POLICE DUTIES ON THE May GOLD MINES

REPLY TO ALLEGATIONS BY AFRICAN WORKERS' UNION

COLONEL A. E. TRIGGER, Colonel T. Thomas and Mr. G. E. Barry to-day gave evidence before the Mine Native Wages Commission on the functions and objects of the mine police organisations. A statement to the commission by the Gold Producers' Committee on the subject appears on Page Seven.

The chairman, Mr. Justice Lansdown, said this matter was not really within the commission's terms of reference, but he would give the witnesses an opportunity to reply to statements made in a memorandum submitted by the African

Mine Workers' Union.

Mine Workers' Union.

The witnesses handed in a White Paper in which the Union Government in 1937 gave an undertaking to the Portuguese Government that the spread of activities of a Communist character among the Portuguese natives would be prevented.

It thus became the industry's duty to give effect to the Union Government's undertaking.

Colonel Trigger, in charge of the Mines Police Organisation for 27 mines, handed in a list of assaults for the year ended June. 1943. In many cases the public prosecutor had declined to prosecute.

Colonel Trigger said he thought that in many instances the natives had a legitimate grievance when they said they did not get a "square deal" from the Courts; that months went by and they heard nothing further about the complaints they lodged. But this was not due to any action of the mines. The mines police had always taken a keen interest in assaults on natives.

He cited one case, in which a man had suffered a fractured ear-drum, in which the public prosecutor had declined to prosecute. He had urged that some action should be taken, and the accused was then fined 10s., or seven days. In other cases the accused were allowed to sign admissions of guilt.

THE "INFORMALT RIAL"

It seemed to him that there was too much extension of the man accused per-

It seemed to him that there was too much extension of the "informal trial"—the taking of statements from the accused perwhich were bound to be

partial. partial.

The chairman: It is, of course, the duty of the public prosecutor to make a preliminary investigation before he puts a case before the court?—When you have medical evidence, and a man in hospital, surely that shuold establish a prima facie case.

Colonel Thomas said that because the police were shorthanded, on account o the war, there was often a delay in taking action on a report of an assault, and in the meantime witnesses disappeared.

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QUESTION OF A DOCUMENT Mr. Gemmill referred to copy of a confidential documen Mr. Gemmill referred to a copy of a confidential document attached to the African Mine Workers' Union memorandum.

Colonel Trigger said this document had been distributed only to five offices; and he could form the

ment had been distributed only to five offices; and he could only form the conclusion that one copy had been stolen. He suggested that the commission should call on the African Mine Workers' Union to produce the document from which they had made the copy for their memorandum. He also suggested that it was competent for a magistrate to hold an inquiry into this matter.

ALLEGED "ESPIONAGE"

Mr. Gemmill read an extract from Senator Rasport

Mr. Genator Gemmill read an extract Senator Basner's evidence enator commission, who caid that from to the when Sena-Basner said that ed by Colonel Trigger "there was an exte letter by Colon-"there was an e-ient espionage of M signed shown and efficient espandard efficient espandard by the Chamber of Mine Workers' activities of the Mine Workers' Union—espionage which even usent so far as to spy on the control of members in analy

deliberation.

Parliament."

Colonel Trigger: I can
that Senator Basner
that Senatory state
may only say that Senator Basner has made a defamatory statement regarding me which may have its reflex in the Supreme Court.

"MISREAD THE WHOLE THING"

If the commission reference memorandum Colonel referred the memorandum, Colonel T ger added, they would find Senator Basner had misread Trigthat Senator Basner had misread the whole thing; and that the "spying" he referred to was conducted by members of the African Mine Workers' Union. They had said that their president, that to neir president waiting Native Representatives at Cape Town, had overheard members wn, had overheard members Parliament talking in an adjoining

Colonel Trigger said he did not e how exception could be taken

to his reporting on mine on mine property.

In reply to Senator B Colonel Trigger said he definitely that there was munist infiltration in the itely that the st infiltration he consider Comand he considered necessary. this

The commission adjourned until 2.15 p.m. on Tuesday.

DEDILIDATION

NATIVE WAGES IN THE GOLD **INDUSTRY**

INCREASE OF 2D. WOULD CLOSE A MINE

Mr. G. H. Beatty and Mr. R. L. Ward gave evidence at the Mine Native Wages Commission to-day in support of a statement sub-mitted by the Gold Producers' Committee on the effect of alterations in working costs on the scope of the gold mining industry.

tions in working costs on the scope of the gold mining industry. The committee's statement on the importance of the mining industry to the Union, submitted to the Commission yesterday, appears on page 2. The statement on working costs in relation to the industry's scope will appear later.

Mr. Beatty, speaking to-day on this second memorandum, gave as an example, that last month the working profit of Van Ryn Deep was 3d. a ton. An increase of 2d. a shift in native wages would make a difference of 3.4d. to working costs, and the mine would then be unworkable.

"We must reduce the pay-limit by every means we can," Mr. Beatty said, "until such time as secondary industries develop into take many years." He did not suggest that this should be done by reducing native wages to a sub-economic level, but present wages, both for natives and Europeans, were quite adequate economically. It had always to be borne in mind that increases in working costs could not be passed on. working costs could not be passed

CAPACITY FOR EXPANSION

Mr. Ward explained the extra-ordinary capacity for expansion which the Witwatersrand gold mining industry would have with lowered costs; and conversely the extraordinary contraction

mining industry would have with lowered costs; and conversely the extraordinary contraction that ensued when costs were raised. This aspect of the industry, unique on the Rand, was too often lost sight of. The lengthening of the life of the mines by bringing in thousands of tons of new ore had given. South Africa the prosperity it had enjoyed since 1932.

Gold differed from other products, such as coffee and rubber, in that the whole of the product was saleable, no matter in what quantity it was produced. The production of new gold was such a small quantity of the total quantity of gold in the world that an increase in production would not alter that total quantity to such an extent that the price of gold would fall.

WAGES AND EFFICIENCY

WAGES AND EFFICIENCY

Mr. Beatty said that an crease in wages would no a spur to efficiency on the mines. The industry was r said that an ingold relieved of the necessity

duce costs,

He did not think there wa
much more scope for mechanisa
tion. When the country left the
gold standard the mines went in
for mechanisation, because the anticipated a shortage native of labour, to increase the output per native.

The present time was the worst possible time to increase wages. From the point of view of postwar employment, he did not know how they could place the thoughout the possends of mine applications who had they could place the t joined u up if some mines had

close down

Mr. Beatty said the Rand was badly placed geographically for industries, if they were to be basic export on their merits. Additional industries would have to go to the coast, where they would have adequate water supplies.

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OBJECTS AND FUNCTIONS OF THE MINE POLICE ORGANISATIONS

The objects and functions of the mine police organisations were described by the Gold Producers Committee in a statement to the Witwatersrand Mine Native Wages Commission.

objects and functions of The the Mine Police Organisations, which have been in existence for many years, were generally provide for the policing of mine properties and the protection of the assets of gold mining companies. At present there were arganisations: the Anglo American Police Department, the General Mining Police Department, the New Consolidated Gold Fields Police Department, and the Rand Mines/Central Mining Police Department

These organisations were under the management of Mr. N. Hep-enstall, Major H. Pannall, Colonel A. E. Trigger and Colonel T. Thomas respectively, who were in charge of the police activities on the various gold mines of the groups mentioned. The mine police on the gold mines of the Johannesburg Consolidated Investment Group, the Union Corporation Group, the Anglo Transvaal Group, the Nigel G. M. Co. Witwatersrand Deep Ltd., and the New Pioneer were also under the management of Colonel A. E. Trigger. All the managers mentioned were ex-members of African Police.
RANGE OF DUTIES

The duties of the mine police were briefly: Suppression of un-lawful supply of liquor to mine lawful supply of liquor to mine natives; preventing thefts of gold from mining properties; prevent-ing thefts of mine property; patrolling mine premises and resi-dential areas; escorting gold and in transit; inquiring into suitability of applicants for cash in employment in reduction works and other persons employed in positions of trust; guarding ex-

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plosive magazines, transformers and other vital points on mine properties, including general pro-tection of war production plants; rendering assistance to the and military authorities in dealing with enemy subjects and persons engaged in subversive propaganda; generally to advise the management of mining companies of happenings which might affect the smooth running of the mines.

The police activities of mine were under the control of a European, assisted where necessary by other Europeans. He also had under his direction a number native police.

Each mine native compound control under the of licensed compound manager assisted by native compound police. The compound manager was required under the Native Labour Regulation Act of 1911 to maintain law and order in his companion of the compound of pound and to assist officers of the law in the execution of their duty

at the compound.

The mine police acted in collaboration with the South African Police and handed over to latter the prosecution of cases of gold stealing, illicit transactions in gold and the supply of illicit liquor detected by the mine the Theft cases and all other police. cases requiring reference to the courts were handed over to the South African Police.

ASSAULTS ON NATIVES

A special feature was made by the New Consolidated Goldfields police department of dealing with cases of assaults by Europeans on native employes; and every effort was made through the civil authorities to bring such cases expeditiously before the Courts. Experience had shown, however, that in some cases there was a prolonged delay, which resulted in a failure of the case being properly presented to the Court.

The mine police regularly gave information to the South African Police of natives returning to compounds under the influence of liquor, the number of native shifts lost due to liquor, localities shifts lost due to liquor, localities where natives obtained liquor and other information in connection with the supply to and obtaining of liquor by mine natives.

The personnel of the European staff consisted mainly of exmembers of the South African Police, who as such were thereusely conversant with police

thoroughly conversant with police duties and efficient in carrying them out.

There were 142 Europeans and 887 natives employed in the 1.887 police organisations at the various

QUICK RELIEF

WORKING COSTS AND THE LIFE OF GOLD MINES: N a memorandum submitted to the Witwatersrand Mine Native GRADES OF ORE AND THE **INDUSTRY'S**

Wages Commission on Thursday, influences the Gold Producers' Committee mentioned above depended largely stated that the problem of the upon the knowledge and experieffect of reductions in working costs on the duration of the gold mining industry was a technical investigation of very great complexity, and on only one occasion plexity, and on only one occasion particular case the estimates had been framed by a body of men particularly well qualified to do so. They were accordingly accepted by the commission "as embodying the most expert and had such an investigation been carried out. In 1930/31 an investigation was made jointly by the Low Grade Ore Commission and the Gold Producers' Committee, with results of outstanding importance. The finding of the commission was that after adding on 20 per cent, to the lives of the producing mines as deter-mined for purposes of income tax. and combining with the figures so obtained, estimates of the ore to be milled in three developing mines, the total tonnage to be milled by these 34 mines from the beginning of 1931 was estimated at 335,000,000 tons under existing conditions of costs. A reduction of 2s. per ton milled in working costs and yield would probably result in the milling of an additional 112,000,000 tons. equivalent to an increase of 33 per cent. in the total tonnage to be milled and, therefore, in the average life. A reduction of 4s per ton milled in working costs and yield would probably result and yield would probably result in the milling of an additional 243,000,000 tons beyond the 335,000,000 to be milled under existing conditions, equivalent to an increase of 72 per cent. in the total tonnage to be milled and, therefore, in the average life

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CONSERVATIVE ESTIMATE The Low Grade Ore Commis-

of the commission.

These results were reached jointly, and agreed to, with Mr.

A. C. Sutherland acting on behalf

sion reported further as follows: In submitting these results the Gold Producers' Committee pointed out that the estimates took no account of any tonnage lying at a greater depth than 7.500 feet; that the estimate of 335,000,000 tons to be milled from existing mines under existing conditions was too low as some of the lives as determined for purposes of income tax were not quite up to date, and in any case the addition of 20 per cent. to these lives was probably insufficient; that no allowance had been made for the extension of the life of a mine due to its working during its final years at diminish ing profits; that except in the cases of two mines, no account had been taken of the potentialities of reefs other than those of the Main Reef Series; and that as depth at which mining took place increased, it became necessarily less selective, resulting in an increased proportion of ore below pay-limit being milled.

For these reasons the Gold Proon-

the ducers' Committee admitted that the estimate of 335,000,000 tons nich to be milled from the existing mines under existing conditions was, without any doubt, conser-

TWO OTHER FACTORS

The Gold Producers' Committee also pointed out that no allow-ance had been made for the ance had been made for the higher grade ore which would be developed and mined by the working of the additional low grade tonnage; and that areas at preexploration might be rendered sufficiently attractive by reduction costs.

latter argument applicable not only to areas outside the boundaries of existing mines, but also to reefs and tions of reefs in existing mines which, owing to depth or gold content, were marginal proposi-tions. These two factors, if allowed for, would increase the percentage arrived at in the estimate as the measure for the lengthening of the lives of existing mines resulting from certain drops in the working costs; and as must be evident in probably an even greater degree, the per centage increase in the life of the Witwatersrand as a whole.

EFFECTS OF REDUCED COSTS The Gold Producers' Committee believed reductions of 2s. and 4s a

ton in the working costs and yield would bring about an in-crease in the future average life of the Witwatersrand, not of 33 per cent. and 72 per cent. respectively, as was estimated in the case of the 34 mines, but of at in the one case and of over 100 per cent. in the other.

The value to be attached to any estimate of the effect of the

ence of its framers, and in particular case the estimates had reliable opinion that can be obtained as to the duration of the

Witwaters and gold mining industry, and as being a sound basis upon which policies regarding it may be determined."

The Gold Producers Commit-

e's memorandum to the present commission went on to state that the investigation took more than a year to complete. It applied to the conditions prevailing before the departure of the Union from the gold standard, the working costs and revenue at the time being 19s. 4d, and 27s. 5d, a ton respectively as compared with 21s. 5d, and 34s. 4d, to-day. The average yield to-day was 4.07dwts. as compared with 6.4dwts in 1931. year to complete. It applied as compared with 6.4dwts in 1931 Further, the investigation dealt with the effect of reductions in working costs and not with in-creases in costs. Even so the commission's conclusions still stood as most valuable independent evidence of the very great effect of alterations in working costs on the scope of the Witwatersrand gold mining industry at that time.

It required very little consider-ation to show that an increase in native wages although giving the natives themselves a greater share in the yield from the gold mines, must reduce the share of the other participants in the gold mining revenue—the State and local authorities, the mining companies; and especially the share of other participants, of which European labour was one of the Indeed, the final most important, result of eliminating ore which would otherwise have been worked might well be the reduction in the total earnings of the natives

70 PER CENT. IN TAXES

Taxes of various kinds, on the average, now absorbed over 70 per cent. of the real profit from gold mining When, however, a reduction in profit took place because of an increase in costs, the loss to the State generally varied from 77½ per cent. of the fall in profit, in respect of a non-lease mine, to as much as 95½ per cent. of the fall in respect of a certain lease mine. But the most important effect of a rise in costs was not the diminution in profit, but the fact that such increase, by rendering ore unpayable, rethe total revenue to be distributed. It might be suggested that an

increase of cost would prevent mining only that ore which was of value between its present pay limit and the new pay limit re-quired to meet the added expenditure. This, however, was not the case. For a reduction of working costs would not only bring within the possibility of production large quantities of ore of lower grade than that being worked but also might reveal the possibility of developing high-grade ore exposed or made accessible by the removal of low-grade ore.

Conversely, an increase of costs would not only prevent the mining of quantities of ore whose value lay between the present and the new pay limit, but it would have greater effects. Ore recorded as being Ore mined was average value, but attain this average ore of values above and below must be mined; and so it was unavoidable that a considerable proportion of the ore mined was below the pay limit. Stress must be laid on the obvious fact that whatever the values of a ton of ore, each ton of the total output bear its full share of the overhead and standing charges of the mine; and amongst these must be included the cost of developing ore reserves to replace ore removed.

WHEN ORE IS ABANDONED

limit would Raising the pay limit would necessarily preclude the mining of some low-grade ore which could be mined at present. Stopes which that were productive on the lower pay limit must be abanconed if their value did not justify continuance at the increased limit. In an examination of the after effects two classes of be taken must mines account; first those with considerable unexplored areas, and secondly those whose whole area had been completely or almost completely developed.

pes, would require to in-The first class, on abandonment stopes, crease gramme and provide for a greater rate of advance, as on the higher pay limit the percentage of ability of their area would be lower than on the lower limit Such development would increase overhead charges over all ton-nage, and was likely to result in raising the pay limit still further than was occasioned by the im-position of some charges; such as would be necessitated by an in-crease of wages. The result crease of wages. The result ascending spiral in which the pay limit was vainly endeavouring to overtake rising costs.
Ultimately the position of such a mine would be similar to that

of a mine in the second category When a mine with little or no unexplored area was faced with extra costs its first reaction must be to endeavour so to adjust its output that it could meet the added burden; but such a mine when it closed down a stope could not increase its development, as it had nowhere left to develop to provide new ore reserves, and it very soon must face a reduction of tonnage by reason of lack of stope faces. Output might be reduced, but with this reduction there could not be a relative reduction of standing charges. Some reductions might be effected; but many administrative charges, such as claim licences and insurances, irreducible. So the effect

FUTURE

would be that on the small output the cost per ton would be considerably increased. At the stage of mine life in question it was natural that resources of high-grade ore would not be great, and the mine would very soon reach a position where its re-maining ore was of too low value to offset the increased cost arising from lower output. No other alternative but closure would exist for such a mine. At the exist for such a mine. At the closure the mine would contain many thousands of tons of ore which would have afforded occupation to hundreds of Europeans and thousands of natives if an increase of pay limit had not been forced upon it.

EXAMPLE OF THREE MINES

It was not possible to indicate to what extent the direct and immediate effect of a given in-crease of native wages on working costs would ultimately be mag-nified by this spiral process; but the direct effect, alone, of a few pence per shift rise in native wages must cause mines which work on a small margin of profit to become unprofitable to work.

The profit from gold mining for April in the case of Van Ryn Estate was under 2d. a ton and this would be completely absorbed by a rise of about a penny a shift in native wages. Similarly, the profit of Langlaagte Estate of 4d, a ton and of Van Ryn Deep of 5d, a ton would be completely absorbed by rises of 24d, a shift and 3d, a shift respectively. and 3d a shift respectively.

Such increases would obviously

cause immediate notices of closure of these mines. In this event the direct loss of revenue distributed, based on the results of the first four months of 1943, would amount to £3,300,000 per annum. The indirect loss to the country would be many times that figure. An increase in the revenue distributed the gold mines initiated and supported a structure of secondary and ancillary activity whose total revenue was a multiple of the gold mining revenue. Conversely, a decrease in gold mining revenue withdrew support from a wide circle of secondary and ancillary activity, and so caused a general diminution of revenue much greater than that directly ascribable to gold mining. As two of these mines were in the municipal area of Benoni, the effect there would be considerable.

If the Government ceased imposing the artificial gold realisa-tion charge on these three low profit mines, their margin of profit would rise by 4½d., 5½d. and 5½d. a ton respectively.

Every working mine bore its share of the industry's fixed charges for various services of co-operative nature. Thus closing down a mine imposed an additional burden upon those which remained working, and increased their cost per ton.

UNION'S GOLD RESOURCES A general view of the country's

gold-bearing areas snowed categories, as follows:—

(a) The well-explored Witwatersrand area of producing mines; (b) areas containing producing mines not in the Witducing mines not in the Wit-watersrand geological formation; (c) areas associated with the Wit-watersrand geological formations which had been partially developed prospected, which gold deposits were believed to exist at workable depths. These areas included the deeper portions of the main Witwatersrand area from Heidelberg to Venters-post, which had not yet been sufficiently prospected or developed to be classed under (a); and the partially explored area between Venterspost and Klerksdorp, and the Western Reefs and Free State which already two large mines which had become producerscently vooruitzicht and Western Reefs. The significance of these areas lay in the fact that they represented, as far as at present known, the raw material of the future of gold mining in the Union, if it was to be continued as a major industry.

The mines in category (a) represented virtually the whole Witwatersrand area. A graph attached to the memorandum gave a general view of the estimated future operations of these mines, assuming that present conditions, including native wages remained unchanged. This graph showed how revenue would de-crease from £110,000,000 in 1944 to £103,000,000 in 1949 and to £54,000,000 in 1954.

CATEGORIES B AND C

The small mines, Category B. were scattered about the country Their monthly distributions costs were of great importance to their localities. They provided that local demand for labour and produce, which gave some small spread-over to the South African market, which suffered generally from over-concentration in a few urban centres. Generally speaking, they were subject to the same rule as the larger mines subject -namely, if native wages were increased "lives" would be shortened and total revenue would fall. Local conditions differed in these outside districts, and rising costs would have a sharp effect on some mines

Revenue distributed varied considerably as between mine and mine; reaching, in one instance, nearly £500,000 a year. This mine entirely supported a small town, and its closing would be closing woo and disaster The closing would be preceded by a year or two in which all richer ore would be removed, and thus much of any incentive to re-open, should conditions later more favourable, would

be eliminated. The areas in Category C were areas not included in Categories A and B where gold-bearing possibly payable reefs believed to exist at a depth of not more than 8,500ft. This, present working methods, conditions of gold price, costs and taxa-

Charge ord Puzzle

might be considered the tion maximum economic working depth; though obviously if sufficient incentive were provided it was likely that work

was likely that ways of extending depth would be devised.

Broadly speaking, these areas could be divided into: (a) Those adjoining the producing mines of the Witwatersrand from Heidelberg to Libanon; (b) the area between Libanon and Klerksdorp; and (c) the Western Reefs and Free State areas.

HEIDELBERG-LIBANON

This area embraced the areas which, though in the same neigh-bourhood and Reef formation as the majority of the working mines of the Witwatersrand, for various reasons were not being exploited These reasons were partly economic and partly due to temporary difficulties arising from the war. These dormant areas occurred

in two large segregations: one on the Far East Rand basin and the other extending in a southwesterly direction from Roode-poort to the Libanon mine. In them boreholes had been drilled, shafts sunk and a certain amount of exploratory work underground accomplished. In portions of these areas the presence of reefs had been indicated which, but for the war, would possibly by now have been in course of profitable exploitation. In other portions the indications were that the reefs were too poor to exploit under present conditions; and over large areas, though the existence of reefs has been proved by boreholes, there was not enough evidence to show whether they were likely to be payable or not.

The extent of the areas was considerable; they would at least accommodate 10 to 15 large mines, though how much would be payable under present conditions was problematical. information so far obtained was insufficient to justify any estimate of expected tonnage or revenue.

LIBANON-KLERKSDORP

This area no doubt by now would have been the scene of considerable mining activity had it not been for the war. It contained one mine, Blyvooruitzicht, where exploratory work had, within the comparatively small area it had covered up to date, disclosed a reef with high values of remarkable persistency Some 12 miles beyond Libanon, this mine was in good position to indicate the possibilities of the area, at all events as far as Frederikstad. This length would provide room for about six large mines; but although the results at Blyvooruitzicht had up to now been very encouraging, it did not necessarily follow that the area between it and Libanon on the one side and Frederikstad on the other did not contain some areas where payable reefs did not exist.

Between Frederikstad and Klerksdorp little was known of the existence or otherwise of such reefs as were likely to make large mines; and the Main Reet series had not been positivly located there.

WESTERN REEFS-FREE STATE

extended from Western Reefs mine many miles into the Orange Free State. exposures of payable reef made in it had been on Elsburg Reefs, the so-called "Contact" reef and other gold-producing horizons which, though worked profitably elsewhere were not, outside this line, of the same importance as compared with the Group, which up to now had not been shown as a possible source of gold along this line.

The Western Reefs Mine was

in profitable production on the Elsburg and "Contact" reefs, and it was possible that its success might encourage the exploitation of the same reefs on neighbour-ing ground. Apart from this mine, however, the only evidence of reef occurrences which might lead to the establishment of large mines had been obtained from borehole. The indications were considerable underlain by gold-bearing which had not, however, reefs been positively identified with other known reefs.

FUTURE IN CATEGORY (C)

If the decline of the industry as a whole was to be avoided, it was in the areas in category (c) that the new mines must be sought to replace old ones which in course of time became worked out. The opening of a new mine could only be warranted if the resources to be expended on it were likely to be returned with a profit commensurate with the risk involved. In so far as an increase in native wages increased costs, it must render the prospects of gold mining less attractive, and would be one of the factors tending to make opening up of a new mine unjustifiable.

Increase in native labour costs would affect potential gold mining

areas in various ways:—
It would increase directly and indirectly the prospective mining and milling costs, and so reduce prospective profit.

An increase in costs raised the 'pay limit" and made less of the reef payable. As a result more development would be necessary per ton milled, costs being further increased.

The cost of such development nd of shaft sinking and all work prior to production was also increased both directly and in-directly, so that greater resources were required to bring a mine to

Thus an increase in native labour costs might render the opening of a new mine unjusti-fied; and when this happened fled; and when this happ none of the revenue that have been produced accrued loss of revenue in respect of un-touched areas was more serious than the loss in producing mines in category (a), in which it was the portion of the ore not mined through a rise in costs that ceased to be a source of revenue

EFFECTS

The third effect mentioned above was greater as the work inmentioned olved in bringing a mine to production increased. Where. duction increased. Where the payable reef came to the surface, as it did from Randfontein to Benoni, the capital expended before returns came in was not great. The mines within those limits and the surface of the sur limits mostly started as small outcrop workings, and as reef values were proved, so the sinking of deep level shafts became justified.

The areas in category (c) were mining risks of a different quality. Reefs which might produce large mines lay at great depths below other rocks. Prospecting was no longer only a matter of digging surface trenches, for in addition deep drilling had now to be undertaken. This was not only extremely costly, but might, through faulting, fail to give a correct view of the existence or otherwise of a reef; and in any other gave only a limited and event gave only a local idea of value. a limited and

Furthermore, the subsequent shaft sinking involved heavy expenditure before a beginning could be made to show whether payable mine existed. Whereas on an outcrop an expenditure of few thousand pounds yield this indication, £1,000,000 or more might be required in category (c) areas. In so far as this cost was made up directly and indirectly of native wages, an increase in them raised it correspondingly. Thus a wage increase, which would be of little significance as a deterrent to opening a small outcrop mine, might be the determining factor in preventing the opening of a deep-level one; under which descrip-tion all potential large mines in category (c) areas fell.

As every increase in native

wages made ore unpayable, the effect must be to reduce the total revenue the gold mines could dis-tribute. Any benefit natives might derive involved the rest of the community in a loss much greater than if it were merely a transference from them to the natives. There was a far greater loss arising from the ore which was not mined.

BASIS OF EMPLOYMENT OF NATIVES ON MINES

THE general basis of the employment of native labour by the Witwatersrand gold mines was described by the Gold Producers' Committee in evidence to-day before the Mine Native Wages Commission.

The committee stated that native labour force of the Witwatersrand gold mines had always consisted almost entirely of men drawn from the native reserves of the Union and neighbouring territories, who left their families at home. Less than 1 per cent. of the mine native labour complement consisted of urbanised plement consisted of urbanised natives, i.e., natives who did not live in mine compounds but had permanent homes on the Witwatersrand. The actual percentage

watersrand. The actual percentage in January last was .84 per cent In 1932 the Native Economic Commission reported that only a very small proportion of mine natives was ever likely to be permanent dwellers on or near the nines. There were then only 1.518 married natives with their families. Because of their comparatively short periods of continuous service, the incidence among natives of miners' phthisis among natives of miners' phthisis was much less than among European miners who worked continu-

ously for a number of years.

In addition to money wages mine natives were housed and fed, and received other amenities and services free of cost to them. Their real wages thus comprised not only cash earnings but rations quarters and hospital and medical services. The value to natives of such items was not the cost to the mines, but the cost to natives if they had to provide them. Real es were over £65 per annum underground natives and £63 for surface natives.

12 YEARS OUT OF 22

The Inter-Departmental Committee on the labour resources of the Union (1930) estimated that a native living in the reserves (some did not need to come out to work at all) on the average worked away from home for only about one-third of his working life. According to the Native Economic Commission (1932), mine natives spent on the average about five months at home

for every seven months at work.

The Departmental Committee on native labour in Zululand, the Transkei, etc., was of opinion that the average period of service of a mine native from the Union was increasing, and at that time (1935) was about 12 months. It was now over 13 months, the average stay-at-home being some-thing over 12 months. The work-ing age of a mine labourer was shown to be between 18 and 40.
and during that period he spent
about 12 years on the mines.
The mining industry offered
inducements to natives to stay a

shorter time at home and to pro-long their stay on the mines. Thus a native who during a period of continuous service had worked 270 shifts underground would, if he returned to work on the same mine within six calendar months, be re-employed at the same rate of pay as he rethe same rate of pay as he re-ceived when he left; and a native coming forward under the assisted voluntary system was refunded his rail fare if he worked under-ground for a continuous period of 270 shifts.

WAGES AS A SUPPLEMENT

Generally speaking, wage earning to natives in the reserves was a necessary means of supplementing the livelihood provided by the land The social and economic position of these natives was such that they were able to satisfy their needs by intermittent periods of service. They postponed going out to work until the last possible moment, and the possession of additional funds enabled them to remain in com-parative idleness for a further period. Although their wants were gradually increasing, the in-crease was slow, and on returning from industrial centres they reerted to their historic tribal conditions.

Any increase in wages would be followed to only a small extent by an increase in the native standard of living. The main result would be that natives would work for a shorter period than at present; and consequently the available native labour in the Union would be reduced. There was nearly always a greater demand for neiting labour in the Union with the Union with the Union was nearly always a greater demand for neiting labour in the Union was nearly always a greater demand for neiting labour in the Union was nearly always a greater demand for neiting labour in the Union was nearly always a greater demand for neiting labour in the Union was nearly always a greater demand for neiting labour in the Union was nearly always a greater demand for neiting labour in the Union was nearly always a greater demand for neiting labour in the Union was nearly always a greater demand for neiting labour in the Union was nearly always a greater demand for neiting labour in the Union was nearly always a greater demand for neiting labour in the Union was nearly always a greater demand for neiting labour in the Union was nearly always a greater demand for neiting labour in the Union was nearly always a greater demand for neiting labour in the Union was nearly always a greater demand for neiting labour in the Union was nearly always a greater demand for neiting labour in the Union was nearly always a greater demand for neiting labour in the Union was nearly always a greater demand for neiting labour in the Union was nearly always a greater demand for neiting labour in the Union was nearly always a greater demand for neiting labour in the Union was nearly always a greater demand for neiting labour in the Union was nearly always a greater demand for neiting labour in the Union was nearly always a greater demand for neiting labour in the Union was nearly always a greater demand for neiting labour in the Union was nearly always a greater demand for neiting labour in the Union was nearly always a greater demand for neiting labour in the Union was nearly always a greater demand for neiting labour in the Union was nearly always a greater demand for neiting labour in the Union was nearly always a for native labour in the Union than could be satisfied, and if it were the case that tribal natives found their earnings insufficient, they could augment them without difficulty.

This position was referred to in the report of the Inter-Depart-mental Committee on the Labour Resources of the Union as follows:

'The extent to which the native from the reserves is available as a labourer is, therefore, dictated by the amount of money he requires to earn to pay taxes, to acquire stock, and to provide himself and his family with European manu-factures, etc. His tribal lands factures, etc. His tribal lands supply him with all or most of his food and drink. When there is a good harvest, his dependence on the labour market drops. If Nature is bountiful, there is an appreciable diminution in the labour force. If the harvest has been poor, there is more labour available."

RESERVES SUBSISTENCE

While tribal natives work on the mines, their families live at the mines, their families live at home in the reserves; where they were maintained largely by produce of the land; the "reserves subsistence" portion of the family income, as it was called by the Native Affairs Commission. When they returned home either temporarily or permanently, they fell back on the "reserves income" back on the "reserves income aided by their savings.

The Native Affairs Commission set out the position as follows (Report 1939/40):—

"It must be accepted that during the year he is at work on the mines, the worker is aided by the reserves subsistence which is maintained by his family—if he is married, by his wife and childwho hoe and plant ground and tend the stock; and if single, by his parents. The value

BACKGROUND OF CONDITIONS IN THE RESERVES

of the reserve income per family is difficult to assess, owing to the widely different conditions. Past efforts at computation have obtained a figure as high as £40 and as low as £10. The Economic Commission gives £29 4s. 9d. in the Transkei, for the depression year of 1931, and £15 15s. 4d in Louis Trichardt. But it is certain that the average position is much better to-day. With the certain that the day. With the is much better to-day. With the tural methods brought about by the intensive instruction of the past five years, the commission would value the average annual income of a native family living the reserves at not less than £30.

natives from the reserves, thus in an entirely diffection of the conomic position from different tribalised urban natives employed by industrial concerns and absorbed in the European econo-mic system, whose wages had restem, whose wages had been the subject of various determinations. They were wage determinations. They were permanent town dwellers whose permanent town dwellers whose food and housing and all other necessities must be provided out of wages. They had no "reserve income" to supplement those earnings, and owing to environment tended to approximate in style of living to European stan-dards; and unlike tribal natives, could not count on support in

MINE NATIVES' INCOME

From all these facts it was possible to estimate the total income of a native when working come of a native when working on the mines. It consisted first of the value received in cash and kind while on the mines in return for a year of work. This now amounted to over £63 for a surface native. Adding to this, the estimated value of the reserves income, this total income was £93; made up of the value was £93; made up of the value of employment, including food, quarters and amenities, £63 per year of work, and the reserves income, £30.

The total family income of this native while employed on the surface of the mines thus averaged £7 15s a month, which was considerably more than the wage rates of 25s to 27s, a week fixed for detribalised urban natives under recent wage determinations for Witwatersrand industrial concerns plus cost of living of 5s. a week A native working under-ground was even better off. The average mine native worked for a period of 14 months on the mine followed by a stay of 12 months at his home. The total family income of the surface native for these 26 months was £138 17s. 1d. equal to £64 1s 9d per annum.

BASIS OF THE INDUSTRY The gold mining industry had been rendered possible on its existing massive scale by the ability to obtain an effective unskilled native labour force from the reserves at ruling rates of pay In other statements the Gold Producers committee had shown the vital importance of the gold mining industry to the

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Union; and the effect of increases in cost in restricting the scale of operations and reducing the scope of employment for Europeans and natives, as well as diminishing Government revenue. It was ob-vious that if the mining industry had to employ urbanised natives at a cash wage of £7 10s. a month or thereabouts, instead of tribal natives at existing rates, the industry as now known would

simply not exist.

The basis of the employment of native labour by the mines was in complete accord with balanced South African native policy laid down virtually unanimously by Parliament after thorough investigation and discussion in 1936/37, and embodied in legislation (in particular the Native Trust and Land Act, 1936, and the 1937 amendment to the Urban Areas Act) and affirmed by the Minister of Native Affairs in the House of

Assembly on February 26, 1943.

In brief, that policy was the enlargement and planned development and improvement of the native reserves, and the concurrent restriction on the number of natives permitted in the towns, coupled with the proper towns, coupled with the proper housing of those so permitted. It aimed at the preservation of the economic and social structure of the native people in native areas where that structure could be sheltered and developed. developed.

The policy was a coherent whole; and the antithesis of the policy of assimilation and the encouragement of a black proletariat in the towns, divorced from its tribal heritage. The ability of the mines to maintain their native labour force by means of tribal natives from the reserves at rates of pay which were adequate for this migratory class of native, but inadequate in practice for the detribalised urban native, was a fundamental factor in the economy of the gold mining industry

A great increase in industrial and other activities in the Union followed the expansion of the gold mining industry from 1932 onwards. This created a correspondingly increased demand for native labour in industrial occupation, and yet the gold mining industry steadily increased its engagements of native labour from the Union and the High Commission Territories.

The mine native labour force

was selected after rigorous medical examinations, and might be said to be physically the pick of the native population. The mine managements devoted a great deal of attention to the economical and efficient use of native labour. It was true that the intermittent nature of employment (intermittent as between work on the mines and eta, in the termital and et and stay in the territories) would militate against the acquirement and retention of a high degree of skill, but such was not necessary skill, but such was not necessary for work done by natives in the gold mines, who were prevented by law and custom from performing skilled work. The allocation of skilled work to Europeans and unskilled work to natives was a cardinal feature of the labour structure of the mines; and any attempt to expand the classes of work open to competent natives would meet with strenuous and bitter opposition from European employes and their trade unions. employes and their trade unions.

EUROPEAN WAGES

The high level of European wages was largely dependent on the present level of native wages. was discussed in the report of the Economic and Wage Commission (1925), and was there summarised in a reply by Mr. Ivar L. Walker, then Chief Inspecto of Labour and now Secretary to the Department of Labour to the Department o the Department of Labour,

"Would it be fair to say that white wages are high becaus non-European wages are low?-Yes, I think that what we have the face is that as the low wages because the control of the control come higher, probably some of th higher wages have got to becom lower."

The exclusion of natives from skilled work on the mines had frequently been the subject of representations by persons and bodies purporting to speak on behalf of the mine natives, just as the wage rates on the mines had occasionally been the subject of similar representations; so far as the native mine workers themselves were concerned, the fact that the mines were to obtain so large and increasing a number of natives from the Union, in competition with other and expanding industries, sup-ported the contention that mine wages and conditions of employment taken together were acceptable and attractive.

URBAN AREAS ACT

The principle of the Urban Areas Act was that for each urban area a quota of natives required for the industries in that area must be laid down from time to time and adhered to; natives in excess of the quota not being permited in the towns and any excess removed. The Native Affairs Commission strongly urged the rigorous application of these provisions, which, it stated, "would lead to

that necessary division between the permanently detribalised urban native who has no reserve resources and the casual worker from the reserve who has; leaving available for the primary industries of mining and farming a number of surplus natives at present in the towns." Report 1939/40.)

Even if a gradual increase in the number of urban natives was unfortunately inevitable, any large-scale increase could be prevented if the policy adopted by the Union was whole-heartedly carried out. If in course of time the out. If in course of time the supply of Union native labour from the reserves seeking employfrom the reserves seeking employment on the mines seriously diminished from any cause, then the industry could be worked to an increasing extent by tribal natives from outside the Union who, still enjoying their "reserves subsistence" found Witwatersrand mine wages more than adequate as compared with the rand little wages more than adequate as compared with the wages obtainable in their own countries, and were repatriated at the close of their term of serat the close of their term of service. The native wage level in the northern territories—plus food and quarters—was roughly farm labour in Nyasaland and Northern Rhodesia 7s. to 12s. a month; Southern Rhodesia 15s. to 20s. a month. Mining: Northern Rhodesia copper mines 1s. 5d a snift and Southern Rhodesia mines 1s. 3d. a shift (including all allowances in both cases.)

The value of imported native The native wage level in the native wage level in the parthern territories—plus

The value of imported native labour to the Union in such circumstances was emphasised in the Report of the Economic and Commission (1925)follows:

There is little doubt that South Africa is underpopulated, in the sense that an increase in popu-lation would lead to a more lation would lead to a more effective exploitation of her great natural resources and to an increase in wealth production per head; if this be so, the utilisation of imported labour will have the same effect as the utilisation of imported capital and increase the funds available per head of the occupied population for the pay-

ment of wages."

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