

EXHIBIT C.

The ANCHOR STEAM SHIPPING COMPANY, Nelson, to the CHAIRMAN Price of Coal Inquiry Committee, House of Representatives.

SIR,—

Wellington, 5th October, 1899.

In reply to your telegram of to-day, we give the following particulars:—

Freight of Coal.—West Coast to Nelson, 10s. to 8s. per ton according to quantity.

Freight per Anchor Company to other ports.—To Wanganui and Picton, 10s. per ton; to Foxton, 11s. per ton.

Price of screened Westport Coal at ship's side.—Nelson, £1 5s. to £1 3s. according to quantity. Apart from one or two public contracts, the trade here is almost entirely a much subdivided household one, in small quantities, and coal ordinarily bears the following charges: Wharfage, 1s. per ton; cartage up wharf and stacking, 1s. (and often more) per ton; bagging and delivering to carts, 1s. per ton; weighing, 3d. per ton; waste, say, 3d. per ton.

The market price to consumers with all charges paid, varies from £1 10s. to £1 12s. per ton, and we believe dealers give lengthened credit. The cost is further increased to many consumers by varying rates of cartage to their houses according to locality. Newcastle coal, Greymouth screened, Westport unscreened, sell at about 2s. to 3s. below the prices given herein, which are for Westport screened. Newcastle coal is little imported here, averaging about 500–600 tons per year. West Coast coals total, say, 4,500–5,000 tons per year.

J. H. COCK AND Co.

EXHIBIT D.

SIR,—

Wellington, 6th October, 1899.

I regret that I missed my opportunity of attending in person to give evidence before your Committee yesterday, and as I am leaving for Westport to-morrow I would respectfully ask you to receive my statement of opinion as bearing upon the question with which your Committee is dealing: this I understand to be particularly bearing upon the price of coal—the outcome of public opinion frequently expressed as to the high price paid by consumers.

As one having been actively engaged in assisting in the development of the coal industry, I beg to give my experience as follows.

Dealing first with the price of coal, there is no question but that the inauguration of the Westport-Cardiff Coal Company directly led to reduction in the price of coal to the benefit of consumers. The company has been putting out coal for the past five years, but now, pending adjustments being made, unfortunately finds itself unable to continue working through the unforeseen difficulties by reason of broken country and consequent irregular supplies of hard coal; further, the company is unable to continue an equal competition by reason of its heavy tax in the way of railway haulage. I briefly state these facts with the full knowledge that the managing director of the company, Mr. Hargreaves, has given very full information to your Committee.

Another important factor bearing upon the welfare of the coal industry is the question of freight. Personally, my own opinion is that coal could be carried to the larger markets at a lower rate than that which I understand now exists—viz., say, to Wellington, 5s. 3d. per ton, and to Lyttelton at 6s. 3d. per ton—particularly where no call for delay arises in immediate delivery, either by way of transshipment or landing at the wharf. Reductions in railway haulage and freight, which I believe might be fairly and reasonably looked for, should lead to an appreciable benefit to consumers. I base this statement, particularly in respect to haulage, to a great extent in view of the enormous profit made by the Westport section of the railways, which showed last year something over 13 per cent. net return of interest on expenditure. For the year 1898 it was over 12 per cent., and for the year 1897 over 10 per cent., and I find an average for the past nine years of 8½ per cent. I should also like to refer to the vexed question of deficiency in interest on cost of the extension of the railway, Ngakawau to Mokihinui: I had an immediate responsibility in connection with this. To obtain the authorisation of the construction of this piece of railway it was insisted by the Atkinson Government that the company which I was then promoting should be bound to make good any deficiency of interest that might arise up to 5 per cent. on cost of construction. I protested strongly against this, but found the Bill would have been lost had the demand not been acceded to, and at the same time I pointed out in any case the limit should not exceed 4 per cent. Time has justified me in this opinion, as the Harbour Board now has its debentures taken up at 3½ per cent.; and it is most unfair that any private company should be called upon to be responsible for an amount more than is being paid by the local body concerned. Further, this clause has had the effect of preventing the Cardiff Company from raising extra capital to prosecute development.

Any active agitation against the high rates heretofore has been prevented owing to the necessity of making good provision for the improvement of the Westport Harbour, but the time has now undoubtedly come when the industry will have to be relieved of some part of this charge. I believe, as a further factor to secure coal at reasonable prices, the Government will have to undertake an extended geological examination of the Buller Coalfield in continuation of that done by Mr. Herbert Cox some years ago. A well-known coal expert, Mr. Denniston, has informed me that the most valuable part of the Buller Coalfield is in the Onikaka Valley; and from information gleaned from the District Surveyor, Mr. Snodgrass, the opening up of this part of the field held by the Crown can be obtained by the extension of the Mokihinui railway a distance of some five or six miles. It will doubtless be said that there is no immediate occasion for this; but I am nevertheless of decided opinion that the Crown would be wise in posting itself up in detail of this part of the country, in view of the certain increased demand for Westport coal.

It would be very interesting for the public to know how far the one company now mining coal in Westport is prepared to meet public requirements for the local consumption, as also their