

(c.) *Costs*.—Several *estimates of the cost of retailing house coal* were obtained in evidence. The chief are summarized in Table 54.

TABLE 54.—RETAIL PRICE (MONTHLY CREDIT) OF HOUSE COAL AT CHRISTCHURCH, SEPTEMBER, 1918, WITH ESTIMATES OF RETAILERS' COSTS AND PROFITS PER TON.

	Firm A.			Firm B.	Firm C.	Firm D.	Firm E.	State
	Australian and West Coast Coal.	Kaitangata Coal.	Reefton Coal.	Kaitangata Coal.	Brown Native.	Westport Coal.	Grey Coal.	Depot. State Coal.
	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.
Cost ex mine or ship ..	38 0 (B.B. 36s. 10d.)	44 0 (Christ- church railway)	21 0 (mine)	28 6	26 0	30 0	36 10	27 3
Wharfage ..	0 9	..	0 3	..	..	..	..	..
Freight ..	..	..	12 0	..	..	..	..	..
Railage ..	4 6	..	9 11	13 6	5 4	4 5	4 4½	4 6
Cartage to shed or yard ..	1 6	2 6	1 6	2 3	0 9	..	2 0	0 9
Bagging, loading, weighing ..	2 6	2 6	2 6	2 6	1 3	..	..	..
Loss in weight ..	..	..	..	..	2 4	..	..	..
Loss on sacks ..	1 3	1 3	1 3	1 3	1 0	..	1 0	..
Cartage to consumer ..	7 8½	8 6	7 8½	7 0	6 6	6 7	..	8 2
Overhead charges, including rents ..	3 6½	2 3	3 6½	2 0	4 0	..	..	2 11
Depreciation ..	0 7	0 3	0 7	..	..	..	..	..
Interest on capital ..	0 3½	..	..	..	..	..	..	..
Other items ..	..	..	..	..	..	..	11 0½	..
Total ..	60 7½	61 3	60 3	57 0	47 2	..	55 3	43 7
Retail price (monthly) ..	64 0	64 0	64 0	56 0	47 0	55 0	56 0	42 0
Retail profit.. ..	..	2 9	3 9	1 0 (loss)	0 2 (loss)	..	0 9	1 7 (loss)

Freights, ship and rail, as already mentioned, form a considerable part of the prime cost to the retailer. In the case of coal from the Reefton field these charges are,—

	s.	d.
Rail to Greymouth	5 2
Grey harbour charges	0 3
Shipping charges ..	11	3 to 12s. (according to line).
Railage from Lyttelton and weighing	4 9
Total	21 5 to 22s. 2d.

Railage from Kaitangata is 13s. 6d. Freight and rail from Westport and Greymouth wharves is 15s.; from the mine-bins at Granity or Ngakawau to Westport 3s., and from Blackball, Dunollie, and Rewanui to Greymouth, 3s., 2s. 3d., and 2s. 7d. The railage from Avoca, the nearest field of any considerable immediate promise, is 7s. 7d. A matter of considerable importance is the probable freight charge on coal over the Midland Railway when opened.

The costs of *bagging and sacks* calls for no remarks of a character different from those made in the case of Auckland and other centres, except that in Christchurch bags have generally a longer life than in Auckland. The wear-and-tear of bags has increased with the diminution in the size of the average order.

The present cost of *cartage* is felt as a heavy charge. "It is the cost of delivery at present which is causing our profits to be so small," said one witness. Another estimated the cartage-costs on bag lots for some suburban deliveries at as high as 13s. a ton. "We could reduce this cost if we had the supplies of coal" was the common cry. The cartage-costs of the State depot increased by 1s. 1d., or over 15 per cent., in the two years 1917–18. A dealer employing four single teams, and with a turnover of nearly 1,200 tons, presented the following figures as representing his actual costs:—

TABLE 55.

	£	s.	d.
Horse-feed ..	151	13	5
Shoeing ..	13	17	6
Harness and drays (upkeep and depreciation of) ..	71	12	4
Sundry items ..	9	1	6
	246	4	9 = 4s. 2d. per ton.
Carters' wages.. ..	211	13	8 = 3 6½d. ..
Total ..	458	18	5 = 7s. 8½d. ..

The cost of delivery has been increased during the period through the fact that the men generally employed are not as efficient as those of a few years ago. When the comparison is made with still earlier years the falling-off in efficiency is said to be greater, even if allowance be made for the shorter radius of delivery. In a business where the average delivery per man per day is 3 to 3½ tons, it was 6 tons twenty-two years ago, and in the opinion of the manager should still be not lower than 5 tons. There seems little reason for doubting the accuracy of the general observation that the intensity of labour has slackened of late years. This assertion was commonly made in reference not only to retail distribution, but to loading and unloading of wholesale lots. One witness testified that at a certain large port "about twenty years ago three men in a hold could put out 15 to 18 tons of coal per hour;