

3s. 2d.—that is, 5s. 3d. to go on to 5s. 4d. That is the cost last year; this year we have been putting out less, and the cost is more, as taken out from the pay-sheets. Taking 131, 132, 133, 134, and 135 the cost comes to 11s., and that is about the average cost for this year, as taking it from the pay-sheets. That simply corroborates what Mr. Hargreaves says in regard to this year's costs. In regard to the wages of the miners, the average gross daily wage to date this year is 12s. 6d.

124. *The Chairman.*] Does that mean the coal-hewers?—Yes. That is for coal-hewing per working-day of eight hours. The average time for the men is four days and a half per week—that is for this year.

125. What was it last year?—I think about the same. I think, though, that the men worked rather better time last year.

126. If anything, a little more?—Yes, if anything, a little more. I may say that our men are working for 3d. per ton less than the Denniston men.

127. They volunteered to do that owing to the circumstances in which your company is supposed to be?—Yes.

128. *Mr. Carson.*] Are they paid by piece-work?—Yes. I may say that the last reports from the mine are very unsatisfactory. We are getting very little hard coal out, and it is on the hard coal that we make our profit; and I very much fear that we will have to close down, because the directors are not inclined to go on if they cannot make a profit. As long as they can make both ends meet they do not mind. At present they seem to be losing money.

129. *The Chairman.*] We have had evidence from previous witnesses about the loading at Westport. Your coal is friable?—Yes.

130. Is it not depreciated in value by loading by the staiths?—Very seriously.

131. As against the crane loading?—Yes.

132. It makes a considerable difference in the value?—A great difference for household coal, about 2s. or 3s. a ton, also for steam coal. Our steam coal is naturally more friable and more brittle than the household.

133. Does it depreciate the steam coal also?—It depreciates its value to the extent of 3s. a ton. Steaming coal that we have shipped has been so broken that we have had to sell it for small and nuts. The Union Company give us 7s. 3d. for that, and 11s. for the steaming coal, so we lose the difference, and largely owing to the loading.

134. You depend for your profit on the screened?—Yes.

135. And that is particularly depreciated by loading through the staiths?—Yes.

136. On account of that you have to sell your nuts and small for 7s. 3d.?—Yes.

137. And you think the value is affected from 2s. to 3s. both for household and steam?—Yes.

138. By loading by the staiths?—Yes.

139. As against the crane?—Yes.

140. *Mr. Carson.*] I understand that you are now working at a loss?—We have been for the last two months, about the last six weeks or so. We have been about making two ends meet for the last shipments of coal. For the last four or five years we have been making an actual loss on the shipments.

141. For the future you do not expect any profit?—Not in our present area; it is too broken and disturbed.

142. What would you suggest?—Our only remedy seems to be to either get a better price for the coal, which is not practicable, or open up a new area. We have a new area on the lease, but the difficulty is to find the ways and means to open it out.

143. But that is all chance, because you have recently opened new areas?—Yes; but what we call the cave area, which is still unopened, appears to present more favourable appearances than either of the others opened. The outcrops are good, and we have spent £400 or £500 in boring it, and the country appears to be less broken on the surface, that is, less broken than the other area.

144. Have you the capital for opening it out?—We have not. We have spent everything and have got no return whatever. We have spent upwards of £40,000 on the lease. All profits that have been made have been spent in further development; and although our balance-sheets have shown a profit the money in reality has been spent beforehand.

145. *Mr. Morrison.*] You are manager of the Westport-Cardiff Coal Company?—Yes.

146. You are mine-manager?—Yes.

147. Have you long held that position?—Since the commencement of the operations.

148. How long has the Cardiff Coal Company been in existence?—About seven years.

149. Have you any idea what the original capital of the company was?—The nominal capital was £30,000, but only £17,000 was called up.

150. Have you paid any dividend?—No dividends whatever.

151. What is the coal-mining area of your lease?—1,800 acres.

152. Is it leased from the Crown?—Yes.

153. And you pay a royalty of 6d. per ton on the coal, that is on the coal raised?—Yes.

154. You pay 6d. a ton as royalty, and in addition to that you pay a Crown rent?—The rent merges into the royalty.

155. Kindly explain the terms upon which you hold these 1,800 acres from the Crown?—I cannot say from memory what the actual dead-rent is, but it is a progressive rent. We hold it subject to putting out a certain amount of coal yearly, and pay a certain amount of dead-rent or royalty on that coal. If the royalty in any year exceeds the dead-rent then the dead-rent merges into the royalty and there is no royalty charged.

156. If you put out 10,000 tons and the royalty on 10,000 tons amounts to more than the dead-rent you get the benefit of the deal?—Yes.