centrates a
all of whic
tonnage so
under runn

Operating
19s. 3d. to 19s.
increase of 7d. p
due to rail and po
have no control: the
than accounted for by
operating costs, resulting
production of pyrites and the recovery of
copper concentrates, and offset by the addi-
tional revenue thus created.

DEVELOPMENT OF THE STANTRG MINE

With regard to the development of the Stantrg Mine, I am pleased to say that results have been highly satisfactory. As anticipated, additional bodies of ore have been opened up on the 485 metre level, and the total area at this horizon now amounts to 8,939 square metres, averaging 3.12 per cent. lead, 3.49 per cent. zinc, 0.17 per cent. copper, and 4.27oz. of silver per ton. This is the largest area of ore yet disclosed at any one horizon, and augurs well for the future of the mine in depth.

During the past year the development of the 435 metre level was commenced, and at the end of September we had already opened up an area of 2,153 square metres of ore assaying 9.0 per cent. lead, 0.37 per cent. zinc, 0.17 per cent. copper, and 8.26oz. of silver per ton.

The isolated orebodies, which I told you last year we had found on the 485 and 545 metre levels, have since been proved to extend upwards to the 610 metre level, and further bodies have been discovered. The effect of this has been an addition to the tonnage above the 485 metre level sufficient not only to compensate for the 650,000 tons treated during the year, but also to raise the ore reserve figure by some 200,000 tons.

Our ore reserves at Stantrg now amount to 3,100,000 tons of an average assay value of 3.2 per cent. lead, 5.6 per cent. zinc, and 3.8oz. of silver per ton, and since the acquisition of the properties of the Kopaonik and Zletovo Companies we have available for immediate exploitation an additional tonnage of partly proved and indicated ore on those properties amounting to about 1,700,000 tons.

ENLARGED ACTIVITIES

As you know, we have during the past year taken certain steps which will in due course enlarge our activities very considerably. I refer to the absorption of the three companies, Kopaonik, Novo Brdo, and Zletovo, and to our undertaking to erect lead and zinc smelters in Yugoslavia. I fully explained the reasons for and objects of these measures at the extraordinary general meeting in August last, and I do not think I need repeat the explanations to-day. I should, however, perhaps remind you that we are now passing through a transitional stage; while we hope by this time next year to have the first section of the lead smelter in operation, the large amount of capital which we are investing in the smelters will not be fully productive until 1941.

At the same time, although, as the result of the amalgamation, we have considerably increased our capacity for the production of lead and zinc concentrates, it would be short-sighted policy on our part to draw upon our ore reserves by putting extra production on the market regardless of the level of metal prices. Periods of higher prices are sure to occur from time to time, and we are now so placed that we can reap immediate and substantial advantage during such periods.

Since the end of the financial year we have formed two Yugoslav subsidiary companies to erect and operate the lead and zinc smelters. The design of the lead smelter is well advanced, the site alongside the concentrating plant at Zvecan has been cleared, and a start has been made on construction work. In the case of the zinc smelter, we have not yet finally decided upon the type of plant to be adopted or on its site: provided we can obtain electric power at a sufficiently cheap rate, either from a hydro-electric or a steam plant, we shall in all probability decide on the electrolytic process, and the examination of this question is now proceeding.

I am confident that the policy of expansion on which we have embarked will be rewarded in due course by increased prosperity.

The report and accounts were unanimously adopted.

35.1.14 (2)

Agriculture

Four types of Native Labour

1. Labour Tenants
2. Full time Servants
3. Share Farmers
4. Seasonal Labourers from Reserves, Crown Lands, & Native owned farms or from families of tenants on European farms

1. Labour Tenants

~~Originally~~ In most cases, the Natives were the original occupiers of the land.
Land taken up, or allocated to Europeans
Natives called upon to render service
∴ A labour tenant is one who gives his own service and/or that of other members of his family for a certain period of the year in return for the right to reside on the farmer's land, to cultivate a portion of the land, & to graze his stock on the farm.
Extremely varied conditions – even within the same district.
~~Wages~~
~~(a) 10 days~~ ~~In most cases wages paid.~~

The workers

(a) Head of family

(b) Wife - in kitchen or in the fields assisting

(c) Children from 8. 10. 12. or 15 herding

If (b) & (c) working, especially if young man then (a) may or may not work for the farmer.

Period

~~Can~~ Varies considerably

(a) ~~Fr 190~~ 90 days Trl. also to some extent Cape & O.F.S

(b) 120 — 150 " "

(c) 180 " " & Natal

(d) January to January - Trl & Natal & O.F.S.

"From Sunrise to Sunset"

Intermittency of work.

Locked up labourers

Wages

(a) None in most cases

(b) Wages paid after period completed - in some cases

1/- to 1/6 a day.

(c) Wages paid to women - in a few cases.

2/6 to 5/- a month
sometimes up to 10/- a month

boys 2/6 to 5/- a month
girls 2/6

Tenure in Kenya

(a) Plot 200 yds x 50 yds or 100 yds

Varies according to ~~rat~~ price of land. ~~[illegible]~~ Becoming less.

Complaints

(a) ~~No~~ time to plough & scoffee

(b) Poor land.

(b) Grazing for Cattle

No. varies – growing less.

Now must open ~~[illegible]~~ 14 acres for ploughing & one or two cows.

N.B. Frequently preference given to Natives who own oxen.

Where no restriction on cattle Natives will accept bad conditions otherwise.

(c) Food

~~Usually~~ ~~[illegible]~~ ~~[illegible]~~ only for those members of family who are working

Frequent complaints that women must cook ~~[illegible]~~ for family as well as work herself..

~~Usually~~

Rations – (1) meatie meal porridge or (2) 1/2 to 1 lb bag meaties.

(d) Grain. If seed plough then 1 to 2 bags per ox. ie 14 oxen = 14 bags to 28 bags

(e) Building Sites – Rarely house built – for limits & thatch if obtainable on farm. (sometimes farmer gets these himself from some other farm). Rarely bricks or stone.

(f) Water & Fuel (if any)

(g) Clothes – as gift not as a right.

(h) Tax. Sometimes farmer pays tax

N.B. Bitter complaints that the farmers promise to pay the tax but don't do so in order to keep them on the farm (fear of police) ~~in order~~ Tax payments lead to peonage.

Bitter Complaints

1. No wages. or too low wages

~~2. Boredom~~ Young people leave because of Ukis.

2. Inadequacy of food

3. ~~Long hours~~ Period of service too long.

4 ~~No schools~~

~~4. Complaints~~ Interference with lands

5. Limitation of stocks

~~6 No Illness~~ also ~~to~~ forcible attachments of cattle against ~~stock to~~ farmers of ones to return to work

7. Failure of farmers to hand over grain promised

8. Objection to women & children working for nothing

N.B. Can't see that services are the rent

9. Eviction of childless old people to make room for young men

Farmers Complain

(1) No young people to work

(2) Too much stock

(3) Increasing & Untrustworthiness of the labour.

(4) Native restlessness "Communist influence"

Conditions & Relations most Unsatisfactory

Why do the Natives stay

(1) Offer the ancestral land. The ill they know

(2) Right to graze cattle of primary importance

(3) Time to oneself, especially if sons working.

~~Lyttelton is Uneconomic~~

~~(1) Lackes of labour~~

~~(2) Land too becoming too expensive for any extensive grazing & ploughing rights~~

System suits farmers

∵ (1) Farmers ~~rarely~~ rarely have cash to pay wages

(2) Farmers do not realise actual cost of the payments in kind

(3) ~~Legislation helps~~ ~~He has~~ Farmers have a hold upon the Native through Native's love of cattle.

(4) Payments for the Native – ~~tax~~ taxes, loans for tax clothes & food – give farmer a hold.

(5) Ensured labour supply in past
∴ Legislation ought to end – it is hard through 1926

System is Uneconomic

∵ (1) Locks up unused labour.
It would be useful to have an estimate of the man-years of this type of labour i.e. equivalent to one man's full year of labour

(2) Payments in kind becoming more costly but labour not more efficient.
Land now too expensive for unskilled ploughing & sowing implements

(3) Farmer ~~has~~ no inducement to organise his labour.

(8

Effects of Chapter IV of the Native Trust & Land Act

(1) Limitation of No. ~~to 7~~ 5 Labour Tenants ~~except by permission~~ to 5 families per farm. (Cf. Squatters Law)

(2) Extension of period to 180 days in Ly dembury district.

(3) Restriction of Native occupation to
(a) Full time service
(b) Registered labour tenancy.

2. Full-time Servants

Two kinds

(1) Cash wages

(2) Payment in kind

(1) Cash wages

(a) No land : no cattle

(b) Sometimes rations, perhaps not
(c) sometimes clothes

Wages vary considerably.

From 10/- a month to £2 p/m for men
women, about 1/2 of men's

Usually from 15/- to 20/- for men

women from 5/- to 7/6

Boys . 3/6 to 10/- →

(2) Payment in Kind

(a) Shingling shearing

(b) Rations

(c) Sometimes clothes

Cash waged Labour more satisfactory.

but liable to shortage – more mobile.

Fewer complaints

Share farming

Popular with Natives

∵ (1) Larger incomes £60 +.

(2) Labour's Visible Reward

Unpopular with Parliament

(1) Farmers complain that Natives richer than they

(2) Fear of degeneracy of farming

∴ 1913 Land Act prohibited. it ~~in O.F.~~ ?

But still continues in many places

Seasonal Labour

~~(1) Farm Ser.~~

Farm work increasing unpopular in Reserves &c.

∵ Mine & Urban Employment give

(1) Wages

(2) Fixed Hours

(3) Amenities

Wages – more or less like full time.

Effect of present Native Policy

i.e. No Black Islands in White seas

removal of labour supply.

males have to go further from home

NB ∴ tends to break up of tribalism & homes

Seasonal labour becoming scarcer

~~∴ they tends to go to mines & urban.~~

Is there Labour Shortage on farms?

(1) Long periods of labour tenancy locks up.

~~(2) Abolition of Share farming~~

(2) Special Position of O.F.S

(a) No Reserves

(b) Native Lands Act 1913 & abolishing share farming drove off thousands

(c) Drought of 1933. Failure of farmers to safeguard their labour – self protection

3 Generally: Increased agricultural production

(1) By subdivision in families

(2) " more intensive cultivation

(3) Increased Industrial Activity.

Farmers demand for ~~fa~~ Importation

Conditions precedent { (1) Any evidence before Com.
(2) Unpaid Govt requirements

~~This brings us to Mine & Urban Labour~~

Mine & Urban Labour

Labour force in ~~these~~ following categories

(1) Small Class of Skilled Whites
- relatively high efficiency & relatively very high wages

(2) Large mass of low paid Native labourers of relatively low efficiency.

(3) Considerable Class of Whites of relatively low efficiency who cannot live on Native wages & maintain the minimum of the White standard of living. They come between (1) & (2)

(4) Considerable class of Coloured, Indian & Native workers who also come in between (1) ~~and~~ (2).

~~Earlier scarcity of No (1) enables the group to secure relatively high wages (very high as compared with Europe).~~

~~Disparities~~ Ratio of (1) to wages of (1) to (2) = 6 : 1.

(12

Native Labour on the Mines 31/3/38

Union.			
	Cape & Transkei	119.176	
	Natal & Zululand	16.111	
	Transvaal	25-326	
	Orange Free State	4035	164.648
Protectorates			
	Basutoland	46.184	
	Bechuanaland Prot.	9.960	
	Swaziland	7.318	63.462
East Coast		166.000	89.873
Tropical Africa			12 651
		31/3/38	330.634
		1929.	261.094
		+	69.540

∴ Union mine Labourers = ½ Total

166

Mine Native Labour subject to fluctuations

Factors

(1) A Seasonal

Crops in Reserves have definite relation to recruitment for the Mines

December - low.

April - high.

Periods tend to lengthen + return to employment more frequent

(2) Economic :

(a) Price of gold & its effect on

(a) Working of low grade Ore

(b) New mining developments.

(b) Industrial & Trade Activity

Industrial & commercial employment more popular than mining.

∵ (a) Fear

(b) Regimentation & Close Control.

Importance of Stable Mine Labour Supply

Mining Economics concerned with (in assessing requirements)

(a) Area of Mine

(b) Ore contents & distribution

(c) Labour force available

(d) Life of Mine in relation to (b), & (c) development work & monthly tonnage.

∴ extent of Labour force of paramount importance

Platinum price insufficient cost per ton rises because overhead costs relatively high

~~[Bantu Mine Labour]~~

Value of increased present Mine Labour

(1) ~~Income of the~~ Increase of the national income of the recovery of low grade ore

(2) More sustained activity on the part of Natives enables them to make a ~~a~~ greater contribution to the national income.

∴ Increase of Mine Labour ~~is~~ supply without depleting other industries is an economic gain.

Non-Union labour ~~is~~ ~~[illegible]~~ increases our national income to the extent that it makes ~~increased~~ possible an increase in the total production ~~possible~~; i.e. ~~without~~ in so far as it does not merely replace Union labour.

What is the position?

Is all available Union labour secured?

(1) Labour tenants not available - period too long

(2) Recruiting closed in several areas

104
27
33
11
41
33
249

Prohibited in 156 magisterial districts out of 249. & restriction in others, where farm labour concerned.

Possible effect = Keep down wages.

On the other hand, free recruitment would reduce agricultural production since Agriculture at present can't compete for the labour at the wages offered.

Non-Union Natives can't be excluded until Union labour released.

But is there enough labour in the Union?

Report of Inter-Departmental Committee on the Labour Resources of the Union. 1929.

Inadequate study. - restricted to official information.

Findings

(1) Little or no shortage on coast belt (except certain sugar cane areas) urban areas (other than mining) diamond diggings

(2) Shortage in mining areas

(3) Shortage in ~~several~~ certain agricultural areas - normal or seasonal or both

W.S. distribution of male & females 100,000+

Since then

(a) Mining developments

(b) Increased trade & industry.

Factors affecting mine labour shortage

(a) Seasonal shortage from Reserves

Dec - low April high

(b) Fear & dislike of mine conditions

(c) Wages low for detribalised Natives

Wages range from 33/7 to 44/-

27 shifts × 7/3 = 2 10 9

1/11.9 ~~to 2/8.3~~ days pay to 2/8.3d piece work. + (food board, quarters, medical treatment = 1/4 to 1/5) less train fares & two pairs of mine boots.

Coal mines lower

Native Econ. Comm reports that the rates "are lower than the usual wage paid to Natives in the towns for much less arduous labour than is required of labourers in mines & are about the same as the wage paid on some farms, while it is very little more than the usual wage of a shilling a day which is paid for casual labour on many farms. In these circum-

stances it is probable that the low level of wages on the mines is a large factor in preventing the requisite number of labourers from among South African Natives being available for mine labour."

Increase of Wages & Removal of Restrictions on Recruitment would increase supply of Mine Labour from the Union but might result in

(a) Restriction of production in Agriculture & other occupations

(b) Reduction of working periods of Reserve Natives.

∴ (c) Importation of labour for farms & industry. cf. Beira. 150000 Nyasa Rhodesians & Unsatisfactory control & conditions

N.B.: Unemployment in event of drop in price of Native Rations a burden.

Conclusion

Mining Labour cannot be considered by itself.

Conditions of Recruitment

ILO Convention

Agreement - Mines only as a fact

Native Urban Labour.

(a) Seasonal
(b) Temporary
(c) Permanent.

(a) Seasonal Labour ~~[illegible]~~ (i.e. short periods between ~~[illegible]~~ European farm contract periods or Reserve ploughing & reaping periods.

Tend to become shorter ∵

(a) Farmers try to retain labour for longer periods (e.g. Lydenburg)

(b) Reserves less able to maintain population & the social needs have grown.

∴ Seasonal labour tends to become

(b) Temporary labour.

We have no statistics { Census: Index. Compd 113.750; Mun. 36.050; Dom. Serv. 100.000; Shops &c ? }

Urban employment increasingly popular

∵ (1) Regular wages
(2) Definite hours - his own boss after hours
(3) Social Amenities.

Despite Passes & Police.

Commerce & Industry dependent on this labour

Wages & Conditions influenced by the Mines

But if economic pressure at home, increased ~~cost~~ needs when in town make wages less adequate.

If Native Rem. Comm -

Reserves, if adequate, serve (1) to safeguard Native against economic exploitation

(2) to give him a reserve ~~age~~ fund against unemployment.

But this group depresses wages as it is not entirely dependent

In both ~~cases~~ directions the Reserves are a diminishing factor.

∴ Temporary labour tends to become Urbanised

(c) Permanent Urban Labour — No? 4/5th of 430 200 / 86.000?

This group has to work all the year

∴ entirely dependent on wages.

Contrast Rural & Urban Native

Rural	Urban
+ House - free	House - rent
+ Water "	Water - free
+ ~~Light~~ Fuel "	Fuel - buy.
Transport nil	Transport - cycle or tram or train
+ Food - free mostly	Food - buy all.

These + form 2/3rds of Europe worker's budget

"

Real wages of Temporary & Urban Native

Temporary in Compound.

Housing, Water, Fuel & light, Food	Free, all purchased by employer at economic prices. & revenues of Urban Chamber of Commerce
	at ~~£~~ 20/- per ~~week~~ month
Cash ~~£~~ £ 2.10 pm.	

Permanent Labour in Location

~~Housing & Water £ 1. 2/6 per month~~

Wages ~~per week~~		£ 3.10/- pm.
Less Housing & Water	£ 1. 2. 6	
Fuel & light	7. 6	
Food	15. 0 (man only)	2. 5.
		£ 1. 5/- pm.

M A Chel
meat 3 times a week
bread every day
fish vegetable each day
3½ sugar a day
Tea coffee = 18/- a month

N.B. (1) Difference in prices as between wholesale quantities & employer & retail " " employee

(2) Wife in town has higher wage earning capacity

(3) Both family in country separate no rent & water, & fuel small less; food - extras only.

Position of the permanent workers worse than any.

Urban dwellers badly hit of Rural
Temporary labourers

Examining the Low Wage ~~Policy~~ Situation ~~due to~~
be found 1. Economic Resources of Rural Natives
& low standard of living have in the past enabled
them to ~~action~~ satisfy their needs
by a low wage.

2. But, increasing economic pressure on rural
Natives ~~press~~ makes them to work ~~their wants so that~~
for longer periods to get enough to
satisfy their needs.

~~3. The margin between necessity and desirables has been is also widening~~

3. There has however been a margin
between the ~~need~~ need to go
out for some period and the point
~~need for~~ at which continuous labour is
necessary & this margin has been sufficient
to ~~preserve~~ avoid the necessity
for raising wages for the
Native from rural areas.

4. In time the margin will be inconsider-
able & continuous labour will
be more & more necessary for large
numbers.

5. Meanwhile the urban dweller has had to entirely live on the wage which ~~that~~ the ~~usual~~ temporary worker has had to augment his subsistence. He is feeling the pinch. The family income has helped him out

=

Unit 9/12/38 [This brings us to the problem of Higher Wages for ~~Nato~~ Natives

—

An important factor in the low wage situation has been the wide gap between wages of skilled workers & those of Native unskilled.

Ratio 6 : 1.

~~Just as supplying of Native~~

Why this disparity?

Low

1. former Scarcity Value of Skilled Workers — linked with mine wages
2. Close Organisation " "
3. Legislation favouring " "
4. Tariff manipulation " "
5. Low ~~Wages has been~~ Native wages offset expensive skilled labour
6. Mine wages the standard.

Native Econ. Com said

"Our comparison of money wages in different countries showed the level of Natives skilled rates to be high in S.A. – far higher than in any European country, higher than in Australia, about as high as in Canada, & exceeded only by the United States of America."

In England. Engineering rates

Skilled 14. Unskilled 10

Bldg. 15 " 11.

European High wages dependent on Native low wages.

"Neither can be increased except at the expense of the other ~~except~~ unless there is increased efficiency & an increase in production per head". or the burden is put on the consumer in which case real wages will not advance so much.

Econ & Wage Com pg. 142

(1) But increased production ~~[illegible]~~ not easily attainable because of ~~[illegible]~~ restrictions on use of Native labour:

(2) Also increased wages in so far as temporary labour is concerned may lead to reduced production ~~[illegible]~~ (ie by enabling the worker to rest longer.)

~~Increase~~ Any considerable increase in Native wages involves

(1) Better organisation of the labour
- possibly more mechanisation
∴ less employment

(2) Greater efficiency through
(a) Better use of skill
(b) More regular continuous work
(c) Better health & living.

(3) Arrest if not decline in European wages unless difference made up in by more & better production

(4) Possible ousting out of temporary workers from Reserves

Wage Regulation for Natives

is probably justified because

(1) If gives protection they cannot secure because of bad organisation

(2) If increased gradually better ~~food~~ living & greater efficiency would follow.

At present level the minimum for physical & moral wellbeing not attainable.

Points from Native angle.

Best / best means of raising real wages
(1) Freedom to employment on skilled work
(2) Elimination of tariffs & other means of raising cost of articles

Can we protect both White & Black?

But we cannot ignore Agriculture.
Importance of Co-ordination
of Wage Conditions

Agriculture having to export consistently has had to compete on the world's market with falling prices. It has not had the facilities of Industry for recovering increased costs or ~~the~~ ~~the~~ through Tariff & higher prices; ~~while~~ or of ~~the~~ Mining through higher gold price.

But making the Native farm worker captive will not solve Agriculture's problem. Only better organisation & better consolidation of forms of remuneration will do that.

Agriculture must put her house in order or she will lose more & more labour as mining & urban labour conditions improve

Conclusions

1. The Native Land Policy is helpful in so far as it ~~return~~ reduces the pressure on the Reserves.

2. But the absorption of every section of the Native people, at a greater or lesser rate in the general economic organisation of the country is inevitable, as land inadequate for racial segregation

3. Labour policy therefore should ~~aim at ensuring that the Native population contributes to & shares in the~~ take full account of this so that the Native population contributes in increasing measure to the national wealth, and shares more fully in the distribution of the national income.

4. This involves reconsideration of Colour Bar Policy.
See Inter Less Com Recommns

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30
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