

As to the freights for the sea-carriage of coal, it is significant that, while the rates charged from Westport and Greymouth to Wellington and Lyttelton are 5s. 3d. and 6s. 3d. per ton respectively, the rates from the same ports to Nelson range from 8s. to 10s., to Picton 10s., and Foxton 11s. An agreement—or, at any rate, an understanding—appears to exist between the Union Company and certain other companies, the effect of which is that, while the former does not compete in the carriage of coal to Nelson, Foxton, Wanganui, and several minor ports, the latter carry little, if any, coal to the larger ports. There is nothing to show that the freights to the larger ports could not be reduced, and your Committee has no hesitation in affirming that the rates charged to Nelson and the smaller ports are far too high. Under ordinary circumstances, competition would be a most efficient corrective in this respect, but existing conditions do not allow it to operate.

The witnesses are unanimous in stating that the market-price of coal would be considerably lower if screening were abolished, and the coal supplied to the consumer from the ship's side in the same state as that in which it leaves the mine. The actual cost per ton, including wharfage, 1s., when the coal reaches Wellington is shown to be about 17s. 3d. The coal is then disposed of to dealers and others at £1 2s. 6d., which apparently leaves a profit of 5s. 3d. per ton. The evidence shows that charges are then added by the dealers as follows: Cartage to yards, 1s.; screening and trimming in the yards, 1s.; and bagging, 6d. An additional cost of 2s. 6d. is ascribed to managerial expenses, &c., and a further 2s. is set down for loss through screening; and a charge of 2s. 6d. is made for delivering the coal within the town area, irrespective of distance. These charges total 9s. 6d., which, added to the cost at the ship's side, brings the total cost to £1 12s. per ton, the dealers charging consumers £1 14s. It is only reasonable to presume that there is a profit on each of these processes, and it is manifest that, by adopting the system above referred to, and introducing a better method of loading at Westport, leaving out of calculation the possible saving in connection with railage and freights, a very considerable reduction could easily be effected. The evidence further shows that, if this method came into vogue, the quality of the coal would still be almost, if not fully, equal to its present high standard. At any rate, it seems clear that the saving to be effected would more than compensate for any possible deterioration in quality—at least, so far as concerns the great mass of consumers. The advantages of the proposal appear so plain that your Committee considers it not a little remarkable that the public have not so far been made acquainted with them. There is not the slightest doubt that the repeated handlings to which coal is now subjected entails considerable loss and adds materially to its price, and, without going so far as above suggested, there is no reason to doubt that a great reduction in price to the consumer can be effected, and a consequent stimulus given to the coal trade. Although these details are given only in respect to the City of Wellington, there is no reason to doubt that they apply with equal force to the other larger centres of population.

It is a matter for extreme regret that those who, in consequence of the defects of the present system of distribution, pay the highest prices for coal are the poorer people of the community, since those who are better off can pay for larger quantities, and therefore obtain better terms. Although the market-price of coal in Wellington—and this, no doubt, illustrates the position in the other large centres—is given at £1 14s. per ton, the evidence shows that the poor pay something like £2 per ton; and it is worth while remarking that, even if poverty did not preclude their purchasing larger quantities, the small space within which many of the poorer classes live, in Wellington at any rate, affords no room for storage, and it is therefore not possible for them to take any but small parcels at a time. Your Committee has been chiefly concerned with the question as it affects the largest class of consumers, and feels that it is not necessary to emphasize the importance of effecting a change the result of which will be generally beneficial, but more especially to those whose condition entitles them to the greatest consideration.

Your Committee also directs attention to the fact that, while the coal supplied in larger quantities is subject to the weighbridge test, such is not the case in connection with that supplied in smaller quantities; and, while not wishing to impute dishonesty to coal-dealers as a class, your Committee cannot help noting that under the present system of distribution the smaller—that is to say, the poorer—consumer has no safeguard against possible deficiency.

An evil alleged to exist relates to the quality of the coal distributed. It is stated that not infrequently inferior coal is represented as first-class, and sold for household purposes at the maximum price, or is mixed with coal of a better quality. This is a serious matter, because, although there is no waste with the best New Zealand coal, its mixture with inferior coal implies waste and loss to the consumer.

Your Committee therefore recommends,—

1. That as soon as practicable the railway-haulage rates in respect of coal should be revised on the principle of giving relief to those properties most remote from ports of shipment.

2. That section 17 of "The Coal-mines Act, 1891," should be amended so as to apply the same safeguard now provided in respect of vessels requiring coal for steaming purposes to those requiring coal for cargo.

3. That it appears advisable that the present system of loading screened coal by staiths at Westport should be superseded by the hydraulic-crane system.

4. That the Government obtain expert information as to the price at which coal can, at a reasonable profit, be conveyed by sea; and, failing the adoption of such scale by the companies interested, that the Government take into consideration the advisability of procuring steamers for the purpose of conveying coal (purchased by the Government at the ports of shipment) to the various ports now being supplied from the West Coast, and the opening of retail agencies under State control.

5. That legislation should be passed providing for the weighing of all coal retailed to consumers, and affording buyers the fullest facility for satisfying themselves as to the weight of their purchases.