

With regard to railway wages, the following table based on information published by the Committee on Industry and Trade, shows the wage totals in 1913 and 1924 respectively and the percentage relation of wages and expenses to total receipts:—

	1913. £	Percent- age of Total Receipts.	1924. £	Percent- age of Total Receipts.
Wages ... ..	47,386,000	37·0	119,800,000	56
Other expenses ...	34,575,000	27·8	58,362,000	27
Total working expenses ...	81,961,000	64·8	178,162,000	83
Net receipts ...	44,619,000	35·2	36,552,000	17
Total receipts ...	126,580,000	100	214,714,000	100

There is a clear case, it would seem, for examining the cost of transport and incidentally of transport wages, since, if transport costs could be brought down, the costs of production of other industries would be lessened and they in turn could deliver more cheaply to the transport industry the manufactures it requires in its own trade.

This is the more important when it is realised that, in the ordinary course of production, transport charges occur and recur constantly. In the case of steel, for example, coal, lime, coke, ore, etc., have to be transported to the blast furnace for the manufacture of pig iron; pig iron, coal, coke, lime and ore have to be transported to the steel foundry for the manufacture of steel; the steel has to be transported with coal and other commodities, which already have in their price transport charges, to the engineering shop. And so the transport cost is perpetually occurring and recurring and is creating a load the cumulative effect of which increases almost geometrically as the stages of manufacture are multiplied. The resultant accumulated load of transport charge is out of all proportion to the direct transport charge carried by the engineering and other finishing industries.

It is notorious for example that the loss of markets for British coal in Scandinavia and parts of Eastern Europe is due largely