

ANGLO AMERICAN CORPORATION OF SOUTH AFRICA, LIMITED.MEMORANDUM A.N.A. NO. 15/47.NATIVE SCHOOLS ON MINE PROPERTIES.

The Transvaal Education Department is now in a position to give financial help to Missions and other bodies for the building and equipping of Native schools in the following ways :-

1. £ for £ grant on Capital Cost at £500 per room (including office, etc.)

OR

2. Rent grant on Capital Cost at 6% to cover interest and redemption.

OR

3. Rent grant on Capital Cost at 7% for 25 years and nothing thereafter.

The whole trend now is to have schools as community schools and not as mission schools, and the Department welcomes non-denominational bodies coming forward to build schools. The Bantu Welfare Trust is about to build a £10,000 school in the Moroka and Jabavu townships near Orlando.

I suggest that no more grants be given to missions to establish denominational schools on mine properties, but that, in each case, the mine build the school (with the Compound Manager as Superintendent) under one or other of the financial arrangements mentioned above. It may be necessary to set up a school committee (consisting of mine officials) and have the school built in its name, but this is a matter of detail I can go into.

An arrangement of this kind will have to be made for the schools in the Native villages on the new mines in the Orange Free State and it seems to me the same policy should be followed on the older mines. It would make it possible to control the running of the school and enable us to introduce features that would make the schools more effective as social agencies.

J. D. RHEINALLT JONES.
ADVISER ON NATIVE AFFAIRS.

JOHANNESBURG,
29th October, 1947.

34

ANGLO AMERICAN CORPORATION OF SOUTH AFRICA, LIMITED.

MEMORANDUM A.N.A. NO. 13/47.

NATIVE TRADING IN THE MINING AREAS OF THE
ORANGE FREE STATE.

The Report of the Committee on Native Housing for Orange Free State Mines under the heading "Trading Stores" said :

"The present system of concession stores is probably one of the most iniquitous systems ever established, and one could rightly say that, both indirectly and directly, the existence of these stores in close proximity to the mine compounds has undoubtedly been the partial cause of the many periods of unrest which have taken place amongst the Native workers. These stores have been in possession of articles probably obtained through the black market when mining companies are unable to obtain such articles through the normal channels. Coupled with this is the fact that there is no system of price control, neither are commodities, such as sugar, ever sold by weight. This method has probably been introduced to circumvent the law. As a natural corollary, it follows that the Native is always over-charged when buying articles from these stores and one can definitely ascribe the difficulties which have arisen, of subsisting on their present wages, as being due to this system".

/ During ...

During my visits to the various mines of the Group in the Witwatersrand - Vereeniging - Klerksdorp areas I made enquiries from managers and compound managers regarding the prices charged by concession stores. In most cases I was told that the prices were exorbitant and that it would be a good thing if some way could be found to supply the Native workers with goods at reasonable prices.

It is surprising to find that Mr. W. Gemmill is reported by the Witwatersrand Mine Native Wages Commission to have "stated in evidence that reasonable prices were charged by the concession stores and that, therefore, the reason (i.e. N.R.C.)" ceased for maintenance of shops by the Corporation/ Whatever may have been the position when the law was amended in 1926 to prohibit mining companies and recruiting organisations from operating stores, there is no doubt that today there are widespread complaints against the private trading stores.

Referring to this prohibition, the Commission said :

"Many sound reasons underlie this provision. It is obvious that an employer carrying on a shop or business at the seat of employment may be in a position to exercise much undue influence upon employees. Nevertheless, if it were found that the concession stores are abusing the position, the question of an amendment of the enactment so as to enable the mines or the N.R.C. under careful safeguard to supply natives with their requirements without undue profit-making would merit consideration".

I feel, however, that it would be unwise to make any move in this direction. for three reasons :-

1. The vested interests are so strong that any such movement would be opposed bitterly by them, and this would involve the mining industry in a very unpleasant and possibly dangerous controversy.
2. Even if the law were so amended, it is not desirable that either a mining company or a recruiting organisation should trade with Native employees. However fairly the stores were operated, there would be efforts made to poison the workers' minds, and it might result in the trading becoming an issue in an industrial dispute between the Native mine workers and their employers.
3. Trading by employers has been the cause of much trouble in other parts of the world.

The Report of the Committee on Native Housing for Orange Free State Mines (already quoted) suggests the possibility of a separate company being formed, or that ~~an~~ existing financial concerns be asked to establish trading stores on the Orange Free State mines.

The prohibition contained in Section 97 of the Transvaal Gold Law also applies to the Orange Free State so that it is not possible for any company, or director or official of a company carrying on mining, or an employer or recruiter of labour on behalf of a person or company carrying on mining to have an interest, direct or indirect, in any trade or business, for which a licence is required, to be conducted on mining ground in the Orange Free State. Thus, no one connected with the mining industry could be connected with a trading venture on mining ground.

Nearly all the mine managers and compound managers with whom I have discussed Native trading expressed the hope that non-profit concerns would be set up to counteract the bad effects of the present system. I was told of a co-operative store on the Thabazimbi Mine near Rustenburg, but it would take a long time to develop a co-operative society to the stage where it could effectively meet the needs of the workers.

In the circumstances I take the liberty of recommending that careful consideration be given to the following possibilities :-

1. The establishment of a non-profit company on the lines of the proposal now being considered for the Copperbelt. (See my Memorandum A.N.A. No. 9/47).
2. If it should be ruled that the prohibition in Section 97 of the Gold Law in respect of "interest" extends to the lending of funds to provide capital for the non-profit company, opportunity be given to any approved non-profit organisation to lease one or more trading sites for Native trade before such sites are leased to profit-making concerns.

I am aware that there are outside interests which are also involved in this matter, and that their consent would have to be obtained for action taken. I recommend that they be urged to agree, on the grounds indicated.

(Signed) J.D. RHEINALLT JONES.

24th October, 1947.

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