

TUESDAY, 12TH SEPTEMBER, 1899.

Mr. GEORGE JOACHIM, General Manager of the Westport Coal Company, examined. (No. 5.)

1. *The Chairman.*] The object of this Committee is to ascertain information as to the price of coal throughout the colony, and your position in connection with the Westport Coal Company, we consider, enables you to give us some useful information. It has been given in evidence before this Committee that the value of the coal is considerably depreciated at Westport through the method of loading by the staiths?—That is so.

2. Can you give the Committee any idea as to the difference in value of the coal when loaded at the crane-wharf and that loaded by the staiths?—I could not now, but should say it would amount to 2s. or 3s. a ton for screened coal.

3. It has been contended by some and denied by others that coal which is intended for steaming is not injuriously affected by loading at the staiths?—I maintain that it is not, but at the same time the steamship-owners are always complaining that the coal is too small. They say they cannot burn it so economically.

4. That is what the owners of the steamers say?—Yes.

5. You agree that they are the most qualified to give an opinion?—Yes. I know that the price is greatly regulated by the size.

6. You are quite satisfied that screened coal is depreciated 2s. or 3s. by loading at the staiths, and that the steamship-owners, who are qualified to give an opinion, are of opinion that all coal is damaged from the same cause?—Yes.

7. How do you account for the disparity in the price of coal in the different centres of the colony: in Wanganui Westport coal is £2 4s. a ton retail; it is £2 6s. retail at Patea, £1 18s. or £1 18s. 6d. in Wellington, and £1 18s. in Nelson?—I am not qualified to speak as to the retail price. I can only tell you the price we get at the different ports. At Wanganui we get for screened coal £1 4s. 6d.; in Wellington, £1 2s. net, less 2½ per cent. and other expenses; it averages us £1 1s. net to the trade. We advertise to sell by the cart-load at £1 5s., and that gives a margin for the trade in Wellington. That is, at the ship's side we sell screened at £1 5s. and unscreened at £1, and then they have to pay the wharfage (in fact, we pay it for them, but it has to be added); and then there is the cartage.

8. How much is the wharfage and cartage?—The wharfage is 1s. and the cartage depends on where the coal has to be carted to. I should say it would be about 4s. or 5s. I dare say in some places they pay 7s. 6d.

9. In Nelson, I understand, the price is also £1 18s.?—I do not know what the price is there, but we sell the coal free on board to the Anchor Company, and they are supposed to charge a freight of 8s. from Westport to Nelson.

10. Do you sell coal to anybody else but the Anchor Company?—No; simply because no one else applies for it. We sell to any one who comes.

11. What is the price of Westport coal in Dunedin?—The price to the trade there is £1 8s.—that is, after paying 3s. wharfage.

12. What do you get for it?—£1 5s. from the trade for double-screened. There is a different treatment there.

13. Does that add to the cost?—Yes. I understand a much higher price is charged here than £1 5s., but then they have to take it into their yards and re-screen it. People will judge of the coal by its size.

14. They like to have it in nuts?—In large lumps. And although we screen it at Westport, and take out 40 to 50 per cent of small, they will have it re-screened. And I consider every time the coal is handled 10 per cent. goes to dust.

15. And is the dust waste?—It has to be sold at a lower price.

16. Can you give us any information as to the price of coal retail?—I am not qualified to give evidence on that point, except that we have a yard of our own, and I can state what the result of that is. We have a retail yard in Wellington. I induced our directors to take up that trade because I thought the retail price could be reduced. We charge that yard the same price as we charge to the trade, and the result of the best year we ever had was, after paying all expenses, charges, cartage, re-screening and the interest on capital employed, 5.24d. per ton. So far as we are concerned I cannot see any probability of reducing the price.

17. And you put the coal through the same process as it is put through by the other dealers?—Yes.

18. And the result was that your company has been enabled to sell at a lower price than they?—No, at the same price. I do not know exactly what the price is, but I would ask you to question our yard manager. I merely judge of the results as they come to Dunedin. The manager of the yard here, Mr. Gascoigne, will give you all particulars of the retail trade.

19. Your coal is tolerably hard?—No, unfortunately. There is no band of shale in it, as there is in Newcastle, to hold it together. It is a friable coal.

20. Consequently it is very liable to depreciation by loading at the staiths?—Yes.

21. Has your company any arrangement with the Union Steam Ship Company as to the terms and conditions by which coal can be brought from Westport?—Yes; there was an arrangement made with the Union Company in 1896 for twelve months, and we have been working on that arrangement ever since. There is no binding agreement between us.

22. You understand that in putting a question like this the Committee has only one desire. We do not act out of any partisan spirit; we only want to ascertain facts. It is said in certain quarters that a compact exists between your company and the Union Company, the result of which is that other steamers going to Westport are placed at a disadvantage in that they are not able to get a load of coal?—I may say at once that there is no compact existing as to an arrange-