

Did you get any boys back through the efforts of the officials?—No; but I say they are very good.

It is quite possible that some of these boys of yours may be in gaol?—Not at the present time. It happened some time ago, but I don't think they ever reached gaol. They may have got into other compounds.

How can you say that if you do not send someone to the gaol, and if you do, he does not know them. You said that, of all the deserters, you got none back?—Not of the 245.

Mr. Hay.

Can you tell us how much money the East Rand Proprietary Mines have spent?—Since they started? In everything?

Yes; in everything.—I should think it would run into a million and quarter of money.

They have not paid any dividends?—No. They have not reached that stage yet. Is there no immediate prospect?—Not immediately. Probably some time next year.

Mr. de Beer.

How many dwts. do the various mines average?—The Comet about $9\frac{1}{4}$; the Angelo for the past two months would average about $12\frac{1}{2}$ or 13 dwts. It is what we call our rich mine.

Mr. Brakhan.

Can you inform us how much of this money, the million and a quarter, has been spent on the various articles which have been brought here by the railway?—I could get that for you. I have not got it here.

It would be interesting to get to the conclusion how much has been paid to the Railway Company, in order to find out that if the rates had been lowered, say, 25 or 30 per cent., how much less working capital would have been required to do the same work?—I will get it for you.

Chairman.

As regards the labour, you here state it costs £24 or £25 per month. Do you include in that directors' fees?—Yes, everything; the charges of the London office as well.

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vi- Mr. CHARLES SYDNEY GOLDMANN was called. He said:—

I exceedingly regret having to say that the statement which I have in preparation is not complete for distribution, but I hope it will be to-morrow, in English as well as in Dutch.

I beg to respectfully state that I came to the Witwatersrand in the first month of 1888, and have more or less been on the Rand from that date. I have been connected in business associated with the mining industry from the date of my arrival. I have been connected with company work for a considerable time; I have been interested in the formation of gold-mining companies; I am chairman of 12 mining companies; I am a member of the Boards of numerous companies, including several dividend-paying companies and a good many producing companies; I have been connected with financing, and claim to have gained experience during my sojourn in England; I am a member of the Executive Council of the Chamber of Mines, and also a member of the Native Labour Association. I am the author of two issues of the history of these fields, and also the compiler of a map of the Witwatersrand and neighbouring groups of mines. I have been a witness of the prosperity as well as the vicissitudes of the industry. My firm is representing very considerable interests in this State, including interests in mining properties, as also real estate. I therefore submit to your kind

consideration the evidence I am about to give, evidence which I feel is given entirely unbiassed, inspired by wishes only calculated to benefit the mining industry collectively, and the interests I represent, individually. In trying to arrive at an explanation of the depression which has overtaken an industry which generally is acknowledged to combine all the elements requisite for success and prosperity, with a view to bringing about relief it is necessary not only to examine the circumstances which led to the acknowledgment of its potentialities, but to cast a retrospect of the general conditions under which the industry sprang into existence, and the various vicissitudes which it since has undergone, and to investigate all the defects and disabilities which have contributed to the present state of affairs. The reasons which, in my opinion, have attracted the attention of the public, as also the commercial mind to this country, as also the application of vast sums of capital to investments in it, or connected with its resources, is directly attributable to:—(1) The discovery of the Witwatersrand Goldfields under circumstances hitherto unknown in the history of gold mining; the gold occurring in unique deposits which, in their uniformity of character, resemble coal beds; (2) The exceptionally favourable conditions prevailing for mining, including such as a salubrious, exhilarating climate, periodical rainfalls, easy approach from the sea, and extensive coal deposits in close proximity; (3) The world's scarcity of gold, and the increasing production of gold in this country—the production for the years 1884 to 1895, inclusive, yielding 9,749,170 ozs., having a value of £33,730,427; (4) The stability of returns of some of the leading companies; (5) The aggregate of dividends paid up to the end of 1895, which amounted to £7,408,371; (6) The confident and sanguine opinions expressed by geologists of highest repute, and mining authorities notably eminent; (7) The confirmation of their opinions by independent reports made at the instance and on behalf of foreign Governments; (8) The complete record of results and the comparative facility of obtaining information and statistics, as also the facility afforded of inspecting the mines. All these circumstances led to a considerable concentration of attention from outside, and an inflow of capital to these fields, which culminated during 1895 in an unequalled and unprecedented state of universal commercial prosperity. This, however, was of comparatively short duration. An acute reaction set in, which did not fail to mark in manifesting itself most detrimentally, not only so far as the investing public was concerned, but also to the actual developments of the fields. This condition of depression, instead of abating, has become accentuated, and it is therefore necessary to enquire into the causes of the depression, which, in my opinion, are:—(1) Withdrawal of capital; (2) Disappointment to investors; (3) Over-estimated value of the richness of the reef; (4) Under-estimated cost of equipment of mines; (5) Unsatisfactory condition of the native labour market; (6) Extreme taxation to which the mining industry has been subjected; (7) Inefficient administration of laws primarily designed for the benefit of the industry; (8) Feeling of distrust and want of confidence on the part of the investing public; (9) The relaxing influence on the energies of those responsible for the maintenance of the industry, due to feelings of discouragement in failing to enlist the necessary co-operation of the authorities in matters frequently requiring immediate attention, relief, or assistance. That the causes are real is manifested by the fact (1) That many developing and promising companies are stopped for want of funds; (2) That a change of sentiment has taken place in the minds of European capitalists, who, for the time being, are indisposed to embark any further capital in these fields; (3) That the average yield of ore crushed during latter years as compared with former, has decreased; (4) That the total equipment of mines is shown to be far in excess of original estimates, sufficiently proved by the fact that the actual cash spent in mines exceeds, in many instances, four times the total original capitalisation; (5) That the companies have for

their requirements been obliged to purchase native labour at great cost and expense to themselves, outside of the high cost for actual work done; (6) That the industry is subjected to unnecessary taxation, to which it is only necessary to refer to the taxation under the head of railway rates, dynamite, and duties; (7) That a universal complaint has been raised by all mining companies and their representatives of the inefficient administration of such vital laws as the Pass Law, Liquor Law, Gold Thefts Law; (8) Of the great depreciation in all values, and apparent apathy on the part of investors and capitalists in spite thereof—the acknowledged effect in Europe of the issue and settlement of the Bewaarplaatsen question; (9) By the difficulty experienced in effecting united and energetic action in questions involving spirited co-operation. Having classified the causes which in my opinion have led to the depression in the mining industry and its necessary reflex on trade, I will now refer to the remedy.

^{the} Restoring of confidence amongst European investors, for which purpose the loyal and ^{le-} active co-operation of the Government is necessary. On the part of the Government ^{co-} suggestions for the better working, made on behalf of the industry, should in my ^{on} opinion have their friendly and prompt attention, and be considered as dictated in the best interests of the industry and the country. Reference to the reports of the Chamber of Mines will sufficiently prove that in the past this has not been the case.

^{sd.} Having gauged the conditions existing and required to make a commercial success of mining on these fields, careful study of economy in every department is necessary, in order to effect the largest possible margin between revenue and cost, with the use of equipments of the highest class to assist in such economy. Granting of every facility for introduction of native labour by providing cheap means of access and protection on the way, and holding out inducements for the permanent residence of trained labour on these fields. Removal of disabilities in every case where it can be shown that unnecessary burdens are placed on the industry. The proper administration of all laws with the assistance and co-operation of the representatives of the industry. To make every endeavour to justify every appreciation of values by actual results.

After this general statement I will now endeavour to enter into a more detailed statement of those burdens and disabilities which affect the industry, the removal of which will afford speedy relief and redress. I will begin with the Pass Law. The ^{reas-} necessity of having a control over the natives, the necessity, too, of insuring a binding contract between the mines employing native labour and such employees, the necessity also of affording complete protection to the natives coming to and going from the goldfields, induced the heads of the mining industry to frame a law which was intended to cover these conditions and requirements—a law which in their opinion was to give mutual satisfaction to the Government, the employer, and the employee. The necessity for this law dates back as far as 1893, when representations were made to the Government to give effect to it. In spite of all the petitions and deputations, it was not until October 3rd, 1895, that the proposed regulations became law, and it was ^{by} not until May, 1896, that it became actively operative. In connection with this law ^{idus-} I wish to point out that it came into existence at the request of the mining industry; that the law was framed by certain persons connected with the mining industry; that it was the mining industry that solicited the Government to administer the law; it was the mining industry that suggested to the Government to pay consideration for the proper carrying out of the law. As you are aware, prior to the passing of this ^{of} law the pass fee per month was 1s. It was increased in order to meet the requirements of the proper administration of the law, and a further sum of 1s. per head was agreed upon by the Government Commission and the industry, which was to be applied solely to the administration of this law, as will be observed from the draft law which was approved by the Government Commission. The law as passed does not

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Suggested Divisions into Pass Districts of that

| No. 1. Springs. 6 Officials. | No. 2. Benoni. 6 Officials. | No. 3. Boksburg. 6 Officials. | No. 4. Knights. 6 Officials. | No. 5. Elandsfontein. 6 Officials. | No. 6. New G. M. 6 Off |
|--|--|--|--|--|--|
| 1 Responsible Clerk 1 Clerk 2 Inspectors 2 Police | 1 Responsible Clerk 1 Clerk 2 Inspectors 2 Police | 1 Responsible Clerk 1 Clerk 2 Inspectors 2 Police | 1 Responsible Clerk 1 Clerk 2 Inspectors 2 Police | 1 Responsible Clerk 1 Clerk 2 Inspectors 2 Police | 1 Responsible Clerk 1 Clerk 2 Inspectors 2 Police |

One Man to

EXPENDITURE.

SUB-OFFICES.

| | | | | | |
|-------------------------------|-----|-----|-----|-----|----|
| 12 Responsible Clerks at £400 | ... | ... | ... | ... | £4 |
| 12 Clerks | .. | 225 | ... | ... | 5 |
| 24 Inspectors | .. | 400 | ... | ... | 9 |
| 24 Police | .. | 200 | ... | ... | 4 |

HEAD OFFICE.

| | | | | | |
|--|-----|-----|-----|-----|-----|
| Administrator | ... | ... | ... | ... | ... |
| Book-keeper | ... | ... | ... | ... | ... |
| Secretary | ... | ... | ... | ... | ... |
| Responsible Clerk | ... | ... | ... | ... | ... |
| 1 Chief Inspector | ... | ... | ... | ... | ... |
| 2 Inspectors at £400 | ... | ... | ... | ... | ... |
| 4 Police | .. | 200 | ... | ... | ... |
| Maintenance of, say 30 horses at £120 each per annum | ... | ... | ... | ... | ... |
| 150 Men at Mines at £200 per annum each | ... | ... | ... | ... | 3 |
| Office Furniture, Stationery | ... | ... | ... | ... | — |
| Total per Annum | | | | | £6 |

S. S. Goldman's Evidence.

A.

Section of the Witwatersrand Goldfields where the Pass Law is in force.

| No. 6. | No. 7. | No. 8. | No. 9. | No. 10. | No. 11. | No. 12. | No. 13. |
|---|---|---|---|---|---|---|---|
| Heriot M. Co. Officials. | George Goch G. M. Co. 6 Officials. | Johannesburg. 12 Officials. | Langlaagte. 6 Officials. | Maraisburg. 6 Officials. | Roodepoort. 6 Officials. | Krugersdorp. 6 Officials. | Rand 6 Officials. |
| 1 Responsible Clerk 1 Clerk 2 Inspectors 2 Police | 1 Responsible Clerk 1 Clerk 2 Inspectors 2 Police | 1 Administrator 1 Book-keeper 1 Secretary 1 Responsible Clerk 1 Clerk 1 Chief Inspector 2 Inspectors 4 Police | 1 Responsible Clerk 1 Clerk 2 Inspectors 2 Police | 1 Responsible Clerk 1 Clerk 2 Inspectors 2 Police | 1 Responsible Clerk 1 Clerk 2 Inspectors 2 Police | 1 Responsible Clerk 1 Clerk 2 Inspectors 2 Police | 1 Responsible Clerk 1 Clerk 2 Inspectors 2 Police |

to be Resident at each Mine along the Reef.

| INCOME. | |
|------------|---|
| 4,800 0 0 | Assuming that Boksburg employs 44,000 |
| 2,700 0 0 | Assuming that Johannesburg employs 60,000 |
| 9,600 0 0 | Assuming that Krugersdorp employs 18,000 |
| 4,800 0 0 | |
| | 122,000 at 2s. |
| 650 0 0 | |
| 400 0 0 | |
| 400 0 0 | |
| 400 0 0 | £12,200 per month |
| 450 0 0 | |
| 800 0 0 | |
| 800 0 0 | or £146,400 per annum |
| 3,600 0 0 | |
| 30,000 0 0 | |
| 5,600 0 0 | |
| 65,000 0 0 | Difference in Income over Expenditure... .. £51,400 0 0 |

separate the application of the 1s. per head, as originally understood, but simply enacts that a 2s. tax is to be imposed. It was understood that these pass fees were to be applied to the administration of the law, as instanced by interviews with the Government (*Chamber of Mines Annual Report, 1894, page 51*), and not to add to the revenue of the Budget, as stated by a member of the Government in the Volksraad on February 2, 1897. I regret to say that the law has not been administered effectively. It is not for me to say to whom the blame attaches, but it is only justice to the head pass officer of the Johannesburg department to state that, in my opinion, he is not at fault, as stated by a previous witness. Continual complaints were being received by the Chamber of Mines of the ineffective administration and operation of the law, and an interview was arranged with Mr. Koch, who explained the impossibility of giving satisfactory effect to the law with the machinery which was placed at his disposal. He suggested, and it was agreed, to form a deputation to wait on the Minister of Mines and the Government, and to urge on them the necessity of increasing the staff necessary for the proper administration of the law, as also to alter some of the defective clauses in the law. In making the statement which the Minister of Mines made before this Commission, in respect to any dereliction on our part in not having presented matters to him, I think he must either be unaware of the circumstances or they must have escaped his memory, inasmuch as I formed one of the deputation who waited not only on the Acting Minister of Mines, Mr. Kleynhans and Mr. Liebenberg, but we also meant to interview the Government, who, however, were unable to see us that day. The Acting Minister of Mines suggested that we should send in a petition of our requirements in effecting the better working of the law, which we did, as per our petition. To my knowledge, the only result of this petition was the fact that the law was altered in the Volksraad in December, increasing the fines for desertion from 10s. to £3; the increase in the fine, it is true, was made at our request. I now propose dealing with this law. As you are aware, the only districts in which the pass law is proclaimed are Krugersdorp, Johannesburg, and Boksburg, each of which is administered by a pass officer and his staff. I have statistics to show that from April, 1896, to March, 1897, no less a number than 574,000 passes were issued in Johannesburg, the average registration for March having been 63,000 natives. The revenue from these passes at 2s. per head per month I estimate as giving £57,000. This sum is exclusive of fines which have accrued by reason of desertion and arrear of passes. I will take the cost now of the administration of the law in this district. I take my figures from the *Staats Almanak*, which show that, exclusive of the pass officer, there are three pass inspectors, one responsible clerk, and eleven clerks to administer the law, at a total cost of £5,760. As near as I can get it, the average number of boys employed in the Boksburg district is 44,000, giving an approximate revenue with "reis" passes of £52,800. The machinery to administer the law in that district consists of one pass officer, two pass inspectors, one responsible clerk, and four clerks, at an annual expenditure of £3,350. In the Krugersdorp district I have ascertained that there are an average of 18,000 natives, giving an approximate revenue of £1,800 per month, equal to £21,600 per annum, besides a sum of from £300 to £400 per month derived from "reis" passes. This gives a total of £25,000. The staff in Krugersdorp consists of one pass officer, two inspectors, one responsible clerk, and three clerks, at a total expenditure of £3,050. Therefore, approximately, the number of registered natives at the mines, according to what I have been able to ascertain, amounts to 120,000, with an approximate revenue to the country of £150,000. Against this the total pass administration was £12,160. Gentlemen, I should not raise this question for the sake of the money if the law were carried out in the spirit in which it was intended. I may mention that the whole

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B.
RETURN SHOWING DESERTION OF NATIVES

From 33 Companies only, since the Pass Law came into force; Average Monthly Desertion, Number of Boys Engaged and Discharged, and average requirements for Month.

| COMPANIES. | No. left during month February, 1897. | No. engaged past month. | Next month's require- ments. | Desertions since Pass Law. | Desertions monthly. |
|--------------------------------|---|----------------------------------|---------------------------------------|----------------------------------|------------------------|
| Aurora West | 0 | 50 | 300 | 160 | 40 |
| Bonanza | 42 | 65 | 0 | 207 | 20 |
| Chimes West | 11 | 32 | 0 | 174 | 20 |
| Champ d'Or | 6 | 64 | 200 | 43 | 14 |
| Crown Deep | 62 | 277 | 0 | 120 | 10 |
| Crown Reef | 59 | 95 | 250 | ? | ? |
| City and Suburban | 65 | 238 | 200 | 1,328 | 147 |
| Glencairn | 43 | 165 | 300 | 272 | 23 |
| Ginsberg | 30 | 50 | 0 | 160 | 20 |
| Grey's Mijnpacht | 8 | 10 | 20 | 0 | 10 |
| Geldenhuis Deep | 91 | 220 | 400 | 270 | 90 |
| Geldenhuis Main Reef | 20 | 15 | 0 | 60 | 12 |
| Glen Deep | 25 | 72 | 100 | ? | ? |
| Jubilee | 26 | 38 | 50 | ? | 20 |
| Jumpers | 44 | 206 | 0 | 500 | 35 |
| Knight's Deep | 31 | 31 | 0 | 35 | 5 |
| Meyer and Charlton | 14 | 116 | 0 | 667 | 66 |
| Modderfontein Extn. | 12 | 26 | 153 | 120 | 9 |
| Minerva | 44 | 57 | 0 | 118 | 20 |
| New Unified | 12 | 1 | 0 | 100 | 10 |
| Nourse Deep | 18 | 119 | 200 | 270 | 30 |
| New Heriot | 42 | 142 | 50 | 606 | 81 |
| *New Florida | 11 | 19 | ... | 150 | 12 |
| New Rietfontein | 40 | 40 | 50 | 440 | 55 |
| Roodepoort Central Deep | 12 | 32 | ... | 13 | 1 |
| Robinson | 72 | 447 | ... | 1,600 | 100 |
| Rose Deep | 67 | 133 | ... | 300 | 43 |
| Simmer and Jack East | 44 | 100 | ... | 137 | 14 |
| Simmer and Jack West | 50 | 205 | ... | 500 | 70 |
| Treasury | 94 | 151 | ... | 1,924 | 190 |
| Vogel Consolidated Deep | 10 | 111 | ... | 515 | 40 |
| Wolhuter | 55 | 140 | ... | 1,540 | 140 |
| West Roodepoort Deep | 11 | 49 | ... | 26 | 9 |
| | 1,171 | 3,596 | 2,273 | 12,355 | 55 average |

* No Pass Law in that district.

Average Total Desertion, 426 per Company; Average Desertion Monthly, 55 per Company.

| COMPANIES. | 1895. | | | | 1896. | | | | 1896-7 (IV YEARS). | | | |
|------------------------|--------------|---------------------|-----------|-----------|--------------|---------------------|-----------|-----------|--------------------|---------------------|-----------|-----------|
| | No. of Boys. | Gross Premium Paid. | Refunded. | Net Loss. | No. of Boys. | Gross Premium Paid. | Refunded. | Net Loss. | No. of Boys. | Gross Premium Paid. | Refunded. | Net Loss. |
| Vogelstein's Con. Deep | 85 | £ 85 | £ Nil. | £ 85 | 194 | £ 345 | £ 150 | £ 195 | ... | £ ... | £ ... | £ ... |
| Baileys Con. Mines | 172 | 83 | Nil. | 83 | 457 | 601 | 78 | 629 | ... | ... | ... | ... |
| Knights Central | 1,105 | 2,520 | Nil. | 2,286 | 237 | 72 | 12 | 60 | ... | ... | ... | ... |
| Treasury Gold Mines | ... | ... | 234 | 88 | 369 | 3,116 | 453 | 2,662 | ... | ... | ... | ... |
| Wolhuter Gold Mines | ... | ... | ... | 2,286 | 1,641 | 6,578 | 1,128 | 5,448 | ... | ... | ... | ... |
| Agnes Munro | ... | ... | ... | 1,952 | 162 | ? | ? | 3,570 | ... | ... | ... | ... |
| New Comet | 536 | ? | ? | 1,952 | 762 | ? | ? | 274 | ... | ... | ... | ... |
| Angelo | ... | ... | ? | 124 | 149 | ? | ? | 1,816 | ... | ... | ... | ... |
| Dryfontein Company | 168 | ? | ? | 124 | 313 | ? | ? | ... | ... | ... | ... | ... |
| Marie Louise | ... | ... | ... | ... | 385 | ... | ... | ... | ... | ... | ... | ... |
| New Midas Estate | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... |
| York | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... |
| Lancaster | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... |
| Champ D'Or | ... | ... | ... | ... | 1,320 | ... | ... | ... | ... | ... | ... | ... |
| Durham Woodport | ... | ... | ... | ... | 1,167 | ... | ... | ... | ... | ... | ... | ... |
| Roodport Deep | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... |
| Robinson G. M. Co. | ... | ... | ? | 2,787 | 1,606 | 2,160 | 553 | 1,587 | ... | ... | ... | ... |
| New Kleinfontein | 780 | ? | ? | 2,787 | 654 | 507 | Nil. | 507 | ... | ... | ... | ... |
| Bentoni | ... | ... | ... | ... | 160 | 371 | Nil. | 371 | ... | ... | ... | ... |
| Nourse Deep, Ltd. | ... | ... | ... | ... | ? | ? | ? | 3,427 | ... | ... | ... | ... |
| Geldenhuis Deep | ... | ... | ... | ... | 738 | 738 | 199 | 639 | ... | ... | ... | ... |
| Crown Deep | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... |
| Worcester | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... |
| Ferreira | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... |
| Meyer and Charlton | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... |
| Henry Nourse | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... |
| Jumpers | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... |
| Stanhope | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... |
| City and Suburban | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... |
| Lançlagyte Estate | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... |
| Crown Reef | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... |
| Pearl Central | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... |
| Robinson Deep | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... |
| New Heriot | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... |
| | | | | £7,317 | | | | £21,335 | | £42,067 | £10,823 | £31,823 |

In 1895 ... 6 Companies alone show a Loss of £7,317
 In 1896 ... 14 " " " 21,335
 In 1896/1897 to date ... 17 " " " 31,823
 Which latter represents as near as possible 75 per cent. loss of their outlay.

duration, and, in the opinion of those best capable of judging, only a nominal improvement on the previous state of affairs exists. Whilst convictions undoubtedly have taken place, showing that infringements of the law are occurring, I am still of opinion that by far the greatest amount of the liquor traffic remains undetected. To show what the opinion of the mine managers is with regard to the operation of the Liquor Law, we have had a table (see Statement D) prepared from 74 companies on the Rand which conclusively demonstrates the absolute necessity of a better administration of this otherwise excellent law. A summary of this table shows that all the managers of the 74 companies are unanimous in declaring that liquor is being sold freely to the natives. It further goes to prove that although in some cases the amount of drunkenness on some mines is small, still the overwhelming returns indicate that a large percentage of natives employed on the fields is rendered incapable for work owing to the effects of drink. A further perusal of the documents will show that while in some individual cases the police supervision has been fairly satisfactory, the bulk of the cases demonstrate that the supervision has been totally inadequate. It will also be seen from the statement, that while in some instances the mines have recently gone to the trouble of opposing applications for licences, in the bulk of cases they have refrained from doing so, owing to the ill-success which has attended previous efforts in that direction, and to the loss of time which is entailed by such matters. I wish to read one letter which I have received from Mr. Johns, manager of the Ferreira Company:—"In reply to your letter of yesterday's date respecting illicit liquor traffic, and asking why I did not protest against granting any licences in this neighbourhood, the reason why I did not protest is that I consider it would be quite useless to do so, previous protests having been of no avail." In my mind this liquor trade amongst the natives constitutes one of the great grievances under which the mining industry is labouring, and requires energetic and immediate suppression. The administration of the Liquor Law should be placed under the control of a Local Government Board, having for assistance as advisory members representatives of the mining industry.

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buyers.

I am convinced in my own mind that gold thefts have been and are still taking place on these fields, but to what extent it is impossible for me to say, and I would not like to venture an opinion. It is impossible to have a perfect check on all the gold won from the mill and cyanide works. The greatest security against thefts rests in the fact that the men engaged in this specific responsible work are regarded as men of honour and beyond suspicion, which, from an ethical point of view, is highly satisfactory, and cannot fail to raise the standard and the sense of their morality. The fact of a detective continually watching over them would, in my judgment, destroy the object it hopes to serve, and the men, if engaged under such conditions, would deteriorate, or tend to cause an exchange of honest men for such as would require close watching. However anxious one might be to have a perfect check system, this, as experience can prove to you, is hardly possible. I assume, guided therein by certain circumstances, that gold thefts are being practised to a large extent on the Rand. I think that the general opinion of mine managers and representatives of the industry is that the men employed in the reduction works are inherently honest, but it is the instigation which they receive from the outside which has such demoralising and demoralising influences. The great necessity, according to my judgment, lies in detecting and bringing to justice the offender who illicitly buys the amalgam, and it is for this reason primarily that we require a special organisation of well trained men to apprehend such offenders against the law. Previous witnesses have already referred to its deficient administration, and we all know that many men at this place are nominally carrying on a trade which they are virtually not prac-

tising. In order to effect apprehension and conviction it is necessary that laws should exist which are applicable to these special circumstances. In view of past experience, I respectfully submit that the Law of Illicit Gold Buying is defective, and that the administration of the law is inefficient. I will apply my first remarks to the law itself, and will show to you where it is defective, and would further suggest the greatest urgency in getting such law altered. Article 145 of the Gold law says that no person shall carry on trade in amalgam, &c., under which is included the purchase or bartering, &c., of amalgam, &c., unless he possess a special licence to do so, for which he must pay £10 per annum, with this proviso: that an individual digger or company shall not be required to take out a licence for the sale of amalgam, &c. The fine for the infringement of this law is a sum not exceeding £100, or imprisonment, or both together for the first offence; for the second offence a fine not exceeding £200, or imprisonment, not exceeding 12 months, or both together; and for a further offence according to the judgment of the Court. Article 146 says that any person found in the possession of amalgam, and who can give no proof of having obtained it in a lawful manner, shall be punished with a fine not exceeding £500, or imprisonment not to exceed two years, or both together, for the first offence; and for the second offence with a fine not to exceed £1,000, or three years, or both together, and for further offences, fines or imprisonment according to the judgment of the Court. To my mind the defect of the present Gold Law with respect to illicit gold buying is that it neither goes far enough nor is sufficiently explicit in its meaning as to what constitutes unlawful possession. Section 146 merely throws the onus of proof on the accused to show that he obtained gold found in his possession in a lawful manner, but we are left in doubt as to what these words may mean. Purchase, sale, barter and exchange are in themselves lawful, and they are not necessarily rendered unlawful by the operation of Section 145. This section only provides that persons dealing in amalgam, &c., shall take out a licence to do so under certain comparatively small penalties. Consequently the penal operation of Section 146 is rendered nugatory, for under an indictment under this section the accused has only to prove purchase, barter or exchange to ensure his acquittal. The prosecution is then thrown back on Section 145, which, as already pointed out, does nothing more than provide a penalty for not taking out a licence. This to my mind constitutes an ineffectual law which I think should be altered. That the administration of the Gold Thefts Law is not an efficient one is sufficiently demonstrated by the fact that no convictions have taken place in the past, and that where there have been detections, and where after endless pain and trouble and expense have been incurred by the companies to effect detection, those who have infringed the law have been able to escape. I suggest a Local Government Board, who shall have the power to enrol a special detective force for administration of the law, and that an advisory board of representatives of the mines be at the disposal of the permanent board.

inefficient administration of law against thefts.

governor's board for administration against thefts.

labour of native

It is needless for me to state that the mines have to go to considerable expense and trouble to effect an adequate supply of natives. The supply formerly has not been so great as now due to the expansion of the industry, and for a considerable time there has been a great shortfall. If you were to examine returns and reports of companies during the last year, as I have had the opportunity of doing, you would see much of the decreased returns are due to the scarcity of native labour. The chief supply of natives is from the East Coast, equal to 50 per cent. The supply from the North is about 20 per cent. I feel convinced that the supply from the North can be considerably increased, seeing that the labour of these natives is regarded as efficient. I may mention, in qualification of this, that the Wolhuter Company brought down 500 boys; they have stayed their full time with the manager and he has been well

it to Imvani Station, where we have taken delivery during the months of January and February last of between 400 to 500 natives, and 2,797 during the eight months in 1896. The Cape Government have depots at Umtata. I can further show you letters which we have received from the Commissioners of Natives in the Cape Colony, telling us that their depots are full, and urging upon us to take the natives. I merely wish to show, to illustrate by this, that we should not want to look for our supply from this quarter at all, but that we should get it from within the borders of this country. I would like to impress upon you also the necessity, as stated before, of bringing down these natives at as low a rate as possible, and that if it is to cost anything at all it could be put on in the return journey, inasmuch as we have this large outlay in the beginning so uncertain of recovery. My statement, which is a complete one, shows the amount of premiums paid for obtaining native labour, which has not been recovered. In 1895, taking six companies only, the loss was £7,317; in 1896 14 companies showed a loss of £21,335; in 1897 17 companies show a total loss of £31,823. The latter represents as nearly as possible a loss of 75 per cent. on the outlay. I should like to draw particular attention to one company, the Langlaagte Estate. The number of boys they employ is 1,790, and the gross premium for obtaining these boys was £12,120; they have only recovered from these boys £530, leaving a loss of £11,589. I will take the case of the Bonanza Company; they had paid £750 for obtaining boys, and they had not recovered 6d. I now wish to draw your attention to a matter connected with the Pass Law, which I omitted yesterday namely a defect which also means a great expense for the company. The present offices at Boksburg, Johannesburg, and Krugersdorp are too far apart on the distinctive mines for proper administration. As an instance I will take a gang of boys arriving at Elandsfontein Station for the Geldenhuis Estate. A boy is first walked off to the company's compound, and then he is walked off to Boksburg and back, eight miles each way, for the purpose of getting registered. This takes altogether one day. The boys have to be provided with bread at 3s. per dozen, equal to 3d. per man. At Boksburg he is delayed and has frequently to camp out overnight, with the result that many desert. Another defect in the law is in the moving of natives from one district to another. No transfer books exist whereby a boy who for instance, wishes to go from his district to Johannesburg, can go and get his district pass and his pass for the unexpired period of the month transferred to that district which in itself necessitates an unnecessary expenditure. An illustration will better explain the point. On the 18th January 600 boys were transferred from the Crox to the Rietfontein Mine. They were then in possession of a pass paid until the end of January. In order to pass they had to come to the Johannesburg Office, and to take out a "reis" pass for the Boksburg district at 1s. per head. They then had to walk to Boksburg, arriving there on the 20th, for the purpose of taking out a district pass and their new pass for the month, in that district 2s. per head, a distance from there and back to the Rietfontein Mine of 27 miles. As the passes only last from the 1st to the 1st, the pass taken out on the 20th lapsed on the expiration of the month, and a new pass had to be taken out from the 1st of the month, so that the expenditure per boy in being transferred from one district to another amounted to

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White wages.

I would point out to you that, according to the evidence of a previous witness estimates the average cost of white labour at 28 per cent. on the total cost. The argument took place as to whether white labour is not too highly paid. In my opinion it is not. The opinion expressed was that the pay of European labour is high in this country and should go down. But in adducing these arguments, I think one of the principal considerations is to ascertain whether the men employed in the mines have only to look after themselves or to supply the wants of their families.

pleased with them. I say it is in the interests of the Government that they should assist us by every means possible to bring the labour from within the boundaries of this Republic. Firstly, because of the less expense of bringing down natives to this centre; secondly, because it is more in the interests of the Government that the money which the boys earn remain and be spent in this country, and not go out of it; and thirdly, because the amount of money that is taken out of the country would remain here. I can further say that if the Government were to assist in the supply of natives from within this country they would by these means be serving two purposes. According to the native laws the actual tax per native in the native districts amounts to about £2 10s.; the only exception to the liability of this payment being natives residing as servants under white persons. Thus, if the dignity of labour were impressed upon them by the enforcement of this law, we are likely to get a larger supply. The other purpose served would be—that such boy coming to work would earn money, and after completing his term of service he would have sufficient funds to enable him on his return to his district, when called upon by the Government, to pay all his taxes, which would be an additional revenue to the Government. At present one-half of our supply comes from the East Coast, and the monstrous sum of 26s. 10d. is levied on each native for his passport by the Portuguese. It costs, on the average, 56s. 6d. to 60s. to bring down natives to this centre from this part of the country, which is only 300 miles off from here; which is, in my opinion, an excessive burden on the industry, and necessarily increases the price of native labour. In connection with this matter, I will refer to the rates for carrying these natives. I hold that it would be to the interests of the Government and this industry to facilitate this traffic as much as possible, at the least possible expense to the companies, and, if anything, sooner to put an increased rate of conveying them on their return journey. My opinion is, that the rates of transport of natives are altogether too high. From Volksrust to Johannesburg is only 170 miles, and the charge is 20s. 6d. per head; from Indwe to here a distance of 543 miles, 25s. 3d. is charged; from Komatipoort to here, a distance of 351 miles, 18s. 9d. is charged, and on the return journey 39s. is charged. The boys on their return to Indwe have the option of engaging a truck; 25 and over can engage a truck, which works out at £1 a head. Now I argue that as a good many boys can go in trucks, and if boys are brought in trucks they should be carried on what I would consider a reasonable truck-load basis. On this basis boys would be brought from Indwe to here for about 16s. From Volksrust to Johannesburg, 170 miles, the native would pay 7s. 6d., instead of as at present 20s. 6d.; from Komatipoort to here, 351 miles, the native would pay 11s. 5½d. instead of the present amount of 18s. 9d. I will now go to show what the mining industry has done to try and facilitate the transport of natives from the north where there is no railway. An organisation is in existence for the conveyance of natives. We have a staff of men in Pietersburg, who collect the natives and bring them to the depot there. Our next depot is at Potgieter's Rust, 20 miles away, another depot at Vroom's Store, 30 miles distant, a depot at Kaufman's Store, 25 miles from there, one at Pienaar's River, 25 miles from the latter, and one at Leeuwkraal, 30 miles distant, and in Pretoria we had the use of Beckett's compound. So from this you will observe that the journey is completed in eight days, and the boys have shelter and protection at each stage, and there can be no cause for complaint in this respect. This route should be encouraged, and in my opinion the Government should appoint additional commissioners in the Northern districts to assist in bringing the material to Pietersburg. I should like to point out to you what the Cape Government has done in the supply of natives. They have given notice through their kaffir chiefs to collect native labour, and the Government have brought

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well. This I think is a very important question, which may throw a different complexion altogether on the pay of white labour. I have obtained statistics of the returns of European labour from about 53 companies (see Statement E), which goes to show that they employ a total of 3,620 miners. Of these, 470 are married miners with families on their properties; 1,195 are married miners, but their families are away from here; and 1,955 are single men. The number of miners who have left during the last six weeks are 827, of which number approximately 380 left the country and 480 remain in the country. This shows the following percentage: that 54 per cent. are single men and 46 per cent. are married, of which 33·1 per cent. are absent. It therefore devolves upon them to support their families. I think it ought to be the desire of the Government to make it possible for these miners not to have to live apart from their families, but that the conditions should exist which would enable them to live in this country, which in itself would add to the revenue of the country. As regards white labour in itself, I will acknowledge that the figures of Mr. Catlin would go to show that by greater pay a greater amount of efficiency is to be obtained. Consequently I think it should be the object of every mine manager to see that his labourer improves in efficiency, and does more work, which would mean a saving. A system which is now being introduced, and which in my opinion is the only system which will work out satisfactorily, is the contract system, whereby a man is told to do a certain amount of work for a certain sum of money. This expedites the work, and is found to be the cheapest. I do not approve of the bonus system. I may mention one thing in regard to white wages, we have an instance in point of a man—a fitter on the Central Ore Reduction Company—receiving £30 a month. He got married, and the moment he had an increase of family, he found the conditions did not enable him to keep his family here, and he was obliged to send them away, the cost of living being too high.

According to the Chamber of Mines returns, I find that 53 producing companies on the Rand have returned an average of $11\frac{1}{2}$ dwts. per ton. However, on analysis, it shows that the average is only brought up by a few companies. Of the 53 companies, four companies average 24·4 dwts., or 7·5 per cent. of the total producing companies; two companies average 17 dwts., or 3·8 per cent.; 16 companies average equal to 30 per cent.; and 30 companies average 7·9 dwts, or 58 per cent. Gentlemen, I wish to impress upon you now that the backbone of the industry is not the four companies which average the high returns, nor the two; it is the 30 companies which are only returning 7·9 dwts., and which are struggling unavailingly with the existing impediments. I go very much further, and I say the condition of affairs ought to be such that many of the companies which are to-day unable to work may be brought into life again. I would draw your attention in reference to these 30 companies to the very small margin on which they are working. I may say the results have been worked out reliably, not from estimates taken from the Chamber of Mines, but figures taken from the most careful investigation of the balance sheets of the companies, and in the majority of cases checked by Mr. Jennings. The average of these 30 companies shows a return of 30s. 0·4d. per ton, which leaves a profit per ton of 1s. 10d. This will show you how very close these companies are working, and how little it would require to make the average show no profit whatever. The companies I refer to include companies which have been producing from the earliest days. In regard to the dividends, I should like to point out to you that 20 companies have only paid dividends during 1896, the amounts paid being £1,523,581, (see statement F) showing a decrease in dividends over the previous year of over £540,000. That in itself is very significant. Whilst these companies paid 23 3·8 per cent. on their issued capital, taking it at to-days market value, they returned 10·38 per cent., but if you apply these total dividends over 51 producing companies you will find that the total return of these companies

E.

RETURN OF EUROPEAN LABOUR,

Shewing Number of Married and Single Miners, and Number which left during previous Six Weeks from 30th April, 1897.

| COMPANIES. | Married Miners with Families on the Property. | Married Miners with Families Abroad. | Single Men. | Miners Left Mine during past Six Weeks. | Of which Left the Country Approximately. | Approximate Number Remaining in Country. |
|------------------------------------|---|--------------------------------------|-------------|---|--|--|
| Banket | 0 | 6 | 0 | 6 | 0 | 6 |
| Bonanza | 3 | 11 | 23 | 5 | 0 | 5 |
| Champ d'Or | 6 | 6 | 4 | 0 | 0 | 0 |
| Cassel Colliery... .. | 10 | 5 | 30 | 20 | 10 | 10 |
| City and Suburban | 62 | 62 | 184 | 64 | 26 | 38 |
| Durban Roodepoort | 5 | 17 | 13 | 1 | 1 | 0 |
| Ferreira Company | 15 | 48 | 39 | 14 | 10 | 4 |
| East Rand Proprietary | 30 | 150 | 200 | 110 | 55 | 55 |
| George Goch | 6 | 33 | 22 | 8 | 2 | 6 |
| Geldenhuis Main Reef | 0 | 6 | 4 | 0 | 0 | 0 |
| Geldenhuis Estate and G. M. | 3 | 30 | 23 | 15 | 4 | 11 |
| Geldenhuis Deep | 5 | 96 | 193 | 28 | 8 | 20 |
| Glen Deep | 2 | ? | ? | 38 | 31 | 7 |
| Henry Nourse | 2 | 29 | 36 | 8 | 3 | 5 |
| Horsham Monitor | 1 | 9 | 2 | 1 | 0 | 1 |
| Jumpers | 5 | 23 | 33 | 9 | 1 | 8 |
| Jubilee | 5 | 12 | 22 | 8 | 7 | 1 |
| May Consolidated | 4 | ? | ? | 21 | 5 | 16 |
| Meyer and Charlton | 6 | 10 | 16 | 13 | 3 | 10 |
| Modderfontein | 2 | 24 | ? | 83 | 40 | 43 |
| New Heriot | 23 | 52 | 114 | 9 | 3 | 6 |
| New Primrose | 16 | 9 | 52 | 32 | 3 | 29 |
| New Spes Bona | 0 | 7 | 2 | 0 | 0 | 0 |
| New Kleinfontein | 5 | 19 | 19 | 0 | 0 | 0 |
| Nourse Deep | 19 | 73 | 54 | 18 | 3 | 15 |
| Princess Estate | 2 | 17 | 22 | 7 | 3 | 4 |
| Rand G. M. Company | 2 | 1 | 1 | 0 | 0 | 0 |
| Rietfontein A | 0 | 8 | 13 | 3 | 2 | 1 |
| Robinson Randfontein | 1 | 15 | 9 | 15 | 3 | 12 |
| Roodepoort G. M. Co. | 1 | 0 | 15 | 7 | 3 | 4 |
| Roodepoort United M. R. | 3 | 6 | 9 | 13 | 7 | 6 |
| Rose Deep | 2 | 34 | 69 | 14 | 8 | 6 |
| Salisbury | 3 | 20 | 3 | 2 | 1 | 1 |
| Stanhope | 2 | 2 | 1 | 0 | 0 | 0 |
| South Randfontein | 2 | 8 | 25 | 16 | 16 | 0 |
| Springs Colliery | 18 | 4 | 49 | 17 | 0 | 17 |
| Treasury | 0 | 9 | 19 | 7 | 2 | 5 |
| Transvaal Coal... .. | 3 | 6 | 14 | 8 | 2 | 6 |
| Van Ryn Estate | 2 | 33 | 22 | 14 | 10 | 4 |
| Village Main Reef | 45 | 17 | 82 | 12 | 2 | 10 |
| Vogels. Estate... .. | 2 | 0 | 22 | 4 | 0 | 4 |
| West Rand | 4 | ? | ? | 12 | 12 | 0 |
| Wemmer | 2 | 25 | 21 | 3 | 2 | 1 |
| West Roodepoort Deep | 0 | ? | ? | 32 | 7 | 25 |
| Wishaw Coal Co. | 1 | 0 | 0 | 0 | 0 | 0 |
| Windsor Co. | 1 | 0 | 0 | 0 | 0 | 0 |
| Wolhuter | 17 | 19 | 34 | 12 | 4 | 8 |
| Robinson Co. | 7 | 63 | 29 | 7 | 1 | 6 |
| Rietfontein Estate | 1 | 10 | 15 | 14 | 1 | 13 |
| Violet Consolidated | 1 | 2 | 9 | 6 | 2 | 4 |
| Roodepoort G. M. Co. | 1 | 9 | 5 | 0 | 0 | 0 |
| Simmer and Jack | 97 | 116 | 322 | 63 | 60 | 3 |
| Crown Deep, Ltd. | 15 | 34 | 60 | 28 | 17 | 11 |
| | 470 | 1,195 | 1,955 | 827 | 380 | 447 |

RECAPITULATION.

53 Companies, 3620 total Miners :—

12.9 % Married Men on the Properties with Families.
33.1 % Married Men on the Properties without Families.
54.0 % Single Men.

827 Miners left during the past six weeks, of which 46% have left the country ; 54% have remained in the country.

only comes to 4.3 per cent. of the money invested at present market rates. Now I think that everyone connected with mining will admit that a 4½ return per cent. on one's money in mining, equal to a railway return, is not what capitalists expect with all the risks appertaining to mining. I think all Governments will acknowledge, where mining is carried on, that a certain amount of risk is attached to mining, and that therefore the industry should be assisted, knowing full well that a liberal percentage on the capital outlay is justified. A question I wish to bring before you as one of supreme importance, is to see in which manner the better condition of affairs can be brought about in the mining industry, so as to assist us in restoring the capital which has been melting away from us, and which is necessary for the development of a good many mines which are silent at the present moment. I feel this, that unless relief is given, it will only rest on those few companies to bear the burdens of the industry. A good number of companies which were on the list of working and developing companies, and which are all pillars on which the whole welfare of the country rests, will be dropping away, throwing increased pressure on the remaining ones. It is therefore necessary, and this is now the critical moment, to bring about better conditions. I will say that this refers in particular to the question of dynamite, railway freights, and general import dues, and also to the influence of the Government to see that the other neighbouring Colonies that derive benefits from this industry are reasonable. I will not travel over the same ground. I agree perfectly with the previous evidence with reference to dynamite, but I will say that I am strongly in favour of seeing free trade in this article, with a reasonable duty for the Government. As far as the railway concession is concerned, in my opinion, gentlemen, I believe that the Government should be determined to bring down the rates to a reasonable proportion, when probably we would find that the expropriation can be affected at a later date under better conditions than to-day, but that would absolutely depend on the determination of the Government now to see that the tariffs are considerably reduced, failing which, it is much the best that expropriation takes place now instead of at much greater cost later on. I believe that in many respects a great reduction can be made, which will bring down living expenses to a reasonable basis. I also believe that in the question of coal rates that there could be more advantageous tariffs, so that where we find mines to the west of Johannesburg, which are acknowledged to be poorer than mines to the east, the railway freights to them ought not to differentiate from those in the immediate proximity of Johannesburg. In my opinion the tariff from Johannesburg, going west, should not exceed the rates from Elandsfontein to Johannesburg, or they should differentiate in their favour, so as to give these companies in the west a chance. I could mention that some of the coal bills in the West Rand exceed the amount of saving in railage to the mines to the east of Johannesburg ; or, in other words, the difference in the coal rates would cover the total expenses of the coal bill of some West Rand mines. How the general relief can be brought about it is hardly for me to suggest, but I do believe, without going into figures, that if we get considerable relief the revenue could still remain on a level. By giving greater facilities to the mines, gentlemen, you would indirectly derive great benefit, you will enable companies which at the present moment cannot work to work,

and you will bring about an expansion of trade and vitality. I fully believe that it could be brought about within the margin of the expenditure of the country.

F.

TABLE

SHOWING

1st. Amount of Dividends paid by 20 Rand Companies for 1896.

2nd. Interest percentage on Issued Capital.

3rd. Interest percentage on Market Value, May 1st, 1897.

| Name of Company. | Total Share Capital. | Issued Share Capital. | Market Value of Issued Capital on May 1st. | Dividends in 1896. | Per Cent. on Issued Capital. | Per Cent. on Market Value. |
|-------------------------|----------------------|-----------------------|--|--------------------|------------------------------|----------------------------|
| | £ | £ | £ | £ | | |
| 1 City and Suburban | 1,360,000 | 1,360,000 | 930,000 | 68,000 | 5 | 7.31 |
| 2 Crown Reef ... | 120,000 | 120,000 | 1,230,000 | 132,000 | 110 | 10.73 |
| 3 Durban Roodepoort | 135,000 | 125,000 | 656,250 | 56,250 | 45 | 8.57 |
| 4 Ferreira ... | 90,000 | 90,000 | 1,440,000 | 247,500 | 275 | 17.18 |
| 5 Geldenhuis Estate ... | 200,000 | 200,000 | 525,000 | 25,000 | 12½ | 4.76 |
| 6 Henry Nourse ... | 125,000 | 125,000 | 656,250 | 37,500 | 30 | 5.71 |
| 7 Johannesburg Pioneer | 21,000 | 21,000 | 199,500 | 84,000 | 400 | 42.11 |
| 8 Jubilee ... | 50,000 | 50,000 | 300,000 | 30,000 | 60 | 10.00 |
| 9 Jumpers ... | 100,000 | 100,000 | 281,250 | 30,000 | 30 | 10.66 |
| 10 Langlaagte Estate... | 500,000 | 470,000 | 1,586,250 | 141,000 | 30 | 8.89 |
| 11 May Consolidated ... | 275,000 | 275,000 | 481,250 | 55,000 | 20 | 11.43 |
| 12 Meyer and Charlton | 85,000 | 85,000 | 371,875 | 17,000 | 20 | 4.57 |
| 13 New Chimes ... | 100,000 | 100,000 | 25,000 | 5,000 | 5 | 20.00 |
| 14 New Heriot ... | 115,000 | 111,864 | 811,014 | 95,084 | 85 | 11.72 |
| 15 Robinson ... | 275,000 | 2,750,000 | 3,645,750 | 330,000 | 12 | 9.05 |
| 16 Stanhope ... | 35,000 | 34,000 | 23,375 | 1,700 | 5 | 7.27 |
| 17 United Main Reef ... | 150,000 | 150,000 | 431,250 | 37,500 | 25 | 8.69 |
| 18 Van Ryn ... | 200,000 | 177,000 | 273,375 | 32,000 | 20 | 11.70 |
| 19 Wemmer ... | 80,000 | 80,000 | 460,000 | 47,500 | 75 | 10.33 |
| 20 Worcester ... | 100,000 | 93,722 | 351,487 | 51,547 | 55 | 14.66 |
| | 6,591,000 | 6,517,586 | 14,678,876 | 1,523,581 | 23¾% | 10.38% |

fits of 20 of
producing
companies.

I now want to come back to the figures of yesterday in reference to the cost of 20 companies which I mentioned. I wish to say that in re-checking the figures I found a slight difference. The profit of these companies is 2s. 5d. per ton instead of 1s. 10d., as I stated yesterday. I also wish to draw attention to the fact that in doing this I wish to draw no comparisons of one company as against another. All

wish to demonstrate was that these 30 companies crushed during 15 months 3,000,000 tons of rock, and that is the result. I may mention that I have taken 30 companies showing the lowest yield of the 53 producing companies, and I include in my list, of course, companies showing good returns. For instance, 14 companies out of that 30 have crushed 2,036,000 tons, which show profit, without depreciation, of 7s. 3'658d., and with depreciation, 4s. 5'01d. per ton. I further want to draw attention to the fact, taking the figures, for instance, of a witness who appeared to-day before you, as to the benefit a reduction of 6s. a ton would mean to some of the companies. I am interested in a company which has crushed 72,000 tons without making any profit. This company, with a reduction of 6s. per ton, would return a profit of £22,000. In referring also to the railways, there is one thing that I should like to draw your particular attention to, and that is the necessity of trying to bring about a reduction of rates. Other Governments have shown a desire to do so, but they have been somewhat prevented from doing this.

Mr. Hugo.

Who prevented them?—The Netherlands Railway Company. I can give an instance. I have a letter here from the Cape Government, dated 24th July, which states: "In consequence of representations made by the Netherlands Railway Company it will be necessary to raise the rate for the conveyance of cement to the Transvaal for rough goods to third-class rate from the 1st September."

Mr. Abu.

What year is that?—1895. I have another letter of the 14th March, 1895, in reference to reduction of the rough goods rate. It was the intention of the Cape Government to assist us in reducing tariffs—by rough goods I mean timber, rails, and all heavy goods. The Netherlands Company immediately thereon put on an increase on their railway rates on rough goods from 1s. to 1s. 8d. per 100lbs., which to a certain extent counteracted the intentions of the Cape Colony. At the same time the Cape Colony felt that though the Netherlands Railway Company had increased their freight, they at least should not do it, and whatever the Netherlands Railway Company increased they reduced. I will read a letter from Mr. Difford: "With reference to the Netherlands Railway Company's advertisement of an increase of 8d. per 100lbs. for the conveyance of rough goods from Mid-Vaal River to Johannesburg and other stations on and after 1st April next, I have the honour to state that the Cape Government does not intend to disturb its through rates from the ports to either Viljoensdrift or stations along the Vaal River, and that the existing through rates from the ports will therefore remain in operation. On traffic for intermediate stations an additional 8d. levied by the Netherlands Company will be charged, the port rates, however, being the maximum charge." I should like to mention transit dues, which, I think, the other Governments are absolutely not entitled to, and I think should be removed in their entirety. The argument I have heard mentioned is that the Transvaal Government are maintaining the transit rate of 3 per cent. for any goods passing through the Transvaal for the North. I think, for instance, if this transit were removed, the other Governments would also be open to reason. We have to pay duties on produce coming from Basutoland. The Orange Free State, having free trade with Basutoland, take their produce from there. The Orange Free State have, however, free trade with us again here, and what stands to their advantage are the heavy protective duties here for produce which is imported. The Orange Free State take their grain free from Basutoland, and sell us their produce at increased prices under the protective duty. I merely wish to convey that we are paying more for our

G. CAPITALIZATION COMPARISON, SEPTEMBER, 1895—MAY, 1897.

Statement showing 105 Companies which had a Capital in SEPTEMBER, 1895, of £29,521,735, which, at ruling rates during the month, which was the height of the boom, meant a capitalization of £150,470,191 roughly.

These same Companies to-day have a Capital of £36,808,155, and at ruling rates show a capitalization of £53,262,535 roughly, or a difference of £97,364,402 compared with September, 1895.

There are only two Companies to-day which show a higher capitalization than in September, 1895, viz. :—**BONANZA**: Capital £200,000, which, at current rates, shows a difference of £210,000 in favour of to-day, and **JOHANNESBURG PIONEER Co.**: Capital £21,000, which shows £21,000.

| | | | | | | | |
|------------------------------|--------------|---------|-----------|--------------|------|-----------|-----------|
| Alexandra | 250,000 | 27/6 | 343,750 | 250,000 | 4/6 | 56,250 | 287,500 |
| Angelo | 175,000 | £6/12/6 | 1,159,375 | 225,000 | 55/- | 618,750 | 540,625 |
| Angelo Debentures | | | | | | 150,000 | |
| Angle Tharsis | 92,500 | 55/- | 254,375 | 150,000 | 13/- | 97,500 | 156,875 |
| | | | | M. Reef. | | | |
| Aurora | 65,000 | 37/6 | 121,875 | 65,000 | 12/6 | 40,625 | 81,250 |
| Aurora West, United | 100,000 | 55/- | 275,000 | 140,000 | 15/- | 105,000 | 170,000 |
| Balmoral | 100,000 | 65/- | 325,000 | 130,000 | 17/- | 110,500 | 214,500 |
| Banket | 180,000 | 10/- | 90,000 | 111,500 | 7/6 | 41,812 | 48,188 |
| Bantjes | 435,000 | 5/7/6 | 2,338,125 | 435,000 | 18/9 | 407,812 | 1,930,313 |
| Benoni Gold | 200,000 | 75/- | 750,000 | 204,100 | 7/6 | 76,537 | 673,483 |
| Block A Randfontein | 480,000 | 20/- | 480,000 | 480,000 | 7/- | 168,000 | 312,000 |
| Champ d'Or... .. | 133,000 | 76/3 | 507,062 | 133,000 | 15/- | 99,750 | 407,312 |
| Chimes West | 150,000 | 70/- | 525,000 | 175,000 | 8/3 | 54,687 | 470,313 |
| Consolidated Deep Levels... | 187,250 | 7/2/6 | 1,334,156 | 187,250 | 57/6 | 538,343 | 795,813 |
| Crown Deep | 250,000 | 12½ | 3,125,000 | 250,000 | 9½ | 2,312,500 | 812,500 |
| Crown Reef... .. | 120,000 | 11½ | 1,365,000 | 120,000 | 10½ | 1,215,000 | 150,000 |
| City and Suburban | 1,360,000 | 6½ | 2,337,500 | 1,360,000 | 66/3 | 1,126,250 | 1,211,250 |
| | In £4 shares | | | In £4 shares | | | |
| Driefontein | 175,000 | 81/3 | 710,938 | 175,000 | 26/3 | 229,687 | 481,251 |
| Driefontein Debentures ... | | | | | | 100,000 | |
| Durban Roodepoort | 125,000 | 8½ | 1,031,250 | 125,000 | 5½ | 656,250 | 375,000 |
| Durban Roodepoort Deep | 290,000 | 5½ | 1,667,500 | 290,000 | 37/6 | 543,750 | 1,123,750 |
| East Rand Proprietary | 650,000 | 12½ | 8,043,750 | 746,325 | 30/9 | 1,147,474 | 6,896,276 |
| Ferreira | 89,000 | 19½ | 1,735,500 | 89,000 | 16 | 1,424,000 | 311,500 |
| French Rand | 480,000 | 80/- | 1,920,000 | 560,000 | 17/3 | 483,000 | 1,437,000 |
| Geldenhuis Deep | 280,000 | 10½ | 2,940,000 | 280,000 | 3½ | 875,000 | 2,065,000 |
| Geldenhuis Deep Debent. | | | | | | 160,000 | |
| Geldenhuis Estate... .. | 200,000 | 6½ | 1,275,000 | 200,000 | 50/- | 500,000 | 775,000 |
| Geldenhuis Main | 150,000 | 28/9 | 215,625 | 150,000 | 11/3 | 84,075 | 131,250 |
| George Goch | 180,000 | 65/- | 520,000 | 325,000 | 20/- | 325,000 | 195,000 |
| Ginsberg | 152,500 | 35/- | 266,875 | 160,000 | 30/- | 240,000 | 26,875 |
| Glencairn | 225,000 | 90/- | 1,012,500 | 500,000 | 33/9 | 843,750 | 168,750 |
| Goldfields' Deep | 600,000 | 13½ | 7,950,000 | 600,000 | 95/- | 2,850,000 | 5,100,000 |
| Goldfields' Deep Debent... | | | | | | | |
| Gordon Estate | 175,000 | 20/- | 175,000 | 197,500 | 3/9 | 37,031 | 137,969 |
| Great Britain | 60,100 | 60/- | 180,300 | 60,100 | 20/- | 60,100 | 120,200 |
| Henry Nourse | 125,000 | 7/1/3 | 882,812 | 125,000 | 5½ | 687,500 | 195,312 |
| Horsham Monitor | 190,000 | 40/- | 380,000 | 190,000 | 2/6 | 23,750 | 356,250 |
| Jubilee | 50,000 | 9½ | 475,000 | 50,000 | 5½ | 287,500 | 187,500 |
| Jumpers | 100,000 | 8/1/3 | 806,250 | 100,000 | 55/- | 275,000 | 531,250 |
| Kleinfontein Central | 225,000 | 65/- | 731,250 | 225,000 | 7/6 | 84,375 | 646,875 |
| Knight's Deep | 330,000 | 3½ | 1,278,750 | 330,000 | 15/- | 247,500 | 1,031,250 |
| Leeuwoort... .. | 95,000 | 13/3 | 62,937 | 95,000 | 2/3 | 10,687 | 52,250 |
| Lancaster | 234,500 | 46/3 | 542,231 | 234,500 | 33/9 | 395,718 | 146,563 |
| Langlaagte Block B | 535,000 | 61/3 | 1,638,437 | 535,000 | 13/9 | 367,812 | 1,273,625 |
| Langlaagte Deep | 75,000 | 40/- | 150,000 | 75,000 | 13/- | 48,750 | 101,250 |
| Langlaagte Estate | 470,000 | 6/16/3 | 3,201,875 | 470,000 | 70/- | 1,645,000 | 1,556,875 |
| Langlaagte Royal | 180,000 | 6½ | 1,192,500 | 180,000 | 6/3 | 56,250 | 1,136,250 |
| Langlaagte Star | 240,000 | 60/- | 720,000 | 240,000 | 7/6 | 90,000 | 630,000 |
| Luipaard's Vlei | 350,000 | 40/- | 700,000 | 350,000 | 15/- | 262,500 | 437,500 |
| Marievale Nigel | 250,000 | 72/6 | 906,250 | 250,000 | 7/6 | 93,750 | 812,500 |
| Main Reef | 135,000 | 42/6 | 286,875 | 135,000 | 13/9 | 92,812 | 194,063 |
| May Consolidated | 275,000 | 76/3 | 1,048,437 | 275,000 | 32/6 | 446,875 | 601,562 |

CAPITALIZATION COMPARISON, September, 1895—May, 1897.—(continued.)

| | | | | | | | |
|----------------------------|------------|---------|-------------|--------------|-----------|------------|------------|
| Meyer and Charlton ... | 85,000 | £6/17/6 | 584,375 | 85,000 | 87/6 | 371,875 | 212,500 |
| Minerva ... | 150,000 | 67/6 | 506,250 | 150,000 | 2/6 | 18,750 | 487,500 |
| Modderfontein ... | 200,000 | 15/7/6 | 3,075,000 | 1,000,000 | 33/9 | 421,875 | 2,653,125 |
| | | | | £4 share. | | | |
| Modderfontein Extension | 325,000 | 85/- | 1,381,250 | £325,000 | 8/9 | 142,187 | 1,239,063 |
| Mijnpacht Randfontein ... | 657,500 | 25/- | 821,875 | 657,500 | 3/9 | 123,281 | 698,594 |
| Molynoux Mines ... | 220,000 | 58/9 | 646,250 | 220,000 | 10/- | 110,000 | 536,250 |
| Molynoux West ... | 300,000 | 15/- | 225,000 | 300,000 | 2/6 | 37,500 | 187,500 |
| New Chimes ... | 100,000 | 57/6 | 287,500 | 100,000 | 3/9 | 18,750 | 268,750 |
| New Comet ... | 182,486 | 87/6 | 798,378 | 182,486 | 12/6 | 114,053 | 684,323 |
| New Croesus ... | 500,000 | 61/3 | 1,537,500 | 500,000 | 6/6 | 162,500 | 1,375,000 |
| New Florida ... | 125,000 | 77/6 | 484,375 | 162,500 | 10/3 | 83,281 | 401,024 |
| New Heidelberg Roodept. | 125,000 | 51/- | 318,750 | 160,000 | 6/3 | 50,000 | 268,750 |
| New Heriot ... | 85,000 | 11½ | 977,500 | 111,864 | 77/6 | 824,997 | 152,503 |
| New Midas Estate ... | 100,000 | 82/8 | 412,500 | 137,500 | 15/- | 103,125 | 309,375 |
| New Orion ... | 160,000 | 95/- | 760,000 | 160,000 | 1/3 | 10,000 | 750,000 |
| New Primrose ... | 280,000 | 7½ | 2,100,000 | 300,000 | 3 9-16ths | 1,068,750 | 1,031,250 |
| New Rietfontein ... | 270,000 | 61/3 | 1,636,875 | 270,000 | 17/6 | 236,250 | 1,400,625 |
| New Spes Bona ... | 160,000 | 57/6 | 460,000 | 160,000 | 12/6 | 100,000 | 360,000 |
| New Steyn Estate ... | 190,000 | 40/- | 380,000 | 190,000 | 11/3 | 106,875 | 273,125 |
| Nourse Deep ... | 375,000 | £9 | 3,375,000 | 375,000 | £2½ | 796,875 | 2,578,125 |
| North Randfontein ... | 185,250 | 53/9 | 497,859 | 185,250 | 22/6 | 208,406 | 289,453 |
| New Kleinfontein ... | 185,000 | 6½ | 1,202,500 | 231,250 | 27/6 | 317,968 | 884,532 |
| New Blue Sky ... | 150,000 | 31/- | 232,500 | 150,000 | 6/- | 45,000 | 187,500 |
| Nigel ... | 199,300 | 7/8/9 | 1,482,293 | 199,300 | 31/3 | 311,406 | 1,171,887 |
| Nigel Deep ... | 500,000 | 77/6 | 1,937,500 | 500,000 | 10/- | 250,000 | 1,687,500 |
| Paarl Central ... | 200,000 | 46/3 | 462,500 | 400,000 | 11/3 | 225,000 | 237,500 |
| Porges Randfontein ... | 437,500 | £5 | 2,187,500 | 437,500 | 18/9 | 410,155 | 1,777,345 |
| Princess Estate ... | 160,000 | 85/- | 680,000 | 160,000 | 27/6 | 220,000 | 460,000 |
| Randfontein Estates ... | 2,000,000 | 82/6 | 8,250,000 | 2,000,000 | 27/6 | 2,750,000 | 5,500,000 |
| Rand Mines ... | 332,708 | £44½ | 14,722,329 | 332,708 | £16 | 5,323,328 | 9,339,001 |
| Robinson ... | 2,750,000 | £11 | 6,050,000 | 2,750,000 | £7 | 3,850,000 | 2,200,000 |
| | £5 share. | | | £5 share. | | | |
| Robinson Deep ... | 400,000 | £9½ | 3,700,000 | 400,000 | 6½ | 2,450,000 | 1,250,000 |
| Robinson Randfontein ... | 600,000 | 35/- | 1,050,000 | 600,000 | 18/9 | 562,500 | 487,500 |
| Roodepoort Central ... | 220,000 | 65/- | 715,000 | 220,000 | 20/- | 220,000 | 495,000 |
| Roodepoort Deep ... | 175,000 | 92/6 | 809,375 | 175,000 | 12/6 | 109,375 | 700,000 |
| Roodepoort U. M. R. | 150,000 | 77/6 | 1,106,250 | 150,000 | 58/9 | 440,625 | 665,625 |
| Roodepoort Kimberley ... | 125,000 | 67/6 | 421,875 | 125,000 | 28/9 | 179,687 | 242,188 |
| Rose Deep ... | 355,000 | £6½ | 2,218,750 | 355,000 | 50/- | 887,500 | 1,331,250 |
| Ruby ... | 23,114 | £11 | 254,254 | | | | |
| Salisbury ... | 93,000 | 95/- | 441,750 | 100,000 | 27/6 | 137,500 | 304,250 |
| Simmer & Jack ... | 250,000 | £27½ | 6,812,500 | 4,940,000 | 50/- | 2,470,000 | 4,342,500 |
| | | | | £5 share. | | | |
| Stanhope ... | 34,000 | 18/9 | 31,875 | 34,000 | 12/6 | 21,250 | 10,625 |
| Treasury ... | 540,000 | 72/6 | 489,375 | 540,000 | 30/- | 202,500 | 286,875 |
| | £4 share. | | | £4 share. | | | |
| Van Ryn ... | 160,000 | £9 | 1,440,000 | 160,000 | 32/6 | 260,000 | 1,180,000 |
| Van Ryn West ... | 120,000 | £5 | 600,000 | 120,000 | 17/6 | 105,000 | 495,000 |
| Vesta ... | 130,000 | 35/- | 227,500 | 130,000 | 3/9 | 24,375 | 203,125 |
| Village Main ... | 180,000 | £9 | 1,620,000 | 180,000 | 65/- | 585,000 | 1,035,000 |
| Vogelstruis Estates | 200,000 | £6½ | 1,250,000 | 200,000 | 28/9 | 287,500 | 962,500 |
| Vogelstruis Cons. Deep ... | 327,500 | 80/- | 1,310,000 | 327,500 | 10/- | 163,750 | 1,146,250 |
| Vulcan ... | 90,000 | 12/- | 54,000 | 90,000 | 3/3 | 14,625 | 39,375 |
| Vogelstruisfontein ... | 41,800 | 7/- | 14,630 | 41,000 | 2/9 | 5,747 | 8,883 |
| Violet ... | 600,000 | 15/- | 450,000 | 800,000 | 8/9 | 262,500 | 187,500 |
| West Rand Mines ... | 400,000 | 63/9 | 1,275,000 | 400,000 | 13/9 | 275,000 | 1,000,000 |
| Wolhuter ... | 215,000 | 12½ | 2,687,500 | 860,000 | 77/6 | 833,125 | 1,854,375 |
| | | | | In £4 shares | | | |
| Witwatersrand ... | 250,000 | 10½ | 2,562,500 | 250,000 | 55/- | 687,500 | 1,875,000 |
| Worcester ... | 90,727 | 85/- | 385,590 | 93,722 | 70/- | 328,027 | 57,563 |
| York ... | 90,000 | 20/- | 90,000 | 90,000 | 9/6 | 42,750 | 47,250 |
| | 95,217,325 | | 150,470,171 | 36,808,155 | | 53,262,535 | 97,364,402 |

ss intention of the law is to have a hold on the native whom we have brought down, be it from the East Coast, South, or from the North, at a considerable outlay to ourselves, but experience has shown that the law is broken with impunity, that the boys desert, that the money spent in bringing down these boys is lost, and no detection of their desertion is effected. I have gone to the trouble of ascertaining from 33 companies a statement (see Statement B), which I append, showing that since the Pass Law came into operation no less a number than 14,000 boys deserted out of a total of 19,000 monthly employed by the companies, without a single one of those deserting natives being brought back to the mine, or at least brought to justice. Now, I wish to point out to you that this pass fee is not the only amount which adds to the expense of native labour, but it is the cost of bringing these boys to the mines, which money is all lost if the boys desert. I will give you a few instances which come under the category of companies I am interested in:—

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WOLHUTER GOLD MINES.—Our total premiums for securing natives for the year 1895 amounted to £2,520 13s. 4d.; the boys refunded £234 6s.; and the net loss to this company upon premiums, owing to desertions, amounted to £2,286 7s. 4d. For 1896 the figures are much more alarming, though during that year the law was already in operation. The sum expended on procuring natives was £6,577 3s. 3d., of which £1,129 12s. 7d. was refunded by boys, causing a loss to the mine of £5,448 10s. 8d. The total number of boys employed averages 1,105 for 1895, as against 1,641 for 1896.

TREASURY GOLD MINES.—We paid premiums for securing boys in 1896 to the amount of £3,116 11s.; £453 18s. was refunded, and there was a net loss of £2,662 13s. The average number engaged by this company was only 369.

BANTJES CONSOLIDATED MINES.—Premiums paid, £601; refunded, £72; net loss, £528.

VOGELSTRUIS CONSOLIDATED DEEP.—£345 paid in premiums, £150 refunded, £195 lost, 194 boys employed.

I have a statement (see Statement C) from several companies, which shows the actual losses in premiums. Five companies in 1895 lost £4,531; in 1890 sixteen companies lost £25,333; and four companies in 1897, £2,897.

These are examples of direct losses, actual losses which the companies sustain without any means of recovery. I respectfully submit that the law is a good, though intricate one, and a law that, under good administration, is easily operative. But I think you will admit that in order to handle the inflow and outflow of 120,000 natives, and to have a control over them, requires more than 30 officials. I think it is wrong to attach blame to one officer in particular, and I say that with the machinery at his disposal it is impossible to administer the law satisfactorily.

The administration of the laws, such as the Pass Law, the Liquor Law, and Gold Thefts Law, should, in my opinion, be vested in a Local Government Board assisted by an Advisory Board of the representatives of this industry. It would certainly be preferable if the Government have representatives of the mining industry constituting a section of this local incorporated Mine Board, which would bring them into closer touch with the officers of the Government, who would thereby more readily understand the requirements of the industry.

After endless deputations, petitions and memorials, a Liquor Law was introduced and brought into operation which met with the approval of the mining industry, and which was expected to compensate for all the worry and trouble which had been undergone, and be a boon to the industry. Immediately after the introduction of the law the beneficial effects of it were largely felt, and satisfactory reports were forthcoming from various mine managers. This state of affairs, regrettably, was of too short