

POLICE DUTIES ON THE 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.

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 "INFORMAL TRIAL"

It seemed to him that there was too much extension of the "informal trial"—the taking of statements from the accused persons, which were bound to be 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 should establish a prima facie case.

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

QUESTION OF A DOCUMENT

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 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 Basner's evidence to the commission, when Senator Basner said that a letter signed by Colonel Trigger had shown "there was an extensive and efficient espionage system by the Chamber of Mines on activities of the Mine Workers' Union—espionage which even went so far as to spy on the deliberations of members in Parliament."

Colonel Trigger: I can 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 referred to the memorandum, Colonel Trigger added, they would find that 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, while waiting to interview the Native Representatives at Cape Town, had overheard members of Parliament talking in an adjoining room.

Colonel Trigger said he did not see how exception could be taken to his reporting on mine affairs on mine property.

In reply to Senator Basner, Colonel Trigger said he knew definitely that there was Communist infiltration in the union and he considered this action necessary.

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

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 submitted by the Gold Producers' Committee on the effect of alterations 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 primaries; and that is going to 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.

CAPACITY FOR EXPANSION

Mr. Ward explained the extraordinary capacity for expansion which the Witwatersrand gold 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

Mr. Beatty said that an increase in wages would not be a spur to efficiency on the gold mines. The industry was never relieved of the necessity to reduce costs.

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

The present time was the worst possible time to increase wages. From the point of view of post-war employment, he did not know how they could place the thousands of mine employees who had joined up if some mines had to close down.

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

"Arsenic and Old Friends" me
that she is well satisfied with

OBJECTS AND FUNCTIONS OF THE MINE POLICE ORGANISATIONS

27/Aug.

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.

The objects and functions of the Mine Police Organisations, which have been in existence for many years, were generally to provide for the policing of mine properties and the protection of the assets of gold mining companies. At present there were four organisations: 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. Hepenstall, 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 the South African Police.

RANGE OF DUTIES

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

plosive magazines, transformers and other vital points on mine properties, including general protection of war production plants; rendering assistance to the civil 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 each mine were under the control of a European, assisted where necessary by other Europeans. He also had under his direction a number of native police.

Each mine native compound was under the control of a 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 compound 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 the latter the prosecution of cases of gold stealing, illicit transactions in gold and the supply of illicit liquor detected by the mine police. Theft cases and all other 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 employees; 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 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 ex-members of the South African Police, who, as such were thoroughly conversant with police duties and efficient in carrying them out.

There were 142 Europeans and 1,887 natives employed in the police organisations at the various mines.

CONVICTION SET ASIDE

of Villiers,

QUICK RELIEF

S. WORKING COSTS AND THE LIFE OF GOLD MINES: EFFECTS ON GRADES OF ORE AND THE INDUSTRY'S FUTURE

IN a memorandum submitted to the Witwatersrand Mine Native Wages Commission on Thursday, the Gold Producers' Committee stated that the problem of the effect 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 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 determined 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 in the milling of an additional 243,000,000 tons beyond the 335,000,000 tons 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.

These results were reached jointly, and agreed to, with Mr. A. C. Sutherland acting on behalf of the commission.

CONSERVATIVE ESTIMATE

The Low Grade Ore Commission 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 the 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 diminishing 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 a increased proportion of ore below pay-limit being milled.

For these reasons the Gold Producers' Committee admitted that the estimate of 335,000,000 tons to be milled from the existing mines under existing conditions was, without any doubt, conservative.

TWO OTHER FACTORS

The Gold Producers' Committee also pointed out that no allowance 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 present considered too unattractive for exploration might be rendered sufficiently attractive by reduction in costs.

This latter argument was applicable not only to areas outside the boundaries of existing mines, but also to reefs and portions of reefs in existing mines which, owing to depth or gold content, were marginal propositions. 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 percentage 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 increase 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 least 50 per cent. 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

influences of the two factors mentioned above depended largely upon the knowledge and experience of its framers, and in this 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 reliable opinion that can be obtained as to the duration of the Witwatersrand gold mining industry," and as being a sound basis upon which policies regarding it may be determined.

The Gold Producers' Committee'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. Further, the investigation dealt with the effect of reductions in working costs and not with increases 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 consideration 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 most important. Indeed, the final result of eliminating ore which would otherwise have been worked might well be the reduction in the total earnings of the natives themselves.

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 7½ 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, reduced the 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 required 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 far greater effects. Ore mined was recorded as being of a certain average value, but to attain this average ore of values above and below the average 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 must 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

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

The first class, on abandonment of stopes, would require to increase the development programme and provide for a greater rate of advance, as on the higher pay limit the percentage of payable life of their area would be lower than on the lower limit. Such development would increase overhead charges over all tonnage, and was likely to result in raising the pay limit still further than was occasioned by the imposition of some charges; such as would be necessitated by an increase of wages. The result might well be described as an 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 grade of 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, were irreducible. So the effect

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 reached a position where its remaining 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 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 increase of native wages on working costs would ultimately be magnified 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 2½d. a shift 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 by 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 realisation 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 a 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 showed three categories, as follows:—

(a) The well-explored Witwatersrand area of producing mines; (b) areas containing producing mines not in the Witwatersrand geological formation; (c) areas associated with the Witwatersrand geological formations which had been partially developed or prospected, or in which gold deposits were believed to exist at workable depths. These areas included the deeper portions of the main Witwatersrand area from Heidelberg to Venterspost, 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 areas, which already contained two large mines which had recently become producers—Blyvooruitzicht and Western Reefs. The significance of these areas lay in the fact that they represented, as far as at present known, the raw material in 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 decrease 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 of 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 large urban centres. Generally speaking, they were subject to the same rule as the larger mines—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 a disaster to the town. 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 become more favourable, would be eliminated.

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

tion might be considered the maximum economic working depth; though obviously if sufficient incentive were provided it 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 neighbourhood 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 south-westerly direction from Roodepoort 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 to make them be payable under present conditions was problematical. The 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 Reef series had not been positively located there.

WESTERN REEFS—FREE STATE

This area extended from the Western Reefs mine many miles into the Orange Free State. The 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 Main Reef 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 neighbouring 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 boreholes. The indications were that considerable areas were underlain by gold-bearing reefs which had not, however, 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 and of shaft sinking and all work prior to production was also increased both directly and indirectly, so that greater resources were required to bring a mine to production.

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

The third effect mentioned above was greater as the work involved in bringing a mine to production 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 mostly started as small outcrop workings, and as reef values were proved, and 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 event gave only a limited and local idea of value.

Furthermore, the subsequent shaft sinking involved heavy expenditure before a beginning could be made to show whether a payable mine existed. Whereas on an outcrop an expenditure of a few thousand pounds would 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 description 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 distribute. 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.

"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 children, who hoe and plant the ground and tend the stock; and if single, by his parents. The value

Durn
 aux
 an
 for
 duc
 give
 and
 will
 at
 on
 C
 disp
 an
 of
 wole
 succ
 the
 and
 are
 be
 Ave
 now
 T
 now
 new
 built
 mit
 dese
 thos

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 permitted in the town and any excess removed. The Native Affairs Commission strongly urged the rigorous application of these provisions which, it stated, "would lead

"There is little doubt that South Africa is underpopulated, in the sense that an increase in population 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 payment of wages."

Collection Number: A2535

Collection Name: Abram Fischer Papers

PUBLISHER:

Publisher: **Historical Papers Research Archive, University of the Witwatersrand**

Location: **Johannesburg**

©2016

LEGAL NOTICES:

Copyright Notice: All materials on the Historical Papers website are protected by South African copyright law and may not be reproduced, distributed, transmitted, displayed, or otherwise published in any format, without the prior written permission of the copyright owner.

Disclaimer and Terms of Use: Provided that you maintain all copyright and other notices contained therein, you may download material (one machine readable copy and one print copy per page) for your personal and/or educational non-commercial use only.

People using these records relating to the archives of Historical Papers, The Library, University of the Witwatersrand, Johannesburg, are reminded that such records sometimes contain material which is uncorroborated, inaccurate, distorted or untrue. While these digital records are true facsimiles of paper documents and the information contained herein is obtained from sources believed to be accurate and reliable, Historical Papers, University of the Witwatersrand has not independently verified their content. Consequently, the University is not responsible for any errors or

omissions and excludes any and all liability for any errors in or omissions from the information on the website or any related information on third party websites accessible from this website.

This document forms part of a collection, held at the Historical Papers Research Archive, University of the Witwatersrand, Johannesburg, South Africa.