THE PRICE OF COAL

SIR AUCKLAND GEDDES' SPEECH.

The proposed increase of 6s. per ton in the price of coal formed the subject of debate in the British House of Commons on Monday, July 14.

Sir A. Geddes (President of the Board of Trade) said there was no ground for the suggestion that this increase in the price of coal was based upon political considerations. It was based upon a realisation by the Government of the very serious position by which the country was faced at the present time in connection with the supply of the main source of power. The causes that had been assigned for the reduction of output were numerous. It was quite wrong to suggest that all these causes were to be found inside the coal industry itself. There were many outside causes, and he proposed to look at those causes under two heads: first, the external causes, and then causes internal to the coal industry. Among the most important of the external causes was the present transport position in the country. Output was being checked at many mines because wagons were not forthcoming as required, the failure being in some cases extraordinarily serious. The records of the arrival of the general user wagons at some 40 specially affected pits showed that those 40 pits in pre-war loaded some 10,000 general user wagons in a week, in addition to privately owned wagons. At these same pits during a recent week it was possible to have present waiting for loading only some 700 wagons. That was, of course, not an average for the whole country; it was taking the worst group of cases where this factor tending towards reduction of output operated. As to why wagons were not provided, there were many reasons operating to strangle the flow from the collieries, one of them being that the coal, after being loaded on the wagons, was longer on them than it used to be, because they could not be cleared at their destination. As a result of the institution of the eight-hour day on the railways, there was less work being done, and the new men who were being taken on were not so well trained or so expert. A further factor was that the work was over sooner, and there was consequently a delay in getting the wagons back.

The Interdependence of Industries.

A great difficulty had arisen in connection with the whole of the railway system through the enormous freights which had to be charged for coastwise service and those in turn arose from changes in general conditions of employment. Much higher wages were being paid, and in some cases less work was being done. He laid stress on these points to emphasise the fact—the recognition of which was vital to the country at the present time—that less work being done in one industry reacted through that industry on to others, and we could not go on with anything like our old pre-war state if the work of the country was not done. At the present moment, for one reason or another, it was not being done. A most pernicious doctrine was being preached—that if a man did less work it left more work for others to do. The real thing was exactly the reverse. We had here an example of less work being done in industries outside mining, making it impossible for another industry to get the flow of its products away, and therefore checking back the work in that industry. That fact should be clearly recognized. This question of the interdependence of industries was complicated by other factors. For instance, the drought we had in the early summer was also a contributing cause to blocking back coal, as it caused a shortage of hay,and people who used to do carting, and in that way help to clear the railways were no longer doing that carting because it did not pay. That the fact had added to the difficulty of the coal output. Not only was the flow from the coal industry checked by conditions of labour and employment in industries outside itself, but the actual production within the industry was checked by conditions arising in industries outside itself. There was at present the greatest possible difficulty in getting forward to the mines the steel rails, the machinery, and the tubs which they required, and those difficulties were accentuated by a change in the hours of labour and the amount of work done per day in the steel and other industries. Consequently, it was not possible at the present moment to get the supplies of manufactured steel required for other industries. These were some of the outside factors. In short, you could not take an old country such as this, and suddenly profoundly change the conditions under which the majority of its peoplee lived and worked, without causing widespread disturbances outside the area of those changes themselves.

Inside Factors Reducing Outputs.

Inside the coal industry there was no doubt that there were factors at work tending to reduce output. As the result of the Government's adoption of the recommendations of the Interim Report of the Sankey Commission, the coal owners' profit was now fixed at 1s. 2d. per ton. It did not matter to them, therefore, how much a ton coal cost to raise, although the number of tons raised did matter. Taking the side of the men, wages were very much up. It was freely alleged that there were men working in the industry who found they had made enough in the course of the week, and did not go on to make more. He thought that was probably true. The figures of absenteeism in the mines suggested that something of that sort was happening. The White Paper stated the percentage of absenteeism due to sickness, injury and voluntary absence, shown as a percentage of the possible number of shifts which could have been worked, increased from an average of 10.7 per cent. in 1913, to an average of 12.5 per cent. in the first 20 weeks of 1919, and to an average of 13 per cent. in the four weeks ended May 24. That was another factor at work tending to reduce output. The Coal Control Department reported that absenteeism was less last week, but the figures showed that during the time covered by the White Paper there was an increase in absenteeism. There was also during the same time a reduction in the out put of mines for a period of four weeks, increasing from 19.8 tons in 1913 to 16.8 tons in the first 20