

BREWERS' INSTITUTE OF SOUTH AFRICA

Consolidated Textile House,
161 Commissioner Street,
P.O. Box 5636, JOHANNESBURG.

28th October, 1958.

The Honourable the Minister of Finance,
Union Buildings,
PRETORIA.

CONFIDENTIAL

Sir,

EXCISE DUTY ON BEER

Since the last budget numerous views concerning the alteration to the excise duty on spirits have been brought to the attention of this Institute. It has been stated, inter alia, that -

- a) the increase in the excise duty on spirits will adversely affect the State's revenue derived from alcoholic liquor and will be detrimental to the interests of the liquor trade; and
- b) the excise duty on beer should also have been increased.

The brewing industry is of opinion that it is still too early to comment knowledgeably on the views expressed in (a) above, and that as regards (b) not only would an increase in the excise duty on beer be unjustified but, on the contrary, the rates of excise duty on beer are still unduly heavy when compared with the rates of duty on wines and spirits.

It is respectfully submitted that the only fair and just principle on which to tax alcoholic drinks is for the excise duty to be proportionate to the alcoholic content of each type of drink with an additional load on the more potent forms of liquor. This principle is well-nigh universally observed and accepted by practically all other countries which, after many decades of research and experimenting, have found it to be the only one which effectively counteracts the abuse of alcohol and at the same time provides the State with an adequate and fair source of revenue.

Present indications are that beer consumption has not increased as a result of the last budgetary excise provisions but that the switch has been almost exclusively to fortified and natural wines. South African fortified wines contain about 20% alcohol by volume and retail to the consumer at a price of 2/- per bottle upwards. Spirits, since the last budget, retail at an average price of 14/- per bottle and contain slightly over 40% alcohol by volume. It is not generally appreciated that fortified wine contains twice as much alcohol as an equivalent volume of spirits diluted in the normal proportion of 3 to 1.

... Figure I, attached hereto, illustrates the respective alcoholic strengths of the four main types of alcoholic drinks consumed in South Africa. It shows that compared with beer, light wine is about two-and-a-half times as strong, fortified wine more than four times as strong and spirits almost ten times as strong. It shows, furthermore, that in terms of alcoholic content brandy is taxed at approximately the same rate as beer; that fortified wine carries less than one-fifth of the tax on beer; and that natural wine, despite it being two-and-a-half times as strong as beer, carries no excise duty at all.

... Reference to Figure IIA reveals that the prevailing rate of South African excise duty on beer corresponds closely with the average figure for 15 other Western countries - the South African rate per quart bottle being 7d. compared with the average figure of 6.3d. for these countries. The average rate of duty on the cheapest form of natural wine for the 15 countries is 8d. per bottle. Although no reliable or accurate figures regarding the excise duty on fortified wine in other countries are available, it can be assumed that the rate is approximately double that applicable to natural wine. As far as both light and fortified wines are concerned, therefore, South African rates of excise duty are very much below those in force in other similarly-situated countries.

... Figure IIB illustrates that notwithstanding the recent increase of excise duty on spirits, our rate is still only about half of the average figure in force in other parts of the world.

Whether the matter is viewed from the aspect of the principle of levying excise duty in ratio to alcoholic content or from the angle of what is well-tried practice in older countries, one must come to the conclusion that, relative to other alcoholic drinks, beer is still heavily overtaxed in South Africa.

... Figure 111 (and Table A) demonstrates that even after the recent increase in excise duty on spirits, the percentage increase in the excise duty on beer since 1938 has been greater than in the case of spirits. The present rate of excise duty on beer is 480% greater than it was in 1938, whereas the rate on brandy has increased by 420% since that date and the rate on cane spirits by 288%. Compared with the spirit industry, the brewing industry is accordingly still worse off than it was in 1938 due to the very heavy increases on the excise duty on beer effected in 1942, 1946 and 1952.

Sparkling wine, which is pre-eminently a luxury beverage, is still subject to virtually the same rate of duty as in 1944 when it was first taxed. The nominal duty introduced in 1944 on fortified wine has been increased only once, in 1951, by a mere 50%.

We have consistently maintained that excise duty has a marked effect on the pattern of consumption of alcoholic drinks. In this connection it is to be borne in mind that excise duty is subject to a trade mark-up and that the retail price is increased by the duty plus a mark-up varying from 30% to 100% and more on such duty. In the case of a quart of beer the excise duty is 7d., but the consumer is called upon to pay on an average an additional 4d. being the retailers mark-up on the duty. This means that the prevailing rate of excise duty on beer has the effect of increasing its retail price by approximately 11d. per quart bottle - an additional charge which is not at all applicable to a competitive article such as natural wine (bearing no excise duty) with its considerably higher alcoholic content.

... In Figure IV (and Table B) liquor consumption trends are compared with the Union's gross national income. It is interesting to note that the rate of increase in the consumption of spirits has closely approximated the rate of increase in national income. In contrast thereto the

rates of increase in the consumption of beer and wine has lagged far behind, with beer showing a decrease since 1953. It is both significant and noteworthy that spirit consumption has increased more than fourfold in the past twenty years. Wine consumption has doubled itself and beer consumption is slightly more than 50% higher than what it was in 1938.

Once again I respectfully invite your attention to the fact that the collections of excise duty on beer have been decreasing during the past five years despite the higher rate that was applied in 1952. Figure V (and Table C) support this statement and also indicate the continued increase in the collections of excise duty on wine and spirits. In these circumstances we submit that a strong case exists for a reduction in the excise duty on beer which would provide the Government with increased collections as a result of the higher production which would follow such a step.

Before concluding, Mr. Minister, I wish to deal briefly with the financial position of the brewing industry in relation to the decrease in beer sales. The South African Breweries Limited group of companies which, as you know, is responsible for 95% of the beer production in the Union has in recent years, notwithstanding a cumulative drop in beer sales of over 26% between 1952 and 1957, maintained a dividend of 18½% on the par value of its ordinary shares. It is perhaps necessary for me to explain this apparently anomalous situation. It is true that the profits from brewing have decreased considerably during the past five years, but this loss has been compensated chiefly by the following three factors:- (a) Economies that have become possible as a result of the rationalisation of the industry consequent upon the merger of The South African Breweries, Limited, Ohlsson's Cape Breweries, Limited and Union Breweries Limited; (b) The increased profits accruing to the Group from its subsidiary Rhodesian Breweries Limited resultant upon increased beer sales in the Federation of the Rhodesias and Nyasaland; (c) The more profitable utilisation of the Group's non-brewing assets, mainly hotels.

A dividend rate of 18½% may, on the face of it, appear to be a generous return on capital outlay. This, however, is not the case when the full facts are taken into consideration. Each of the three companies in the Group has been in operation

for over 70 years and the bulk of the equity capital employed in the Group was contributed a great many years ago. A consistent policy of ploughing back profits has been followed to meet the needs of capital expenditure programmes. The result is that whereas the share capital of the Group today amounts to £6 million, it employs capital which stands in its books at over £20 million upon which it earns profits which cannot be termed anything other than modest. Last year the Group's net profit after taxation was £1,600,000 which on the effective total capital employed provides an earning of 7.9%. It will be appreciated that this earning has been related to the book value of the assets of the Group and that no attempt has been made to revalue these assets over the years. There is every reason to suppose that the present market value of the assets is substantially in excess of the book value and that the rate of net earnings thereon would probably not exceed 5%.

... The actual profit the breweries make on each pint of beer is depicted in Figure VI. It shows that of the average retail price of 1/2d. for a pint of beer, .6d. accrues to shareholders as dividend, .4d. is ploughed back and 3.5d. is paid to the State in taxation. These facts in themselves refute any suggestion that the brewers are making anything but a fair profit on the sale of their products.

The foregoing, Mr. Minister, is respectfully submitted for your consideration and in the hope that you will find it possible to introduce further measures in the next budget which would remove the inequity which exists in respect of the excise duty on beer.

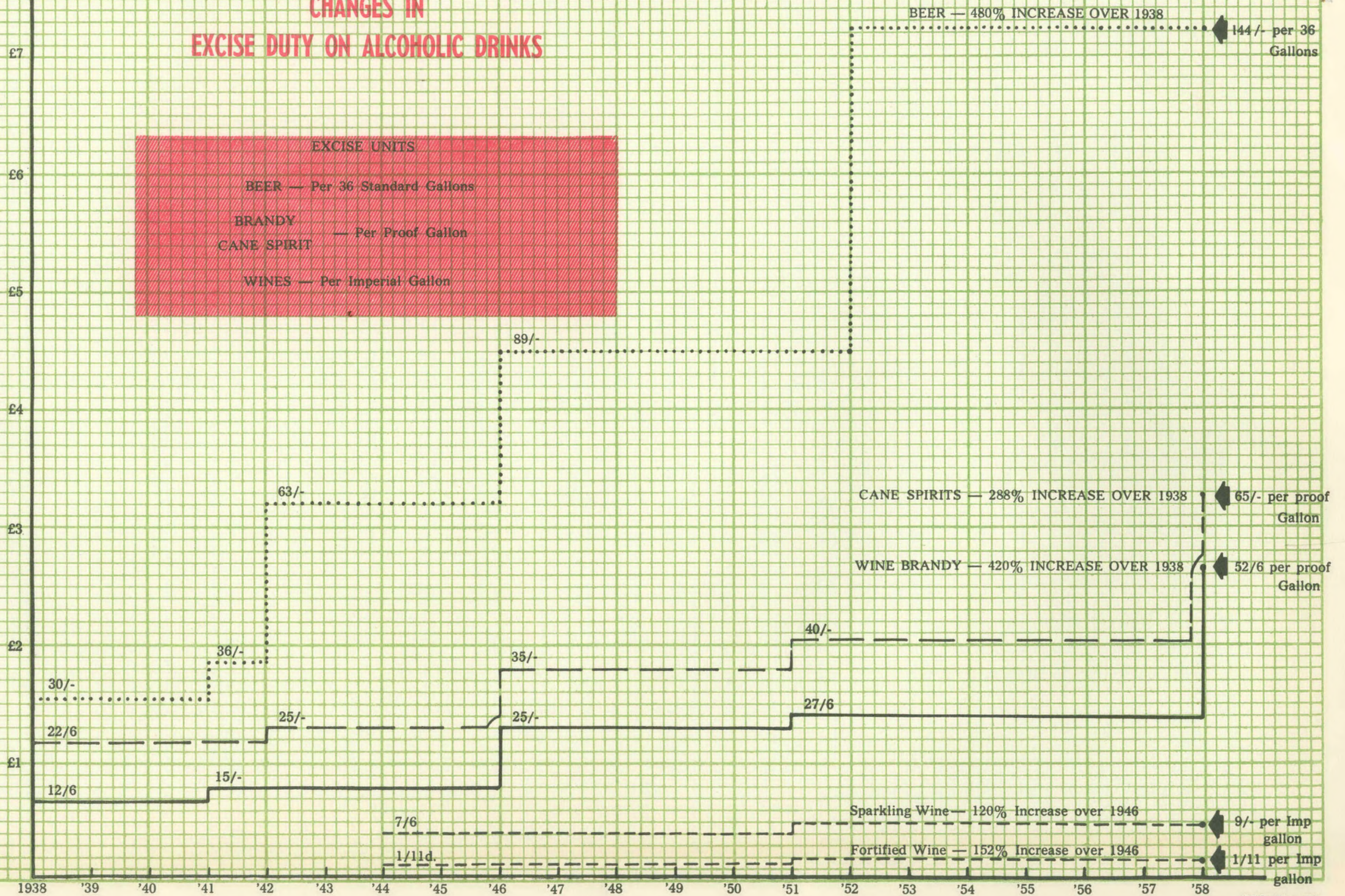
I am, Sir,
Yours faithfully,

(Signed)

J.A.H. van Niekerk
DIRECTOR

CHANGES IN EXCISE DUTY ON ALCOHOLIC DRINKS

EXCISE DUTY



CHANGES IN EXCISE DUTIES ON ALCOHOLIC DRINKS

TYPE OF DRINK	EXCISE UNIT	1938	1941	1942	1944	1946	1951	1952	1958	PERCENTAGE INCREASE (1958) (1938)
Lager Beer and Stout	Per 36 Standard Gallons	30/-	36/-	63/-		89/- *		144/-	144/-	480%
Natural Wine			— N I L —							Nil
Sparkling Wine	Per Imperial Gallon				7/6		9/-		9/-	120% (over 1946)
Fortified Wine	Per Imperial Gallon				1/11		2/11		2/11	152% (over 1946)
Wine Brandy ⁺	Per Proof Gallon	12/6	15/-			25/-	27/6		52/6	420%
Cane Spirit	Per Proof Gallon	22/6		25/-		35/-	40/-		65/-	288%

* Since 1945 lagers and stouts were deemed to have been brewed at specified minimum gravities.

+ Rebate brandy is taxed 4/6 per proof gallon less than the amounts shown.

TABLE A

See Figure No. 111

LIQUOR CONSUMPTION TRENDS

COMPARED WITH NATIONAL INCOME
COMPARE WITH GROSS NATIONAL INCOME

PERCENTAGE INCREASE OR DECREASE
IN CONSUMPTION
(1938 = 100)

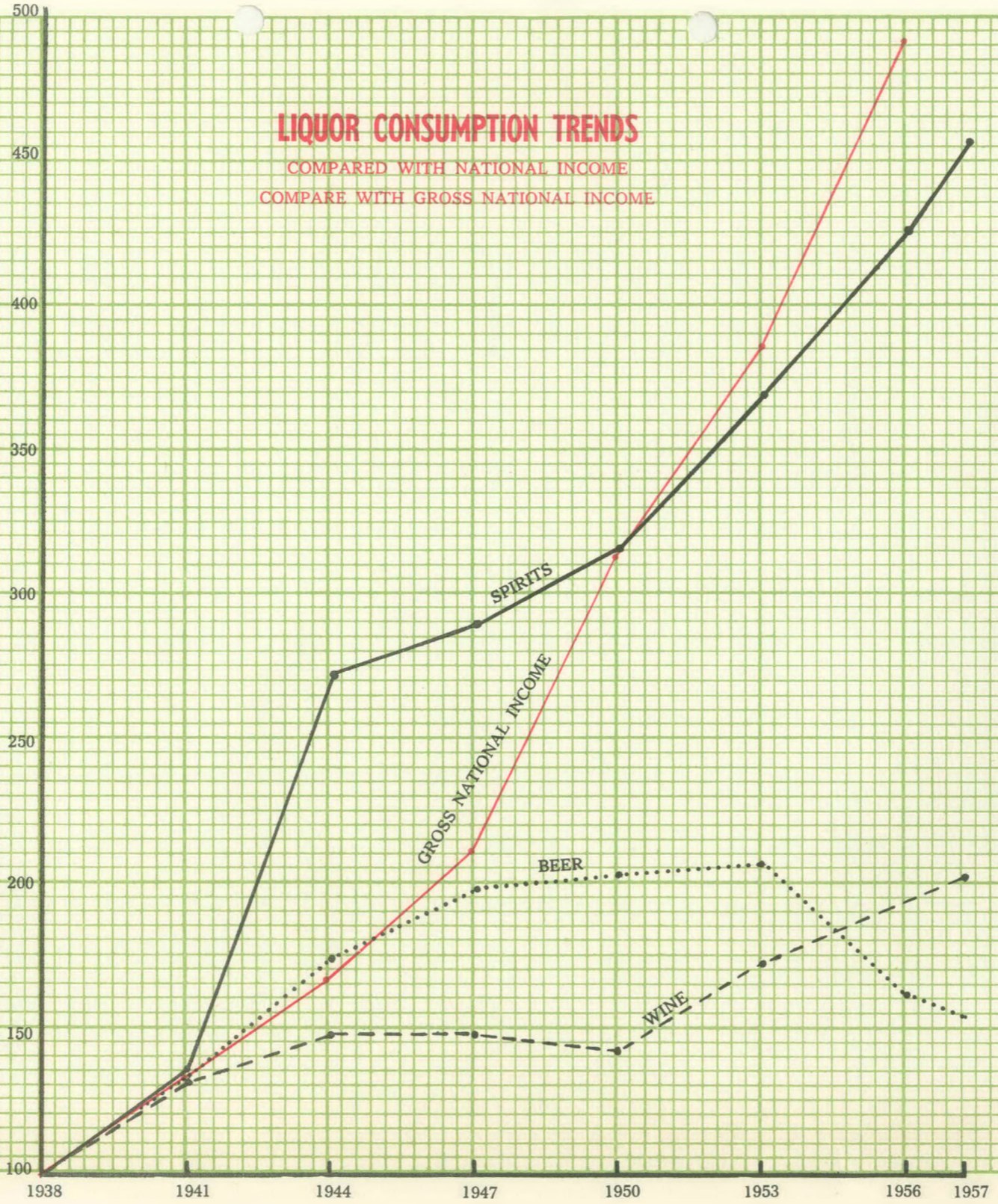


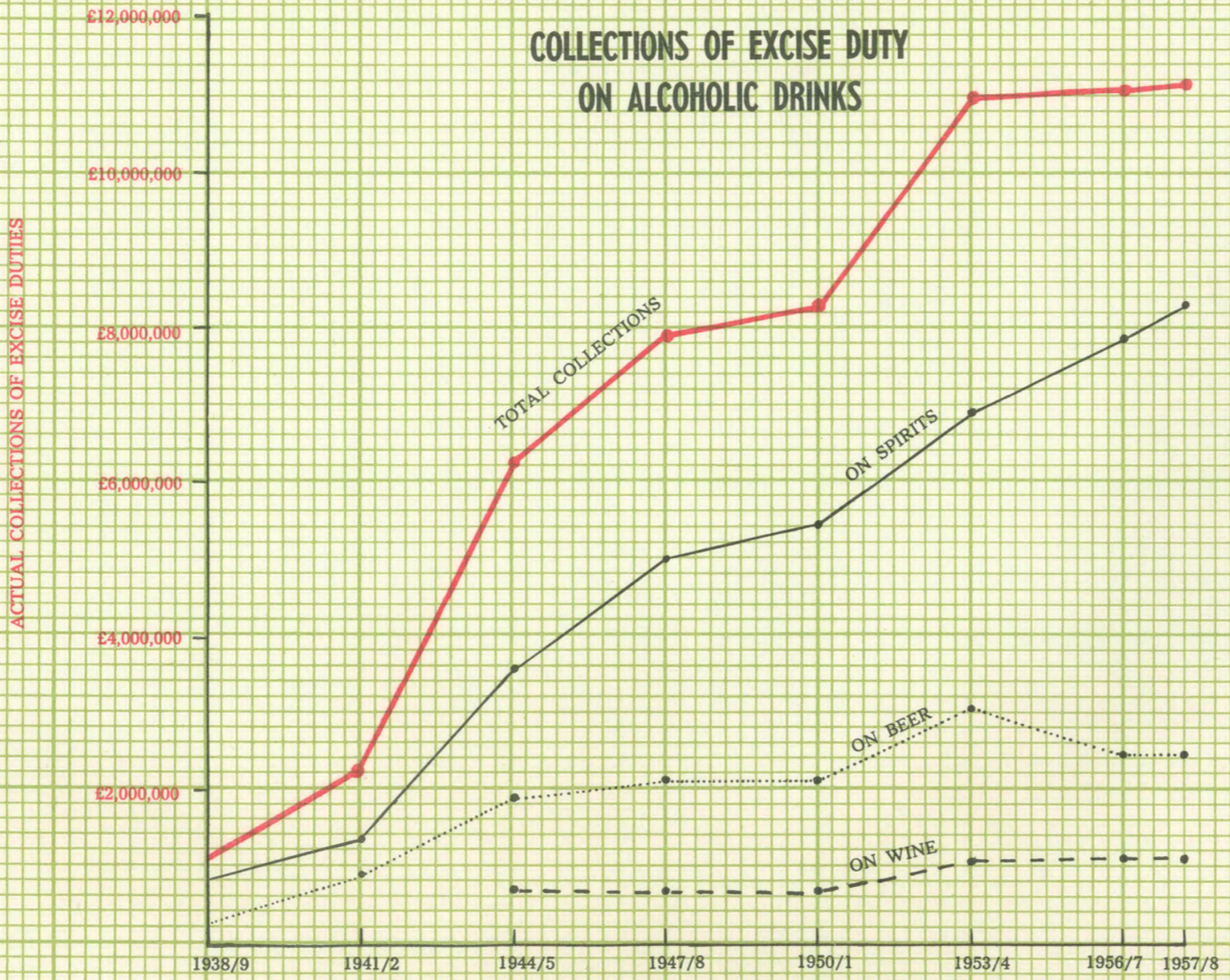
FIG No. IV
see table B

LIQUOR CONSUMPTION TRENDS
Compared with Gross National Income

	1938	1941	1944	1947	1950	1953	1956	1957
<u>SPIRITS</u>								
Bulk Gals.	1,716,000	2,354,000	3,709,000	4,939,000	5,379,000	6,273,000	7,278,000	7,797,000
% Increase.	100	137	273	289	315	368	425	455
<u>WINE</u>								
Bulk Gals.	7,636,000	10,140,000	11,275,000	11,278,000	10,923,000	13,105,000	14,870,000	15,319,000
% Increase.	100	133	148	148	143	172	195	201
<u>BEER</u>								
Bulk Gals.	11,420,000	15,561,000	19,891,000	22,572,000	23,013,000	23,561,000	18,524,000	17,703,000
% Increase.	100	136	174	197	202	206	162	155
<u>GROSS NATIONAL INCOME</u>								
	£395 mil	£531 mil	£661 mil	£830 mil	£1235 mil	£1521 mil	£1931 mil	
% Increase.	100	134	167	210	313	385	489	

TABLE B

See Figure No. IV



ACTUAL COLLECTIONS ON EXCISE DUTY

YEAR	SPIRITS	WINES	BEER	TOTAL
1937/38	£903,551		£319,244	£1,222,795
1938/39	822,764		323,274	1,146,038
1939/40	878,519		340,859	1,219,378
1940/41	1,077,428		542,481	1,619,909
1941/42	1,399,317		948,065	2,347,382
1942/43	2,228,895		1,145,816	3,374,711
1943/44	3,429,442	91,239	1,761,740	5,282,421
1944/45	3,633,667	760,465	1,905,100	6,299,232
1945/46	4,559,253	894,060	1,951,930	7,405,243
1946/47	4,470,499	1,037,830	2,059,306	7,567,635
1947/48	5,085,451	720,527	2,146,836	7,952,814
1948/49	4,742,860	737,400	2,285,884	7,766,144
1949/50	5,105,110	718,307	2,265,320	8,088,737
1950/51	5,466,990	699,946	2,153,285	8,320,221
1951/52	6,396,039	1,111,193	2,259,143	9,766,375
1952/53	6,555,578	1,118,867	3,479,211	11,153,656
1953/54	6,886,605	1,072,974	3,120,916	11,080,495
1954/55	7,401,344	1,100,850	2,900,466	11,402,660
1955/56	7,684,055	1,077,631	2,584,251	11,345,937
1956/57	7,925,636	1,109,405	2,469,521	11,504,562
1957/58	8,341,581	1,132,351	2,433,463	11,907,395

TABLE C

BISA October 1958

See Figure No. V

WHERE THE MONEY GOES

The average cost structure of a pint of beer



CONSUMPTION IN UNION OF S.A. OF LOCALLY PRODUCED SPIRITS AND OF IMPORTED SPIRITS, COMPILED FROM FIGURES SUPPLIED BY DEPARTMENT OF CUSTOMS & EXCISE AND/OR EXPORTERS FROM TRADE BOOKS OR ABSTRACTS OF TRADE.

Y E A R	PRODUCED IN SOUTH AFRICA			IMPORTED FROM ALL SOURCES				TOTAL CONSUMPTION
	Spirit from Vine	Spirit from Sugar Cane	Total S.A. Spirit	Imported Brandy	Imported Whisky	Imported Gin	Imported Other	Total all spirits
	1 Proof Gallons	2 Proof Gallons	3 Proof Gallons	4 Proof Gallons	5 Proof Gallons	6 Proof Gallons	7 Proof Gallons	8 Proof Gallons
1928	941,067	74,335	1,015,442	18,555	289,298	29,986	8,382	1,361,663
1929	877,286	67,437	944,725	16,730	280,074	27,596	8,438	1,277,563
1930	831,586	71,549	903,135	14,211	275,743	26,804	7,323	1,227,296
1931	759,849	70,569	830,418	12,775	264,750	25,457	5,729	1,139,129
1932	681,791	62,307	744,098	8,224	255,002	16,000	3,765	1,067,089
1933	725,670	58,233	783,903	8,657	220,551	18,259	7,173	1,038,583
1934	854,129	62,211	916,340	11,635	263,998	24,988	9,965	1,226,926
1935	939,790	73,676	1,013,468	12,402	292,954	25,797	14,102	1,358,723
1936	1,050,421	78,518	1,128,939	13,172	336,700	26,720	14,299	1,546,829
1937	1,144,937	83,112	1,228,049	14,027	327,515	29,103	12,964	1,611,658
1938	1,183,239	92,984	1,276,223	20,974	360,030	31,377	11,708	1,700,312
1939	1,229,172	103,146	1,332,318	15,139	424,819	36,588	9,899	1,818,763
1940	1,363,546	110,205	1,473,751	12,569	378,820	36,899	10,214	1,912,053
1941	1,620,840	128,924	1,749,764	2,255	327,430	49,396	12,823	2,141,669
1942	2,280,191	150,285	2,430,476	2,551	144,540	30,676	7,754	2,615,057
1943	2,626,572	178,544	2,805,116	3,249	18,991	12,431	2,020	2,841,957
1944	2,569,318	185,767	2,755,085	458	63,965	4,024	1,202	2,826,734
1945	3,274,778	233,788	3,508,566	57	122,252	6,746	2,508	3,640,169
1946	3,263,382	375,205	3,638,678	28,405	243,444	49,130	28,084	3,988,742
1947	2,720,161	937,055	3,657,256	17,892	246,013	35,272	22,585	3,979,418
1948	2,510,308	954,435	3,464,743	6,554	333,219	16,247	10,614	3,831,387
1949	2,636,007	1,061,712	3,697,719	6,123	349,306	11,537	4,226	4,068,961
1950	3,015,363	958,171	3,973,534	4,204	145,606	2,959	2,591	4,128,934
1951	3,301,057	874,881	4,175,938	4,454	216,282	4,242	4,311	4,405,258
1952	3,510,525	869,688	4,380,213	7,324	322,154	3,041	5,822	4,718,554
1953	3,646,420	984,567	4,631,987	9,751	434,545	3,043	15,148	5,094,474
1954	3,847,648	1,074,049	4,921,697	11,022	400,767	3,924	17,673	5,355,143
1955	3,991,633	1,101,847	5,093,480	9,111	561,932	4,325	16,000	5,684,640
1956	4,310,715	1,066,528	5,377,647	11,626	542,871	3,135	16,000	5,951,279
1957	4,576,656	871,484	5,448,180	8,140	533,568	3,827	12,000	6,005,715
1958	3,406,294	336,108	3,742,402	7,385	555,265	2,887	8,000	4,315,959
1959	2,912,796	266,795	3,179,591	8,293	531,688	4,012	9,301	3,732,885
1960	3,063,631	264,076	3,327,707	8,706	573,819	4,536	10,060	3,924,828

NOTE: These figures in proof gallons have been compiled from documents supplied by the Dept. of Customs and Excise and in some cases from the Annual Statements of Trade and Shipping. Importations before 1947 were given in proof gallons and from that date in bulk gallons. Consequently figures from 1947 to 1956 have been calculated into proof gallons. The importations for the years 1955 and 1956 are either provisional figures from the Monthly Abstracts or are estimates based on these publications.

CONSUMPTION OF WINE IN THE UNION OF SOUTH AFRICA EXCLUDING S.W. AFRICA
FOR THE YEARS 1928-1958 SHOWN IN BULK GALLONS

Y E A R	S. A. CONSUMPTION OF S. A. PRODUCED WINES						S.A. CONSUMPTION OF IMPORTED WINE			TOTAL S.A. CONSUMPTION ALL WINES			
	1 Own con- sumption Unforti- fied	2 Unfortified	3 Own con- sumption Fortified	4 Fortified	5 Sparkling	6 Total Un- fortified i.e. 1 plus 2	7 Total For- tified and Sparkling i.e. 3 plus 4 plus 5	8 Unforti- fied	9 Fortified	10 Spark- ling	11 Unforti- fied, i.e. cols. 1 plus 2 plus 8	12 Forti- fied, i.e. cols. 3 plus 4 plus 9	13 Sparkling i.e. cols 5 and 10
1928	.	.	.	.	.	.	.	7,431	35,208	14,038	.	.	.
1929	.	.	.	.	.	.	.	6,684	31,860	12,823	.	.	.
1930	.	.	.	.	.	.	.	6,424	31,217	10,131	.	.	.
1931	.	.	.	.	.	.	.	5,110	26,322	8,070	.	.	.
1932	.	.	.	.	.	.	.	3,260	19,118	3,761	.	.	.
1933	.	.	.	.	.	.	.	3,958	24,710	6,587	.	.	.
1934	.	.	.	.	.	.	.	6,192	30,586	10,351	.	.	.
1935	.	.	.	.	.	.	.	7,294	34,901	10,690	.	.	.
1936	.	.	.	.	.	.	.	7,361	33,382	13,923	.	.	.
1937	.	.	.	.	.	.	.	8,580	28,807	11,205	.	.	.
1938	.	.	.	.	.	.	.	7,547	35,848	20,061	.	.	.
1939	.	.	.	.	.	.	.	6,126	25,533	7,968	.	.	.
1940	.	.	.	.	.	.	.	2,873	31,170	8,221	.	.	.
1941	.	.	.	.	.	.	.	3,303	37,352	220	.	.	.
1942	.	.	.	.	.	.	.	615	8,030	54	.	.	.
1943	.	.	.	.	.	.	.	31	689	26	.	.	.
1944	.	.	.	.	.	.	.	87	513	11	.	.	.
1945	1,018,214	2,549,773	17,433	8,619,669	117,767	3,567,987	8,754,869	155	2,713	1,770	3,568,142	8,639,815	119,537
1946	1,236,061	2,573,326	20,878	10,261,222	133,351	3,809,387	10,415,451	5,481	42,206	24,017	3,814,868	10,324,306	157,368
1947	1,440,702	3,350,969	20,309	7,735,414	91,285	4,792,671	7,847,008	8,977	36,961	27,846	4,801,648	7,792,684	119,131
1948	1,360,559	3,576,607	23,118	7,402,268	102,662	4,937,166	7,528,048	5,386	17,265	5,896	4,942,552	7,442,649	108,558
1949	1,368,132	3,702,314	20,948	7,424,951	115,606	5,070,446	7,561,505	4,660	12,067	5,404	5,075,106	7,457,976	121,010
1950	1,515,586	3,918,803	22,398	6,768,343	127,292	5,434,389	6,918,033	443	4,633	581	5,434,832	6,795,374	127,873
1951	1,673,520	4,615,645	21,707	7,026,393	156,651	6,289,165	7,204,751	1,191	6,878	1,088	6,290,356	7,054,978	157,739
1952	1,717,843	5,414,398	20,560	7,046,033	184,897	7,132,241	7,251,490	8,321	13,580	1,938	7,140,562	7,080,173	186,835
1953	1,828,304	5,992,786	22,650	6,872,438	171,123	7,821,090	7,066,211	11,920	22,530	6,685	7,833,010	6,894,968	177,808
1954	1,866,910	6,808,543	20,487	6,937,034	188,890	8,675,453	7,146,411	12,588	3,050	7,813	8,688,041	6,960,571	196,703
1955	1,990,629	7,326,005	20,079	6,898,663	195,505	9,316,634	7,114,247	12,766x	3,123x	7,910x	9,329,400	6,921,865	203,415
1956	2,082,018	7,594,852	20,019	7,080,116	195,053	9,676,870	7,295,188	13,176x	3,416x	7,976x	9,690,046	7,120,154	203,029
1957	2,100,631	7,914,809	20,035	7,186,628	216,612	10,015,440	7,423,275	9,753	35,279	4,658	10,025,193	7,241,942	221,270
1958	2,110,953	9,020,577	18,956	8,009,163	230,774	11,131,530	8,258,893	10,992	35,338	4,487	11,142,522	8,063,457	235,261
1959	2,218,632	10,294,611	19,055	9,112,741	234,070	12,513,243	9,365,866	12,450	35,852	4,953	12,525,693	9,167,648	239,023
1960	2,157,236	11,773,552	25,632	9,550,016	251,312	13,930,788	9,826,960	15,448	53,923	5,149	13,946,236	9,629,571	256,461

x Estimated from values, provisional figures only.

NOTES: Figures for consumption of S.A. produced wines are available only from 1945 onwards.

Importations for 1955 and 1956 are taken from monthly Abstracts of Trade and are provisional figures only.

CONSUMPTION IN SOUTH AFRICA OF LOCALLY PRODUCED ALCOHOLIC DRINKS

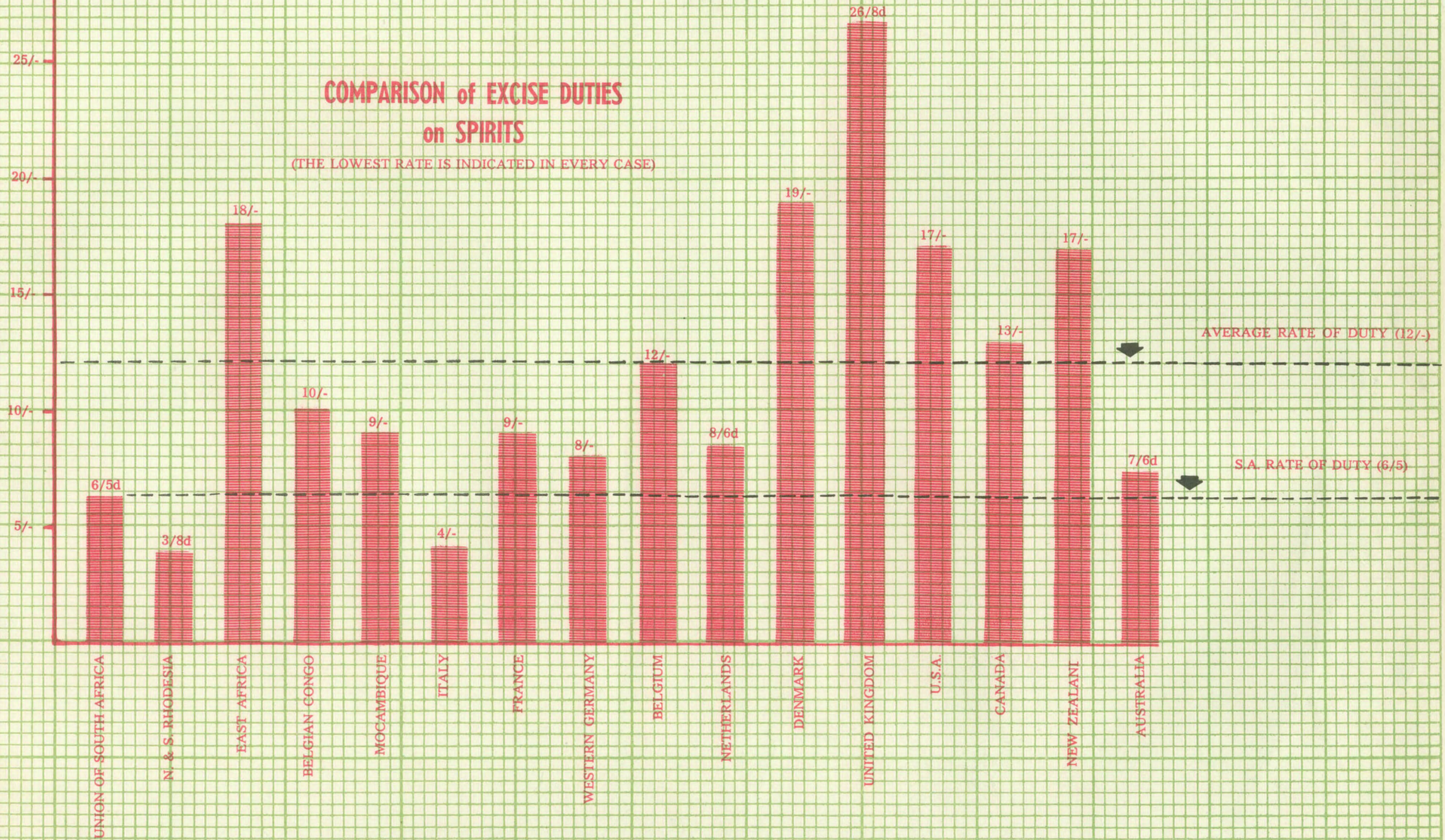
Year	SPIRITS (Proof Gallons)	FORTIFIED WINE (Bulk Gallons)	NATURAL WINE (Bulk Gallons)	BEER (Bulk Gallons)		
				Special Beer	Best Beer	Total Beer
1928	1,015,442	Not available	Not available	1,037,801	7,761,618	8,799,419
1938	1,276,223	Not available	Not available	1,802,485	9,810,758	11,613,243
1948	3,464,743	7,402,268	4,937,166	3,500,535	19,387,740	22,888,275
1951	<u>4,175,938</u>	<u>7,026,393</u>	6,289,165	2,673,355	19,357,000	22,030,355
1952	4,380,213	7,046,033	7,132,241	2,340,110	21,597,403	<u>23,937,513</u>
1953	4,631,987	6,872,438	7,821,090	2,329,764	20,175,777	22,505,541
1954	4,921,697	6,937,034	8,675,453	1,816,341	18,867,477	20,683,818
1955	5,093,480	6,898,663	9,316,634	1,586,651	16,552,507	18,139,158
1956	5,377,647	7,080,116	9,676,870	1,474,949	16,131,040	17,605,989
1957	5,848,180	7,186,628	10,015,440	1,359,195	15,313,930	<u>16,673,125</u>
1958	<u>3,742,402</u>	8,009,163	11,131,530	1,433,971	16,067,788	<u>17,501,759</u>
1959	3,179,591	9,112,741	12,513,243	1,360,138	15,721,146	17,081,334
1960	3,327,707	9,550,016	13,930,788	928,195	16,673,349	17,601,544

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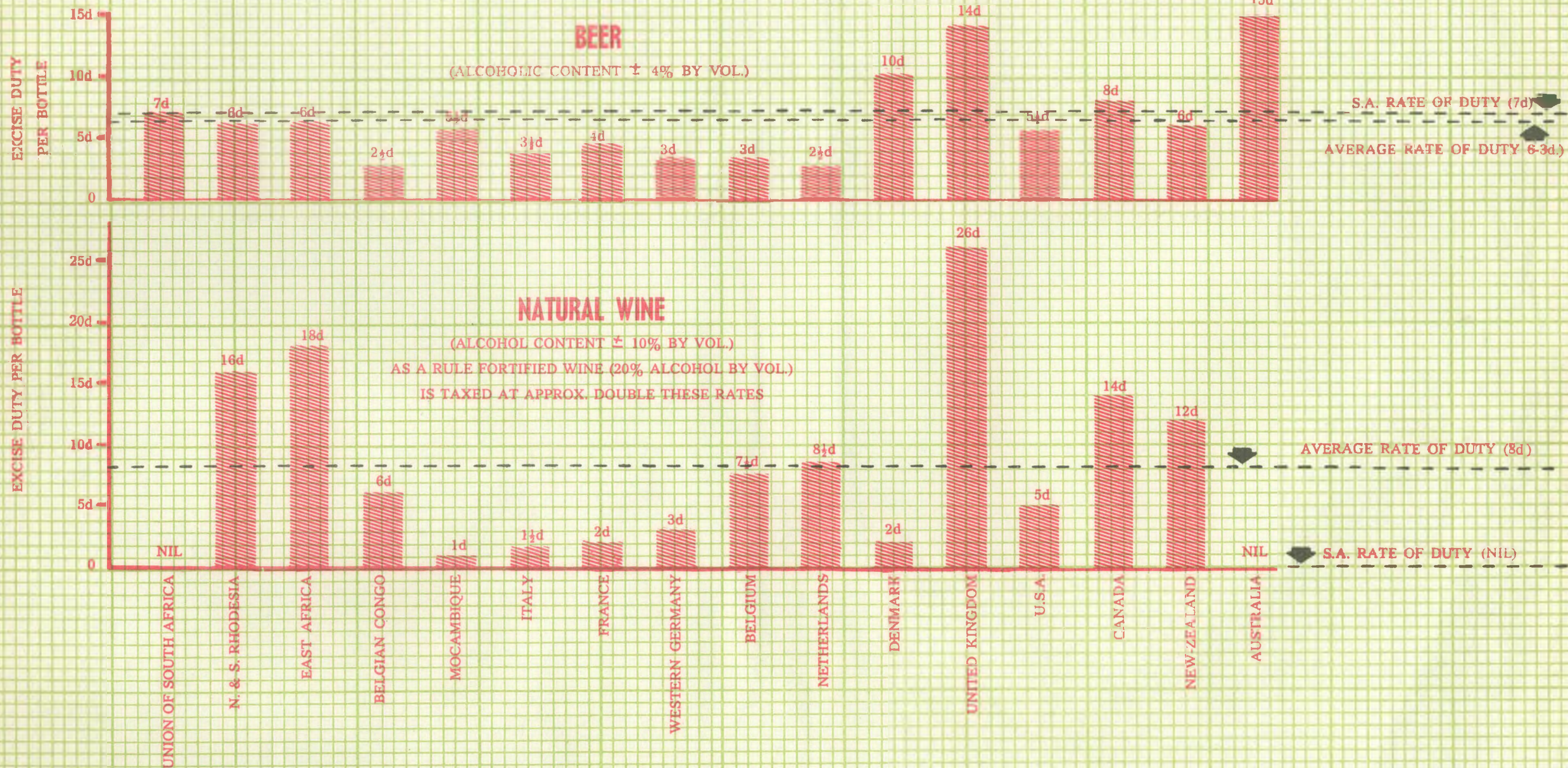
COMPARISON of EXCISE DUTIES on SPIRITS

(THE LOWEST RATE IS INDICATED IN EVERY CASE)

EXCISE DUTY PER BOTTLE



COMPARISON of EXCISE DUTIES on BEER and WINE



14th April 1961

The Commissioner of Customs
and Excise,
CAPE TOWN.

Dear Sir,

I wish to refer to the recent discussions I had with you and members of your staff in Cape Town on the subject of the suspended excise duty on low gravity beer. Since then you have received my letter of 8th March in reply to yours of 15th February (No. A.20/61) and I trust that the information submitted therein has met your requirements.

In the course of our discussions you indicated the consumption trends of the various types of alcoholic drinks is a factor which, under certain circumstances, would influence your Department in determining the rate of duty appropriate to each type of drink. You mentioned for example that if "Skål" beer, the low gravity beer newly introduced by The South African Breweries Limited, were to have a substantial adverse effect upon wine sales, your Department might thereby be influenced in the direction of imposing the suspended duty upon low gravity beer. I expressed the opinion at the time that this approach could have the highly unfair consequence of penalising efficiency in the fields of production and marketing on the part of some producers and of placing a premium on inefficiency on the part of others.

I drew your attention to the situation, prevailing during the past few decades, in which beer sales have been severely curtailed by high rates of excise duty and in which the sale of natural wine, unfettered by excise duty, has undergone a marked expansion. The main purpose of this letter is to comply with your request to be furnished with figures substantiating my contention in this connection. In order to complete the picture I am also including figures relating to the consumption of spirits.

I attach hereto a schedule which reflects the consumption of the various types of alcoholic drinks produced in South Africa over the past 30 years and which has been compiled from statistics emanating from your Department. The accompanying graph depicts the consumption trends using 1948 as a base. Unfortunately no reliable figures for wine are available in respect of the years preceding 1946.

Spirits.

The consumption of spirits increased about threefold between 1928 and 1948 (from \pm 1 million proof gallons to \pm 3.5 million); between 1948 and 1957 a further increase of 68 % occurred (\pm 5.8 million proof gallons); but by 1960 its consumption had dropped to about 4 % below the 1948 level (to 3.3 million proof gallons). This last figure however still represents a consumption almost three times as large as it was in 1938.

43%

Wine.

The consumption of fortified wine remained almost constant from 1948 to 1957 (at \pm 7 million gallons); after which year it started moving upwards. In 1960 the consumption was 29 % higher than in 1948 (9.5 million gallons).

20%

Natural Wine.

Consumption increased from 4.9 million gallons in 1948 to 10 million in 1957 and 13.9 million in 1960. In other words it is now nearly three times higher than it was 12 years ago.

10/12

Beer.

The consumption of "special" (low gravity) beer increased from \pm 1 million gallons in 1928 to 3.5 million in 1948 and thereafter showed a steady decline to .9 million gallons in 1960. The consumption of special beer is smaller today than it was 30 years ago.

45

The consumption of best beer also increased between 1928 and 1948 (from 7.8 million gallons to 19.4 million gallons). After a further rise to

21.6 million gallons in 1952 it fell to 16.7 million gallons in 1960 and best beer consumption is today, therefore, some 14 % lower than it was in 1948.

We thus find that between 1938 and 1960
the consumption of spirits increased nearly three times;
the consumption of special beer decreased by half;
the consumption of best beer increased by slightly more than half.

Reliable figures are not available regarding the consumption of wine prior to 1946 but between 1948 and 1960

the consumption of fortified wine increased by 29 %;
the consumption of natural wine increased by 182 %;
the consumption of spirits decreased by 4 %;
the consumption of special beer decreased by 73 %
and
the consumption of best beer decreased by 14 %.

These figures clearly demonstrate the effect which the incidence of excise duty has had on the consumption of the various types of alcoholic drinks. The higher duty imposed upon spirits in 1957 resulted in a marked drop in its consumption with a corresponding rise in the consumption of wines which remained virtually duty free.

Beer consumption received a severe setback in 1952 when the duty on it was substantially increased. It benefited slightly from the additional duty on spirits in 1957 but this minor advantage was terminated in 1958 when the duty on beer itself underwent a further increase and sales again continued on their downward trend. The small rise in 1960 must be attributed to the unremitting concentration by the brewing industry in recent years on technical advances and improved operating efficiencies.

I submit that the foregoing facts and figures substantiate my appeal on behalf of the brewing industry for less unfavourable treatment in the matter of excise duty than has been the case in the past.

With particular reference to the question of the suspended duty on low gravity beer I would point out that whereas the consumption figures for natural wine and special beer were both about 3.5 million gallon in 1948

the consumption of natural wine had increased to almost 14 million gallons last year and that of special beer had fallen to below 1 million gallons. It is obvious that any further increase in the duty on special beer will virtually eliminate it from the market. If, on the other hand, consumption trends have a bearing on excise duty then a clearcut case has been established for reducing the excise duty on beer - and especially on low gravity beer.

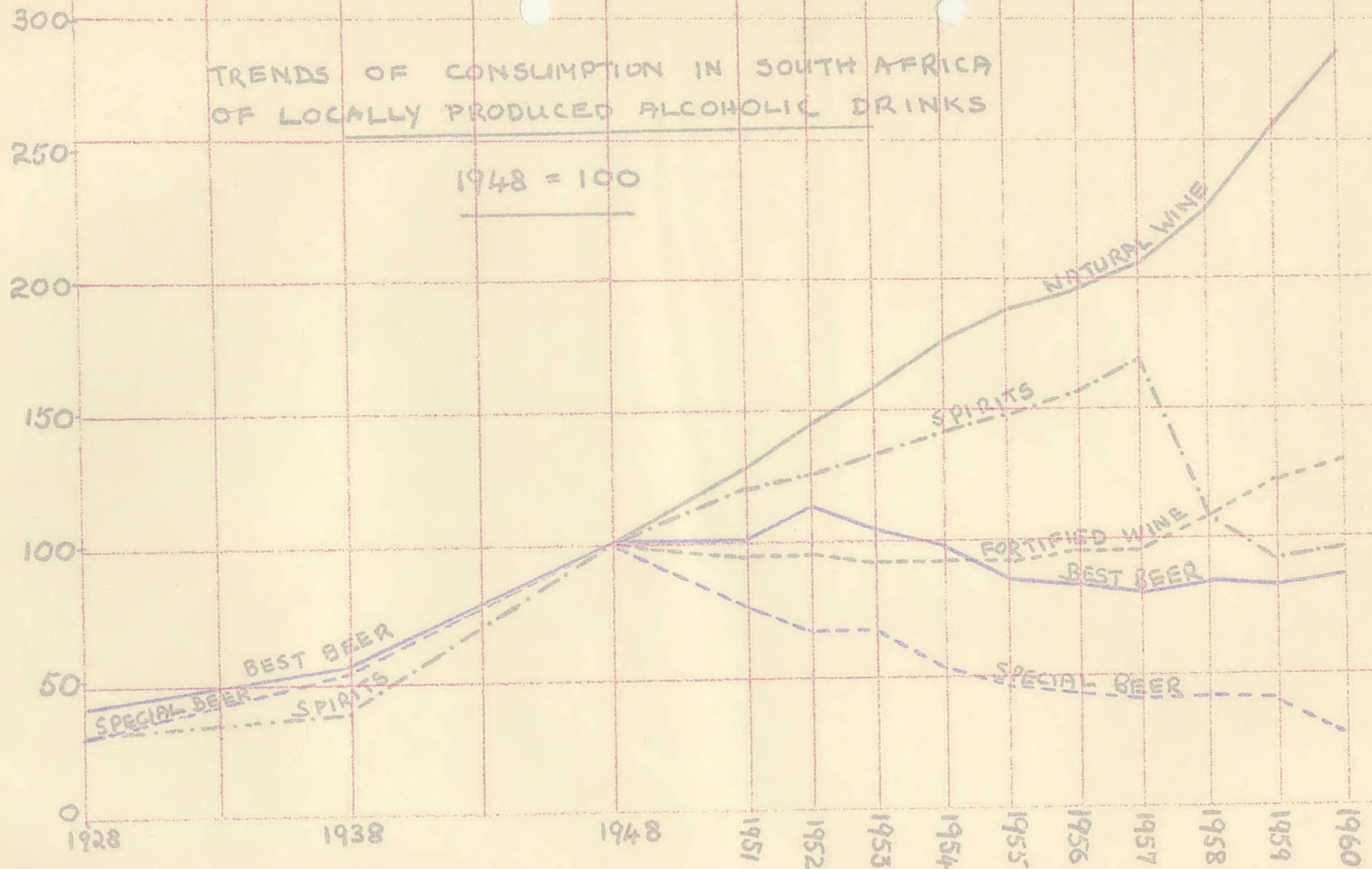
Yours sincerely,

J.A.H. van Niekerk
DIRECTOR

Encl.

TRENDS OF CONSUMPTION IN SOUTH AFRICA OF LOCALLY PRODUCED ALCOHOLIC DRINKS

1948 = 100



815A
APR '63

COMPARISON OF ALCOHOLIC STRENGTHS AND EXCISE DUTIES — SOUTH AFRICAN ALCOHOLIC DRINKS

TYPE OF DRINK	BEER	NATURAL WINE	FORTIFIED WINE	BRANDY
ALCOHOLIC CONTENT — PER BOTTLE of 26.6 Fl. Ozs.	1 FL. OZ. PURE ALCOHOL	2.5 FL. OZS. PURE ALCOHOL	4.3 FL. OZS. PURE ALCOHOL	9.6 FL. OZS. PURE ALCOHOL
ALCOHOLIC CONTENT — PERCENTAGE BY VOLUME	4.5%	12%	20%	43.4%
— PERCENTAGE BY WEIGHT	3.6%	9.4%	16%	36%
EXCISE DUTY — PER BOTTLE	6.8d	NIL	5.8d	6/5d
— PER FL. OZ. OF ALCOHOL	6.8d	NIL	1.3d	8d

FIG No. 1

X

BREWERS' INSTITUTE OF SOUTH AFRICA

MEMORANDUM TO THE HON. THE MINISTER OF FINANCE

ON

EXCISE DUTY ON BEER

In your budget speech you stated "that beer should take its place beside its half-brothers and make its modest contribution to the increase in the revenue." The brewing industry submits that in introducing further excise duty on beer with these words you gave an incorrect and misleading background picture. If by "half-brothers" you implied spirits only, then it is blatantly unfair to group beer with a product which is ten times as potent. On the other hand, if you had in mind wines also, then it is difficult to appreciate how you would justify your reference to a "modest" contribution by beer while natural wine carries no duty at all and while the rate on fortified wine, in terms of alcoholic content, is less than one-sixth of that applicable to beer.

The brewing industry desires me to bring to your attention that the "modest" additional contribution, which it is now required to make to the state revenue, has disrupted the entire economy of the industry to an extent which is out of all proportion to the relatively small amount of extra revenue which the Government may derive. The industry has been compelled to defer the greater part of its plans for the replacement of obsolete buildings and equipment and for the anticipated normal expansion of business. The capital expenditure on these projects would have amounted to some £5 million. Its newly-launched marketing schemes have been seriously jeopardised by the chain reaction of price increases which the additional duty has started and which must bring with it a considerable reduction in beer consumption.

Significantly indicative of the effect of the latest discrimination against the brewing industry is the fact that The South African Breweries Limited shares dropped on the Johannesburg Stock Exchange from 70/- just before the budget to 55/- a few weeks later. The drop of 15/- per share represents a loss of some

£3½ million to shareholders and is almost exclusively attributable to the anticipated loss of sales and consequent reduction in profits due to price increases brought about by the additional duty.

The industry was in the past able to overcome earlier increases in duty on beer partly because they occurred during a period of rising prosperity, partly by improved efficiency, and partly by exercising severe economies. Since 1952 sales have decreased persistently and up to 1958 had fallen by 26%. The industry today operates on a highly efficient and rationalised basis and is no longer able to resort to reducing costs as a means of counteracting the outcome of higher taxation.

It is our considered opinion, supported by the facts stated below, that the present rate of excise duty on beer, and in particular the additional duty imposed in your 1959 budget, can be justified neither on economic (or fiscal) nor on sociological grounds.

A just system of excise duty is designed primarily to obtain the maximum revenue for the State without discrimination between similarly placed persons but takes into consideration, firstly, the nature of the products taxed and the need to curb undesirable forms of expenditure and, secondly, the ability of the citizens to pay the tax. Weighed against this universally accepted principle of taxation, the present rate of excise duty on beer proves itself to be ill-considered, from both the fiscal and sociological points of view, and unfairly discriminatory, as revealed by the facts adduced below.

(a) Maximum State Revenue

The following table reflects the annual collections from excise duty on beer:-

1951/2	-	£2,259,143
1952/3	-	3,479,211
1953/4	-	3,120,916
1954/5	-	2,900,466
1955/6	-	2,584,251
1956/7	-	2,469,521
1957/8	-	2,433,463
1958/9	-	2,620,000
(Revised Official Estimate)		
1959/60	-	3,300,000
(Official Estimate)		

In 1952 the duty on beer was increased from 89/- to 144/- per 36 standard gallons and this resulted in a marked increase in the collections during the succeeding financial year. But it is of utmost significance that five years later the collections had fallen almost to the 1951/2 level. In other words, a 62% increase in the rate of duty produced, five years later, an increase of less than 8% in revenue. This clearly demonstrates that beer was already overtaxed and that it is fallacious to assume that a higher rate would increase the revenue yield.

The estimated collections for 1958/9 show an increase over the previous year but this is almost entirely due to the over-production of beer which took place during the second half of 1958 in anticipation of increased sales resultant from various marketing campaigns - increases which unfortunately did not eventuate. This fact seems to have been partly taken into consideration in your Estimates of Revenue in that they anticipate a 4% decrease in the consumption of beer. The considered opinion of the brewing industry is that the increased duty will affect beer sales much more adversely and that consumption will decrease by between 10% and 20% during 1959/60. This would result in an increase of between £400,000 and £100,000 in revenue instead of the figure of £700,000 as budgetted. The anomalous position has now been reached that whereas the rate of duty on beer has been raised by 112% since 1951/2 (from 89/- to 189/-), the revenue accruing to the State during the same period would increase from by as little as between 19% and 33%, if the brewers' estimate is correct, or 46% if the official estimate proves correct.

The management of The South African Breweries Limited is confident that, if the rate of duty on beer had not been increased, beer sales would have gone up by approximately 10% in the next twelve months as a result of the improved production and marketing methods that are now being employed. The revenue at the old rate for that period would accordingly have amounted to some £2,900,000, which closely corresponds to the revenue which the increased rate of duty is expected to produce.

The foregoing facts indicate that the increase in the duty on beer will not furnish the Government with additional revenue and one must, therefore, look in other directions for the reason for the introduction of this disruptive measure.

(b) Nature of the product and undesirable forms of expenditure

It can be legitimately argued that because beer contains alcohol, expenditure on this article should be curbed by means of excise duty. The brewing industry does not quarrel with this line of reasoning provided it is also consistently applied to other competitive alcoholic drinks.

The following figures, however, reveal the inconsistencies and gross unfairness inherent in the rates of excise duty on the various types of alcoholic drinks:-

<u>Type of Drink</u>	<u>Alcoholic Content (by volume)</u>	<u>Excise duty per fluid oz. of alcohol</u>
Beer (Special)	3.5%	7.7d.
" (Lager)	4.5%	8.5d.
Wine (Natural)	12%	Nil
" (Fortified)	20%	1.3d.
Spirits	43%	8d.

If alcoholic content is the raison d'être for a tax on a type of drink, it would be logical to expect such a tax to be levied in proportion to the amount of alcohol each type contains. In fact, worldwide practice goes further and imposes a progressively higher tax burden on the more potent drinks. This principle has been totally ignored in our Excise Act. Beer, the least potent of our alcoholic drinks, is taxed on a par with spirits and six times as heavily as fortified wine. Natural wine which contains 3 to 4 times the amount of alcohol in beer, makes no contribution, not even a modest one, to State revenue.

From a sociological angle our present system of excise duty on alcoholic drinks stands condemned by world practice. This fact was recognised by the previous Minister of Finance who attempted to influence South Africans, the largest spirit drinkers in the world, to switch to light alcoholic drinks. The Liquor Commission, after an exhaustive study of the subject over many years, has made it known that it deems the replacement of potent liquor by light alcoholic drinks in our drinking pattern as a fundamental step in the direction of solving the many serious problems arising from the abuse of alcohol in the Union.

The brewing industry contends that in increasing the duty on beer you cut diametrically across the sociological approach to the subject of the use of alcohol and saw fit to ignore the views of those who can speak with authority on this matter.

(c) The ability to pay

Beer is traditionally a drink which is mainly consumed by manual workers and members of the younger generation. In other words, beer-drinkers are mostly in the lower income groups. These groups have limited funds available to expend on their recreation and their buying habits are highly sensitive to changes in price. They switch readily from one article to a substitute which can be bought more cheaply. What in effect has been happening with beer over the past 10 years is that successive increases in the price due to excise duty have virtually lifted it out of the reach of the lower income groups who for economic reasons have switched to more potent but cheaper forms of alcoholic liquor. This trend is particularly noticeable at our universities where young sportsmen are consuming spirits in increasingly large quantities in contrast to the pre-war situation when beer was the accepted drink in these circles.

The current consumer price structure of a pint of lager beer is as follows:-

	<u>On-Consumption</u>	<u>Off-Consumption</u>
Production and distribution costs, etc.	5.5d.	5.5d.
Brewers' profit	1d.	1d.
Excise duty	4.25d.	4.25d.
Retailer's gross mark-up ..	6.25d.	4.25d.
	<hr/>	<hr/>
Total	17.00d.	15.00d.
	<hr/> <hr/>	<hr/> <hr/>

This shows that excise duty comprises more than 40% of the price at which the brewers sell their product to the trade. For on-consumption the trade apply a 60% mark-up on the total charge made by the brewers with the result that the price of a pint of beer to the consumer is increased by 6.8d. or 40% by the prevailing rate of excise duty. It will be difficult to refute the submission that this constitutes an excessive tax burden on a product which is primarily intended for those classes of the population who can least afford these inflated charges for their traditional form of relaxation.

While it is correct to say that the consumer in the end has to pay these duties, the industry itself is intimately affected by them insofar that higher prices invariably entails reduced turnover. In the case of beer, which is a mass production article involving very heavy overhead capital expenditure, the affect of a decrease in turnover is magnified many times in the loss of profit.

The brewing industry is one of the oldest and largest industries in the Union. Over the past 80 years it has grown with the economic and industrial development of the country, invested many millions of pounds in the process and has made its full contribution towards such development. The brewing industry has at least as much right to claim just and considerate treatment by the Government as any other industry.

An analysis of the industry's finances reveal that its shareholders are today receiving a return on their investment which, by any standard, could not be termed other than meagre. For the year ended March 1958 a net return of 7.9% was obtained on the effective capital with a book value of £21 million employed in the industry.

The real value of this capital is estimated to be in the vicinity of £35 million and the net return related to such real value, therefore, amounts to something less than 5%. It is doubtful whether, in the light of the reduced consumption of beer consequent upon the higher excise duty, the industry will be able to maintain these modest returns on capital employed.

In the course of its recent investigation into the liquor trade and industry the Board of Trade and Industries came to a similar conclusion. In its report it states that "there are indications that unless the breweries succeed in effecting further price reductions in respect of their products, beer consumption will decline even further with a resultant decrease in the profits earned by the group."

The drastic drop in the price of The South African Breweries Limited shares on the Stock Exchange also pertinently reflects the severe financial repercussions which the increase in duty on beer is expected to have on the industry.

In your budget speech you stated, inter alia, that "we should now encourage plans for new development and expansion, to ensure that there will be sufficient employment, opportunities, for our growing population." and that you "were strongly impressed by the desirability of avoiding any substantial increases in taxes which might disturb the equilibrium of our economy." The provisions of the budget have had exactly the opposite effect on the brewing industry to that which you have declared to be your general objective. As already stated above the effect of your budget on the brewing industry has been to force it to defer its plans for essential modernisation and expansion and to dislocate its entire economic structure in a most serious fashion.

The brewing industry has inevitably come to the conclusion that the imposition of the latest increase in the excise duty on beer cannot be justified on economic or sociological grounds and that extraneous considerations would appear to provide the only valid explanation for this step. It would seem that in its efforts to comply with the demands of the wine farmers and spirit distillers, the Government is prepared to continue introducing

measures which are designed to cripple one of the Union's oldest established industries. The inordinately high duty at present applicable to beer can only be explained in these terms because it neither serves to produce additional revenue of worthwhile proportions nor does it further the accepted economic or sociological interests of the country as a whole. Local and overseas investors have every justification for regarding the treatment meted out by the Government to the brewing industry as being completely arbitrary and discriminatory. This attitude may well have far-reaching effects upon the financial reputation of the Union both in the domestic and the international fields.

The brewing industry, therefore, urgently requests the Government to review the position as it affects the industry and to take urgent steps to obviate the disastrous results which the continuation of the present policy must inevitably bring in its wake.

23rd April, 1959.

Institute of Administrators of Non European Affairs
Instiitunt van Administrateurs van Nie Blanke Angeleenthede
Southern Africa
Suidelike Afrika



"LIQUOR LAWS IN CENTRAL AFRICA."

Paper delivered by

DR. A.H. ASHTON
DIRECTOR OF AFRICAN ADMINISTRATION, BULAWAYO.

at the

NINTH ANNUAL CONFERENCE, LIVINGSTONE,

14TH - 19TH AUGUST, 1960.

LIQUOR LAWS IN CENTRAL AFRICA.

Drink. Either you're for it or agin it! Which you are depends on what you are. To the melancholic Burton drink was "one of the two main plagues and common dotages of human kind" - the other being "women, which have infatuated and besotted myriads of people. They go commonly together". But the gay and hearty scarcely agree, except for this association of wine and women.

"----- for wine inspires us
and fires us
with couragè, love and joy.
Women and wine should life employ.
Is there aught else on earth desirous".

Even the opinion of the ancients was in conflict over this. Solomon in his wisdom, roundly declared "wine is a mocker, strong drink is raging", whereas the Preacher goes along with Macheath, commending "mirth, because a man hath no better thing under the sun than to eat, drink and be merry, for that shall abide with him in his labour in the days of his life".

Everywhere this ambivalence has been recognised and steps taken to check the abuse of a good thing, usually avoiding the extremes of excessive indulgence or total abstinence. Early African society was no exception, and every tribe or ethnic group had its own appropriate rules. In Southern Africa, where drink was not commercialised, but was dependent upon favourable agricultural conditions and usually associated with festive and ceremonial occasions, these rules were few and simple, and seldom went further than separating the ages and sometimes the sexes, and denying beer to the young. The advent of Europeans has modified a good deal of this - indirectly by introducing social and technical changes and directly by altering the legal and social situation to suit their own concepts and convenience. The former cover such innovations as spirits, with very different properties from the traditional grain beer, trading institutions which ensure the constant availability of grain supplies and so facilitate regular brewing, and labour migration with wage earning which created a floating male population who paid for their pleasures. These changes are reflected in new institutions such as shebeens and commercialised home brewing, in new laws, which control and sometimes attempt totally to ban spirits and/or shebeens, and in new social practices which tolerate or permit mixed drinking and younger participation and regulated drinking places and hours.

Direct European intervention has taken the form of over-all legislation which determines when, where, what and how Africans should drink. These laws are superimposed on the indigenous social structure and closely regulation - or attempt to regulate - African conduct, especially where Africans live in close conjunction with Europeans. Some of them are similar in scope and content to the laws which African communities had themselves developed, but they all differ in one fundamental feature in that they are imposed from without rather than from within. As a result they reflect more what the legislators think should be done than what the social situation itself needs. Sometimes the two coincide, and then the law suits the social facts, but at other times they don't and then the law is inoperative, ineffective or difficult to apply, and may even be downright harmful. It would be miraculous, in fact, if one group could invariably legislate beneficially for another group, and as miracles are not common, mistakes inevitably occur. Keen insight would and does reduce such errors to a minimum; unfortunately, drink is a field strewn with passionately held principles and prejudices, which often prevent dispassionate study, with the result that Liquor Legislation is more prone than most to be out of tune with the social facts, to be discriminatory, and to reflect social or racial tensions.

CONSTITUTIONAL BACKGROUND.

Liquor legislation is a Territorial, and not a Federal matter, so each of the three constituents of the Federation has its own separate set of laws, which reflect their different constitutional and socio-economic position.

Southern Rhodesia is a British Colony. She has had responsible Government since 1924, with a Parliament of 30 members, elected on a common roll, by predominantly European electorate. She is virtually self-governing, except for certain reservations, of which the most important is that the British Government's consent must be had for any law whereby Natives may be subjected or made liable to any conditions, disabilities or restrictions to which persons of European descent are not also subject or made liable. Significantly, laws in respect to the supply of arms, ammunition and liquor are excluded from this reservation.

Northern Rhodesia became a British Protectorate in 1924, and was equipped with a Legislative Council containing nine official and five unofficial members, all of whom were Europeans. Constitutional development over the years gave the

unofficial members first parity (in 1938) and then (1945) a majority. From 1938 to 1948 Africans were represented by European members, first by one then, (1945) by three. In 1948 their number was reduced to two, and at the same time to Africans were appointed. Further changes were introduced in 1954, by reducing the official members to eight and increasing the unofficial to eighteen. Two of the latter were appointed by the Governor to represent African interests, and four were Africans selected by the African Representative Council and appointed by the Governor. This Council also saw the introduction of four unofficial members in the Executive Council of nine.

In December, 1958, Northern Rhodesia received a new Constitution which extended the franchise and altered the composition of the Legislative Council as follows :-

- 6 Official members
- 2 Nominated unofficial members
- 22 Elected members.

Of these elected members, elected on a common roll, 12 represent mainly urban constituencies and are elected in an entirely normal manner; Six represent mainly rural constituencies but require the approval of not less than two thirds of the Government recognised chiefs in the constituency to offer themselves as candidates; two seats in the rural areas are reserved for Europeans and two in the urban areas are reserved for Africans. The balance on the Executive Council was altered in favour of the unofficials who hold six places, two of which must go to Africans, the official representation is now reduced to four.

Any assessment of this constitution must take into account the fact that at present Europeans can be expected to hold the urban constituencies, with the exception of the two reserved seats which cover the area divided among the twelve ordinary seats, and the qualifications for candidature in the rural areas make it extremely unlikely that any European could hold any rural seat other than the reserved seats which likewise cover the area divided among the six special seats. The two nominated members are there to maintain a safeguard in the event of no African being elected who has either the ability, inclination or time to serve on the Executive Council.

In Nyasaland, Executive and Legislative Council were established in 1907, the former with five official members and one nominated unofficial, and the latter with six official and

six nominated unofficial members, one of whom, selected from Missionary organisations, was to represent African interests. In 1949, three more official and three more unofficial nominated members (two African and one Asian) were added. The two Africans were appointed by the Governor from a panel chosen by the African Protectorate Council. A third African was added in 1953, making the total membership of the Legislative Council 20, ten official and ten unofficial. The Executive Council consisted of six members, of whom two were unofficial, presided over by the Governor.

The 1959 Emergency interrupted discussions on constitutional advance, but as an interim measure, the United Kingdom Government altered the composition of the Council which now comprises a Speaker and 27 members. Of these, four are ex-officio members, ten are official members and thirteen are unofficial members. Of the unofficial members, six are non-African and seven are African. The Executive consists of the Governor, three ex-officio members, two official and four unofficial, two of whom are African.

The relevance of these constitutional details is that Northern Rhodesia and Nyasaland recognise that the existing franchises do not adequately represent African points of view, and so specially provide some such representation. Consequently, their Legislative Councils are in closer touch with African opinion than the Southern Rhodesia Parliament is, and their legislation is less coloured by European attitudes and less restricted.

The following table gives the population of each Territory:

	<u>EUROPEAN.</u>	<u>AFRICAN.</u>
Northern Rhodesia	72,000	2,220,000.
Southern Rhodessa	207,000	2,550,000.
Nyasaland	8,300	2,690,000.

In addition, there are now 32,700 Coloured and Asians in the Federation.

Southern Rhodesia is the most highly industrialised, with Northern Rhodesia next and Nyasaland least. The indigenous population lives in small scattered villages. The only towns are of recent creation, and have grown up as a result of industrial or mining activities. Of these the most important are:

	<u>EUROPEAN.</u>	<u>AFRICAN.</u>
Southern Rhodesia { Salisbury	62,000.	184,000.
{ Bulawayo	45,000.	130,000.
{ Umtali	7,000.	18,000.
{ Gwelo	5,300.	15,000.

	<u>EUROPEAN.</u>	<u>AFRICAN.</u>
(Kitwe	10,000.	75,000.
(Ndola	9,500.	40,500.
(Lusaka	12,500.	61,000.
Northern (Livingstone	4,000.	25,000.
Rhodesia (Luanshya: Rcan-Antelope .	6,000.	18,900 +
(Mufulira	5,600.	15,700-+(50,000)
(Broken Hill	4,200.	10,200-+(40,000)
(Bancroft	600.	4,000 +
Nyasaland : Blantyre/Limbe	1,000.	15,000:1,500
		Asians.
+ In Employment.		

COMPARATIVE LEGISLATION.

Originally the liquor laws of Central Africa are alike. They stemmed from the general fear that Africans would succumb to the White man's fire water in the same way as the indigenous inhabitants of North America and Australia, a fear that crystalised in 1919, by international agreement to ban all supply of European liquor to Africans, and to restrict them to their traditional beverages.

This lasted until the end of the Second World War. In August 1945, the question was discussed at the Conference of East African Governors. By now it was realised that African society was no longer an undifferentiated whole. Africans were already breaking loose from tribal shackles and forming new associations. A new generation of permanent town dwellers was growing up; many Africans had travelled widely and had already acquired a taste for European liquor of all types through illicit supply. Exorbitant charges were being made on the black market, and the whole atmosphere of this trade was such that the morals of the African urban communities were being undermined. It was argued that if the supply became legal Africans could make the choice between their own Native beer and the European product with a clear conscience, and normal economic laws would operate to stabilise the situation. The "forbidden fruit" aspect would be removed, thus reducing the illicit traffic which was the cause of so much social evil. Above all, it was recognised that this was a form of racial discrimination that was so keenly resented as to outweigh any possible social benefits or justification it might have had.

On the 12th July, 1946, the Southern Province African Provincial Council recommended that Africans of good character be allowed to buy European beer and wines, and in November 1946, the African Representative Council recommended all Africans be allowed to buy them. In Southern Rhodesia similar requests were made

from time to time by various bodies, culminating in the adoption of a resolution to this effect by the Annual Congress of the United Party (the governing party at the time) in 1956.

It was, therefore, agreed that wines and beers should come off the list of restricted alcohol, but not spirits. Northern Rhodesia and Nyasaland introduced the necessary legislation in 1948 and 1947. Southern Rhodesia did the same in 1957. The chronology of this legislation is of interest, and for the reasons given earlier it is no coincidence that the Territory with the least African representation was the last to loosen restrictions on African access to European wines and beers, in spite of its having the largest advanced and sophisticated population.

There have been several minor amendments since then. None of them has fundamentally altered the position regarding the consumption of liquor but some of them have extended African participation in the sphere of liquor distribution.

The present position in each Territory is as follows:-

(a) Consumption:

African consumption of beer, cider and light wines permitted in all three Territories. Consumption of spirits is prohibited except to permit holders.

Exemption of permit holders, which is a feature of the legislation of all three Territories, was originally intended to cater for the socially developed African to whom other restrictions should not apply. No criteria for the granting of permits have been defined; except in Nyasaland, the potentially flexible discretionary power has been very sparingly used. In Southern Rhodesia, where this power is wielded by the Minister of Justice, only Members of Parliament and University Graduates are considered worthy of exemption, so that only 22 persons had been exempted at the end of 1959. In Northern Rhodesia, where this power has been granted to any District Commissioner in "his absolute discretion", only members of the Legislative Council and Government recognised chiefs have been exempted. In Nyasaland, the District Commissioner, as licensing officer for his district, exercises this power, with the approval of the Governor, and does so fairly liberally.

(b) Sale of European Liquor other than Spirits.

- (i) Northern Rhodesia. Licences for the sale of beer and wine to Africans may be granted to any suitable individual, except that since 1950 the Provincial Liquor Authority may refuse licences to persons other than the Local Authorities if in Local Authority areas. Thus, in areas outside Municipalities, private individuals, including Africans, and bodies such as Mining Companies are licensed, whereas within such areas the sale of liquor is a Municipal monopoly, except in hotels. There is no legal colour bar against hotels serving Africans, but there is a strong social feeling. Legislation to prevent such discrimination is at present being considered by the Legislative Council.
- (ii) Southern Rhodesia. In Southern Rhodesia, only authorised dealers may supply liquor (beers, wines, etc.) to Africans although it is permissible for anyone to supply it to Africans where no sale is involved.

Authorised dealers are :

- (a) Local Authorities,
- (b) Managers of Village Settlements or Native Townships,
- (c) Native Councils - the equivalent of a District Council in the Native Reserves,
- (d) Any other person, association or society considered by the Minister of Native Affairs to be suitable.

In practice this last provision applies only to Mines and other large employers.

By early 1960 some seven Native Councils had been granted authority to supply liquor. In addition to the foregoing any hotel in the European area which has been specially permitted to accommodate Africans may also supply Africans with liquor. To date, three such hotels fall into this category. A few other special cases occur, such as Airports and the Central African Trade Fair that was held in May, 1960.

- (iii) Nyasaland. Ordinary liquor licences, such as On-and-Off-Licences, hotel or restaurant licences, may not be issued to Africans, but the holders of such Licences may supply Africans with any liquor other than spirits. In 1947 a special "African's Liquor Licence" was introduced for the sale of intoxicating liquor other than spirits to any person including an African, and such licences may be issued to Africans as well as members of other races.

There is thus no question of Municipal monopoly in favour of Local Authorities - which are both few and small - and Africans can enter any Licenced premises and consume such liquor as the Law allows.

(c) Sale of Native Liquor.

- (i) Northern Rhodesia. The sale of Native beer and other Native liquor is a Local Authority Monopoly in all townships controlled by Municipal Councils and Boards. In Mining Townships this may be exercised by the Mine concerned. Some Local Authorities and Mines have delegated their authority to brew to private enterprise: on the Copperbelt two such organisations exist, so that some beer halls now serve two brands of Native beer. In the rural areas generally, brewing and sale are freely permitted, though there are restrictions on both in areas near towns, European farms and along main and district roads.
- (ii) Southern Rhodesia. Authority to sell Native beer may be given to the same persons as may be authorised to sell European beer, etc.. As in the case of European liquor the only suitable 'persons' to be recognised so far under this clause are Mines and other large employers. In areas outside the Local Authority area, authority may also be given to an employer to permit from one to four of his Native employees (depending on the total number of their employees) to sell beer on his property. Employers may also be permitted to make free issue of beer to their employees, with the consent of the Local Authority, if they are within its area.

The admission of Europeans to a Native Beer Hall or Beer Garden is prohibited, except with the authority of the holders of the permit to conduct such Beer Hall or Beer Garden.

Anyone may be permitted to brew beer to supply to those mentioned above. But in fact such permission has only been given to those with authority to sell, and there are no private brewing concerns. One private firm does, however, manufacture a dry pre-mix and several make malt.

- (iii) Nyasaland. Beer or other African liquor may be sold within two miles of a Township under a permit from the

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- (iii) Nyasaland. Beer or other African liquor may be sold within two miles of a Township under a permit from the

District Commissioner, who may refuse, suspend or cancel such a permit only with the approval of the Provincial Commissioner. A District Commissioner may also prohibit the sale and manufacture of beer, etc. in any place if he considers it may be attended with abuse. In other words, control is minimal.

(d) Control of Profits.

In Nyasaland, where all liquor is sold by private enterprise, there is no control of profits. All Municipal services are financed from rates, fees or Government grants.

In both Northern and Southern Rhodesia where Municipal monopoly exists, profits are controlled by law. In Northern this applies only to Native beers, whereas, in Southern Rhodesia, this also applies to European liquors, except in the case of hotels and other special cases referred to in Section (b) above. This means that private licences in Northern Rhodesia who only sell European liquor, do so for private profit, whereas Local Authorities, Mines and Native Townships who also sell Native Beer, have to use their profits for social services and public amenities.

In Southern Rhodesia, the purposes for which these profits may be used to be specified by Act of Parliament, but since 1957, this has been slightly relaxed by prescribing these purposes by Regulation, as its attitude is that the profits are trust monies to be used for the betterment of the conditions of Natives living in the areas concerned, the Government exercises fairly rigid control. In general, "the betterment of conditions" is narrowly interpreted to cover Native education, health, recreation and welfare, (except, oddly enough, relief of distress) and does not include housing and other services such as roads, although previously, special permission could be obtained for this - but as from the end of 1959 an exception is made for street lighting. Beer profits can also be invested with the Minister's approval and may be used to finance Home-ownership and other projects, including African hotels, at varying rates of interest.

In Northern Rhodesia, approved purposes are less restricted and may include housing and all ancillary services. Indeed, in the case of African townships "such profits are the main source of revenue, and the townships cannot operate on a sound financial basis without them".+

+ Report of the Ridley Commission, 1955, page 12.

In Southern Rhodesia, dependence of local African health, recreation and welfare services on liquor profits is well nigh absolute, and Salisbury is the only Local Authority that spends even a modicum of money from the Rate Fund (which includes a levy on the Native areas in lieu of rates) on African amenities. In Northern Rhodesia this dependence is not quite so complete, and some welfare services receive a 50% grant from the Government. But as a witness to the Ridley Commission put it, "although Beerhall profits have been officially divorced from welfare, the two are still cohabiting".

In all territories some approved health services such as clinics and hospitals run by Local Authorities and others are supported by the Federal Government.

(e) Socio-Economic Effects.

Unfortunately, I have no direct knowledge of Nyasaland so I shall deal only with the two Rhodesias, of which I have some slight experience.

The pattern of drinking and administration is much the same in both areas, especially in the urban areas. Both rely mainly on Beer Halls administered by a trading or liquor section of the appropriate department. These Beer Halls are depressingly uniform and uniformly depressing. They usually comprise a central hall, wide echoing verandah's and a varying number of kiosks or shelters, and almost all sell both European liquors and Native beer. A few have preserved some fine indigenous trees and others plant trees and grass and flowering shrubs. A few have separate sections for their better class patrons, and here they usually only serve bottled beer and wines and no Native beer, thus following, and to some extent creating, a sort of alcoholic snobbery. A very few are entirely devoted to one or other type of drink - where this is Native beer, the other is usually available very close by, but in the rare instances where it is only European liquor, the absence of Native beer is due either to monopolistic pressure from a European brewery who may have financed the Beer hall, or to local pressures, fearful either of losing illicit brewing profits or of encouraging social evils usually associated with Beer halls.

A very common fault is for these Beer halls to be too large and too few - the one defect obviously is related to the other. The following table gives some instances of this:

TOWN.	AFRICAN POPULATION	BEER HALLS.	BOTTLE STORES.	BARS.
A.	40,000	5	5	1
B.	75,000	6	4	1
C.	18,000	2	1	-
D.	31,000	-	2	1
E.	(a) 56,000	9 + 5 in European area.		6
	(b) 7,493	1	1	-
F.	Not available	4	4	3

The consequence is that at peak hours these centres contain a seething mob of shouting gesticulating drinkers, drunken and debauched, whose moral tone is so low that even at slack period in mid week an inordinate amount of drunkenness occurs. Decent people avoid them - which itself has a demofalising effect - and a fillip is given to shebeen keepers to open up rival establishments which may offer slightly pleasanter conditions.

Various ways are being tried to modify this system. The obvious and most effective one is to have more and smaller centres. Sometimes there is a sharp reaction towards the tiny pub. But this has not proved a success, partly because they are usually so small and so few that at peak periods they readily get as overcrowded and congested as the others, and partly because the mistake is usually made of keeping them open after the others have closed, with the result that they are soon invaded by unsated drinkers from the main Beer Halls. A reason why these dects are not remedied by building enough to cope with the crowds is that they are said to be uneconomical and may even operate at a loss! The answer seems to lie in a combination of two types of centre - an adequate number of Beer halls or Beer gardens to cater for the mass of the people in small manageable groups, and a sprinkling of pubs for the more fastidious. In one area, this is now being tried as the following table shows, seemingly with considerable success:

<u>POPULATION.</u>	<u>BEERHALL.</u>	<u>BEER GARDENS.</u>	<u>CLUBS/PUBS.</u>	<u>BOTTLE STORES.</u>
130,000	1	26	3	8

Other ways of dealing with the problem of crowds and standards are to encourage drinking at home and to provide recreational amenities at the Beer gardens. The former can be facilitated by providing adequate outlets, so that people do not have to carry their supplies any great distance: in Southern Rhodesia, Native beer may be removed under permit from a Beer Haal/Garden for home consumption and this can be encouraged by making permits

readily available and allowing beer to be removed from any centre. The latter is achieved in several areas by abandoning the Beer Hall idea in favour of Beer gardens - i.e., extensive areas of maybe several acres or opening on to parks, with plenty of scattered shelters, trees and lawns. Games facilities can cover a wide range, from tsoro or morabaraba boards, deck quoits, jukskei pitches to football fields for scratch games. These facilities enable the crowds to be dispersed and diverted, and this helps obviate noise, crowding and preoccupation with drinking as well as minimise the bad behaviour of the few.

Decentralised control is also being tried by one Rhodesian town. Here, instead of being under a separate Beer Hall staff, the various outlets - beer gardens and bottle stores - are placed under the control of the local township superintendents and administered by him and his staff as a part of their normal duties. It is hoped that this localised supervision which is concerned as much with the social aspects of the beer gardens as with the financial control of the sales will improve the tone of the centres and the behavioural standards of patrons and servers alike. There is every indication that this innovation is going to be a success but it is still too early to say so definitely.

When first mooted, the proposed introduction of European liquor to Africans was viewed with some trepidation in many quarters. Reactionaries and Missionaries of the straiter sort both opposed it, although for conflicting reasons - the former because they did not like the egalitarian implication of this relaxation of a discriminatory law, and the latter on moral and religious grounds, holding drink was harmful and even sinful. Others were alarmed by forecasts of a general debauch, and other, again, were concerned about the impact the sale of European liquors might have on Native beer profits and thence on the provision of African welfare services. As these fears were widely held, they deserve to be scrutinised in some detail.

The fear of excessive drinking found some justification in the history of European liquor and indigenous populations in many parts of the world, including contemporary events in Kenya. There, in 1948, Africans had been given access to beers and wines, and, for a year, there had been wild drinking. In Northern Rhodesia, there had been much illicit drinking in the towns and railway strip, and Africans had not shown any great self-control in their consumption of home distilled spirits. Consequently, when the draft Bill was introduced in Legislative Council in 1948, the Government had to undertake to be very careful in drawing up

regulations controlling the sale of wines and bottled beers, and to submit them to the Council for final approval; Some objectors went so far as to propose that wines be not permitted to Africans, but were eventually defeated. Nevertheless, the law was not implemented for about a year. When it was, there was a wave of heavy drinking similar to what happened in Kenya, though of shorter duration.

When Southern Rhodesia's turn came, these fears proved almost entirely unfounded. There was considerable jubilation when the restriction was relaxed, and many flocked to the bars to sample the new liquor - and others thankfully bought it openly, licitly at last. But the flush, which was never excessive, soon passed.

In Northern Rhodesia some mixing of Native and European beer occurred, and also lacing of either beer with wine. Some operators became such skilful mixers that they could produce a layered drink that looked like Neapolitan ice cream. This continued for several years, but is reported to be lessening. Very little of this took place in Southern Rhodesia. In some areas ordinary shandies are popular. Very occasionally, beer is laced with spirits, including methylated spirits.

Those who were afraid that something dreadful would happen to beer profits have also been agreeably reassured. Their fears were based on:

- (a) The fact that the profit on European beer was less than that on Native beer -pound for pound spent, not gallon for gallon drunk,
- (b) The assumption that Africans would turn from Native to European beer, so that less of the former would be bought. Their assumption has so far proved groundless.

+ The following table shows what has happened in both Northern and Southern Rhodesia since liquor became legally available:

+ See Schedules on pages 13a and 13b.

SALISBURY.UMTALI.BULAWAYO.HIGHFIELD.

	K.B.	E.B.	Wine.	K.B.	E.B.	Wine.	K.B.	E.B.	Wine.	E.B. On Sale	Wine on Sale.	E.B. & Wine off sale.
1951/52	£47,837	-	-	£ 45,396	-	-	£185,133	-	-	-	-	-
1952/53	£ 62,457	-	-	£ 46,110	-	-	£216,084	-	-	-	-	-
1953/54	£ 72,207	-	-	£ 53,895	-	-	£173,802	-	-	On sales figures are for period		Off sales figure are
1954/55	£181,846	-	-	£ 68,900	-	-	£228,762	-	-	8th Oct.1959-31st May 1960.		for period Oct.1958/Oct 1959.
1955/56	£253,868	-	-	£ 64,940	-	-	£351,166	-	-			and then Oct. 1959/31.5.60
1956/57	£322,111	-	-	£ 80,940	-	-	£431,111	-	-			
1957/58	£344,259	£171,813	£17,978	£100,000 approx.	£33,000 approx.		£527,913	£133,560	£4,382			
1958/59	£367,320	£424,463	£17,399	*£ 99,737	£42,457	£4,137	£615,367	£197,748	£2,832			£ 39,130
1959/60	£382,789	£438,903	£10,004	*£ 89,600	£50,250	£5,417	£655,777	£170,951	£7,995	£82,546	£1,868	£ 5,639
				* Umtali figures from 1959 refer to calendar years.								

	<u>LIVINGSTONE.</u>			<u>LUSAKA.</u>			<u>KITWE.</u>			<u>RHOKANA.</u>					
	KB.	E.B.	WINE.	K.B.	E.B.	WINE.	K.B.	E.B.	WINE.	K.B.	E.B.	WINE.	K.B.	E.B.	WINE
	Galls	Galls	Galls	Galls	Galls	Galls	Galls	Galls	Galls	Galls	Galls	Galls	Galls	Galls	Galls
1951	102,500	8,400	3,200	180,157	6,850	1,339	282,000	19,000	15,000	-	-	-	-	-	-
1952	80,890	11,200	4,200	86,604	22,395	652	174,000	35,000	8,390	-	-	-	-	19,542	158
1953	66,260	16,000	6,000	67,383	36,984	1,128	115,000	86,000	7,875	-	-	-	-	28,783	468
1954	160,570	21,600	6,500	90,761	52,938	3,072	134,000	93,000	4,431	56,437	39,985	1,545	-	78,297	696
										Selling for 6 mts		only			
1955	341,850	21,400	4,600	105,191	62,183	3,222	197,000	121,000	2,734	248,238	87,934	3,736	-	136,036	550
1956	534,090	21,500	1,300	137,541	73,817	3,776	650,000	147,000	1,312	966,133	119,308	2,167	-	219,303	378
1957	-	-	-	-	-	-	£131,837	£137,014	£3,152	1,183,900	149,120	301	415,490	Value of E.B. + wine: £108,011	
1958	-	-	-	-	-	-	£133,242	£106,883	£1490	1,279,800	133,344	312	1427460	£ 98,029	
1959	-	-	-	-	-	-	£189,368	£ 70,107	£1645	1,696,600	108,043	317	2191960	£ 69,267	
1960	-	-	-	-	-	-	-	-	-	-	-	-	2884000 (est)	£ 57,700 (est)	

It will be observed from this table that in Northern Rhodesia, Native beer did, indeed, take a nasty knock, while European beer soared, apparently at its expense. But this eventually began to change, and for some time now, Native beer sales have caught up with, and even surpassed those of European beers. Southern Rhodesia was a little different. Native beer wavered for an instant, but never suffered a real setback, and although in some cases it has been overtaken by European beer, its production has steadily increased everywhere.

The explanation of this phenomenon is not far to seek. It lies almost entirely in the quality and adequacy of the local Native beer. The introduction of European beer into Northern Rhodesia occurred at a time when Native beer was in the doldrums - some was fairly good, but most of it was variable and often pretty bad; and even the best was insufficient. Some Local Authorities were in the incredible position of subsidising their breweries. Consequently, Africans turned with relief to a supply that was consistently palatable, and, when desired, could be taken home away from the uncomfortable din of squalid beer halls. That the tide eventually turned was partly because of improvements to drinking facilities but mainly as the direct result of improved brewing. For this, Mr. Heinrich and his Almak's plant was primarily responsible. In 1955, the first plant was installed at Livingstone. "Soon people were flocking to the Municipal Beer Hall"+

+ Ridley Report, page 14.

and its capacity of 30,000 gallons per month was proved insufficient. A litter later, similar installations were made at Kitwe (to supply the whole Copper Belt) and Broken Hill, and eventually Mr. Heinrich formed a syndicate to take the latter two over for himself; he subsequently acquired the Municipal brewery of Ndola as well. In 1957, Lusaka, too, started to modernise its plant. Wherever these improvements were effected, the same thing happened - beer sales expanded, gradually caught up with, and finally even slightly displaced those of bottled beer.

The position was never quite the same in Southern Rhodesia. There, at the time when European beer was introduced, all the larger Municipalities were already brewing good beer, and mostly meeting the local demand. Consequently, European beer met with much stiffer opposition right from the start. Where production of Native beer has remained satisfactory in quality and quantity, its sale has continued to expand, both absolutely and relatively to bottled beer. It is only where production is inadequate, as

is the case in Salisbury, that this does not hold true. What happened was not that customers turned from Native to European beer, but that some now drank the latter in addition to the former. Probably, even more important, was that many switched from illicit to legitimate drinking and so it was not the Native brewing that suffered, but vast shebeens and the illicit trade.

Here again, the explanation is a simple one, and is principally a matter of plain economics. Why pay 1/5d per pint for one sort of beer when for 2/- you can get a gallon of the other?

The pattern of sales also supports this hypothesis. When people are flush, such as just after pay day, they spend more on bottled beer, but at other times they switch to Native beer. This is clearly shown on a large scale by the recent figures for Bulawayo, when bottled beer actually declined in 1959/1960, the basic reason being that many Bulawayo people were having to support their country kinsmen who had been badly hit by the recent drought.

Other factors that affect this issue are :-

(i) Social Attitudes.

Bottled beer is a more sophisticated drink. It has the snob appeal of being associated with a dominant culture, it is cleaner and can be more readily transported. Some people even prefer its taste. On the other hand, Native beer is a more sociable drink, is traditional, can be lingered over, and being usually served in larger quantities and in larger vessels, can be shared with a wider circle of friends;

(ii) Facilities.

Where facilities are good and spacious, they have little influence one way or another. But where they are closed and congested, bottled beer is favoured as it is not so easily spilt by jostling bodies, can be downed quickly and produce a euphoric effect sooner.

It so happens, too, in some cases that beer gardens selling both beers are closed earlier than bars selling only bottled beer, so that later drinkers have no option but to consume the latter. Some of the swanky saloon bars also serve bottled beer and so add glamour to monopoly.

(iii) Advertising.

Bottled beer drinking is now boosted by extensive advertising, utilising the usual gimmicks of sex, strength, sophistication and sociability. Less obtrusive means of encouraging sales may also be employed.

EFFECT ON ILLICIT LIQUOR OPERATIONS.

It is often said that removing the restrictions on the sale of European liquor to Africans destroys the illicit liquor trade. This is only partially true, and depends upon the nature of the illicit trade and various factors affecting it.

In Northern Rhodesia, after the Second World War, illegal brewing and selling of beer took place on so large a scale throughout the urban areas that a one-man (Mr. R.T. Chicken, O. B.E.) enquiry was set up in 1948. Various types of illicit brews were being made, ordinary Native beer; honey and sugar beers; skokiaan; methylated spirits and brandy; a distillation from banana and sweet potatoes. In the Commissioner's opinion, the chief causes were the poor quality of the Municipal beer and bad siting of beerhalls, and their deplorable social atmosphere. His own recommendations also indicated that poor housing was a contributory factor. He made various suggestions for dealing with the problem. The first of these was to separate welfare and beer profits. "In any case it is a bad thing that welfare should depend on drinking, and once it does not matter whether a beer hall makes a profit or not they can be experimented with or abolished without any loss to anybody". This opened the way to the suggestion that beer halls in the small places be done away with and licensed brewers tried instead, and if successful, this be applied to the larger centres as well. These recommendations were not implemented, perhaps because people preferred to await the effects of the legislation that had just been passed which guaranteed Africans access to European beers and wines - a matter on which Mr. Chicken's report was strangely silent - and which undoubtedly helped enormously to reduce the incidence of illicit brewing. Though some illicit sale still takes place, it is no longer the problem it used to be.

But other factors also played their part. These include the measures that have already been referred to such as improvements in the beer-halls, provision of off-sale premises, and, perhaps most important of all, improvements in the quality and availability of Native beer. Tremendous strides have also been made in better housing, and removal of grass compounds and squatter camps which harboured spivs and prostitutes. There has been some improvement in the provision of recreational amenities, though there is plenty of room for more.

The same problems also occurred in Southern Rhodesia. There, illicit brewing of beer and skokiaan reached such proportions

that in 1949 special legislation (the Harmful Liquids Act) had to be introduced, prohibiting the brewing of skokiaan and other noxious potions, and prescribing heavy penalties of fines up to £100 and/or six months imprisonment for first offenders, and up to £250 and/or two years imprisonment for subsequent offences, including attending unlawful drinking assemblies. The position was so bad that in Bulawayo, armoured gas and tear gas were used to break up drinking parties of over 1,000 strong, and in Salisbury, mobile squads, directed by spotter planes, were organised to tackle the numerous similar scattered groups. Municipal authorities also ejected from their homes, those who were convicted of illicit liquor offences. The problem was eventually brought under control, but this was, in fact, done less by strong arm penal methods than by bettering and multiplying beer gardens and improving the availability and quality of Native beer. Once these basic facilities were made available, the situation changed completely and illicit drinking fell to negligible proportions.

The direct connection between poor facilities and illegal brewing was dramatically shown in Bulawayo in 1953. For various technical reasons, the quality of the beer deteriorated seriously and sales decreased from an average of about 40,000 gallons per week, to as low as 24,000 gallons. As they fell, reported convictions for illegal brewing rose from nil to 22 per month. Court penalties were increased, and eviction orders were strictly applied. But neither of these measures were able to ameliorate the position, and it was not until the Brewery was back again in proper operation at the end of 1954, that convictions fell away with increasing sales. (A detailed table is given in Appendix I).

So far as Southern Rhodesia is concerned, the introduction of European liquor had no connection with illicit brewing or consumption. But it has had an effect on this trade - in fact it has influenced this in two ways which are somewhat contradictory.

Apart from skokiaan and illegal Native beer brewing, a certain amount of shebeening went on, through the illicit sale of various European liquors. The measures referred to earlier limited this to modest proportions in the African Townships, but exigent control allowed a good deal of it in other areas, where members of other races were able to traffic in it. It is impossible to say how great it really was, but the fact that approximately £42,000 and £29,000 worth of European beer and wines were sold in Salisbury and Bulawayo respectively in the first month after this

was permissible, without appreciatively denting African beer sales suggests that it was considerable. Its diversion through legitimate channels may thus be supposed to have reduced it proportionately. For a time the lack of any evidence of shebeens in or near the African townships supports this hypothesis. But for the past couple of years the pendulum has swung the other way and shebeening is reported to be on the increase.

By shebeening is meant the sale of liquor other than through authorised channels. The recrudescence is due to the extreme difficulty of detection, owing to the fact that now that possession of European beer and wine has been legalised, an offence is committed only when actual sale is proved to have taken place. Except where traps are used, this act is practically impossible to prove in a Court of Law owing to the difficulty of obtaining reliable evidence. Possession of spirits - quite apart from sale - is still an offence which is comparatively easy to prove.

Its prevalence is worrying, for it is intrinsically bad for the law to be broken, but it is not as serious as the old illicit drinking used to be. For it takes many forms, which though falling under the specification "shebeen", in that sale takes place, very vastly in their content and social signification. At the end of the scale they are little more than ad hoc clubs, where those present pool their contributions, the host who provided the beer, taking the lot. This is one variety of the very widespread holisana system wherein a group of friends share things such as wages. The group is well behaved and the beer is probably bought in the first instance from an authorised bottle store. Except for the technical breach of the law, there is nothing heinous about such a "shebeen". From here, variation over the whole spectrum of legal and moral turpitude, through gay parties where guests pay an entrance fee which covers food, drink, dancing and entertainment, to sordid drinking dens which purvey prostitutes and brandy.

The elements which prompt the "shebeen" are the need to make money, desire of female company, the taste for spirits, a sociability, a liking for variety, and reaction against the crowded beer hall. The only constant feature is the first, money making. The others are not always present, and when they are, they vary in intensity and in their relative importance.

It is impossible to say how significant they are in the social life of any area, as their numbers fluctuate and their nature varies so much. They probably occur in some shape or other

everywhere all the time. Most of the time they are an innocuous institution that fulfils basic social needs in an acceptable, if technically illegal way. It is only where they occur with uncomfortable frequency or when they tend to the murkier end of the spectrum and dabble in illicit spirits and sex that they are an unhealthy and reprehensible, or show that there is something wrong with the local society itself.

Various measures may reduce their incidence, particularly the incidence of the unpleasant forms. Administrative measures include the provision of better or more exclusive bars for the more sophisticated patrons, longer drinking hours to cater for late comers, more and smaller beer gardens to reduce noise, overcrowding and other undesirable features of the usual beer hall. Punishment by heavy fines and/or eviction may act as a deterrent, but never effect a cure. Amending the law to allow legal access to spirits would be an effective measure as it would remove one of the strongest causes and worst features of the she-beens. But they can never be entirely eliminated, for they are the response to various human and social needs. As long as men are men, these needs will be there.

NATIVE BEER FUNDS.

We are all familiar with the jibe that we encourage people to drink to buy footballs to discourage them from drinking. It contains enough truth to make us ponder the implications of our present system, where we finance social amenities from beer profits.

Some people criticise this practice on purely moral grounds. They will say these are tainted monies, and that the taint attaches to the services provided. If you hold that drinking is sinful, you must agree with this argument. But the premise is by no means universally accepted, and at a recent discussion of this problem at the Ecumenical Centre in Northern Rhodesia, which was well attended by clerics of various denominations, that though some sympathy was expressed with this point of view, it was not supported.

Others regard it as a form of tax paid by Africans on the consumption of beer, and consider it is "unusual for a taxing power of this nature to be exercised by an authority other than the Central Government"+

+ Plewman Commission, page 71.

This comment assumes that beer should be sold at cost,

and was made at a time when local authorities were only concerned with the sale of Native Beer. Since then, they have started to sell European beer and wines as well at normal commercial prices, which shows that beer sales are not inherently different from any other trading activity, and that it is not illogical to treat the profits on this particular form of trading in the same way as profits on the other forms of Municipal trading such as the sale of water, electricity, etc. It is true that Native Beer is not subjected to any Excise Tax, but the reason for this is the difficulty of collecting such a tax, which would have to apply throughout the country, rather than any inherent difference between this and any other liquor.

Yet another criticism is that it is wrong for welfare services to be entirely dependent on beer profits. This point was made by the Ridley Commission referred to earlier, and was also recently raised at the discussion arranged by the Ecumenical Centre. This attitude assumes that the provision of amenities should depend upon the actual need for them and on the general ability of the community as a whole to pay for them, rather than on profits derived from a particular section of the community. This point of view regards Society as a whole, rather than being divided into more or less water tight compartments, each financing its own development. It is a point of view that is widely accepted in the Western World, but is not yet current in Southern Africa where the community is separated, in fact if not also in theory, into Black and White divisions. Consequently, one cannot discuss this exclusive use of beer profits by one part of the population without also considering the wider questions of residential segregation, the abuse of African representation on Municipal Councils and the theory of the Native Revenue Account. So long as African interests are not adequately represented on local Councils, it is unlikely that their needs will be met from the usual sources of Local Authority Revenue, of which the most important are the rates. This is reflected in the creation of Native Revenue Accounts that are separate from other Municipal Accounts, and are expected to be self-sufficient. It is, therefore, only right that the profits from beer sales, which come directly from the African Community, should be retained in these special funds and not used for any other purpose. As realists, we Administrators must accept the rough with the smooth and so make the best use we can of this particular form of accounting. I do not think any of us is no mercenary as to encourage the sale of beers and wines to Africans purely for the sake of profit even though we are fully conscious of the tremendous value of such profits, and anxious to put them

to the best use. But I hope no one will begrudge us an occasional qualm when we contemplate the dubious, even though effective, means by which we achieve our ends. As Africans acquire greater representation on local Councils, a trend which will doubtless be apparent in Southern Rhodesia in the not too distant future, it is probable that there will be changes in the laws governing the use of beer profits permitting these to be paid into the town's normal revenues, and used together with such revenues for the town's general development.

THE FUTURE.

It should be clear from this account of the present laws and practices regarding the sale of liquor to Africans in Central Africa, that they are not completely adjusted to the social situation, consequently one may reasonably expect further changes to occur until a better state of social equilibrium has been achieved. This prospect is, indeed, recognised by the Governments of both Northern and Southern Rhodesia. The former has recently debated it in the Legislative Council, and the latter appointed a Select Committee to consider it, which reported in April, 1959.

The following changes may well be expected during the next few years, but not chronologically in the order set out below.

(1) Sale and Consumption of Spirits.

(a) Widening of narrow limitation of letters of exemption to only a handful of Africans. The first step will doubtless be to grant this privilege on a more generous scale than at present, and thereafter to remove all restrictions as has been done in Kenya. The Southern Rhodesia Select Committee has made elaborate recommendations to widen the scope of exemption to include chiefs and those who have much the same qualifications as are needed to become voters. It opposed the complete relaxation because "Firstly, there was no real demand in the evidence for the supply of spirits to all natives and, secondly, the average Native has not yet, in the opinion of your Committee, reached the stage of development at which he should have access to unlimited quantities of spirits. There is no doubt that once the supply of spirits is thrown wide open to Natives it will be quite impossible to control the quantities consumed by any particular persons." It is not impossible that the Committee underestimates both the extent to which the present restriction is resented, even by teetotalers, as a discriminatory measure, and the extent to

which the consumption of spirits can be controlled by the price factor. In Central Africa, where spirits are heavily taxed, this is an important factor, and one that puts "unlimited quantities of spirits" effectively beyond the reach of the "average native".

(b) Enabling Local Authorities and others permitted to sell beers and wines to sell spirits as well. This follows on from the reduction in restrictions on the consumption of spirits, referred to in (a) above.

(2) Inroads into Municipal Monopoly.

This may occur in several different ways, by letting liquor be sold by different bodies or people such as clubs, hotels, restaurants, the Railways and private entrepreneurs. This has, in fact, already been recommended in Northern Rhodesia, and except for private enterprise, in Southern Rhodesia as well. There are obvious advantages in adopting these recommendations - politically, in removing discriminatory practices and the resentment caused thereby; economically, in enabling clubs to be either self-supporting, or, at any rate, less dependent on grants-in-aid, and in opening the way to the provision of better service and higher standards in African hotels and restaurants; social, in reducing the uniformity and impersonality inherent in Municipal and public management, and in giving freer play to private enterprise and initiative.

The Select Committee opposed throwing open the sale of liquor to African traders, because "of the shortage of funds for native welfare", implying that private enterprise would seriously reduce the monies available. This point of view is shared by many in Northern Rhodesia as well. It is undoubtedly a valid practical point, although there are good grounds for supposing that it may well be exaggerated. It all depends on what is actually thrown open to private enterprise, and how rents and other charges are adjusted. There are three different phases of the liquor trade - bottle stores (off-sales), pubs or saloon bars, and beer gardens. The first deals only with, and the latter mainly with, bottle beer and wine. In view of the heavy overheads inseparable from Municipal management, an income could be easily obtained from rents, which is very little less than the previous net profit accruing to the Municipality. The rent would cover trading rights, as well as interest and redemption on the premises, if Municipally owned, and could be adjusted to leave the trader sufficient margin to make a decent living. As both types of outlet are small, they could both be run efficiently from both supply and patron discipline points of view.

Beer Halls and Beer Gardens would present a more difficult problem. This mainly an administrative one, for these places are usually so large that they need considerable supervision. This is not to say that African management would not be able to cope - it would have to - but as a simple matter of evolution African management would cut its teeth on the smaller pubs first. The financial side could be looked after by a combination of appropriate rent formulae and the wholesale price of native beer where this is supplied by the Municipal brewery.

the introduction of private enterprise will also encourage a move to more and smaller centres, which would be easier to manage and more personal.

(3) Removal of Race Barriers.

This may occur in two ways. One would be removal of the present restriction on Europeans being admitted to African premises, or on Africans being admitted to European bars, hotels and restaurants, or buying from bottle stores in the European areas. The anti-discrimination Bill at present before the Northern Rhodesia Legislative Council will probably bring this about earlier in that Territory than in Southern Rhodesia, but even there, the restrictions are not absolute.

The second way refers to the proprietorship of premises. So long as Africans are debarred, whether by law or custom, from owning or operating premises in the European areas, they will strongly oppose Europeans being allowed into the African areas. In the first instance, therefore, after liquor sales are permitted to private enterprise in the latter areas, they will doubtless be confined to African owned and operated businesses. But later on, as the racial distinctiveness of the two areas becomes blurred, the ethnic character of the proprietor may be expected to become irrelevant.

Whether these things will come to pass is anyone's guess. There is a logic about the, almost a historical necessity, that makes one think they will. But what concerns us even more is what we are doing and could be doing now, for "men must pursue things which are just in present, and leave the future to the Divine Providence."

E.H. ASHTON.
DIRECTOR OF AFRICAN ADMINISTRATION.

BULAWAYO.
3.8.60.

/EG.

APPENDIX I.

RELATIONSHIP BETWEEN QUALITY OF NATIVE BEER AS REFLECTED
BY SALES, AND THE INCIDENCE OF LIQUOR OFFENCES.

<u>MONTH.</u>	<u>YEAR.</u>	<u>NUMBER OF REPORTS OF LIQUOR OFFENCES.</u>	<u>K.B. GALLS. WEEKLY AVERAGE PER MONTH.</u>
PRIOR TO JANUARY,	1952	0.5	Sales inc. to 40,977 (Dec.1952).
January	1953	3	39,511
Feb. - March	"	-	38,353
April	"	4	36,483
May	"	-	36,682
June	"	2	34,415
July	"	6	36,724
August	"	11	35,302
September	"	8	37,625
October	"	9	38,364
November	"	3	31,282
December	"	6	24,175
January	1954	12	36,262
February	"	22	24,752
March	"	15	30,151
April	"	11	31,127
May	"	6	33,646
June	"	5	30,576
July	"	9	31,344
August	"	11	28,774
September	"	20	28,774
October	"	11	43,406
November	"	9	39,072
December	(New Brewer appointed)	7	38,501
January	1955	7	38,461
February	"	3	43,770.

PRODUCTION AND CONSUMPTION OF BEER IN THE FOUR PROVINCES OF THE UNION OF SOUTH AFRICA

PRODUCTION	PRODUCTION OF BEER IN UNION EXCLUDING S.W.AFRICA						EXPORT OF S.A. BREWED BEER		IMPORTATIONS OF BEER				TOTAL CONSUMPTION OF BEER IN UNION I.E. COLUMN 4 MINUS COLUMN 5 PLUS COLS. 6 & 7.	
	CAPE SPECIAL BEER		BEST BEER		TOTAL UNION PRODUCTION ALL BEER		EXPORTS ALL S.A. BREWED BEER TO COUNTRIES OTHER THAN S.W.A.		IMPORTS OF BEER, ALL COUNTRIES OTHER THAN S.W.A.		IMPORTS OF BEER FROM SOUTH WEST AFRICA			
	Bulk Gallons	Standard Gallons	Bulk Gallons	Standard Gallons	Bulk Gallons	Standard Gallons	Bulk Gals.	Standard Gallons	Bulk gals.	Standard Gallons	Bulk Gals.	Std. Gals.	Bulk Gals.	Std. Gals.
1928	1,037,801	600,832	7,761,618	6,263,762	8,799,419	6,864,594	31,195	25,175	110,024	88,791	730	589	8,910,173	6,928,799
1929	1,140,392	660,227	7,606,816	6,138,834	8,747,208	6,799,061	36,476	29,437	118,237	95,419	437	353	8,835,445	6,865,396
1930	1,100,342	637,040	7,030,766	5,673,952	8,131,108	6,310,992	32,496	26,225	107,384	86,661	862	656	8,206,832	6,372,124
1931	1,087,863	629,815	6,557,076	5,291,676	7,644,939	5,921,491	25,547	20,540	87,706	70,780	1,803	1,455	7,708,501	5,972,786
1932	1,057,502	612,238	5,615,910	4,532,138	6,673,412	5,144,376	24,714	19,545	63,158	50,970	598	805	6,712,854	5,176,206
1933	1,113,441	644,624	6,144,376	4,958,620	7,257,617	5,603,244	24,263	19,581	51,542	41,595	5,714	4,611	7,290,810	5,629,669
1934	1,264,961	732,346	7,037,523	5,679,405	8,301,484	6,411,751	17,780	14,349	58,361	47,098	10,271	8,289	8,352,336	6,452,789
1935	1,332,304	771,334	7,754,835	6,258,288	9,087,139	7,029,622	108,769	87,779	58,836	47,482	11,371	9,176	9,048,577	6,998,501
1936	1,392,353	806,099	8,320,893	6,715,107	9,713,246	7,521,206	112,498	90,788	66,527	53,688	27,828	22,458	9,695,103	7,505,564
1937	1,676,595	970,660	9,467,158	7,640,163	11,143,753	8,610,823	124,520	100,490	111,326	89,842	37,582	30,329	11,166,141	8,630,504
1938	1,802,485	1,043,544	9,810,758	7,917,454	11,613,243	8,960,998	124,221	100,652	121,639	98,165	27,070	21,546	11,637,731	8,950,457
1939	2,065,182	1,195,632	9,662,646	7,797,925	11,727,828	8,993,557	118,626	95,733	95,549	77,109	15,152	12,228	11,719,903	8,125,561
1940	2,102,608	1,217,299	12,783,174	10,316,246	14,885,782	11,533,545	222,715	179,735	42,304	34,140	7,563	6,103	14,712,934	11,394,053
1941	2,210,875	1,279,980	12,763,666	11,334,921	14,974,541	13,545,796	405,025	326,862	33,723	27,215	8,326	6,719	14,611,565	13,252,868
1942	3,039,528	1,759,727	14,444,979	12,615,198	17,484,507	15,654,722	550,036	443,889	21,447	17,308	12,022	9,702	16,967,940	15,237,843
1943	3,054,773	1,768,552	15,329,501	13,174,123	18,384,274	16,228,893	665,145	536,784	17,484	14,110	8,071	6,513	17,744,684	15,712,732
1944	3,228,755	1,859,279	16,296,054	13,842,085	19,524,809	15,853,988	625,280	539,854	14,773	11,922	8,335	6,726	18,922,637	15,332,782
1945	2,992,798	1,732,673	16,752,045	13,896,122	19,744,843	16,888,920	835,268	739,532	22,816	18,413	25,090	20,248	18,957,481	16,188,049
1946	3,396,219	1,966,232	17,649,501	15,131,114	21,045,720	17,097,346	456,293	375,389	266,003	214,669	25,367	20,471	20,880,797	16,957,097
1947	3,536,865	2,047,659	18,370,348	15,781,795	21,907,213	17,829,454	390,487	232,784	280,463	226,338	46,986	37,918	21,844,175	17,860,926
1948	3,500,535	2,026,626	19,387,740	16,777,711	22,888,275	18,804,337	434,945	351,078	56,664	45,729	17,438	14,073	22,527,432	18,513,061
1949	3,221,758	1,865,228	20,337,677	17,625,798	23,559,435	19,491,026	567,774	459,202	23,417	18,898	33,930	27,382	23,049,008	19,078,104
1950	3,020,798	1,582,229	19,101,535	16,603,115	22,122,333	18,185,344	774,806	625,282	31,526	25,442	35,646	28,767	21,414,699	17,614,271
1951	2,673,355	1,406,757	19,357,000	16,799,808	22,030,355	18,206,595	459,668	370,960	29,375	23,706	36,209	29,221	21,636,271	17,888,562
1952	2,340,110	1,316,522	21,557,403	18,620,114	23,937,513	19,936,636	655,385	528,907	34,278	27,663	60,335	48,691	23,376,741	19,985,337
1953	2,329,764	1,293,490	20,175,777	17,463,310	22,505,541	18,756,800	701,853	566,408	40,986	33,076	85,691	69,154	21,930,365	18,292,622
1954	1,816,341	985,586	18,867,477	16,229,734	20,683,818	17,216,320	823,789	724,846	102,542	83,076	101,899	82,234	20,064,870	16,656,704
1955	1,586,651	965,928	16,552,507	14,198,729	18,139,158	15,164,677	855,765	690,618	176,428	142,380	37,000	30,000	17,496,821	14,646,439
1956	1,474,949	905,330	15,131,040	13,811,407	17,605,989	14,716,737	630,722	505,004	189,000	148,000	37,000	30,000	17,201,267	14,285,733
1957	1,359,195	827,988	15,513,930	13,233,753	16,673,125	14,061,741	401,053	323,657	292,038	235,680	-	-	17,366,216	14,621,078
1958	1,433,971	875,017	16,467,938	13,855,508	17,501,759	14,730,525	243,852	196,793	367,288	296,408	-	-	18,112,699	15,223,726
1959	1,360,138	850,086	15,721,196	13,100,996	17,081,334	13,951,082	414,596	345,497	399,649	-	-	-	17,066,387	-

NOTE : These figures are compiled from figures supplied by the Dept. of Customs and Excise and cross checked with "Blue Book" returns. Wherever available 'Bulk' and 'Standard' figures have been extracted independently. In those cases where only one figure was obtainable the other has been calculated. Great care has been taken with all Government figures to determine the precise meaning of the term 'gallon'. More than 1,500 separate calculations were involved in the compilation of this table.

x S.W. African beer transfers to Union no longer listed but are estimated.

1960 928,195 580,122 16,673,349 14,138,006 17,601,544 14,718,128 347,809 289,528 390,199 17,643,934



Buitengewone
Staatskoerant
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GOEWERMENTSKENNISGEWING.

GOVERNMENT NOTICE.

DEPARTEMENT VAN JUSTISIE

DEPARTMENT OF JUSTICE

No. R. 753.] [22 September 1961.

No. R. 753.] [22 September 1961.

REGULASIES UITGEVAARDIG KRAGTENS
ARTIKEL HONDERD DRIE-EN-SESTIG VAN
DIE DRANKWET, 1928.

REGULATIONS MADE UNDER SECTION ONE
HUNDRED AND SEVENTY-THREE OF THE
LIQUOR ACT, 1928.

Kragtens die bevoegdheid my verleen by artikel honderd drie-en-sewentig van die Drankwet, 1928 (Wet No. 30 van 1928), vaardig ek, BALTHAZAR JOHANNES VORSTER, Minister van Justisie van die Republiek van Suid-Afrika, hierby die volgende regulasies uit:—

By virtue of the powers vested in me by section one hundred and seventy-three of the Liquor Act, 1928 (Act No. 30 of 1928), I, BALTHAZAR JOHANNES VORSTER, Minister of Justice of the Republic of South Africa, hereby make the following regulations:—

WOORDOMSKRYWING.

INTERPRETATION OF TERMS.

1. In hierdie regulasies en in die vorms in die Bylae daarvan, tensy uit die samehang anders blyk—

1. In these regulations and in the forms contained in the Annexure thereto, unless the context otherwise indicates—

word „geldelike belang” geag enige belang wat ontstaan uit eiendomsreg op die betrokke gebou of uit enige voorskot van geld by wyse van 'n lening aan die eienaar of huurder van sodanige gebou of aan die aanvrager om 'n spesiale magtiging in te sluit;

“financial interest” shall be deemed to include any interest arising from ownership in the premises concerned or from any advance of money by way of a loan to the owner or lessee of such premises or to the applicant for a special authority;

sluit „landdros” nie 'n addisionele landdros of assistent-landdros in nie;

“magistrate” shall not include an additional magistrate or an assistant magistrate;

beteken „Nasionale Raad” die Nasionale Drankraad ingevolge artikel honderd-en-agtien bis van die Wet ingestel;

“National Board” means the National Liquor Board established under section one hundred and eighteen bis of the Act;

beteken „spesiale magtiging” 'n skriftelike magtiging om drank aan Naturelle te verkoop, wat in artikel honderd bis van die Wet genoem word;

“special authority” means a written authority to sell liquor to Natives, referred to in section one hundred bis of the Act;

beteken „die Wet” die Drankwet, 1928 (Wet No. 30 van 1928);

“the Act” means the Liquor Act, 1928 (Act No. 30 of 1928);

en het 'n woord of uitdrukking waaraan 'n betekenis in die Wet geheg is, dieselfde betekenis.

and a word or expression to which a meaning has been assigned in the Act, shall bear that meaning.

AANVRAAG OM SPESIALE MAGTIGING KRAGTENS ARTIKEL honderd bis VAN DIE WET.

APPLICATION FOR SPECIAL AUTHORITY IN TERMS OF SECTION one hundred bis OF THE ACT.

2. (1) Iemand of 'n benoemde in subartikel (1) van artikel honderd bis van die Wet genoem, wat die verlening of vernuwing van 'n spesiale magtiging verlang, moet aanvraag daarom doen wesenlik in die vorm van Vorm No. A in die Bylae, en in genoemde aanvraag die inligting wat in genoemde vorm gevra word, verstrek.

2. (1) Any person or a nominee referred to in subsection (1) of section one hundred bis of the Act desiring the grant or renewal of a special authority, shall make application therefor substantially in the form of Form No. A contained in the Annexure, and furnish in the said application such information as is solicited in the said form.

(2) Elke sodanige aanvraag moet vergesel wees van—

(2) Every such application shall be accompanied by—

(a) 'n beskrywing van die gebou en 'n plan, volgens skaal geteken, waarop duidelik aangegee is die afmetings en inrigting van die binnegebou, met alle deure en buite- en binneverbindinge en die strate of plekke waarheen die buiteverbindinge lei; Met dien verstande dat so 'n plan by 'n aanvraag om die vernuwing van 'n spesiale magtiging nie nodig is nie as die aanvrager met sy aanvraag 'n beëdigde verklaring voorlê dat sedert die laaste aanvraag om so 'n magtiging die gebou nie verander is nie, of slegs deur 'n geringe verbouing verander is waarvan volledige besonderhede voorgelê moet word ten tyde van die indiening van die aanvraag om vernuwing;

(a) a description of the premises and a plan drawn to scale clearly showing the dimensions and arrangements of the internal structure together with all doors, windows and means of internal and external communication, and the streets or places to which such means of external communication lead: Provided that no such plan shall be necessary in the case of an application for the renewal of a special authority if the applicant with his application submits an affidavit that since the last application for such authority, the premises have undergone no change, or have undergone only a minor change of structural arrangement, of which full particulars shall be submitted at the time of filing the application for renewal;

- (b) 'n beëdigde verklaring deur die aanvrager waarin uiteengesit word die naam en adres van elke ander persoon as die aanvrager wat 'n geldelike belang van watter aard ook al in die besigheid het of aan wie dit die voorneme is om enige sodanige belang te verleen, en die aard en omvang van daardie belang, of dat niemand anders as hy self so 'n belang in die besigheid het of daarin sal verkry nie, as dit die geval is;
- (c) 'n juiste afskrif van enige dokument waarby die ooreenkoms omtrent enige geldelike belang in paragraaf (b) van hierdie subregulasie genoem, aangegaan is;
- (d) 'n juiste afskrif van enige huurkontrak of kontrak waarkragtens die gebou waarin die besigheid gedryf of volgens voorneme gedryf sal word, besit word of sal word;
- (e) 'n volmag deur die stedelike plaaslike bestuur, assosiasie van persone, afdelingsraad, Bantoegebieds-, -streeks- of -stamowerheid, of werkgewer, indien die aanvrager aanvraag doen in sy hoedanigheid van 'n benoemde; en
- (f) afdoende bewys dat kennis van die voorneme om aanvraag om die verlening of vernuwing van 'n spesiale magtiging te doen, gegee is soos vereis by regulasie 3.

(3) 'n Aanvrager kan by sy aanvraag die skriftelike verhoë ter ondersteuning daarvan aanheg wat hy verlang in ag geneem moet word by die oorweging daarvan.

(4) Elke sodanige aanvraag tesame met die dokumente en verhoë in subregulasies (2) en (3) genoem, moet in agtvoud ingedien word by die landdros van die distrik waarin die gebou waarop die aanvraag betrekking het, geleë is of sal wees, en indien sodanige gebou geleë is of sal wees in 'n gebied onder die beheer van 'n stedelike plaaslike bestuur, moet 'n afskrif van genoemde aanvraag, die dokumente en verhoë terselfdertyd aan daardie bestuur gestuur word tensy die aplikant die benoemde van daardie bestuur is.

(5) (a) Die aanvraag om die verlening van 'n spesiale magtiging moet, tensy die Minister of iemand wat op sy gesag handel, anders toestem, minstens twee maande voor die eerste dag van die maand waarin dit deur die Nasionale Raad oorweeg moet word, ooreenkomstig subregulasie (4) ingedien word.

(b) Die houër van 'n spesiale magtiging wat die vernuwing daarvan verlang, moet minstens twee maande voor die datum waarop die magtiging verstryk, 'n aanvraag om sodanige vernuwing ooreenkomstig subregulasie (4) indien.

KENNISGEWING VAN VOORNEME OM AANVRAAG OM DIE VERLENING OF VERNUWING VAN 'N SPESIALE MAGTIGING TE DOEN.

3. 'n Persoon of benoemde in regulasie 2 genoem, moet minstens sewe dae voor die datum waarop hy sy aanvraag ooreenkomstig subregulasie (4) van voormelde regulasie indien, kennis van sy voorneme om aanvraag om die verlening of vernuwing van 'n spesiale magtiging te doen, gee by wyse van 'n kennisgewing in 'n Afrikaanse en 'n Engelse koerant in omloop in die distrik waarin die betrokke gebou geleë is of sal wees, wesenlik in die vorm van Vorm No. B in die Bylae.

INSAE IN EN BESWAAR TEEN AANVRAAG OM VERLENING OF VERNUWING VAN SPESIALE MAGTIGING.

4. (1) Gedurende 'n tydperk van veertien dae vanaf die datum waarop 'n aanvraag om die verlening of vernuwing van 'n spesiale magtiging by 'n landdros ingedien is, kan enige persoon op aansoek en sonder betaling van enige gelde insae daarin en in die dokumente en verhoë in subregulasie (4) van regulasie 2 genoem, hê en hy kan binne voormelde tydperk by daardie landdros 'n beswaarskrif in agtvoud indien teen sodanige aanvraag.

(2) Die beswaarskrif moet duidelik vermeld teen watter aanvraag beswaar gemaak word en breedvoerig die gronde van beswaar uiteensit.

- (b) an affidavit by the applicant setting forth the name and address of every person, other than the applicant, who has or to whom it is proposed to grant any financial interest whatsoever in the business, and the nature and extent of such interest, or that no other person than himself has, or is to receive any financial interest therein, if such be the case;
- (c) a true copy of any document by which the agreement respecting any financial interest referred to in paragraph (b) of this sub-regulation was concluded;
- (d) a true copy of any lease or contract under which the premises are held or to be held upon which the business is or is proposed to be carried on;
- (e) a power of attorney granted by the urban local authority, association of persons, divisional council, Bantu territorial, regional or tribal authority, or employer, if the applicant applies in his capacity as a nominee; and
- (f) conclusive proof that notice of the intention to apply for the grant or renewal of special authority, has been given as required by regulation 3.

(3) An applicant may attach to his application such representations in writing in support thereof as he may desire should be taken into account in the consideration thereof.

(4) Every such application, together with the documents and representations referred to in sub-regulations (2) and (3), shall be submitted in octuple to the magistrate of the district in which the premises forming the subject of the application are or will be situate, and, if such premises are or will be situate in an area under the control of an urban local authority, a copy of the said application, documents and representations shall at the same time be forwarded to that authority, unless the applicant is the nominee of that authority.

(5) (a) The application for the grant of a special authority shall, unless the Minister or the person acting under his directions otherwise consents, be submitted in terms of sub-regulation (4) at least two months before the first day of the month in which it must be considered by the National Board.

(b) The holder of a special authority desiring the renewal thereof, shall at least two months before the date upon which the authority expires, submit an application for such renewal in terms of sub-regulation (4).

NOTICE OF INTENTION TO APPLY FOR THE GRANT OR RENEWAL OF A SPECIAL AUTHORITY.

3. A person or nominee referred to in regulation 2 shall, at least seven days before the date upon which he submits his application in terms of sub-regulation (4) of the said regulation, notify his intention to apply for the grant or renewal of a special authority, by notice in an Afrikaans and an English newspaper circulating in the district in which the premises concerned are or will be situate, substantially in the form of Form No. B contained in the Annexure.

INSPECTION OF AND OBJECTION TO APPLICATION FOR THE GRANT OR RENEWAL OF SPECIAL AUTHORITY.

4. (1) During a period of fourteen days from the date upon which an application for the grant or renewal of a special authority has been submitted to a magistrate, any person may, upon request and free of charge, inspect it and the documents and representations referred to in sub-regulation (4) of regulation 2, and may within the said period lodge with that magistrate a written objection in octuple to such application.

(2) The written objection shall clearly indicate the application to which objection is taken and shall state in detail the grounds of the objection.

(3) Die landdros wat so 'n beswaarskrif ontvang, moet die betrokke aanvrager onverwyld skriftelik daarvan in kennis stel, hom toelaat om 'n afskrif daarvan te maak en hom die geleentheid bied om binne sewe dae na die datum waarop hy aldus in kennis gestel word, skriftelik en in agtvoud daarop te antwoord.

POLISIEVERSLAG OMTRENT 'N AANVRAAG.

5. Ten opsigte van elke aanvraag wat ooreenkomstig subregulasie (4) van regulasie 2 by 'n landdros ingedien word, moet die polisie-offisier wat vir dié doel deur die Kommissaris van die Suid-Afrikaanse Polisie aangewys is, aan die landdros vir die inligting van die Minister verslag doen of—

- (a) die betrokke gebou goed onderhou is, redelike en geskikte akkommodasie bevat en in elke opsig voldoende ingerig is vir die behoorlike dryf van die voorgestelde besigheid;
- (b) die gebou, indien nog nie opgerig of voltooi nie, na voltooiing in ooreenstemming met die planne in elke opsig geskik sal wees vir die behoorlike dryf van die voorgestelde besigheid;
- (c) in die geval van 'n voorheen gemagtigde besigheid, dit op 'n behoorlike en ordelike manier gedryf is, en aantekeninge wat gehou moet word, behoorlik gehou is, en aan enige voorwaarde of beperking opgelê en enige bepaling van die Wet wat op die houer van die spesiale magtiging of op of met betrekking tot die betrokke gebou kragtens artikel *honderd bis* van die Wet van toepassing gemaak is, voldoen is;
- (d) die applikant van goeie karakter en 'n geskikte persoon is om 'n spesiale magtiging aan toe te staan;

en moet die aandag van die Minister vestig op enige verdere aangeleentheid wat na die mening van sodanige offisier by die oorweging van die aanvraag in aanmerking geneem behoort te word.

DEURSTUUR VAN AANVRAE AAN DIE SEKRETARIS VAN JUSTISIE.

6. Nie vroeër nie as veertien dae na die ontvangs van 'n aanvraag moet die landdros dit tesame met die dokumente en vertoë in subregulasies (2) en (3) van regulasie 2 genoem, asook enige beswaarskrif en antwoord daarop en die polisieverslag in regulasie 5 genoem, stuur aan die Sekretaris van Justisie vir voorlegging aan die Nasionale Raad [in 'n geval waar die aanbeveling van daardie Raad ingevolge subartikel (11) van artikel *honderd bis* van die Wet vereis word] en die Minister, en die verdere inligting met betrekking tot die aanvraag wat hy nodig ag, verstrek.

VERGADERINGS VAN DIE NASIONALE RAAD VIR DIE OORWEGING VAN AANVRAE OM SPESIALE MAGTIGINGS.

7. Tensy anders deur die Minister daartoe gelas, vergader die Nasionale Raad gedurende die maand Januarie van die jaar 1962 en daarna gedurende die maand Junie van elke daaropvolgende jaar op die datum en plek wat die voorsitter daarvan bepaal, vir die oorweging van aanvrae om die verlening van spesiale magtigings ten opsigte waarvan die Nasionale Raad se aanbeveling ingevolge subartikel (11) van artikel *honderd bis* van die Wet vereis word.

8. Die volgorde van werksaamhede op enige vergadering van die Nasionale Raad word deur hom bepaal.

9. Alle vergaderings van die Nasionale Raad vind agter geslote deure plaas, en geen applikant of beswaarmaker is geregtig om by die oorweging van enige aanvraag om 'n spesiale magtiging persoonlik of deur 'n advokaat of prokureur voor genoemde Raad te verskyn nie.

10. Aanbevelings van die Nasionale Raad oor enige aanvraag ten opsigte waarvan sy aanbeveling deur die Wet vereis word, word gedoen na oorweging van die aanvraag en alle relevante dokumente, inligting, besware, die polisieverslag en vertoë in verband daarmee wat aan die Nasionale Raad deur die Sekretaris van Justisie voorgelê word, en indien die Raad nie in staat is om tot 'n beslissing daaroor te geraak nie, kan hy daardie aanvraag na die Sekretaris van Justisie terugverwys vir die verdere inligting en verslag wat die Raad nodig mag ag.

(3) The magistrate receiving such a written objection shall forthwith in writing inform the applicant concerned thereof, allow him to make a copy thereof and shall afford him an opportunity of replying thereto in writing in octuple within seven days from the date upon which he was so informed.

POLICE REPORT UPON AN APPLICATION.

5. In respect of every application submitted to a magistrate in terms of sub-regulation (4) of regulation 2, the commissioned officer of police designated for this purpose by the Commissioner of Police, shall report to the magistrate, for the information of the Minister, whether—

- (a) the premises concerned are in good repair, have reasonable and proper accommodation, and are in every respect adequately equipped for the proper carrying on of the business proposed;
- (b) the premises, if not yet erected or completed, would, upon completion in accordance with the plans, be suitable in all respects for the proper carrying on of the business proposed;
- (c) in the case of a business previously authorised, it has been carried on in a proper and orderly manner and any records required to be kept, have been duly and properly kept and any condition or restriction which has been imposed and any provision of the Act which has been made applicable to the holder of the special authority and to or in respect of the premises concerned in terms of section *one hundred bis* of the Act, have been complied with;
- (d) the applicant is of good character and a fit and proper person to be granted a special authority;

and shall draw the attention of the Minister to any further matter which in the opinion of such officer, should be taken into account in the consideration of the application.

SUBMISSION OF APPLICATIONS TO THE SECRETARY FOR JUSTICE.

6. The magistrate shall, not earlier than fourteen days from the receipt of an application, forward it, together with the documents and representations referred to in sub-regulations (2) and (3) of regulation 2 as well as any written objection and reply thereto and the police report referred to in regulation 5, to the Secretary for Justice for submission to the National Board [in a case where the recommendation of that Board is required in terms of sub-section (11) of section *one hundred bis* of the Act] and the Minister, and shall furnish such further information in respect of the application as he deems fit.

MEETINGS OF THE NATIONAL BOARD FOR THE CONSIDERATION OF APPLICATIONS FOR SPECIAL AUTHORITIES.

7. Unless otherwise directed by the Minister, the National Board shall meet during the month of January of the year 1962 and thereafter during the month of June of each successive year on such date and at such place as may be determined by the chairman thereof, for the consideration of applications for the grant of special authorities in respect of which the recommendation of the National Board is required in terms of sub-section (11) of section *one hundred bis* of the Act.

8. The order of business at any meeting of the National Board shall be determined by it.

9. All meetings of the National Board shall take place in private and at the consideration of any application for a special authority, no applicant or objector shall be entitled to appear before the said Board either personally or by counsel or attorney.

10. Recommendations by the National Board concerning any application in respect of which its recommendation is required by the Act, shall be made after considering the application and all relevant documents, information, objections, police report and representations in respect thereof which are submitted to the National Board by the Secretary for Justice, and, if the Board is unable to arrive at a decision thereon, it may refer that application back to the Secretary for Justice for such further information and report as the Board may deem necessary.

SPESIALE ONBEVOEGDHEID VAN LEDE VAN DIE NASIONALE RAAD.

11. Geen lid van die Nasionale Raad mag aan die ooreenstemming van enige aanvraag om 'n spesiale magtiging deelneem nie indien hy of sy eggenote of kind—

- (a) 'n eienaar, verbandhouer, verhuurder of huurder is van die gebou ten opsigte waarvan die aanvraag gedoen word;
- (b) 'n vennoot, agent of dienaar is van die applikant of van iemand wat teen die aanvraag beswaar maak;
- (c) 'n direkteur, bestuurder of ander beampte, dienaar of agent is van enige assosiasie van persone namens wie die aanvraag gedoen word; en
- (d) 'n geldelike belang het by die besigheid ten opsigte waarvan so 'n magtiging aangevra word.

SERTIFIKAAT VAN SPESIALE MAGTIGING.

12. Indien 'n aanvraag om die verlening of vernuwing van 'n spesiale magtiging toegestaan word, moet 'n sertifikaat weselik in die vorm van Vorm No. C in die Bylae aan die aanvrager uitgereik word.

13. 'n Persoon aan wie 'n spesiale magtiging verleen is of wie se spesiale magtiging vernuwe is, moet op alle tye gedurende die geldigheidsduur daarvan 'n juiste afskrif van die sertifikaat ooreenkomstig regulasie 12 aan hom uitgereik, tesame met 'n juiste afskrif van die voorwaardes of beperkings wat kragtens artikel *honderd bis* van die Wet opgelê is, op 'n in die oog vallende plek in die betrokke gebou vertoon.

14. 'n Afskrif van die sertifikaat in regulasie 12 genoem, tesame met 'n afskrif van die voorwaardes of beperkings wat kragtens artikel *honderd bis* van die Wet opgelê is, moet in die kantoor van die landdros van die distrik waarin die betrokke gebou geleë is, bewaar word en enige persoon mag insae daarin hê en afskrifte daarvan verkry op dieselfde voorwaardes en teen betaling van dieselfde gelde asof dit siviele notule van 'n landdroshof is.

OORDRAG VAN SPESIALE MAGTIGING BY VERANDERING VAN BENOEMDE.

15. (1) Ingeval die benoemde van 'n stedelike plaaslike bestuur, assosiasie van persone, 'n afdelingsraad, 'n Bantoegebieds-, -streeks- of -stamowerheid of 'n werkgewer in subartikel (1) van artikel *honderd bis* van die Wet genoem, op wie se naam 'n sertifikaat van spesiale magtiging uitgereik is, om enige rede ophou om sy posisie as sodanige benoemde te beklee, moet sodanige plaaslike bestuur, assosiasie van persone, afdelingsraad, Bantoegebieds-, -streeks-, of -stamowerheid of werkgewer onverwyld die landdros van die distrik waarin die gebou geleë is, skriftelik in kennis stel, vir die inligting van die Minister, van die naam van die persoon wat in die plek van sodanige benoemde benoem is.

(2) Indien die Minister of die persoon wat op sy gesag handel, oortuig is na oorweging van verslae van die polisie-offisier in regulasie 5 genoem, en die landdros van die betrokke distrik, dat die persoon wat in die plek van sodanige benoemde benoem is, van goeie karakter en 'n geskikte persoon is om 'n spesiale magtiging aan te verleen, teken hy op die sertifikaat uitgereik ooreenkomstig regulasie 12 die naam van daardie persoon aan en laasgenoemde persoon het dan al die regte en is onderworpe aan al die verpligtings en strawwe wat die oorspronklike benoemde gehad het of waaraan hy onderworpe was.

OORDRAG VAN SPESIALE MAGTIGING BY VERKOOP OF VAN DIE HAND SIT VAN BESIGHEID.

16. Indien tydens die geldigheidsduur van 'n spesiale magtiging die besigheid ten opsigte waarvan dit verleen is, verkoop of van die hand gesit word, kan die houer van die sertifikaat uitgereik ooreenkomstig regulasie 12, by die Minister deur bemiddeling van die landdros van die distrik waarin die gebou geleë is, aanvraag doen om die oordrag van die spesiale magtiging aan die koper of sy benoemde, en die Minister of die persoon wat op sy gesag

SPECIAL DISQUALIFICATION OF MEMBERS OF THE NATIONAL BOARD.

11. No member of the National Board shall take part in the consideration of any application for a special authority if he, or his spouse or child—

- (a) is an owner, mortgagee, lessor or lessee of the premises in respect of which the application is made;
- (b) is a partner, agent or employee of the applicant or of any objector to the application;
- (c) is a director, manager or other officer, employee or agent of any association of persons on whose behalf the application is made; and
- (d) has a financial interest in the business in respect of which such an authority is applied for.

CERTIFICATE OF SPECIAL AUTHORITY.

12. If an application for the grant or renewal of a special authority is granted, a certificate substantially in the form of Form No. C in the Annexure shall be issued to the applicant.

13. A person to whom a special authority has been granted or whose special authority has been renewed, shall at all times during the currency thereof display, at a prominent place in the premises concerned, a true copy of the certificate issued to him in terms of regulation 12 together with a true copy of the conditions or restrictions which have been imposed in terms of section *one hundred bis* of the Act.

14. A copy of the certificate referred to in regulation 12 together with a copy of the conditions or restrictions which have been imposed in terms of section *one hundred bis* shall be filed in the office of the magistrate of the district in which the premises concerned are situate and the same may be inspected and copies thereof obtained by any person upon like conditions and upon payment of the same fees as if they were civil records in a magistrate's court.

TRANSFER OF SPECIAL AUTHORITY UPON CHANGE OF NOMINEE.

15. (1) In the event of the nominee of an urban local authority, association of persons, a divisional council, a Bantu territorial, regional or tribal authority or an employer referred to in sub-section (1) of section *one hundred bis* of the Act, in whose name certificate of special authority has been issued, ceasing for any reason to hold his position as such nominee, such local authority, association of persons, divisional council, Bantu territorial, regional or tribal authority or employer shall forthwith give notice in writing to the magistrate of the district in which the premises are situate, for the information of the Minister, of the name of the person nominated in the stead of such nominee.

(2) If after considering reports by the commissioned officer of police referred to in regulation 5 and the magistrate of the district concerned the Minister or the person acting under his directions is satisfied that the person nominated in the stead of such nominee, is of good character and a fit and proper person to be granted a special authority he shall endorse upon the certificate issued in terms of regulation 12 the name of that person who shall thereupon have all the rights and be subject to all the obligations and penalties which the original nominee had or was subject to.

TRANSFER OF SPECIAL AUTHORITY ON SALE OR DISPOSAL OF BUSINESS.

16. If during the currency of a special authority the business in respect of which it was granted is sold or disposed of, the holder of the certificate issued in terms of regulation 12 may apply to the Minister through the magistrate of the district in which the premises are situate for the transfer of the special authority to the purchaser or his nominee, and the Minister or the person acting under his directions may, after considering reports by the

handel, kan, na oorweging van verslae van die polisie-offisier in regulasie 5 genoem en die landdros van die betrokke distrik, by wyse van 'n aantekening op voornoemde sertifikaat die oordrag van so 'n magtiging aan daardie koper of sy benoemde toestaan, wat dan al die regte het en onderworpe is aan al die verpligtings en strawwe wat die oorspronklike houër van die spesiale magtiging gehad het of waaraan hy onderworpe was.

VERPLASING VAN GEMAGTIGDE BESIGHEID NA 'N
ANDER GEBOU.

17. (1) Indien die houër van 'n sertifikaat in regulasie 12 genoem, die besigheid wat daarkragtens gedryf mag word, wil verplaas, hetsy tydelik of permanent, na 'n ander gebou in dieselfde distrik as dié in gemelde sertifikaat beskryf, moet hy by die Minister deur bemiddeling van die landdros van die distrik waarin die gebou geleë is of sal wees, daarom aanvraag doen.

(2) So 'n aanvraag word skriftelik en in viervoud ingedien en moet vergesels wees van—

- (a) 'n beskrywing van die gebou waarheen die gemagtigde besigheid verplaas gaan word en 'n plan daarvan, volgens skaal geteken, waarop duidelik aangegee is die afmetings en inrigting van die binnegebou, met alle deure en buite- en binneverbindinge en die strate of plekke waarheen die buiteverbindinge lei;
- (b) 'n juiste afskrif van enige huurkontrak of kontrak waarkragtens die gebou, waarin die gemagtigde besigheid volgens voorneme gedryf sal word, besit word of sal word;
- (c) 'n volmag, in die geval van 'n benoemde, verstek deur die nomineerder;
- (d) afdoende bewys dat kennis van die voorneme om so 'n aanvraag te doen, gegee is soos by subregulasie (3) vereis; en
- (e) 'n verklaring deur die applikant waarin die rede vir die verplasing en enige vertoë ter ondersteuning daarvan uiteengesit word.

(3) 'n Houër in subregulasie (1) genoem, moet minstens sewe dae voor die datum waarop hy ooreenkomstig daardie subregulasie aanvraag doen, kennis van sy voorneme om dit te doen, gee by wyse van 'n kennisgewing in 'n Afrikaanse en 'n Engelse koerant in omloop in die distrik waarin die betrokke gebou geleë is of sal wees, en daarin enigeen wat teen die verplasing beswaar wil maak, versoek om voor of op 'n dag in die kennisgewing vasgestel (wat minstens veertien en hoogstens een-en-twintig dae vanaf die datum waarop aldus kennis gegee word, moet wees) sy beswaar en sy redes daarvoor skriftelik by die landdros van die distrik waarin die gebou geleë is of sal wees, in viervoud in te dien.

18. Die bepalinge van regulasie 4 is *mutatis mutandis* van toepassing op enige aanvraag en beswaar daarteen wat ingevolge regulasie 17 ingedien word.

19. Ten opsigte van elke aanvraag wat ooreenkomstig regulasie 17 by 'n landdros ingedien word, moet die polisie-offisier in regulasie 5 genoem, aan die landdros, vir die inligting van die Minister, verslag doen of—

- (a) die betrokke gebou, indien reeds opgerig, redelike en geskikte akkommodasie bevat en in elke opsig voldoende ingerig is vir die behoorlike dryf van die gemagtigde besigheid;
- (b) die betrokke gebou, indien nog nie opgerig of voltooi nie, na voltooiing in ooreenstemming met die planne in elke opsig geskik sal wees vir die behoorlike dryf van die gemagtigde besigheid;

en moet die aandag van die Minister vestig op enige verdere aangeleentheid wat na die mening van sodanige offisier by oorweging van die aanvraag in aanmerking geneem behoort te word.

20. Nie vroeër nie as veertien dae na die ontvangs van 'n aanvraag in subregulasie (1) van regulasie 17 genoem, moet die landdros dit tesame met die dokumente in subregulasie (2) van daardie regulasie genoem, asook enige beswaarskrif en antwoord daarop en die polisieverlag in regulasie 19 genoem, stuur aan die Sekretaris van Justisie vir voorlegging aan die Minister of die persoon wat op sy gesag handel, en die verdere inligting met betrekking tot die aanvraag wat hy nodig ag, verstrek.

commissioned officer of police referred to in regulation 5 and the magistrate of the district concerned, by way of endorsement on the said certificate, grant the transfer of such authority to that purchaser or his nominee, who shall thereupon have all the rights and be subject to all the obligations and penalties which the original holder of the special authority had or was subject to.

REMOVAL OF AUTHORISED BUSINESS TO OTHER PREMISES.

17. (1) If the holder of a certificate referred to in regulation 12 desires to remove the business which may be carried on thereunder, whether permanently or temporarily, to other premises in the same district as that described in the said certificate, he shall make application therefor to the Minister through the magistrate of the district in which the premises are or will be situated.

(2) Such application shall be submitted in writing and in quadruplicate and shall be accompanied by—

- (a) a description of the premises to which the authorised business is to be removed and a plan thereof, drawn to scale, clearly showing the dimensions and arrangements of the internal structure together with all doors and means of external and internal communication and the streets or places to which the means of external communication lead;
- (b) a true copy of any lease or contract under which the premises are held or to be held upon which the authorised business is or is proposed to be carried on;
- (c) in the case of a nominee, a power of attorney furnished by the nominator;
- (d) conclusive proof that notice of the intention to make such an application has been given as required by sub-regulation (3); and
- (e) a declaration by the applicant in which the reason for the removal and any representations in support thereof are set out.

(3) A holder referred to in sub-regulation (1) shall at least seven days before the date upon which he makes application in terms of that sub-regulation, notify his intention to do so by notice in an Afrikaans and an English newspaper circulating in the district in which the premises concerned are or will be situated, calling upon any person who desires to object to the transfer, to lodge his objection and his reasons therefor in writing and in quadruplicate with the magistrate of the district in which the premises are or will be situated, on or before a day fixed in the notice (which shall be at least fourteen but not more than twenty-one days from the date upon which notice is thus given).

18. The provisions of regulation 4 shall *mutatis mutandis* apply to any application and objection thereto lodged in terms of regulation 17.

19. In respect of every application submitted to a magistrate in terms of regulation 17, the commissioned officer of police referred to in regulation 5 shall for the information of the Minister, report to the Magistrate whether—

- (a) the premises concerned, if already erected, have reasonable and proper accommodation and are in all respects adequately equipped for the proper carrying on of the business authorised;
- (b) the premises concerned, if not yet erected or completed, would, upon completion in accordance with the plans, be suitable in every respect for the proper carrying on of the business authorised;

and shall draw the attention of the Minister to any further matter which, in the opinion of such officer, should be taken into account in the consideration of the application.

20. The magistrate shall, not earlier than fourteen days from the receipt of an application referred to in sub-regulation (1) of regulation 17, forward it together with the documents referred to in sub-regulation (2) of that regulation, as well as any written objection and reply thereto and the police report referred to in regulation 19, to the Secretary for Justice for submission to the Minister or the person acting under his directions, and shall furnish such further information relating to the application as he deems fit.

21. Indien die Minister of die persoon wat op sy gesag handel, na oorweging van die aanvraag en alle relevante dokumente, inligting, besware, die polisieverlag en ver- toë in verband daarmee wat aan hom voorgelê word, die verplasing magtig, teken hy dit op die sertifikaat in regulasie 12 genoem, aan.

POLISIERAPPORT OMTRENT VERSUIM VAN HOUER VAN SPESIALE MAGTIGING OM AAN VOORWAARDES OF BEPERKINGS TE VOLDOEN EN SKULDIGBEVINDING VAN HOUER.

22. Die polisie-offisier in regulasie 5 genoem, moet onverwyld aan die Sekretaris van Justisie, vir die inligting van die Minister, rapporteer indien die houer van 'n spesiale magtiging—

- (a) versuim om te voldoen aan enige voorwaarde of beperking opgelê of 'n bepaling van die Wet wat op hom of op of met betrekking tot die betrokke gebou ingevolge artikel *honderd bis* van toepassing gemaak is: of
- (b) skuldig bevind word aan enige misdryf, en bedoelde polisie-offisier van mening is dat die houer van daardie spesiale magtiging weens daardie misdryf nie 'n geskikte persoon is om so 'n spesiale magtiging te hou nie.

B. J. VORSTER,
Minister van Justisie.

BYLAE.

DRANKWET, 1928.

Vorm No. A.

AANVRAAG OM MAGTIGING OM DRANK AAN NATURELLE TE VERKOOP.

Die Minister van Justisie
(Deur bemiddeling van die landdros van _____.)

Ek doen hierby aanvraag om die *verlening/vernuwing** van 'n magtiging om drank ingevolge artikel *honderd bis* van die Drankwet, 1928, aan Naturelle te verkoop.

Ek verklaar dat die inligting en dokumente ter staving van die aansoek na my beste wete en oortuiging waar en juis is.

Handtekening van aanvrager.

Plek _____
Datum _____

*Skrap wat nie van toepassing is nie.

1. (i) Volle naam van aanvrager _____
(ii) Ouderdom _____ Ras _____ Nasionaliteit _____
(iii) Beroep _____
(iv) Woon- en besigheidsadres van aanvrager _____
2. Indien aanvrager aanvraag doen as benoemde, meld—
(i) volle naam en adres van nomineerder _____
(ii) verhouding waarin aanvrager tot nomineerder staan _____ en _____
(iii) in die geval van 'n aanvraag as benoemde van 'n assosiasie van persone die name en adresse van al die direkteure/vennote _____
3. Meld of aanvraag gedoen word om magtiging om drank vir gebruik *binne* of *buite* die gebou te verkoop _____
- (Opmerking.—'n Aparte aanvraag word in elke geval vereis.)
4. Onder watter naam sal die besigheid gedryf word? _____
5. Beskryf die ligging van die gebou waar die besigheid gedryf sal word met vermelding van die nommer of naam (as daar is) van die huis en van die straat of weg, en die nommer of ander beskrywing van die perseel of erf _____
6. Is 'n beskrywing van die gebou minder en 'n plan aangeheg? _____
Bylae _____
7. Is die dokumente by regulasie voorgeskryf (vir sover hulle op hierdie aanvraag van toepassing is) aangeheg? _____
Bylae _____
8. Kragtens watter reg okkupeer aanvrager die gebou in 5 genoem? _____
9. Waar sal aanvrager drank wat deur hom ontvang word en nie onmiddellik vir verkoop nodig is nie, opberg? _____
10. (i) In die geval van 'n aanvraag om die verlening van 'n magtiging, op watter datum is die aanvrager van voorneme om besigheid te begin dryf? _____
(ii) In die geval van 'n aanvraag om die vernuwing van 'n magtiging, op watter datum verval die lopende magtiging? _____

21. If after considering the application and all relevant documents, information, objections, police report and representations relating thereto which are submitted to him, the Minister or the person acting under his directions, authorise the removal, he shall endorse it on the certificate referred to in regulation 12.

POLICE REPORT ON FAILURE OF HOLDER OF SPECIAL AUTHORITY TO COMPLY WITH CONDITIONS OR RESTRICTIONS, AND CONVICTION OF HOLDER.

22. The commissioned officer of police referred to in regulation 5 shall forthwith report to the Secretary for Justice, for the information of the Minister, if the holder of a special authority—

- (a) fails to comply with any condition or restriction imposed or with any provision of the Act which has been made applicable to him or to or in respect of the premises concerned in terms of section *one hundred bis*; or
- (b) is convicted of any offence and the said police officer is of the opinion that, because of that offence, the holder of that special authority is not a fit and proper person to hold such a special authority.

B. J. VORSTER,
Minister of Justice.

ANNEXURE.

LIQUOR ACT, 1928.

Form No. A.

APPLICATION FOR AUTHORITY TO SELL LIQUOR TO NATIVES.

The Minister of Justice
(Through the Magistrate of _____.)

I hereby apply for the *grant/renewal** of an authority to sell liquor to Natives in terms of section *one hundred bis* of the Liquor Act, 1928.

I certify that the information and documents in support of the application are to the best of my knowledge and belief, true and correct.

Signature of Applicant.

Place _____
Date _____

*Delete whichever not applicable.

1. (i) Full name of applicant _____
(ii) Age _____ Race _____ Nationality _____
(iii) Occupation _____
(iv) Residential and business address of applicant _____
2. If applicant applies as a nominee, state—
(i) full name and address of nominator _____
(ii) relationship in which applicant stands to nominator _____ and _____
(iii) in the case of an application as nominee of an association of persons, the names and addresses of all the directors/partners _____
3. State whether application is made for authority to sell liquor for consumption *on* or *off* the premises _____
- (Note.—A separate application is required in each case.)
4. Under what name is the business to be carried on? _____
5. Describe the situation of the premises where the business is to be carried on, including the number or name (if any) of the house and of the street or road and the number or other designation of the lot or erf _____
6. Is a description of the premises and a plan attached? _____
Annexure _____
7. Are the documents prescribed by regulation (in so far as they are applicable to this application) attached? _____
Annexure _____
8. Under what right does applicant occupy the premises referred to in 5? _____
9. Where will applicant store liquor received by him and not immediately required for sale? _____
10. (i) In the case of an application for the grant of an authority, on what date does the applicant propose to commence business? _____
(ii) In the case of an application for the renewal of an authority, on what date will the current authority expire? _____

11. Watter ander besigheid is die aanvrager van voorneme om in die gebou in 5 genoem, te dryf?
12. Op watter dae van die week en gedurende welke ure verlang aanvrager om drank te verkoop?
13. Vir die verkoop van watter soorte drank word die magtiging verlang?
14. Aan watter klas Naturelle is dit die voorneme om drank te verkoop?
15. Is die aanvrager of sy nomineerder die houder van enige drank-lisensie uitgereik kragtens die Wet of van 'n magtiging kragtens artikel honderd bis daarvan of het hy of sy nomineerder enige geldelike belang hoegenaamd in so 'n lisensie of magtiging? (Verstrek volledige besonderhede).
16. In die geval van 'n aanvraag om die vernuwing van 'n magtiging ten opsigte waarvan die bepalinge van artikel honderd-en-veertien bis van die Wet *mutatis mutandis* van toepassing gemaak is, heg hierby aan—
 - (i) dokumentêre bewys dat aan die vereistes van genoemde artikel voldoen is.
Bylae _____
 - (ii) 'n bylae wat die name en adresse vermeld van die onafhanklike produsente of vervaardigers wie se wyn- en brandewyn-produkte die aanvrager, na hy beweert, geadverteer, uitgestal en ooreenkomstig die vermelde artikel beskikbaar gehad het.
Bylae _____
17. Op watter wyse doen die applikant aan die hand dat oor die winste uit die verkoop van drank kragtens die magtiging beskik moet word? (Vermeld redes.)
Bylae _____
18. Is skriftelike verhoë ter ondersteuning van hierdie aansoek aangeheg?
Bylae _____

DRANKWET, 1928.

Vorm No. B.

KENNISGEWING VAN VOORNEME OM AANVRAAG TE DOEN OM VERLENING/VERNUWING* VAN MAGTIGING OM KRAGTENS ARTIKEL HONDERD BIS VAN DIE DRANKWET, 1928, DRANK AAN NATURELLE TE VERKOOP.

Ek, _____ as
 prinsipaal/benoemde van _____
 wie se woonadres _____ is,
 gee hierby kennis dat ek van voorneme is om 'n aanvraag om die verlening/vernuwing* aan my van magtiging om _____ (vermeld soorte drank) aan _____ (vermeld klas Naturelle) vir gebruik binne/buite* 'n gebou geleë te _____ (beskryf die ligging van die gebou volledig) op die _____ dag van _____ 19____, in te dien.

Enige persoon mag, gedurende 'n tydperk van veertien dae na die datum waarop die aanvraag ingedien word, insae daarin en in die dokumente en verhoë wat daarby aangeheg is, hê by die kantoor van die landdros van die distrik _____, en mag binne voormelde tydperk by daardie landdros 'n skriftelike beswaarskrif in agtvoud teen die aanvraag indien waarin duidelik vermeld word teen watter aanvraag beswaar gemaak word met breedvoerige vermelding van die gronde van beswaar.

Gedateer te _____ op die _____ dag van _____ 19____.

Aanvrager.

*Skrap wat nie van toepassing is nie.

DRANKWET, 1928.

Vorm No. C.

SERTIFIKAAT VAN MAGTIGING OM DRANK AAN NATURELLE TE VERKOOP.

Verlening/Vernuwing* van magtiging.

Kragtens artikel honderd bis van die Drankwet, 1928, word magtiging hierby verleen aan _____ as prinsipaal/benoemde van _____*
 wie se woonadres _____ is om _____ (vermeld soorte drank) aan _____ (vermeld klas Naturelle) van die ouderdom van agtien jaar of meer te verkoop vir gebruik binne/buite* 'n gebou geleë te _____

Behoudens die bepalinge van subartikel (3) van voormelde artikel is hierdie magtiging geldig vir die tydperk vanaf die _____ dag van _____ 19____ tot die _____ dag van _____ 19____.

Die houder van hierdie magtiging mag, behoudens nakoming van die bepalinge van die Licenties Consolidation Wet, 1925 (Wet No. 32 of 1925), of enige ander wetsbepaling wat op die aangeleentheid betrekking het, die besigheid van _____ in die voormelde gebou dryf of toelaat dat dit gedryf word.

11. What other business does applicant propose to carry on on the premises referred to in 5?
12. On what days of the week and during what hours does applicant desire to sell liquor?
13. For the sale of what kinds of liquor is the authority applied for?
14. To what class of Natives is it proposed to sell liquor?
15. Is the applicant or his nominator the holder of any liquor licence issued under the Act or of an authority under section one hundred bis thereof, or has he or his nominator any financial interest whatever in such a licence or authority? (Give full details) _____
16. In the case of an application for the renewal of an authority to which the provisions of section one hundred and fourteen bis of the Act have been made applicable *mutatis mutandis* attach hereto—
 - (i) documentary proof that the requirements of the said section have been complied with.
Annexure _____
 - (ii) a schedule indicating the names and addresses of the independent producers or manufacturers whose wine and brandy products applicant claims to have advertised, exposed and to have had available in compliance with the said section.
Annexure _____
17. In what manner does the applicant suggest that the profits derived from the sale of liquor under the authority should be dealt with? (State reasons).
Annexure _____
18. Are written representations in support of this application attached?
Annexure _____

LIQUOR ACT, 1928.

Form No. B

NOTICE OF INTENTION TO APPLY FOR GRANT/RENEWAL* OF AUTHORITY TO SELL LIQUOR TO NATIVES IN TERMS OF SECTION ONE HUNDRED BIS OF THE LIQUOR ACT, 1928.

I, _____ as
 principal/nominee of _____*
 whose residential address is _____

hereby give notice that I intend submitting an application on the _____ day of _____ 19____
 for the grant/renewal* to me of authority to sell _____ (state kinds of liquor) to _____ (state class of Natives) for consumption on/off* premises situate at _____ (describe the situation of the premises in full).

Any person may, during a period of fourteen days from the date upon which this application is submitted, inspect it and the documents and representations attached thereto at the office of the magistrate of the district of _____, and may within the aforementioned period lodge with that magistrate a written objection to the application in octuple clearly indicating the application to which objection is taken and stating in detail the grounds of the objection.

Dated at _____ this _____ day of _____ 19____.

Applicant.

*Delete whichever not applicable.

LIQUOR ACT, 1928.

Form No. C.

CERTIFICATE OF AUTHORITY TO SELL LIQUOR TO NATIVES.

Grant/Renewal* of authority.

In terms of section one hundred bis of the Liquor Act, 1928, authority is hereby granted to _____ as principal/nominee of _____*
 whose residential address is _____ to sell _____ (state kinds of liquor) to _____ (state class of Natives) of the age of eighteen years or more for consumption on/off premises situate at _____

Subject to the provisions of sub-section (3) of the said section this authority is valid for the period from the _____ day of _____ 19____, to the _____ day of _____ 19____.

The holder of this authority may, subject to compliance with the provisions of the Licences Consolidation Act, 1925 (Act No. 32 of 1925), or any other law governing the matter, carry on or permit to be carried on upon the said premises, the business of _____

Hierdie magtiging is onderworpe aan die voorwaardes en beperkings in Bylae..... hiervan vervat.

Die bepalinge van die Drankwet, 1928, uiteengesit in Bylae..... hiervan, is *mutatis mutandis* van toepassing op die houer van hierdie magtiging en op of met betrekking tot die genoemde gebou.

Ingevolge subartikel (7) van voormelde artikel *honderd bis* word oor alle winste verkry uit die verkoop van drank kragtens hierdie magtiging op die volgende wyse beskik:—

Ingevolge subartikel (9) van die voormelde artikel is 'n bedrag van vasgestel as die gelde betaalbaar ten opsigte van hierdie magtiging.

Minister van Justisie of persoon wat op gesag van die Minister van Justisie handel.

Plek.....
Datum.....

*Skrap wat nie van toepassing is nie.

This authority shall be subject to the conditions and restrictions contained in Annexure..... hereto.

The provisions of the Liquor Act, 1928, set forth in Annexure..... hereto shall *mutatis mutandis* be applicable to the holder of this authority and to or in respect of the said premises.

In terms of sub-section (7) of the said section *one hundred bis* all profits derived from the sale of liquor under this authority shall be dealt with in the following manner:—

In terms of sub-section (9) of the said section a fee of..... has been determined as being payable in respect of this authority.

Minister of Justice or Person Acting under the Direction of the Minister of Justice.

Place.....
Date.....

*Delete whichever not applicable.

INHOUD.

No.	Departement van Justisie. GOEWERMENTSKENNISGEWING.	BLADSY
R. 753.	Regulasies Uitgevaardig Kragtens Artikel 173 van die Drankwet, 1928	1

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CITY OF JOHANNESBURG.

NON-EUROPEAN AFFAIRS DEPARTMENT.

LIQUOR ACT, 1928.

NOTICE OF INTENTION TO APPLY FOR GRANT OF AUTHORITY
TO SELL LIQUOR TO NATIVES IN TERMS OF SECTION ONE
HUNDRED BIS OF THE LIQUOR ACT, 1928.

I, Willem Jacobus Petrus Carr, as nominee of the City Council of Johannesburg, whose residential address is 4 Elm Street, Houghton, Johannesburg, hereby give notice that I intend submitting applications on the 31st day of October, 1961, for the grant to me of authority to sell malt, wines and spirits to the classes of Natives of the age of 18 years or more, for the type of consumption, and at the premises situated, as shown in the schedule hereto.

Any person may, during a period of fourteen days from the date upon which these applications are submitted, inspect them and the documents and representations attached thereto at the office of the Magistrate of the District shown in the schedule hereto, and may within the aforementioned period lodge with that Magistrate concerned a written objection to any application in octuple clearly indicating the application to which objection is taken and stating in detail the grounds of the objection.

DATED AT JOHANNESBURG THIS DAY OF OCTOBER, 1961.

W. J. P. CARR.
APPLICANT.

SCHEDULE.

SITUATION OF PREMISES	MAGISTERIAL DISTRICT	PROPOSED DISTRIBUTION	CLASS OF NATIVES.
1. Orlando East Beer Garden (No. 1), Stand 4652A, Tsotetsi Street, Orlando East.	Johannesburg	On consumption only	Males only.
2. Orlando East Beer Garden (No. 2), To North East of Stand 3675, Bounded by Afrika, Mpaza and Mpati Sts., Orlando East.	Johannesburg	On consumption only	Males only.
3. Shantytown Beer Garden, (Block 4, Shantytown), Off Armitage Street, Orlando West.	Johannesburg	On consumption only	Males only.
4. Phomolong Beer Garden, Stand No. 9193A, Sisula Street, Orlando West.	Johannesburg	On consumption only	Males only.
5. Mzimhlope Beer Garden, Stand No. 9975, Ntombela Street, Orlando West.	Johannesburg	On consumption only	Males only.
6. Dube Hostel Beer Hall, situated on a Portion of the R.E. of Portion G of Portion L of Farm Klipspruit No. 298.	Johannesburg	On consumption only	Males only.
7. Nancefield Hostel Beer Hall, Situated on remainder of Portion L1 of Portion of Farm Klipspruit 318.	Johannesburg	On consumption only	Males only.
8. Pimville Beer Depot, Cor. Buchan and Ndhlovu Streets Pimville.	Johannesburg	On consumption only	Males only.

SITUATION OF PREMISES	MAGISTERIAL DISTRICT	PROPOSED DISTRIBUTION	CLASS OF NATIVES.
9. Chiawelo Beer Garden, Stand 1428, Chiawelo.	Johannesburg	On consumption only	Males only.
10. Stand No. 1415, Mofolo Central.	Johannesburg	On consumption only	Males only.
11. Stand 574, Dhlamini.	Johannesburg	On consumption only	Males only.
12. Stand No. 1791, Dhlamini	Johannesburg	On consumption only	Males only.
13. Stand No. 740, Mofolo North.	Johannesburg	On consumption only	Males only.
14. Stand No. 3118, Jabavu.	Johannesburg	On consumption only	Males only.
15. Stand No. 1680, Moroka.	Johannesburg	On consumption only	Males only.
16. On Portion R.E. of Portion G of Portion L of the Farm Klipspruit No. 298, (Opposite East Gate of Dube Hostel).	Johannesburg	On consumption only	Males only.
17. Stand No. 3000, Cor. Mooki & Nkom-Yaklaba Streets, Orlando East.	Johannesburg	On consumption only	Males only.
18. Open Space, Bounded by Tema and Mosaka Streets, Opposite Stand 5719, Orlando East.	Johannesburg	On consumption only	Males only.
19. Stand 2500A, Cor. Molebatsi and Jolobe Streets, Orlando East.	Johannesburg	On consumption only	Males only.
20. Stand 10877, Between November, Poka and Carr Sts., Orlando West.	Johannesburg	On consumption only	Males only.

SITUATION OF PREMISES		MAGISTERIAL DISTRICT	PROPOSED DISTRIBUTION	CLASS OF NATIVES.
21.	Stand 11441, Orlando West.	Johannesburg	On consumption only	Males only.
22.	Stand 1057, Cor. Roodepoort Road and Phera Streets, Jabavu.	Johannesburg	On consumption only	Males only.
23.	Stand 929, Mphothi Street, Central Western Jabavu.	Johannesburg	On consumption only	Males only.
24.	Stand 2299, Moroka.	Johannesburg	On consumption only	Males only.
25.	Stand 781, Dhlamini.	Johannesburg	On consumption only	Males only.
26.	Stand 989 R.E., Chiawelo.	Johannesburg	On consumption only	Males only.
27.	Stand 1348, Mapetla.	Johannesburg	On consumption only	Males only.
28.	Wemmer Hostel, Portion 86, Formerly Portion 7 of Portion K of the Farm Turffontein No. 96, Cor. Loveday Street and Village Road, adjoining Wemmer Township.	Johannesburg	On consumption only	Males only.
29.	Denver Hostel, Portion 443, Farm Doornfontein No. 92, Plantatie Street, Denver.	Johannesburg	On consumption only	Males only.
30.	Wolhuter Hostel Beer Hall, Portion S2 of the Farm Doornfontein No. 92, Plus Stand 166, Wolhuter Township, Wolhuter Street, Wolhuter.	Johannesburg	On consumption only	Males only.

SITUATION OF PREMISES	MAGISTERIAL DISTRICT	PROPOSED DISTRIBUTION	CLASS OF NATIVES.
31. Eastern Native Township Beer Hall, Portion 504 of Farm Doornfontein No. 92, Adjoining Eastern Native Township, near Benrose Township.	Johannesburg	On consumption only	Males only.
32. Mai-Mai Hostel Beer Hall, Stands 887, 888, 901 and 902, City and Suburban.	Johannesburg	On consumption only	Males only.
33. Moletsane Beer Garden, Portion 1 of Stand 268, Moletsane.	Roodepoort	On consumption only	Males only.
34. Jabulani Hostel Beer Hall, Adjoining Hostel situated on Portion 10 of Portion of Farm Vogelstruisfontein No. 233.	Roodepoort	On consumption only	Males only.
35. Stand 2700, Zola South.	Roodepoort	On consumption only	Males only.
36. Stand No. 590, Emdeni.	Roodepoort	On consumption only	Males only.
37. Stand No. 1374, Naledi.	Roodepoort	On consumption only	Males only.
38. Mapetla Hostel Site. Situated on Portion 36 and Portion 44 of Farm Klipriviersoog No. 299 and adjoining Portion 16 of B of Farm Doornkop No. 239.	Roodepoort	On consumption only	Males only.
39. Moletsane Hostel Site. Situated on adjoining Western boundary of Railway Reserve on Portions 9 of B and R.E. of B of Farm Doornkop 239.	Roodepoort	On consumption only	Males only.
40. Stand 669, Zondi.	Roodepoort	On consumption only	Males only.
41. Stand 299, Senaoane.	Roodepoort	On consumption only	Males only.

SITUATION OF PREMISES	MAGISTERIAL DISTRICT	PROPOSED DISTRIBUTION	CLASS OF NATIVES.
42. Stand 556, Jabulani.	Roodepoort	On consumption only	Males only.
43. Stand 892, Moletsane.	Roodepoort	On consumption only	Males only.
44. Stand 144 R.E., Tladi.	Roodepoort	On consumption only	Males only.
45. Stand 676, Naledi.	Roodepoort	On consumption only	Males only.
46. Stand 1765, Zola.	Roodepoort	On consumption only	Males only.
47. Stand 306, Zola.	Roodepoort	On consumption only	Males only.
48. Portion 1 of Stand 2199, Mncube Drive, Dube.	Johannesburg	On consumption only	Males and females.
49. Orlando East, Stand 1425A, bounded by Mofokeng and Sofasonke Streets, Orlando East.	Johannesburg	On consumption only	Males and females.
50. Stand 1275, Moroka.	Johannesburg	On consumption only	Males and females.
51. Stand 918, Mofolo.	Johannesburg	On consumption only	Males and females.
52. Stand 1462, Moletsane.	Roodepoort	Off consumption only	Males and females.
53. Stands 1/2/3 & 4, Molapo.	Roodepoort	Off consumption only	Males and females.
54. Stand 1382, Naledi.	Roodepoort	Off consumption only	Males and females.

SITUATION OF PREMISES	MAGISTERIAL DISTRICT	PROPOSED DISTRIBUTION	CLASS OF NATIVES.
55. Stand 5, Mapetla.	Roodepoort	Off consumption only	Males and females.
56. Stand 6521, Orlando East	Johannesburg	Off consumption only	Males and females.
57. Stands 9166/834 & 5, Orlando West.	Johannesburg	Off consumption only	Males and females.
58. Stand 1111, Mofolo North.	Johannesburg	Off consumption only	Males and females.
59. Stand 883, Moroka.	Johannesburg	Off consumption only	Males and females.
60. The Square, Pimville.	Johannesburg	Off consumption only	Males and females.
61. On Portion of the R.E. of Portion G of Portion L of Farm Klipspruit No. 298 (Dube).	Johannesburg	Off consumption only	Males and females.
62. Portion of Open Square, Cor. Mooki and Afrika Streets, Orlando East.	Johannesburg	Off consumption only	Males and females.
63. Stand 427, Dube.	Johannesburg	Off consumption only	Males and females.

URGENCY REPORT OF MANAGEMENT COMMITTEE.

ITEMS FROM MANAGEMENT COMMITTEE.

MANAGEMENT COMMITTEE. (17.10.61)

NON-EUROPEAN AFFAIRS DEPARTMENT.

1. SALE OF EUROPEAN LIQUOR TO NATIVES.

On the 3rd October 1961, the Management Committee resolved:

- "(1) That the Council agree in principle to undertake the supply and distribution of all types of European liquor both for off and on consumption to Bantu at distribution points in its Bantu residential areas, and at such other points without the Bantu residential areas as may be approved by the Management Committee from time to time, in terms of Section 100 bis of Act 30 of 1928 as inserted by Act 72 of 1961.
- (2) That the Town Clerk be authorised to make application in terms of recommendation (1) for the necessary authority for the Manager of the Non-European Affairs Department or such other official or officials as may be approved by the Management Committee as the Council's nominee or nominees, in respect of all distribution points approved of by the Management Committee."

In terms of regulations promulgated on the 22nd September 1961, applications for authority to distribute European liquor must be made to the Magistrate not later than the 31st October 1961, and the intention to apply for such authority must be published in an English and an Afrikaans newspaper circulating in the Magisterial district at least 7 days before the application is handed in.

The Deputy Commissioner of Police considers that it would be preferable if one person were to be appointed the Council's nominee for all distribution points, and it is, therefore, suggested that Mr. W.J.P. Carr, Manager of the Non-European Affairs Department, should be the Council's nominee.

It is proposed to apply for authority to sell European liquor for on and/or off consumption at 63 distribution points throughout the area under the control of the Council and these are set out in the draft notice which is laid on the table.

There will be 3 types of distribution points -

1. Forty-seven second-class bar/lounges for on consumption only, suitably equipped and adjacent to or forming portion of existing beerhalls and beergardens. The same type of bar/lounge will also be established at various other points where there are no existing beerhalls or beergardens. It is not proposed that females will be served at these points.
2. Four superior type bar/lounges for on consumption only, at which males and females will be served, where patrons will be strictly controlled in regard to dress, etc., and where women will only be served if escorted by men.
3. Twelve bottle stores or off consumption points.

:- The

ITEMS FROM MANAGEMENT COMMITTEE.

MANAGEMENT COMMITTEE. (17.10.61)

NON-EUROPEAN AFFAIRS DEPARTMENT.

The situation of the premises, the class of Bantu to be served and the type of consumption are clearly set out in the draft notice laid on the table. A plan showing the various distribution points is also laid on the table.

Formal applications are still in the course of preparation, together with accompanying documents. Site plans and architectural drawings of the proposed buildings are also in the course of preparation by the City Engineer's Department and the applications, together with all the other documents and plans, will be submitted to the Committee for approval in due course.

IT IS RECOMMENDED:

(a) That Mr. Willem Jacobus Petrus Carr, Manager of the Non-European Affairs Department, be appointed the Council's nominee in terms of Section 100 bis of the Liquor Act (Act No. 30 of 1928) and as such be authorised to publish in accordance with the Liquor Regulations promulgated under Government Notice No. R753 of the 22nd September, 1961, notice of his intention to apply for the grant of special authority in the form laid on the table, and that in respect of each application he be authorised to make an affidavit as required by Regulation 2(b) of the Regulations promulgated under Government Notice No. R753 of the 22nd September, 1961, to the effect that no person other than the Council has or is to receive any financial interest therein.

(b) That the Mayor be authorised to grant a Special Power of Attorney as required by Regulation 2(2)(e) in favour of Mr. Willem Jacobus Petrus Carr to make application in terms of Section 100 bis of Act 30 of 1928 for authority in terms of the said section, to sell malt, wines and spiritous liquor to Natives of the age of 18 years or more for consumption on or off the premises as set out in the schedule laid on the table, and to sign any document and do any other thing necessary for the purposes of the said application.

(c) That the distribution points, type of distribution and classes of Natives to be served, as shown in the schedule to the draft notice laid on the table, be approved.

(385/4)
(N.E.A.D. 22/61)

Ordinary Meeting of Council: 17th October 1961.

ITEMS FROM MANAGEMENT COMMITTEE.

MANAGEMENT COMMITTEE. (17.10.61)

TOWN CLERK'S DEPARTMENT.

2. REFERENCE TO THE COUNCIL OF APPLICATIONS FOR
AUTHORITY TO SELL LIQUOR TO NATIVES.

The Minister of Justice is obliged to consult the Council before granting to any person authority under section 100bis of the Liquor Act to sell liquor to Natives from a place within the Council's jurisdiction. Under the regulations made by the Minister the Council must furnish its comments within 14 days of the application being submitted to the Magistrate.

Two such applications have already come to hand and will be tabled for information.

The recommendation made below is put forward having regard to the Minister's power to give successful applicants directions as to how they shall deal with their profits: it is clearly easier to use this power in the public interest if, in areas where the local authority is willing to undertake the supply, other applications from other persons or bodies be refused. There may, however, be other grounds, e.g. proximity to municipal works, on which it is desirable to oppose particular applications.

IT IS RECOMMENDED:

That the Management Committee be instructed to oppose on behalf of the Council any application under section 100bis of the Liquor Act which is referred to the Council under the Regulations where the granting of such application would in the opinion of the Management Committee -

- (i) result in competition with the Council in the Bantu residential areas under its jurisdiction, or
- (ii) otherwise prejudice the Council's interests.

(385/5)
(C/C 200/61)

ITEMS FROM MANAGEMENT COMMITTEE.

MANAGEMENT COMMITTEE. (Sp. mtg. 17.10.61)
NATIVE LABOUR PRODUCTIVITY COMMITTEE. (6.10.61)

O. & M. DIVISION.

3. NATIVE LABOUR PRODUCTIVITY : CLEANSING BRANCH,
CITY ENGINEER'S DEPARTMENT.

On the 29th August 1961 the Management Committee resolved:-

"(a) That parallel to the overall planning and programming of the reorganisation of the Council's Native Labour force, an immediate start be made on reorganisation in the Cleansing Branch of the City Engineer's Department."

The top level control and direction of the project was entrusted to an informal Native Labour Productivity Committee consisting of:-

Chairman of the Management Committee
(Councillor Keith G. Fleming)

Chairman of the Works and Traffic Committee
(Councillor P.M. Roos)

Town Clerk

City Treasurer

City Engineer

Chairman of the Staff Board

Acting Director, O. & M. Division (Convener)

Two of the broad lines on which the work was to proceed were laid down as follows:-

"(c) Reorganisation of the labour force, with a view to securing the most suitable labour for the work to be done by the Branch, and the planned deployment of such labour, in the most productive manner, under both European and front line Native Supervisors.

(d) Setting of performance standards, coupled with some form of incentive payment, which would ensure a higher remuneration for the worker, based on increased productivity, without disturbing the Council's basic wage structure for Native Labour."

An investigation has been made into the Street Cleaning Section of the Cleansing Branch, which employs 975 Natives out of the total labour force of approximately 2,700 in the Branch. The investigation indicates that the

:- output

ITEMS FROM MANAGEMENT COMMITTEE.

MANAGEMENT COMMITTEE. (Sp. mtg. 17.10.61)
NATIVE LABOUR PRODUCTIVITY COMMITTEE. (6.10.61)

O. & M. DIVISION.

output of work can be stepped up considerably without decreasing the present quality of work. This will result in a material reduction in the labour force and enable a bonus to be paid to the remaining workers out of the reduced wage bill.

The reorganisation will be on the following lines and approval of the policy issues involved is sought before it is commenced:-

1. The retirement and payment of gratuities to employees with the requisite length of service who are no longer physically able to do the work. A report on the revised payment of gratuities which will materially improve the existing benefits and will take into account retirement on the grounds of reorganisation, is being prepared by the Staff Board for submission in the first instance to the Technical Committee.
2. Termination of services of wholly unsuitable employees.
3. Placement elsewhere in the Service, where possible, of the redundant employees by the Native Manning and Recruitment Branch.
4. Selection and training by the above Branch, in conjunction with the Cleansing Branch, of Native supervisors (boss-boys) to ensure achievement of standards (tasks) set, quality control, discipline, etc. Special emphasis to be placed on training.
5. Payment of Cycle Allowances to the Boss-boys.
6. The mapping out of suitable beats (tasks) for the new force to obtain an overall increase in output and a reduction in the labour force.
7. The payment of an incentive bonus of R1 per week to street cleaners and R1-25 to Boss-boys. Payment of the bonus to be conditional upon satisfactory performance only - it will be withheld for non-compliance with task or quality standards set.

The wages of street cleaners and boss-boys are R6-05 per week and R7-26 per week respectively. Payment of the above bonuses would represent wage increases of 16.5% and 17.2% and bring the monthly totals to R30-55 and R36-87 respectively. In addition, they enjoy "fringe" benefits in that they are accommodated in the Council's compounds for which deduction of only 20c. per week is made and they incur no travelling expenses.

The full financial implications will not be known until the new tasks have been set and tested and will therefore be reported upon at a later stage.

:- Concurrently

Ordinary Meeting of Council : 17th October 1961.

ITEMS FROM MANAGEMENT COMMITTEE

MANAGEMENT COMMITTEE. (Sp. mtg. 17.10.61)
NATIVE LABOUR PRODUCTIVITY COMMITTEE. (6.10.61)

O. & M. DIVISION.

Concurrently with the above reorganisation an appraisal is being made of the steps necessary to extend one or other bonus scheme to the rest of the Native labour force as soon as possible in order to obtain an all-round increase in their earnings.

An immediate start should be made in the Cleansing Branch.

IT IS RECOMMENDED:

That the reorganisation of the Street Cleaning Section of the Cleansing Branch, City Engineer's Department, on the lines indicated in this section of the report be approved.

(200/3/54/1)
(O. & M. 8/61)

MANAGEMENT COMMITTEE. (Sp. mtg. 17.10.61)

CITY TREASURER'S DEPARTMENT.

4. ABSTRACT OF ACCOUNTS, 1960/61.

... The Accounts of the Council for the financial year ended 30th June 1961 have been completed and audited and the Aggregate Balance Sheet signed on 5th October 1961. A copy of the report of the Auditors appointed by the Administrator and an abstract from the Accounts of the Council is attached.

... The accounts of the Consolidated Loans Fund were certified correct by the Provincial Auditor on 5th October 1961, in accordance with Ordinance No. 9 of 1952. A copy of his report together with the Accounts of the Consolidated Loans Fund is also attached.

... The schedule marked "A" attached to this report sets out details of actual income and expenditure compared with the estimated amounts included in the approximate results for 1960/61.

IT IS RECOMMENDED:

That the variations in income and expenditure set out in this report be approved.

(261/4/2)
(C.T. 76/61)

KEITH G. FLEMING,

CHAIRMAN.

17th October 1961.

Ordinary Meeting of Council: 17th October 1961.

ITEMS FROM MANAGEMENT COMMITTEE.

CITY OF JOHANNESBURG.
STAD JOHANNESBURG.

SCHEDULE "A"
BYLAE "A"

CITY TREASURER'S DEPARTMENT.
STADTESOORLESAFDELING.

COMPARISON OF ACTUAL AND APPROXIMATE RESULTS ON REVENUE ACCOUNT FOR THE YEAR ENDED 30th JUNE, 1961.
VERGELYKING VAN WERKLIKE EN BENADERDE RESULTATE OP DIE INKOMSTEREKENING VIR DIE JAAR VAT OP 30 JUNIE 1961 EINDIG.

Details Besonderhede	Expenditure Uitgawe				Income Inkomste			
	Actual, as per Abstract of Accounts Werklike syfers, volgens Uttreksel uit die Rekeninge	Approximate 1960/61 as per Estimates, 1961/62 Benaderde syfers 1960/61, volgens Begroting 1961/62	Actual compared with Approximate Werklike syfers vergelike met benaderde syfers		Actual, as per Abstract of Accounts Werklike syfers, volgens Uttreksel uit die Rekeninge	Approximate, 1960/61 as per Estimates, 1961/62 Benaderde syfers 1960/61, volgens Begroting 1961/62	Actual compared with Approximate Werklike syfers vergelike met benaderde syfers	
			Increase Toename	Decrease Afname			Increase Toename	Decrease Afname
R	R	R	R	R	R	R	R	
RATE FUND:								
RELATING FUNDS:								
Art Gallery Kunsmuseum	49,722	54,350		4,628	79	120		41
Assessment Rates Eiendomsbelasting					9,263,967	9,277,727		13,760
City, Duncan and Selborne Halls Stad-, Duncan- en Selbornesaal	82,017	86,574		4,557	20,695	23,000		2,105
City Engineer's Department: Stadsingenieursafdeling:								
Administration Administrasie	112,410	116,555		4,145	3,716	2,300		1,416
Building Survey Boutonstig	144,285	141,584		2,701	75,736	83,740		8,004
Planning Reëlging	2,101,148	2,060,474		40,674	1,869,750	1,865,280		4,470
Land Survey and Town Planning Landmeting en Dorpsaanleg	111,666	114,973		3,307	7,298	7,100		198
Sewerage Kluisering	2,465,205	2,486,754		21,551	2,605,713	2,495,534		110,179
Works: Werke:								
Construction Konstruksie	1,478,226	1,530,346		52,120	44,048	41,635		2,413
City Health Department Stadgesondheidsafdeling	1,287,994	1,386,820		98,826	525,042	523,568		1,474
City Treasurer's Department Stadtesoorlersafdeling	1,114,098	1,114,723		625	254,392	237,472		16,920
Council's General Expenses Die Raad se Algemene Onkoste	419,828	487,482		67,654	347	60		287
Fire Department Brandweerafdeling	807,291	774,131		33,160	94,690	85,342		9,348
Grants-in-Aid and Donations Bulpsioelans en skenkings	336,182	333,212		2,970	1,262			1,262
Licensing Department Lisensie-afdeling	545,092	559,028		13,936	1,339,650	1,322,160		17,490
Organisation and Methods Division Bystelafdeling Organisasie en Metodes	51,933	59,197		7,264				
Parks and Recreation Department: Afdeling Parke en Ontspanning:								
General Algemeen	2,095,093	2,249,654		154,561	377,155	385,731		8,636
Carried Forward: Bring oor:	13,202,188	13,555,897			16,483,740	16,350,829		

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