

1897.						£	s.	d.
January	22	6	1
February	26	3	4
March	26	1	1
April	28	14	6
May	31	16	5
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						£358	2	9
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Average wage for the 12 months ...						£29	16	10
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MR. WM. DALRYMPLE was the next witness called. He made the following statement: Mr. v
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I have resided permanently in this country for nine years, and have been, during that period, more or less connected with the exploitation of the mineral resources of the country, and latterly, in the actual mining of gold on these fields. I have for the past five years permanently resided in Johannesburg, and during that period have been the representative of the Anglo-French Exploration Company, Limited, which company is a financial corporation, having its head offices in London and Paris. In the meantime, during the absence of Mr. George Farrar, I am the representative of the Anglo-French Farrar group of mines. These mines are situated in the Boksburg district, commencing at the Driefontein Consolidated Mines, Limited, and finishing at the New Kleinfontein Company, Limited, a distance of approximately from eight to nine miles along the reef. During the time I have been in Johannesburg, we have been engaged on an entirely new section of the Rand, which has been opened up and exploited during the last five years. With one exception, none of these mines can be termed high grade mines, but are all considered highly-payable by the exercise of the strictest economy, and consequently the suggested reductions enlarged upon by previous witnesses have special importance with our group of mines. Following on the very exhaustive and lucid statements which have been made by the gentlemen preceding me in this enquiry, I feel in coming before this honourable Commission at this stage, that I can only bear further testimony, and affirm the evidence which has already been led up, setting forth the excessive taxation which this gold industry, in the past, has been called upon to bear; therefore I do not feel justified in wearying the honourable Commission by detailed recapitulation. I shall, therefore, be as concise as possible. The
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In the matter of white labour, I was, at one time, of opinion that material reductions could be effected under this heading, which constitutes the heaviest charge in the working costs of these mines, but, after careful analysis of the cost of living at present on these fields, and making due allowance for the expense incurred in transporting oneself from Europe to the Witwatersrand, there is little margin left; and I consider that the evidence of Mr. Fitzpatrick on this point can be accepted as the absolute position, and, if it were not for the fact the various companies interest themselves in and provide suitable accommodation for their employees, and also see that they are properly and reasonably catered for, the margin between their wage-earning capacity and their expense of living would be indeed infinitesimal. The average pay of all whites on our properties, including charges for administration, works out at from £22 10s. to £24 14s. per month. White

In the matter of native wages, it has recently been decided by the industry to reduce the native wages by 30 per cent.—this is, of course, only as far as the actual wages are concerned. I would, however, point out to the Commission that the cost of Native
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bringing the labour to these fields, and the feeding of the natives, remain the same; therefore, the actual reduction is considerably less than what appears on the face of it. The item of expenditure by the companies in bringing native labour to these fields is a very serious one, which you will fully recognise when I tell you that it cost the East Rand Proprietary Mines, from the commencement of 1896 up to the end of March last, a sum of £8,204 5s. 3d.; and I may say the greater portion of this was paid away in railway fares, and, bearing in mind the extremely poor accommodation provided by the Railway Company, the charges are outrageous. I thoroughly endorse a previous suggestion, that the Netherlands Railway Company should transport labour for these mines at a more or less nominal rate.

The Pass Law is an admirable law provided it is properly administered, but, although we have had every assistance from Mr. Maré, the Landdrost, and Mr. Klynhans, the Mining Commissioner of Boksburg, in trying to recover deserters, still the fact remains that, from September to March, we had 245 deserters from the New Kleinfontein Company, and not one single native was recovered. I am perfectly convinced that it was never the intention of the Government, nor did they anticipate, that such large amounts of money would be received through fines; therefore I suggest that the carrying out of this important law should be entrusted to a local Advisory Committee, under a responsible Government official, which, in view of the past receipts, would absolutely be made self-supporting. The Advisory Committee would have access to every mine on the Rand, and would thus be in a position to learn of the desertions which take place, and how to counteract the same; and would endeavour to make all managers deem it a point of honour to refrain from engaging boys where there was a suspicion of desertion; and in other ways would gradually perfect the administration, which can only be done by establishing a thorough co-operation amongst all the mines. I am not in a position to say how much these fines have amounted to since the law was promulgated, but I would point out that, whereas previous to these depressed times, the fines of boys were readily paid, latterly, in our own district of Boksburg, the gaol has been overcrowded with deserters, who fail to procure the £3 fine, and, as there was no further prison accommodation, the Landdrost was obliged to reduce the fine from £3 to as low as 3d., which clearly proves how unmanageable the present method of administering the law has become.

So unanimous has the evidence been on the desirability, nay, absolute necessity, in the interests of the mining industry, of a strict enforcement of the liquor law, that further testimony is unnecessary, but I must again refer to the assistance rendered us by Messrs. Maré and Klynhans, which has gone greatly towards mitigating this pest in our district. It is hopeless to expect, however zealous the Landdrost is, to subdue this evil whilst low kaffir eating houses and traders are licensed and permitted to trade in the mining areas. If all such licences were refused it would greatly facilitate the duties of the authorities, and I would therefore suggest that all eating-houses and other than respectable stores be abolished, similarly to the low canteens. For example, there are about ten disreputable stores or eating-houses on the boundaries of the East Rand Proprietary Mines, and it is self-evident to any business man that it is impossible for them to live legitimately. At the New Kleinfontein Company, since the extension of the licences, drunkenness amongst the natives has again become very serious, and from 10 per cent. to 13 per cent. of the native labour is incapable for work owing to the effects of liquor.

In affirming the statements of Messrs. Albu and Fitzpatrick under the heading of Dynamite, I will simply state that the East Rand Proprietary Mines spent £20,506, and the New Kleinfontein Company £8,983 for dynamite respectively for 1896, which means

that owing to this concession it has cost these two companies £10,000 and £5,000 respectively more than it would have done under reasonable circumstances.

The question of Railway Rates has also been very fully dealt with by Messrs. Albu and Fitzpatrick, and I simply give you a few examples of the difference in the European cost, and the cost as delivered at the mines here, analysing the various charges. (See statements 1, 2 and 3.) I will now give you the details of actual cost of bringing machinery, &c., from England to Johannesburg. The statements given do not include any commission which has to be paid to an agent in London for buying and shipping, neither do they include any profit to the importer. I may add that my figures are based on actual data, and all the separate charges are detailed. Statement No. 1 (Compressor).—This is for a compressor. The machine costs in England £1,269; by the time it reaches here the cost is £2,018 17s., or the charges come to 59 per cent. on the Home cost. The rail carriage in this case is the most important item, as it amounts to no less than £383 15s. 10d. By working out this consignment, I find that the Cape Government Railway charges 9s. 4½d. per mile for conveying 113,716 lbs. (which is the total weight of the compressor), and the Netherlands Railway charged £1 16s. 5½d. per mile, or £1 7s. 1d. per mile more than the Cape Government Railway. These figures speak for themselves, and I have the statement here showing all the percentages worked out in detail, and you will see that the rail carriage is in excess of all other charges. Statement No. 2 (Rails).—This is for rails used on the mines here. The rails cost in England f.o.b. £97 5s. 8d., and by the time they are delivered here the cost is £296 8s. 2d., or the charges come to 204 per cent. more than the Home cost of the rails. The rail carriage alone from East London to Johannesburg comes to £158 1s. 2d., or 62½ per cent. more than the original cost of the rails delivered on steamer. Take for example:—Supposing I were to purchase a ton (2,000 lbs.) of rails in England at a cost (for the sake of argument) of £5, I should have to pay £6 15s. for rail carriage only, from East London to Johannesburg; that is to say, the rail carriage only would cost £1 5s. more than the manufacturer charges for the rails, and sometimes rails can be bought cheaper than £5 per ton. Rails are in everyday use on the mines, and a very large quantity is used. Statement No. 3 (Carbon for retorting purposes).—A mine with which I am connected decided to import 10 tons of carbon for retorting, and the cost delivered free on board the steamer was £20 exactly, or £2 per long ton (2,240 lbs.) By the time the carbon was delivered at Johannesburg it had cost, with charges, £132 6s. 4d., or the charges were 561 per cent. more than the original Home cost. The rail carriage from East London to Johannesburg was alone £75 12s., or just over 3½ times as much as the manufacturer charges for the stuff itself. It is surely needless for me to add any remarks with regard to these figures, as, in my opinion, they speak for themselves only too strongly. I have given you an extract from three costs, and shall be pleased to hand the detailed statement over to you if you desire it, for publication or otherwise. You will notice that I have based all my calculations on goods coming *via* East London, as this is the cheapest port for these fields, with the exception of Delagoa Bay (Durban rates being equal with East London). In the case of Delagoa Bay, the railway rate to Johannesburg upon the goods I have already mentioned is £6 per ton, instead of £5 15s. per ton from East London, but against this saving in railway carriage the following have to be taken into consideration:—

Increase in sea freight.

Increase in receiving and forwarding charges on account of the great difficulties to be contended with at Delagoa Bay.

Delay in despatch.

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In having goods brought from the Cape ports and Natal, should you take delivery at Elandsfontein, the Netherlands Railway allow you 4d. per 100 lbs., and for delivery at Boksburg, 2d. per 100 lbs., from the through rate to Johannesburg. But if you have goods brought from Delagoa Bay the Netherlands Railway will not allow you any rebate when goods are delivered at Elandsfontein or Boksburg. I understand the Netherlands Railway have been asked why this should be, but, as usual, no explanation is forthcoming. Leaving out of consideration the amount overcharged, the principle is most decidedly a wrong one. Last year we thought it advisable, owing to the rinderpest, to protect ourselves by importing mealies from America, and the companies we represent bought conjointly during 1896 25,000 bags, which, after having been sown, reaped, bagged, and landed in Durban, cost 9s. to 9s. 6d., and before they were delivered at our siding at the New Comet Company the cost had reached 21s. to 22s. per bag, the mileage from Durban being only 350 miles. Further comment is unnecessary. Assuming, for argument's sake, that owing to it being a new line the concessionaires might reasonably expect to make liberal charges during the earlier period of its existence, but now they have got the line well ballasted and everything is running satisfactorily, and further they have done exceedingly well, therefore it is only reasonable to expect that the Railway Company should make marked reductions on the rates of their own free will and accord without having pressure brought to bear, if only from the desire to encourage traffic over their line. In concluding my statement, I would strongly advocate the appointment of a Mining Board made up of a fair representation from the leading members of the industry, who, together with the necessary Government nominees, would constitute a permanent committee for the guidance of the Government in all matters connected with the administration of the various laws directly concerning the welfare of this industry. In other words, the Government should enlist the knowledge and experience of those who are not only experts but trustees of huge interests of the European investor. Such a course would relieve the Government of an immense amount of responsibility and detail work, and would promise faithful and honourable co-operation in all matters affecting the industry, and hence the progress of the State. A careful analysis of the figures already laid before this Commission will clearly prove that at least a half of the total number of companies at present existing are simply in the balance of profit and loss, and substantial reforms, if granted, would immediately turn the scale, and place them on a sound footing, and, in addition, give an immense stimulus to the exploitation of idle gold-bearing ground.

STATEMENT NO. I.

Actual cost of air compressor from England to Johannesburg <i>via</i> East London:—							
		£	s.	d.	£	s.	d.
Cost delivered free on board steamer	... ..	1,269	0	0	1,269	0	0
Insurance	... ..	21	13	2			
		<hr/>			1	3	0

Freight and primage to East London per steamer:—

653ft. 8ins. at 71s. 3d. per ton 40c. ft.	... ..	64	0	10
95ft. 2ins. at 59s. 3d. per ton 40c. ft.	... ..	7	15	1
392ft. at 95s. per ton 40c. ft.	... ..	51	4	1
131ft. 5in. at 47s. 6d. per ton 40c. ft.	... ..	8	11	7
119ft 6in. at 37s. 6d. per ton 40c. ft.	... ..	6	3	0
13:13:2:0 at 118s. 9d. per ton 2,240lbs.	89	6	4
6:14:3:0 at 71s. 3d. per ton 2,240lbs.	26	8	1

Mr. W. Dalrymple's Evidence.

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	£	s.	d.	£	s.	d.
2:14:0: 0 at 59s. 3d. per ton 2,240lbs.	8	16	0			
12:5:1: 8 at 47s. 6d. per ton 2,240lbs.	32	1	1			
9:2:19 at 37s. 6d. per ton 2,240lbs.	1	0	0			
	<hr/>			295	6	1
Entries and stamps at East London	0	10	6			
Wharfage at East London, £1,269; add 5 per cent., £63 9s.; total, £1,332 9s.; 10s. per cent.	6	13	3			
Craneage at East London, 72 tons at 6d. per ton	1	16	0			
Forwarding and receiving at East London, 72 tons at 2s. per ton	7	4	0			
	<hr/>			16	0	0
Rail carriage from East London to Vereeniging: 113,716lbs. at 5s. 1d. per 100lbs.	289	0	7			
Rail carriage from Vereeniging to Johannesburg: 113,716lbs. at 1s. 8d. per 100lbs., total 6s. 9d.	94	15	3			
	<hr/>			383	15	10
Transvaal duty: £1,269, add 20 per cent., £254, total £1,523, 1½ per cent.	22	16	11			
Transport to Mine: 80,500 (being over 3000lbs. each package) at 3d. per 100lbs.	10	1	3			
	<hr/>			32	18	2
				<hr/>		
				£2,018	17	0

The above does *not* include London agent's buying and shipping commission.

Total cost delivered	£2,018	17	0
Home cost	1,269	0	0
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Total charges	£749	17	0

Or 59 per cent. total charges on Home cost.

Percentages made up as follows:—

Insurance	1½	per cent.	} 30¼ per cent.
Freight by sea	23¼	"	
Coast charges	1½	"	
C.G.R. rail carriage	22¾	"	
Netherlands do.	7½	"	
Transvaal duty	1¾	"	
Transport	¾	"	
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	59		per cent.

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Rail carriage on whole consignment:—

Per Cape Government Railway: 615 miles, at per mile	0	9	4½	Con ra a: la fo of pi
Per Netherlands Railway: 52 miles, at per mile	1	16	5½	

Showing that the Netherlands Railway charged £1 7s. 1d. per mile more than the Cape Government Railways. (This is calculated on total weight, viz., 113,716lbs.)

Mr. W. Dalrymple's Evidence.

STATEMENT NO. II.

Actual cost of rails from England to Johannesburg *via* East London:—

	£	s.	d.	£	s.	d.					
Cost of rails delivered free on board steamer	97	5	8	97	5	8					
Insurances	0	13	10	0	13	10					
Freight and primage to East London per steamer	34	13	1	34	13	1					
Entries and stamps at East London	0	10	6								
Wharfage at East London, £97 5s. 8d.: add 5 per cent., £4 17s. 3d. Total, £102 2s. 11d., 10s. per cent.	0	10	3								
Cranage, 23½ tons at 6d.	0	11	9								
Forwarding and receiving, 23½ tons at 2s.	2	7	0								
					3	19	6				
Railway carriage from East London to Vereeniging, 46,832lbs. at 5s. 1d. per 100lbs.	119	0	7								
Railway carriage from Vereeniging to Johannesburg, 46,832lbs. at 1s. 8d. per 100lbs.	39	0	7								
					158	1	2				
Transvaal duty	97	5	8								
Add 20 per cent.	19	9	2								
	116	14	10	1½ p.c.	1	14	11				
							1	14	11		
									£296	8	2

	£	s.	d.
Total cost delivered	296	8	2
Home cost of rails	97	5	8

199 2 6 or 204½ per cent. total charges on Home cost.

The rail carriage in the case of rails is 62½ per cent. more than the Home cost of the goods themselves, delivered free on board.

	£	s.	d.
Rail carriage	158	1	2
Home cost of rails	97	5	8

Difference ... £60 15 6 in excess of Home cost.

STATEMENT NO. III.

Actual cost of retort carbon from England to Johannesburg, *via* East London:—

	£	s.	d.	£	s.	d.
Cost of carbon delivered free on board steamer	20	0	0	20	0	0
Insurance	0	4	10	0	4	10
Freight and primage to East London per steamer, 10 tons at 60s. per ton	33	0	0	33	0	0
Entries and stamps at East London	0	10	6			
Duty at East London, £20; add 5 per cent., £1. Total, £21, 5 per cent.	1	1	0			

	£	s.	d.	
Wharfage at East London, 10s. per cent	0	2	1	
Crannage at East London, 11½ tons at 6d. per ton	0	5	9	
Forwarding and receiving 11½ tons at 2s. per ton	1	3	0	
				3 2 4
Rail carriage from East London to Vereeniging, 22,400lbs. at 5s. 1d. per 100lbs.	56	18	8	
Rail carriage from Vereeniging to Johannesburg, 22,400lbs. at 1s. 8d. per 100lbs.	18	13	4	
				75 12 0
Transvaal duty	£20	0	0	
Add 20 per cent.	4	0	0	
1½ per cent.	£24	0	0	
				0 7 2
				£132 6 4

The above does not include London agent's buying and shipping commission.

Total cost delivered	£132	6	4
Home cost	20	0	0
	£112	6	4

or 561½ per cent. total charges on Home cost.

The railway carriage in this case is the most important item, it being 278 per cent. more than the Home cost of the carbon itself delivered on board steamer.

Rail carriage	£75	12	0	over 3½ times as much as the carbon cost in England.	Com: hou ten bon way the sign
Home cost of carbon... ..	20	0	0		
	£55	12	0	in excess of Home cost.	

Chairman.

How many white labourers have you had on the mines these last few years?—Two years ago they were about 500; now they are reduced to 250. Reduc whi on Ang Fan

What is the reason for that?—Principally on account of curtailing works, owing to some of the companies having run short of money. I would just point out that our district is a new one, and most of the mines are in the development stage.

So far as I can gather from your statement, all your mines are payable except one?—No; what I do say is, they are all considered low grade mines except one. Grade Fre: grou Reduc tive

How about your black labour? How many had you a couple of years ago, and how many have you now?—About 8,000 previously, and this number is now reduced to 4,500.

I understand that you do the same amount of work with less quantity of labour, because the mines have been opened up?—No; there has been a curtailing of construction work.

Mr. de Beer.

How long have these mines been in existence?—Only for the last five years; of course, in the early days they had been prospected, but they were practically dormant.

What is your cost of production per ton?—We have only two mines running just now in the shape of milling—the New Comet, the Angelo—and the Kleinfontein Workin New and

started on 1st April. We have not got the costs from the Kleinfontein; for the other two the average is somewhere about 27s. 6d. to 30s. per ton.

Was this the price of labour in the year 1891?—These mines were not crushing in 1891.

When did the mines begin crushing?—The Angelo only about a month ago; the New Comet has been crushing regularly for about six months.

7 Have wages gone up or down since 1891?—I should think they have gone up a little on the average.

You have got no figures here?—No; but I consider wages have gone up in this way. Higher wages were paid higher officials. During the excess inflation of two years ago, there was a considerable demand for expert labour, and groups were inclined to compete for labour; but that, I think, is gradually coming down again.

Then two years ago labour was paid higher than now?—A little; though I think they are certainly attempting to reduce wages.

15 Is not labour much more plentiful now than then?—I don't consider good labour is.

Still it is more plentiful?—Yes.

n As regards native labour; it is surely cheaper and more plentiful than two years ago?—Yes; and I think it is gradually being brought to a better quality. To my mind, the great trouble is due to the "bad" boys we have been getting.

16 How about railway carriage; is that higher than two years ago?—A little less.

17 And machinery has been very much improved?—There is a very much better class of machinery.

So all these matters have changed in favour of the mines?—Yes; but the mines are being worked on a larger scale, in which case they require larger machinery, which has been perfected from time to time.

1- Therefore, I may conclude from your evidence that the mines work under more 11 favourable conditions than was the case two years ago?—Somewhat more favourable.

How is it that only several mines, and not all of them, are benefiting by better machinery and cheaper labour?—I think they are all benefiting by better machinery

How do you account for the circumstance that at the present moment several mines do not pay, whereas two years ago they did pay?—I think that two years ago mines were worked with the expectation of them being able to pay; but latterly they have got rid of their working capitals, and naturally the only course open to them is to curtail work for the time being, and at the same time entertain the hope that they will get facilities for cheaper working.

on But how is it they were disappointed in these expectations where the circum- 12 stances have been proved?—I think they over-valued the mines in those days, and expected better returns than they have actually had.

on What are the transit dues on machinery in Cape Colony?—There are no transit dues on machinery to the best of my knowledge.

Not to your knowledge?—No; I don't think so.

All the figures given here by you, are they all charges in connection with the machinery?—They are absolutely taken from shipments.

of Where do you buy your machinery?—It is bought in England from different people, and in America.

Do you get a free hand to order where you like?—The directors order all the machinery.

Do you have a free hand?—Yes. The directors have full power, with the recommendation of their managers.

You say that the lodging-houses, or rather the eating-houses, interfere with the carrying out of the Liquor Law?—Yes.

That liquor is smuggled into these houses and sold there?—Yes. It must be served up in the shape of soup or some such thing.

You mean that in the vessels in which soup ought to be served, liquor is served?—Yes. It is probably made up in some way.

Have you any suggestion to make in order to reduce this evil?—Wipe them out of the place.

How do they get their licences?—They get their licences through the officials. The Boards grant them.

What class of people usually keep these boarding-houses?—I should say Russians, as far as I know, but I do not have much to do with them.

As regards the Pass Law, I understand from you that it cannot be very well carried out?—No.

That one of your reasons is because the gaol is too small?—The gaol is too small, but there ought to be separate compounds for deserters, so that people could go in and see them.

Then you can go to the gaol and see the deserters there?—I suppose so. But so far as I am concerned, and most people, it is a very difficult thing.

It is probable that many of these deserters find their way to gaol?—Quite possible.

Then you say that the exacting of a fine of 3d.—less than the maximum of £3—by the magistrates has filled the gaols?—That is so; it has taken place. If the fine were kept up to £3, it would not pay a boy to desert.

Chairman.

How do you reconcile these two facts—that out of 200 and odd deserters, not one came back, and yet the *trunk* is full?—Of course, we made the formal application to the officials, to the effect that we had lost these boys, but we never got them back. The fact is, I don't think the administration is defective in this way; there are merely not sufficient officials to carry out the law. There appears to be a great deal of anxiety amongst them in Boksburg to assist us, but there are too few to carry out the work.

Who should know the kaffir best—the police or the former master?—Naturally, the compound manager.

Now, within your knowledge, has it ever been tried by the compound manager to go to the gaol and try to find the boys?—Yes, they have, but could not recognise them.

Then your argument would fall to the ground.

Mr. Smit.

There is really very little reason for complaint when so many kaffirs get to gaol?—We take a great deal of trouble to get deserters ourselves. We get some back from other mines. The probability is, very few get to prison at all.

You do not know, not having been to gaol to see?—I have not been there, but our compound manager has.

But you think that they don't know them individually?—It is very difficult to know them individually where you employ thousands of kaffirs.

You get back some from other mines. Did you fetch them yourselves?—Yes. We heard it from other boys.