

the appliances for anything of that sort. The dealers do not complain at having to give the extra price, because they can take the coal direct into their bags, whereas, if they had to land it at one of the railway sidings, or cart it away in their own carts, it would have to be screened, because householders will not take coal unless it is screened. My experience is that it will cost quite 2s. a ton to screen the coal and provide for the loss.

16. *Mr. Tanner.*] With regard to the system of freights adopted, how many companies are engaged in conveying the coal from the West Coast round to Lyttelton?—At present the only mines working on the West Coast of the Middle Island are the Westport Coal Company and ourselves in the Westport District, and the Brunner and Blackball Companies in the Grey District.

17. What steamship companies convey that coal?—The Union Company takes the bulk of it, and the Anchor Line, of Nelson, and the New Zealand Shipping Company's boats, which are used for the Blackball coal, and occasionally a few small steamers owned in Wellington, Wanganui, and further north. They take coal to some of the smaller ports, such as Patea, Wanganui, and Foxton.

18. The voyages of these small steamers you refer to are confined to ports in the northern part of the colony, and do not affect the price in Lyttelton?—No; these small steamers could not take coal to Lyttelton.

19. The Anchor Line boats take coal to Nelson?—Yes.

20. Do they take it anywhere else—to Lyttelton?—Never to Lyttelton.

21. Do the vessels of the New Zealand Shipping Company take the coal for the use of the New Zealand Shipping Company's vessels only?—No, but chiefly so.

22. Then the transport of coal to Lyttelton is mainly in the hands of the Union Steam Ship Company, with an occasional vessel belonging to the New Zealand Shipping Company?—Yes, but the New Zealand Shipping Company use the Blackball Company's coal, to whom the boats are under charter. There is an arrangement, by which these boats run interchangeably with the Union Company.

23. In other words, the supply of coal to Canterbury is in the hands of the Union Company?—Yes, as regards carrying.

24. Do the Union Steam Ship Company purchase the coal as it leaves Westport?—No, they are simply carriers; but they use a large quantity for themselves. As far as we are concerned with the Union Company, small as our company is, we have been treated exceptionally well, very well indeed; and I may say further that at the present time, and for some time past, as the Chairman of this Committee knows, we have been in very deep water, and the Union Company have come to our assistance and taken very large quantities of coal from us to keep us going. I can only speak in terms of the highest praise of the Union Company for the way in which they have treated us, and they desire to keep us going, because they know it is to their own interest that the Westport coal-mines should be kept open, and it is to the interests of the public also.

25. I am not questioning in any way the Union Company carrying coal, but I want to know in the interest of the local purchasers, whether the Union Company, when it carries coal to Lyttelton, passes it through the hands of a single agent. It is quite possible for any person to order a consignment of coal to be sent round from the West Coast to Lyttelton, and to take delivery there?—Only through the mine-owners. They could not order it through the Union Company.

26. Have the Union Company any particular agent in Lyttelton?—Yes. They have a chief office in Christchurch, but all the arrangements are made between the companies and the head office in Dunedin. We have a specific arrangement with the Union Company for carrying coal to any part of the colony, and I believe we are on exactly the same terms with the Westport Coal Company.

27. Does your coal find any other market than Lyttelton?—Yes; we have shipped occasionally a little to the Bluff, very little to Dunedin and Timaru, none to Oamaru, to Lyttelton and Wellington. We have an agent in Wellington, and we have a very fair share of the trade. We have an agent at Nelson, another at Napier, and we have an occasional shipment to one or two other small ports; but our position is that we have not got the coal to supply. We have given up Wanganui and Timaru, and have almost given up Wellington. We are almost confined to Lyttelton, and the bulk of all this coal has gone to Lyttelton, where we obtain the highest prices. The reason that we do not supply other ports is because the mine is in such a position that it is doubtful whether we shall go on at all. It goes without saying that, if we close down, the price of Westport coal must go up. It is coal of a special character that cannot be produced in any other part of the colony, and the Westport Coal Company have a perfect right to make something out of it. Incidentally, as far as the Westport Coal Company is concerned, I would like to say this on their account, although they do not know that I am giving evidence here to-day: they have a capital and borrowed money in their concern of about £310,000, and no provision has ever been made to make a start to recoup, or make provision for recouping, the large amount of money which has been invested, save £2,000 put specially to a reserve fund last year. The general public do not seem to realise the difference between investing money in a coal-mine, where every day your principal is diminishing, and investing money in freehold property. In freehold property your money is secure, and if your mine is a success you may declare a dividend, but provision must also be made for repayment of capital; it is, therefore, a very important thing for a company to make this provision. We are in this dire position: in the early days of our existence we believed that we had a first-class property. It is not too much to say that the Westport-Cardiff Company's mine is the only mine which has been successfully started and worked from the start. We never had a single concession given to us, and we have managed to make, during the first three or four years, what was a very good profit. But, suddenly, we were beset with very serious difficulties; not