mr. Holland, Mr. Lewis, Mr. Morrison, Mr. O'Regan, Mr. Pirani, Mr. Tanner, and the mover."—(Rt. Hon. R. J. SEDDON.)

REPORT.

YOUR Committee has held in all eleven sittings, and has examined fifteen witnesses; and although, through the late period of the session at which the investigation was begun, the subject of inquiry has not been gone into as exhaustively as would otherwise have been the case, sufficient information has been obtained to enable your Committee to state the chief causes which conduce to the present high prices of coal prevailing within the colony, and to indicate how the same may, in its opinion, be materially reduced. The evidence clearly establishes the fact that the prices obtaining are by no means due to the hewing-rates paid the miners; in fact, your Committee would like to record its opinion that in no case, so far as the inquiry has gone, does there appear to be the slightest reason to believe that the workmen's wages are excessive. The hewing-rate at Dennistown, for instance, averages 2s. per ton, and the actual cost at the pit-mouth there is about 7s. per ton, which, with charges *en route*, including railage, brings the price to from 10s. 3d. to 11s. f.o.b. at Westport. It is also sufficiently clear, from the large amount of capital invested (and of which much has been absolutely lost) in the industry on the West Coast, and the small returns accruing, that the shareholders in the various companies receive no undue remuneration for the risks undertaken.

Certain of the evidence refers to the method of working the Coalbrookdale Mine, and it is contended that coal obtained by using the machine known as "the iron man" is considerably more broken than that obtained by the old method. While these statements are far from being established, your Committee suggests that they should receive the attention of the authorities whose duty it is to see that the provisions of the law in respect of coal-mining are enforced, and whether legislation is necessary to prevent any needless waste of coal.

The evidence does not establish the existence of any arrangement between the Westport Coal Company and the Union Steamship Company by which the latter secures preferential treatment in the matter of obtaining cargoes of coal. Nevertheless, the existing law seems defective, in that it applies only to coal being supplied to vessels for actual steaming purposes. (*Vide* section 17 of "The Coal-mines Act, 1891.")

In connection with the haulage-rates for coal, the evidence shows that they are high in comparison with those obtaining in New South Wales. Though the question is comparatively of small importance to mines situated in immediate proximity to ports of shipment, it becomes of much weightier consideration in connection with the working of more distant mines.

The evidence shows beyond doubt that the West Coast coal is of an exceptionally friable nature, and therefore subject to considerable deterioration in transit. While there is some difference of opinion as to whether steam-coal suffers material damage by loading at the staiths at Westport, the weight of evidence supports this contention. As to screened—that is, household—coal there is no difference of opinion, every witness emphatically affirming that, in respect of this class of coal, considerable breakage and consequent loss results from running the coal down the shoots into vessels. The fact that this is the unanimous testimony of witnesses whose practical knowledge entitles their evidence to the fullest credence leaves no doubt with your Committee that the present wasteful system of loading should be superseded as speedily as possible by the hydraulic crane system. As the Westport Harbour Board is now providing extensive crane-wharf accommodation, there is reason to hope that this ground for complaint will not long continue. But your Committee feels it necessary to emphasize the point that the staiths system of loading is an important element in the ultimate cost of screened coal, involving as it does a loss, through breakage, up to an additional cost of 3s. per ton.