

LETTER OF WITWATERSRAND CHAMBER OF MINES TO THE COMMISSION.

Witwatersrand Chamber of Mines

Johannesburg, 20th May, 1897.

THE HONOURABLE THE CHAIRMAN AND MEMBERS OF THE INDUSTRIAL COMMISSION OF ENQUIRY.

GENTLEMEN,—We have the honour to forward you herewith answers to the various questions put in writing to the Chairman of the Chamber, and in response to a request of the Government to all persons interested, to render assistance to your Commission by placing before it all possible information connected with the burdens and grievances of the mining industry, and to your confirmation of that request, beg to submit the main points of the more important questions which have formed the subject matter of the Chamber of Mines' memorials to the Volksraad, and of its memorials and communications to the Government.

The subjects referred to are: Dynamite, Native Labour and Pass Law, Liquor Law, Railway Administration and Rates, Gold Thefts, Bewaarplaatsen Mining Rights, and Excise Duty; which will be taken in the order named.

DYNAMITE.*

As far back as 1890 the Chamber suggested that a commission should be appointed to enquire into various questions connected with the dynamite monopoly, and that it was of the first importance that a certain number of those connected with the actual working of the mines (the number proposed was three) should be nominated by the Government as additional official members. A commission was eventually appointed, but the mines were not accorded the representation on it which had been asked for, though at a later stage Dr. Simon was appointed to represent the Chamber.

In 1891, in its memorial to the Volksraad, the Chamber pointed out (1) that numerous complaints of the dynamite being of inferior quality had been received; (2) that the concessionaires were not manufacturing dynamite, but importing it under another name; and, (3) that the price charged was excessive; and asked that leave might be given to import direct from Europe, subject to the payment of a reasonable royalty either to the Government or the concessionaires. The import duty at this time was 7s. per case. The Volksraad resolved: "To answer the memorialists that nothing can be done with reference to their prayers; and further, to instruct the

* Throughout in speaking of dynamite, dynamite No. 1, containing 75 per cent. of nitro-glycerine is intended; this quality having been taken as the basis of the contract between the Government and the Government agent.

Government to see that the concession is strictly carried out, and that as quickly as possible the dynamite must be manufactured from materials found in the South African Republic."

The year following, the Chamber's memorial to the Volksraad stated that the mines were being charged by the concessionaires 40s. per case for dynamite, in excess of the price at which it could be imported; that while the mining industry was heavily burdened, the State was losing the revenue which ordinary importers would have to pay; that the terms of the concession were being ignored by the concessionaires, and that the concession ought to be cancelled; but that if the Volksraad were unwilling to proceed to cancellation at once, then that the mining companies should be allowed to import the same explosive and put it into cartridges in the same manner as that adopted by the concessionaires. At about this time, through information supplied by the Chamber, and at its request, the Volksraad Dynamite Commission ordered the seizure of a quantity of stuff which the concessionaires declared to be *gühr impregné*, but which, by the public firing tests, and the chemical tests of Drs. Schlesinger and Simon, was proved to be dynamite pure and simple. The Chamber thereupon at once asked that permits might be issued for the importation of dynamite. In August, on consideration of the revision of the tariff, various proposals were made for increasing the import duty on dynamite and other explosives. Strenuous endeavours were put forth by the Chamber to protect the industry against such additional taxation, but nevertheless the duty was raised to 3d. per lb. and $7\frac{1}{2}$ d. per cent. *ad valorem*, equal to about 17s. 6d. per case. In the same month the Government cancelled the concession, and in due course the concessionaires claimed in terms of their concession that the matter should be submitted to arbitration. The Chamber then addressed a letter to the State President and members of the Executive Council, thanking them for their action in the matter. Great difficulty was, however, experienced in getting permits issued for the importation of explosives, and, when issued, they were not for a sufficient quantity.

In 1893, the Chamber's memorial to the Volksraad referred to the increase of revenue, which had resulted from the cancellation of the concession, and, after giving figures showing that dynamite could be laid down in Johannesburg, inclusive of 17s. per case duty, at about 66s. 7d. per case, prayed that provision might be made for the issue of permits, on application, to all duly licensed persons wishing to import. The doling out of permits had already, and was still, causing great inconvenience to the mines, and frequent complaints were sent to the Chamber, which duly made representations to Government on the subject.

But the trouble in connection with the question of issue of permits was overshadowed early in August, by information which reached the Chamber that the Government contemplated establishing a State Dynamite Monopoly. Immediate steps were taken to ascertain whether the information was accurate, and on the 8th of August, at a special meeting of the Chamber, a resolution was passed, of which the following is an extract:—

"The Chamber views the present unsatisfactory method of regulating the importation of dynamite with alarm, as it leaves the mining industry constantly confronted with the danger of an absolute dearth of explosives, and deprives it of the advantage of trade competition; and would urge upon the Government the desirability of expediting the arbitration on the points submitted for decision, and of establishing free importation of dynamite under permits. The Chamber also desires to protest most emphatically against the substitution of a State monopoly for the cancelled concession, regarding such a system as no less pernicious than the one it would replace."

A deputation, consisting of the Acting President of the Chamber of Mines, Messrs. G. H. Goch, J. B. Taylor, E. H. Dunning, S. B. Joel, C. E. Nind, and F. Lowrey, handed a copy of the resolution to the President, who, however, refused to accept it, on the plea of other more urgent business, and asked for a simple outline of the industry's grievance, saying that his policy must not be questioned, and that he must be left to look after his mines as he thought best.

At the ordinary monthly meeting of the Chamber, held on the 10th August, after the Chairman had reported on behalf of the deputation, the following resolutions were unanimously passed:—

“The Chamber hereby records its dissatisfaction at the extremely inconsiderate and hostile attitude of the Government towards the mining industry, as shown by its proposals to establish a dynamite monopoly, ostensibly as a State monopoly, but in reality as a monopoly in favour of an agent, to whom the industry will be handed over for spoliation.”

“That the foregoing resolution be translated into Dutch and forwarded to all members of the Government, also to all members of the Volksraad, praying these to vote solidly against the iniquitous proposals of the Government *re* State Monopoly, and, if possible, to pass a resolution establishing free trade in dynamite.”

Copies of the resolutions were dispatched to the Government and to the Volksraad members with, in the case of the latter, the request set forth in the second resolution. A resolution was also passed, thanking the Minister of Mines for his reception of the Chamber's deputation and for the promise of support which he had given them.

Within a few days the Government submitted its dynamite proposals to the Volksraad. In spite of the manner in which its deputation had been received, the Chamber determined not to remit its endeavours to work amicably with the Government, and at the same time protect the mining industry as fully as possible. Taking the view that the object of the Government was: 1. To provide a way out of the dispute between the concessionaires and itself, and avoid the possibility of damages being awarded against the State; and 2. To ensure the erection of a real factory and the *bond fide* manufacture of explosives within the State, the Chamber, while remaining of opinion that the best solution of the dynamite question was the granting of free trade in explosives, was nevertheless willing to assist the Government in seeking to attain its wishes. The following proposals were accordingly submitted by Mr. Jeppe, M.F.V., to the Government and to the Volksraad Commission, which had been appointed to deal with the Government scheme:—

1. The dispute between the Government and the concessionaires to be pushed to a settlement by means of arbitration.

2. The mining industry, if the Chamber is consulted by the Government as to the naming of an arbitrator by the Government, will be willing to pay the damages, if any are awarded, by means of a rate to be levied on each case of dynamite; the Chamber reserving to itself the right to avoid the payment of additional dues by making one payment for the full amount.

3. That in order to ensure the establishment of a factory in the country, the Government should offer an annual bonus to anyone establishing such a factory. The Chamber of Mines will also contribute a bonus, say of equal amount; and to make its success certain the Government to arrange for a joint control with the Chamber over such factory.

4. Pending the establishment of the factory and the supply of dynamite therefrom, companies to be allowed to import, under permits from Government, according to their requirements.

Nothing came of this, and on the 5th of September the dynamite regulations submitted by the Government were, with certain amendments, adopted by the Volksraad, and the State Monopoly was duly established by law. The day following the Chamber addressed the State Secretary asking Government not to close with any offer that might be made, before the Chamber had had an opportunity of submitting proposals having for their object the thorough carrying out of the dynamite regulations as passed, and adding: "The mines are so greatly interested, as large consumers of dynamite, that it is to their interest to make such proposals as will completely comply with the wishes of the Government, and on terms which will be far more advantageous to the Government than those provided in the regulations." Though no reply was received, and no acknowledgment was made of the attempts of the Chamber to assist the Government, on the 15th September the Chamber submitted the following offer to the Government on behalf of the mining industry:—

1. To erect a factory within two and a half years; security for the carrying out of this arrangement, to be given to the Government.
2. To pay to Government on every manufactured case of dynamite sold 5s. a case, and 50 per cent. of the profits.
3. To take over the powder factory as provided in the Volksraad regulations.
4. To arrange with the Government the details of a plan by which there shall be a joint control (Government and Chamber) over both dynamite and gunpowder factories.
5. Pending the completion of the factory, to import dynamite and such other explosives as may be required, for the account of the Government, and to arrange the sale and distribution thereof to consumers, subject to such terms and conditions as may be arranged.

Or in the alternative:—

To lend the money required for the erection of the factory to the Government at a rate not exceeding 5 per cent. per annum, provided that the Chamber shall be allowed joint control with the Government of the dynamite and gunpowder factories; details of such joint control to be mutually agreed upon.

This also was left unacknowledged.

It may be remarked that under the State Monopoly the duty payable on explosives imported under permit was fixed at 8½d. per lb. above the ordinary *ad valorem* duty. The contract with the agent appointed by the Government to carry the monopoly out was signed on the 25th October, the term of agency being 15 years.

On the 9th November the Chamber discussed a draft contract with Nobel's; the consideration of the details occupying them three days. The contract, as amended, was then passed. The chief features in the contract were that Nobel's bound themselves to supply at 62s. 6d. per case in bond;* to charge the same price as is charged by the Government Agent unless the agent reduces the price to such an extent that less than 40s. nett, would be received, when they reserved the right to suspend deliveries; and that in the event of their erecting a factory for the manufacture of dynamite and other explosives, a Transvaal joint stock company would be formed, towards the capital of which the mining companies would be entitled to subscribe to the extent of one-third in the aggregate; the selling price of such Transvaal manufactured dynamite to be 80s. per case. As a result of the competition between the Government Agent and Nobel's, the price of dynamite was in November brought down to 75s. per case, inclusive in the case of Nobel's of the heavy import duty of 8½d. per lb., and 7½ per cent. *ad valorem*, equal to about 37s. 6d. per case. But the

* No. 1 dynamite is referred to.

next month, though application was made, permits were refused, and the price was again raised to 85s. per case.

With the opening of the year 1894 complaints were made to the Chamber by mining companies: (1) that the explosives supplied by the Government Agent were of inferior quality; (2) that the particular kinds required were not procurable. On the 25th January, and on the 6th February, letters were sent to the Government covering copies of the complaints received from companies. Owing to the constant representations of the Chamber the Government was induced from time to time to issue permits, which were then used for the importation of explosives of good quality. In March a delegate of Nobel's Company submitted a scheme for securing the mines an opportunity of becoming shareholders in the company, which the agent intended to form for carrying out the monopoly, and embodying particulars with regard to the price of explosives and other matters. It was rejected on the ground that it "appears to be vicious to public policy as well as inimical to the vital interests of the mining industry," and a deputation interviewed the State President and Executive Council on the subject, as a result of which details of the proposal for the formation of a company to take over the working of the monopoly, which had come to the knowledge of the Chamber, were furnished to the State Secretary. The capital of the proposed company was to be as follows:—

- 182,500 shares of £1 each, to be issued fully-paid to the previous concessionaires, whose concession had been cancelled;
- 25,000 fully-paid £1 shares to be issued to Mr. Lippert;
- 22,500 fully-paid £1 shares to be issued to persons unknown;
- 220,000 fully-paid £1 shares to be issued to Nobel's against payment in full in cash; with the following charges:—
- 5s. on each case of explosives to Mr. Lippert for 15 years;
- 2s. on each case of explosives to Messrs. Lewis and Marks for 15 years;
- 2s. on each case of explosives to Mr. Lippert for 3 years;

and Nobel's also undertook, in the event of further capital being required, to take up 8 per cent. debentures to the amount of £150,000, if the money could not be obtained by public subscription on more favourable terms. The payments to be made to the Government were fixed at 5s. per case, and 20 per cent. of the nett profits, after deducting 8 per cent. as interest on the share capital and the usual allowances for wear and tear, etc.; also £3,750 per annum as rent for the powder factory. In their memorial to the Volksraad, presented in the ordinary session, the Chamber recited the particulars connected with the proposed company, and pointed out that if the Government received its share of profits as well as the 5s. per case, the loss to the State, on a consumption of only 100,000 cases of dynamite per annum, would be £141,350 per annum, as compared with the revenue obtainable from importation under permits. And the Volksraad was asked to limit the maximum capital of any company formed for working to the actual amount of cash paid up; to prohibit the special commissions or royalties proposed to be imposed for the benefit of individuals and companies at the expense of the State; and in view of the protection afforded to the factory by the import duty of 37s. 6d. per case, to provide that permits should be freely issued, unless, as an extreme case, for high reasons of State such issue be deemed inadvisable.

In May it was ascertained that a coalition had been concluded between Nobel's Company and the Government Agent, and that a company was to be formed on practically the same lines as those referred to above, with the exception that the question of royalties was to be left to the new company. Information was also

received that the Government had made an arrangement with the agent, allowing him an extension of time for the erection of the factories. In September the Government resolution, varying the terms of the contract, came before the Volksraad for consideration, and the following resolution was passed: Article 1711—"The First Volksraad having considered the letter of the Government, dated 6th September, 1894, now on the Order, asking for confirmation of the Executive Council resolution, Article 457, dated September 6th, 1894, accompanying the said letter; having considered the memorials and the Commission's report, according to the conclusions based thereon:

RESOLVES :—"Not to confirm the Executive Council resolution, and not to grant the desired authority for alteration of the instructions, and to instruct the Government to act strictly in conformity with the regulations confirmed by the Volksraad." (Nevertheless the Government, as will be seen later, did alter the instructions.)

To memorialists the Volksraad replied that their "request cannot, be granted, as the matter was decided by the Volksraad last year."

In 1895 the Chamber again memorialised the Volksraad, pointing out that on an annual consumption of 100,000 cases of dynamite, the loss to the State from the monopoly exceeded £140,000 a year; this being the difference between the amount paid to the Government, and that which otherwise would accrue from customs dues on importations under permits; that the monopoly prevented the importation and testing of new explosives alleged to be as effective and much cheaper than dynamite; and praying that the Volksraad would consider the advisability of steps being taken for the purchase of the rights of the agent before further expenditure had been incurred in connection with the factory, so that the Government may recover its freedom of action, and be able to allow the mining companies to buy in the cheapest markets such explosives as may be most suitable for the work to be done. As reply, the Volksraad forwarded the following copy of its Memorial Commission's report:—

"The Commission taking into consideration the numerous discussions in the First Volksraad on this subject; taking into consideration Article 7 and Article 13 of the regulations referring thereto; considering that, in accordance with Article 6, maximum prices are fixed for the term of eight years, cannot recommend your House to have the rights of the agent purchased by the Government, as suggested in the memorial of the Witwatersrand Chamber of Mines."

In 1896 it was deemed futile to send in a memorial to the Volksraad, as the reply to that of the previous year indicated the determination of the Legislature not to consent to the purchase of the agent's rights.

During the special session of the Volksraad, held at the beginning of this year, a commission was appointed to enquire into the working of the monopoly, and their report was presented on the 19th February last. In this report the commission *inter alia* drew attention to the following facts:—

1. That the agent has failed to carry out his contract with the Government to establish factories for the manufacture of explosives in accordance with the requirements of the country within the time fixed, and that even within the further 2½ years which the Government have allowed him, he will still be unable to do so.

2. That irrespective of the profit on explosives made at the factory, a profit of £2 per case is made on explosives imported at the cost of the State, of which the agent takes 35s. and the Government 5s. per case.

3. That during the four years, 1897 to 1900 inclusive, it is estimated that at least 430,000 cases of explosives will have to be imported, which, if imported by the State

direct, would benefit the Treasury to the extent of £860,000, and if dealt with as at present, would give the State only £107,500; a difference to the detriment of the State of £752,000.

4. That there is no prospect that the production of explosives will be independent of the importation of some of the raw materials.

5. That the Commission also expresses a doubt as to the possibility of reconciling the Executive resolution, varying the terms of the contract, with the Volksraad resolution Art. 1711, and Art. 16, Par. A, of the contract with the Government Agent. Thus it is clear that the object which the Government had in view when advocating the establishment of a State monopoly, viz., that the State should be rendered independent of foreign sources for the supply of explosives has not been and cannot be attained; and that the mines have been and still are seriously burdened, and the State is deprived of a lucrative means of revenue, simply for the maintenance of a factory which has to import raw materials in any case, and for the most part imports the already made explosive, and for the benefit of the shareholders and other persons having an interest in the South African Explosives Company. The more salient features of the commission's report have been set forth in the memorial presented by the Chamber to the Volksraad, in which also the statement is made that in 1893 Nobel's undertook to deliver in Johannesburg, free of duty, down to 40s. per case, and that there is reason to believe that it can be imported now at about that price.

The Chamber has, hitherto, endeavoured, though fruitlessly, to induce the Government and the Legislature to allow the mines to purchase dynamite in the cheapest markets. Were this allowed, dynamite could be obtained, inclusive of 5s. per case duty, the amount paid by the agent to the Government, at about 45s. per case, which on the present consumption would mean a saving of about £400,000 a year to the mining industry, and would leave the State revenue from explosives undisturbed. In conclusion it may be pointed out that, according to the published statements of State revenue and expenditure, the only payment made by the company has been 5s. per case, and that though large profits must have been made, the Government has so far received nothing on account of its 20 per cent. share in the nett profits.

NATIVE LABOUR AND PASS LAW.

With the development of the mining industry and the consequent increase in the demand for labour, the question of supply became a matter of considerable concern to the companies. In the beginning of 1890 a scarcity of supply was experienced, and from that time forward, the subject of native labour has engaged the almost unintermittent attention of the Chamber. The first communication to the Government was sent on the 23rd January, when it was pointed out that private enterprise had failed to maintain an equilibrium of supply and demand, and the authorities were asked to render assistance by inducing the natives of the thickly populated native districts to come to the fields. The Government merely acknowledged receipt of the letter.

The subject was also brought to the notice of the Minister of Mines, who promised assistance, and to that of the State President personally, on the occasion of his visit to Johannesburg, but without result. Still, owing to the efforts of the Chamber and the mining companies, the supply was brought nearly up to the demand, and later in the year, by the combined action of the industry, under direction of the Chamber, the rate of wages was reduced to from 41s. 6d. to 44s. per month.

In the winter of 1891 the supply again fell short, and numerous complaints were received of the want of shelter on the main routes, and of the ill-treatment to which the natives were subjected by farmers while coming to the fields. The Chamber

accordingly asked the Volksraad to provide shelters on the principal roads, and to secure protection for travelling natives; while a letter was addressed to the First Volksraad member for Johannesburg, in which it was stated that there was a serious want of native labour, and the hope was expressed that during the session some measure to afford relief would be passed. The letter closed as follows:—"The mining community has made a strong endeavour to relieve itself of this unreasonable burden, but standing alone, little can be done, and it is to be feared that the efforts of the mines cannot be much longer sustained if the Volksraad and Government do nothing to assist them." Still nothing seems to have been done during the session.

As in 1892 the Government did not take any special action, the Chamber approached agents in the neighbouring States, who expressed their willingness to co-operate, the Cape Government offering to reduce railway fares for natives. It was then decided to organise and carry out the supply of native labour.

Early in 1893 the Chamber introduced labour from the Cape Colony which, however, failed to give satisfaction, owing to the natives objecting to work underground. In March, a deputation went to Pretoria to discuss the matter with the Government, and, in especial, to ask for the appointment of a Government Commissioner, whose duty it would be to communicate with the native chiefs, to provide shelter and protection for travelling natives, and to work in conjunction with the Chamber in all matters relating to native labour. The deputation also informed the Government that it was the desire of the Chamber to appoint an officer to organise the labour supply; to give his official sanction to contracts between the employers and the natives; to be the medium of communication between the mining companies and the Chamber, in relation to native labour; and generally to perform the functions devolving on a special Government officer, appointed in countries where State-aided immigration obtains. The Government, in reply, asked that the matter might be laid more fully before the Superintendent of Natives and the State Attorney. The claim of the Chamber to receive support was admitted; but though the proposals were submitted in detail to General Joubert, Superintendent of Natives, on the 28th March, no reply was received. On the 16th May, a letter was accordingly sent to the General, drawing his attention to the previous communication. Again no reply; but during June he intimated verbally that he had handed the communication to the Government, and that he was in favour of the scheme and would support it. After waiting a month, on the 10th July the Chamber addressed the State Secretary, referring to the interview in March and detailing the action of the Chamber since, and asking the Government to give its moral support to the Chamber's scheme. No reply was, however, received. The Chamber waited another month, hoping that a favourable answer to its representations might still come to hand from the Government, and none then being forthcoming, decided to proceed at once with the establishment of a Native Labour Department, as, owing to the prevalence of small-pox, the supply of labour from the north fell off, and the necessity for exceptional efforts became manifest. In view of the objection of the Government to the introduction of labour from the Cape Colony, arrangements were made to obtain a supply from the East Coast, but to ensure success the help of the Government was necessary; in particular to obtain the consent of the Governor-General of the Province of Mozambique to the emigration of natives to this State. The deputation that waited on the Government on this subject received satisfactory assurances. But in November the Acting State Secretary informed the Chamber that its action would only be supported if the natives from the East Coast were brought overland *via* Delagoa Bay. The Chamber's lately-appointed Native Labour Commissioner went to Pretoria and saw the State Secretary, giving him assurances

that the wishes of the Government would be complied with, though the Natal route was the cheaper. This settled the matter so far, but the State Secretary stated that under no circumstances must natives be brought in until the Government had received a reply to the communication on the subject addressed to the Governor-General of Mozambique. At the opening of the session a memorial was presented to the Volksraad, in which legislation, with the object of securing a more regular supply of labour, was asked for. A Native Labour Commission, appointed by the Volksraad, reported that the complaints of the Chamber were well founded, and recommended that the instructions already given to the Government to frame an act dealing with the subject should be repeated and emphasised. At the same time, suggestions were made by the commission for the adoption of certain provisional measures calculated to induce the natives to come out to work, the chief object being to secure labourers for the farmers. The Volksraad approved the report, but instructed the Government, in consequence of the prevalence of infectious diseases, to prohibit the natives from travelling. General Joubert and Commandant Erasmus met the Chamber on the 30th November, when it was suggested to them: (1) that proper protection should be afforded to travelling natives; (2) that the Pass Law should be so amended as to afford facilities for natives to travel in search of work; (3) that provision should be made for the registration and numbering of, and the issue of distinctive badges to, the natives on their arrival at their destination; (4) that the hut tax should be increased as an incentive to the natives to work; and (5) that permission should be granted to mining companies to establish locations. Suggestions 1, 2, and 3 received general assent, but the other two evoked differences of opinion. However, General Joubert stated that he was convinced that the supply of labour was inadequate, and promised his support in inducing Government to legislate in the right direction as soon as possible. Commandant Erasmus expressed concurrence with the General's views.

In 1894 the necessary permission having been obtained from the Portuguese authorities, the Chamber considered various schemes for the importation of labour from the East Coast, as well as from the north of the Transvaal. The chief difficulties to be encountered were the want of adequate protection for travelling natives, and the impossibility of enforcing labour contracts with natives owing to defects of the Pass Law. With regard to the first, representations were made to the Government complaining how natives travelling to these fields were frequently harassed and robbed. The Government replied that instructions had been issued to all officials to afford protection to natives; but as no good results were obtained from the action of the Government, the Chamber decided to erect depots where travelling natives could get shelter and food, and where they would find persons who would investigate any complaints of ill-treatment on the road. Respecting the second, the Chamber undertook to draw up regulations dealing with the issue of passes, registration of natives, provision for identification, etc. After having obtained advice from the Department of Native Affairs in Natal, regulations were drawn up which were adopted by the Chamber and Association of Mine Managers. They were afterwards submitted to the Mining Commissioner and Assistant Landdrost, and upon their advice forwarded on the 28th March to the Government. The State President and the Executive Council expressed their complete concurrence with the principle of the regulations, and recognised that such a measure was urgently needed. However, they were not at the time gazetted, and upon inquiry being made, the Chamber learned from the State Secretary that there was no immediate prospect of the Government taking action in the matter. Several interviews then took place between the Superintendent of Natives and a committee of the Chamber, but no progress was made. The Chamber being anxious

to have the regulations promulgated by the beginning of the next year, sent another deputation, accompanied by the Mining Commissioner, to Pretoria, on the 22nd November. The President agreed with the views expressed by the deputation, and the matter was referred to a committee consisting of the Superintendent of Natives and the State Attorney. This committee, after having made one or two unimportant alterations, recommended the regulations to the Government for adoption, with the suggestion that, if adopted by the Government, they were to be gazetted for one month for public information, and to afford an opportunity for objections to be sent in; and if no objections were sent in, they were to be put in force temporarily, pending confirmation by the Volksraad. The presentation of the committee's report was, however, delayed by the departure of the President; but it was expected that the regulations would be gazetted early in the coming year.

In the early part of 1895 the labour supply was plentiful, and then it began steadily to decrease; and, in May, owing to several native wars then in progress, the stream to the fields practically stopped: not only the natives ceased to come down from the North, but of those that were working on these fields large numbers left for their homes, while the commandeering of 4,000 natives from the northern districts utterly disorganised all attempts at improving the supply. Towards the end of June the war was over, and the Chamber learnt that General Joubert was on his way back with about 5,000 natives, whom he intended to locate in the Warm Baths district. The Chamber's native commissioner made written application for the allotment of 1,000 to 1,500 for service at the mines, to alleviate the great scarcity of labour, but a reply was given that the proposal could not be entertained, as, according to rights established by precedent, the burghers were entitled to the men. However, from this time the supply from the North somewhat improved, although continuing far below the demand. The Chamber devoted considerable attention to the question of importation of labour from the East Coast, but the cost to be incurred was so high that companies did not care to undertake this on a large scale, as long as the pass regulations were not proclaimed, and enforcement of contracts was impossible. As nothing further had been heard from the Government concerning the report of their own committee, which, at the end of the previous year, had advised the adoption of the regulations, a memorial was sent to the Raad at the opening of the session, asking that body to pass the regulations, and the Chamber did everything possible to get them pressed forward for adoption. After considerable delay they were passed on the 3rd October by the Raad, substantially, as drafted by the Chamber. In view of the scarcity of labour on the fields, it was decided to impress upon the Government the desirability of proclaiming them without delay. Letters were forwarded on the 11th and 21st October to the Government, dwelling upon the fact that the matter of proclamation was an urgent one. No reply was received; but on the 18th December, the Rand and De Kaap districts were proclaimed as falling under the regulations, which were to come into force on 1st January, 1896. Considering the urgency of the question, the various delays experienced caused great dissatisfaction. The regulations were handed to the Government in March, 1894, and although the Government expressed approval of them, they were not submitted to the Raad until the 1895 session; and then were only passed at the beginning of October, the districts coming under them being proclaimed two and a half months later, while no provision appeared to have been made for the appointment of officials for their administration.

In 1896 assistance was again asked from the Government to secure an adequate supply of labour, and the Chamber was informed in February, that in terms of the proclamation of the State President the Government would formulate plans to help the mining industry, and that further information would be given within a few days.

The Minister of Mines also wrote that the Chamber would soon be made acquainted with the scheme formulated by himself and the Superintendent of Natives, and with the Government's decision upon it. Nothing further was heard about the scheme; all that appears to have been done by the Government was to instruct the Native Commissioners to render all possible assistance in improving the supply, and to offer to give mine managers letters of introduction to the Native Commissioners. Great expectations were formed of the benefits that would accrue from this Pass Law, but at the very outset it was found there had been omissions of so important a nature as to make the regulations practically inoperative. The object of the new law was to bring the natives under effective control and reduce the risk of desertion to a minimum; but as the districts of the Witwatersrand, Boksburg, and Krugersdorp form one continuous goldfield, and only the central portion, Witwatersrand, had been proclaimed under the new Pass Law, desertion remained as easy as ever, and, in addition to this drawback, which was absolutely fatal to the working of the regulations, the department established for carrying out the law was wholly inadequate for dealing with even the one district placed under it. In March the Chamber urged upon the Government the absolute necessity of proclaiming the districts of Boksburg and Krugersdorp, and after a long delay this was done. The regulations under the new law were now put to the test, and the weak points, apart from the inadequate departmental arrangements, were soon discovered. The entire law was then considered by the Chamber of Mines, the Association of Mines, and the Association of Mine Managers, and a joint memorial was presented to the Government, in which the deficiencies and defects were pointed out, and remedies suggested. On the 23rd December, the present amended law was published, with a provision that it should come into operation at once.

By the new law the old one was repealed, and the proclamations under it, therefore, fell to the ground. But, though it consequently became necessary to proclaim the areas under the law afresh, no such proclamation appeared in the *Government Gazette*. The Chamber accordingly brought the matter to the notice of the Government by letter, on the 9th January, and asked that the districts of Witwatersrand, Krugersdorp, and Boksburg should be proclaimed, and the operation of the regulations be thereby legalised. No reply was received from the Government, but the Minister of Mines, who had also been communicated with on the subject, in acknowledging receipt of the letter, stated that the matter was receiving his attention. Nothing was, however, done until the 6th February, when, in consequence of the magistrate acquitting a number of natives charged with contravention of the regulations, on the ground that these were not in force, the districts above referred to were proclaimed in accordance with the law, in a special issue of the *Government Gazette*.

From the very beginning of this year it was found that even the new Pass Law regulations were utterly ineffective on account of the inefficient administration of the law. The law, as has been said, had been passed with two main objects: Firstly, of establishing thorough Governmental control over the natives employed in the mining districts; and, secondly, of protecting the companies as far as possible against their native labourers deserting; but neither of these objects has been attained. There was no thorough Governmental control, and the companies were in no way protected against their natives deserting; in fact the desertions took place on as large a scale and in as open a way as ever. A memorial was therefore presented to the Volksraad at the opening of the present session praying for an increase of the staff of the Pass Department, and for more police to assist in carrying out and enforcing the regulations; for special judicial commissioners to be appointed to deal with the offenders, and for assistance in other ways to make the Pass Law effective and beneficial.

Letter of Chamber of Mines.

NATIVE LIQUOR TRADE.

As early as 1890 the question of the sale of intoxicating liquor to natives at mines engaged the earnest attention of the Chamber. Repeated complaints were sent in by the companies to the Chamber, and after many applications on the part of the Chamber to the Government officials, the Assistant Landdrost, Mr. Van den Berg, discussed the question in detail with the Executive Committee, and several amendments in the law were suggested and embodied in a memorial to the Government praying that a severe check be placed upon the sale of liquor to natives.

In 1891 another memorial was presented to the Volksraad reciting the baneful effects of the sale of drink on the work at the mines, and requesting that no liquor should be sold to any coloured person without a permit from his employer; any contravention to be punished by fine and immediate cancellation of licence.

A law which was intended to limit the sale of liquor was then passed by the Volksraad, but it had such grave flaws that its working proved an utter failure. It was in fact, rendered absolutely nugatory by the clause which allowed unemployed natives to obtain one drink, at any canteen, without a permit. Another cardinal defect was the broadcast manner in which licences were issued to practically every applicant; that the number of canteens was increased out of all proportion to the requirements of the population.

In 1892, therefore, a memorial was presented to the Volksraad, pointing out the evils existing under the law of 1891, praying for its amendment, and either the total prohibition of the sale of liquor to natives or the most stringent restriction of sale.

In other memorials and communications reference was made to the alarming proportions attained by the sale of liquor to natives, the fact being instanced that on a particular Sunday 466 natives had been counted leaving two canteens on a mining company's property. The chief cause of the evil was the indiscriminate manner in which canteen licences were issued by the Pretoria Licensing Board, no less than 57 having been granted for the Witwatersrand goldfields alone. The position was somewhat improved by an amendment to the Liquor Law, under which provision was made for the appointment of local Boards, the Chairman of the Chamber being eventually nominated a member of the Johannesburg Board: but in spite of the Chamber's representation to Government, no representatives of the mining industry were appointed to the Boksburg and Krugersdorp Boards.

It having come to the knowledge of the Chamber, in 1893, that petitions would be presented to the Legislature asking for modification of the constitution of the Licensing Boards, and for the right of appeal against their decisions, the Chamber sent in an opposing memorial, and the law was maintained unaltered. During this year there was a notable improvement in the Johannesburg district, but numerous and serious complaints were received by the Chamber from mining companies in the neighbouring districts of Boksburg and Krugersdorp, where like care in the issue of licences had not been exercised.

In January, 1894, the Executive Committee of the Chamber met the Minister of Mines, to whom they fully explained the unsatisfactory state of affairs in connection with the native liquor trade in the Boksburg and Krugersdorp districts, and asked him to support the Chamber in endeavouring to secure representation of the mining industry on the Licensing Boards of those districts. In consequence of the grave complaints which continued to reach the Chamber from those quarters, on the 7th April a memorial was sent to the State President and Executive Council, in which the evils caused in those districts, by the practically unchecked supply of liquor to natives, were set forth in detail, and the request for representation of the mining industry on

the Licensing Boards was repeated. Exactly a month later the State Secretary replied that the Government, having obtained the advice of the officials concerned, could not accede to the request. Towards the end of the year frequent complaints were again received, and the Chamber again addressed the Government on the seriousness of the position, and once more asked for the appointment of mining representatives to the Licensing Boards. In March, 1895, the reply came, stating that the Government could not alter its previous decision.

The mining companies of the fields generally were greatly hampered in their operations by the prevalence of drunkenness among their native employees, a large percentage of whom were, from this cause, constantly incapacitated for work. This was due to the facilities to obtain liquor offered alike by licensed houses and by illicit dealers. As it was considered most important that badly conducted places should be closed, and the number of licences in general reduced, the Chamber recommended the companies to instruct their managers to submit to the Licensing Boards any valid complaints that they might have, and to appear in person in support thereof, and to object to the granting of the licence.

In 1896 the Chamber addressed the Government, and presented a memorial to the Volksraad on the increase of the illicit liquor trade, and asked for a strict enforcement of the provisions of the Liquor Law, and for closer supervision of the canteens. The Volksraad, in response to these representations, having appointed a commission to consider certain proposed amendments of the Law, the Chamber availed itself of the opportunity to pass a resolution strongly advocating the total prohibition of the sale of liquor to natives, and sent a copy to every member of that body. To the great satisfaction of the Chamber a prohibition clause was embodied in the law.

On the amended law coming into force on the 1st January, 1897, there was an immediate and marked improvement in the condition of the mine natives, and during the first month of the year there was almost a total disappearance of drunkenness among them. The relief, however, did not last long. Illicit selling soon became rampant, and to-day the state of things is worse than ever. This year the Chamber's memorial to the Volksraad laid special stress on the illicit liquor trade, and on the inability of the police to cope with it, asking, as a remedy, that a Government Board might be established, with a body of special detectives under its control; and also praying the Legislature to maintain the prohibition clause, and the exclusion of canteens from the mining areas.

Letters, in some cases three and four, complaining of the revival of drunkenness among the natives have, since about the end of January, been received from the following companies:—

Salisbury, City and Suburban, East Rand Proprietary Mines, Robinson Deep, Knight's Deep, Henry Nourse Deep, Henry Nourse, West Roodepoort Deep, Bonanza, Treasury, Paarl Central, New Heriot, Robinson, Wolhuter, Minerva, Balmoral, Orion, Vesta, Geldenhuis, Rietfontein A, Worcester, Jumpers, and Nigel.

From these the following have been selected as illustrative of the magnitude of the evil:—

Henry Nourse Gold Mining Company, Limited,
Johannesburg, 29th April, 1897.

THE SECRETARY,
Witwatersrand Chamber of Mines,
Johannesburg.

DEAR SIR,—Upon the instructions of my Board, I beg to hand you the enclosed

copy of a letter from our manager, with reference to a disturbance between the native employees of the Henry Nourse and Nourse Deep Companies on Sunday, the 25th inst., which is attributed entirely to the illicit liquor traffic carried on in the vicinity of the above mines.

Yours faithfully,

(Signed), W. M. TUDHOPE,

Secretary.

[*Copy of Letter received from the Manager, dated 26th April, 1897.*]

W. M. TUDHOPE, ESQ.,

Secretary, Henry Nourse Gold Mining Company, Limited.

DEAR SIR,—Yesterday afternoon there was a fight between our natives and those of the Nourse Deep, Limited. They have smashed nearly all the windows in the place, both here and at the Nourse Deep, and knocked up things generally. I would very much like one of the directors to see the damage so that it could be brought before the Commission. It all started through them being drunk, and, of course, the police were not to be found. The Heriot Bar and the kaffir location were the places from which they got the liquor.

Yours truly,

(Signed), J. WHITBURN,

Manager.

[*Copy of Letter received from Manager re Illicit Liquor Traffic.*]

W. M. TUDHOPE, ESQ., *Secretary.*

DEAR SIR,—Would you kindly forward this to the directors as soon as possible. I have again to complain of the selling of liquor to kaffirs. Almost everywhere along the reef it is being carried on to a far greater extent than it ever was before, and the police seem to be of no use whatever in suppressing it.

During Saturday night and yesterday the place was full of drunken kaffirs. The boys state that the liquor was got from the following places:—

- Canteen at the New Heriot.
- Kaffir location on Louis D'Or G.M. Co., Ltd.
- Shops around the Penzance Hotel.
- Store at the back of our battery manager's house on the Kimberley Main Reef ground.
- Henry Nourse Hotel.

Our compound manager sent boys who bought liquor from a white man standing at the corner of the verandah of the Henry Nourse Hotel. This man, as fast as he sold one bottle, would enter the store and bring out another. Boys were also sent to the store at the back of the battery manager's house, and liquor was again purchased there. Some kaffirs who were drunk stated that they bought four bottles from the Heriot Bar, two of which they finished in the place, and the other two along the road. They say they are able to get any quantity they want, but the price has been raised to 7s. per bottle. The police were about here yesterday afternoon, sergeants I believe, as they wore stripes. Everything was quiet during their stay, and for a quarter of an hour before their arrival, but within ten minutes of their departure the trade was

Letter of Chamber of Mines.

carried on as briskly as ever. To-day there are several drunken kaffirs about, and a very great number unable to work.

I trust that every influence will be used to bring about the suppression of this curse.

Yours faithfully,
(Signed), J. WHITBURN,
Manager.

Worcester Exploration and Gold Mining Co., Ltd.,
Johannesburg, 10th February, 1897.

COMMANDANT VAN DAM.

DEAR SIR,—I beg to bring to your notice the continued sale of liquor to natives, which is carried on so largely that we are fast returning to the old condition of things prior to the new Liquor Law coming into force.

The Wiltshire Bar, just below Ferreira G.M. Co., and Princess Bar, near our mine, do a roaring trade. The latter has been frequently reported, but no conviction has been obtained.

Kaffir eating-houses swarm in this neighbourhood, and most, if not all, of them sell liquor—one in particular, near Oliver's Mill, on Booysen's Road, is doing an extensive illicit business, and so are the bars situated at Ophirton.

I shall be pleased to render any assistance in trapping offenders, but think it will be better to employ your own traps, but just as you please, and I confidently hope that you will give this matter your serious and early attention, as our work is greatly hindered by the drunkenness of our kaffirs.

Yours truly,
(Signed), J. L. DE ROOS,
Manager.

Worcester Exploration and Gold Mining Co., Ltd.,
Local Office, P.O. Box 75,
Johannesburg, March 16th, 1897.

The *Secretary*,
Chamber of Mines,
Johannesburg.

DEAR SIR,—I beg to hand you copy of a letter addressed to Commandant Van Dam, but nothing has been done to check the illicit liquor traffic—in fact it is more rampant than ever, and boys in squads can be seen openly carrying and drinking liquor *ad. lib.*

On the 8th inst. upwards of 300 of our natives were drunk and incapable.

In addition to the bars mentioned in my letter to the Commandant, the Good Luck Bar, situated close to the Robinson Co.'s boundary, is notorious, and it may safely be said that all bars, directly or indirectly through the eating-houses, are contravening the law.

I am of opinion that the Sanitary Board should be addressed on the matter of licensing kaffir eating-houses, which are a principal channel of supply of liquor to natives, and while they are allowed to carry on this nefarious business it is hopeless to attempt to keep the natives sober.

I remain, yours truly,
(Signed), JOHN L. DE ROOS,
Manager.

The Nigel Gold Mining Co., Ltd.,
Head Office, Pietermaritzburg, Natal,

29th April, 1897.

To the LANDDROST,
Heidelberg, Z.A.R. :

SIR,—I am desired by my board of directors to again bring to your notice the fact that although the Liquor Law in the Transvaal provides that no drink shall be supplied to natives, yet at this company's property drunkenness amongst these people is as rife as ever.

The authorities have, for reasons best known to themselves, withdrawn the licence of the only canteen situated on this company's property, but have re-granted licences to seven hotels and canteens, all within a distance of a few hundred yards from our boundary, and it speaks for itself that these seven liquor houses cannot be made to pay by serving white people only, and the consequence is an enormous native trade and attendant demoralisation of our boys.

The gravest feature of this matter is that this pernicious trade is carried on right under the noses of the police and local authorities, and although information has been given and witnesses sent to prove violation of the law, yet in no case whatever has conviction followed.

It is unnecessary to go into details—this evil is one that is too well known—and it only comes to this, that the board of directors of this company plainly see that it will not pay the company to resume crushing until some assurance is forthcoming that our native labour can be used to the best advantage, and this assurance can only be had by the Government strictly carrying out the law, or closing altogether the whole of the canteens in the neighbourhood of our property.

I am, Sir,

Yours obediently,

F. WEIGHTON,

Secretary.

ROBINSON DEEP—STATEMENT.

On Wednesday, the 7th April, at 6 p.m., an employee of the Robinson Deep, Limited, named Henry Kempster, accompanied by two witnesses not employees of that company, and a kaffir in the employ of the Robinson Deep, Limited, proceeded to the Hanover Bar, Ophirton, where he suspected liquor was being sold to natives.

The kaffir was given 5s., and on presentation of that amount the proprietor of the Hanover Bar, C. Beiles, handed him a bottle of liquor, which the kaffir at once handed to Mr. Kempster.

Mr. Kempster at once took the bottle to the Charge Office, Johannesburg, in order to lay a charge against the bar proprietor, but the Charge Office officials refused to receive the charge, and directed him to the Detective Department, who in turn re-directed him to the Charge Office, informing him that they did not receive any complaint of that nature. Returning to the Charge Office, Mr. Kempster was instructed to proceed to the mounted police, who, however, told him they knew nothing of the matter, and could only refer him to the Charge Office again.

Letter of Chamber of Mines.

Mr. Kempster then returned with the bottle and deposited it, sealed, in the mine office of the Robinson Deep, Limited, where it is at present.

Paarl Central Gold Mining and Exploration
Company, Limited,
Mine Office, 1st March, 1897.

SPECIAL LANDDROST,
Johannesburg.

LIQUOR LAW.

SIR,—I beg to inform you that on Saturday night about ten o'clock, a cart drawn by four oxen was standing on the dam-wall of this company, near Langlaagte Village, selling liquor to natives.

Also during the whole of yesterday (Sunday) liquor was being sold wholesale to the natives at some canteens in the village, and, as a result, during Saturday night, Sunday and Sunday night, a large number of my boys were drunk and unfit for work to-day.

Trusting that this matter will receive your prompt attention.

I have the honour to be,

Sir,

Your obedient servant,

(Signed) JAMES B. LITTLE,

General Manager.

RAILWAYS.

In 1889 the Chamber urged upon the Government the absolute importance of speedy railway connection with the sea, in the interest of the gold mining industry and of the State in general. Several endeavours were made to induce the Government to receive a deputation on the subject, but without avail. And it was not till the visit of the President to Johannesburg in March, 1890, that a definite official announcement was made that early steps would be taken to make the railway to the coast. In 1891 the Chamber wrote to the Government objecting earnestly to the proposed postponement of construction work, owing to financial considerations on the part of the Netherlands Company; and at the close of the year arrangements were made which gave promise of an early completion of the line. In September, 1892, the first through-train arrived in Johannesburg; but great as have been the advantages derived from the railway, especially in rendering transport independent of seasons, they have been largely neutralised by the high tariff imposed by the company.

The rates charged are not only inordinately high as compared with those of other countries, but are greatly in excess of those of the Cape Colony, Natal, and the Free State, which nevertheless secure an exceptionally large return on their several railway systems.

The following table of through-rates shows the difference in charges, and in this connection attention may be drawn to the fact that, while the Cape and Natal railways have to raise their traffic to an altitude of 3,988 feet and 5,433 feet respectively,

the Netherlands Railway proceeds from the termini of these systems along a practically level course:—

	NORMAL	INTERMEDIATE	ROUGH.
	Per ton per mille.	Per ton per mille.	Per ton per mille.
Cape	2·34	2	1·3
Orange Free State	2·34	2	1·3
Natal	3·04	3·04	1·94
Portuguese... ..	4·07	3·53	2·44
Netherlands, <i>via</i> Cape	7·7	7·7	7·7
" " Natal	5·06	3·82	3·26
" " Delagoa Bay	4·27	3·69	2·54

And even for the carriage of South African agricultural produce the other systems offer greater facilities than the Netherlands Company, as follows:—

Cape, for 23 miles	½d. per ton per mile plus terminals.		
Orange Free State, for 23 miles	"	"	"
Natal, for 13 miles	1½d.	"	"
Portuguese... ..	2·2d.	"	"
Netherlands, <i>via</i> Cape and O.F.S.	3·1d.	"	"
" " Natal	3·26d.	"	"
" " Delagoa Bay	2·2d.	"	"

It is unnecessary to give specific examples of the actual railway charge in money on goods from the coast, as this has been fully dealt with in the evidence of many of the witnesses who have appeared before you; and the comparative tables, given above, afford eloquent testimony of the abnormal rates levied on the Transvaal lines.

As early as 1890 the Chamber found it necessary to complain alike of the administration of the Rand Tramway, as the coal line from Boksburg to the gold mines was called, and of the exorbitant rates charged for the carriage of coal. In May the Mining Commissioner was addressed on the subject, and in October a communication was sent to the Government. In the letter to the Government the Chamber asked to be allowed to send a deputation to discuss matters in detail, and the following grievances were set forth:—That the rates charged between Brakpan and Boksburg were irregular; that differential rates were charged; that, while the tariff was stated not to exceed 2½d. per ton, per kilometre, a much heavier charge was made between Boksburg and Johannesburg; that, though the Netherlands Company had engaged to construct sidings, they had not done so, and that this failure to carry out the engagement caused considerable extra expense to the companies for delivery of coal. In November the State Secretary replied that Mr. Verwey, general manager of the Netherlands Railway Company, was travelling in Natal, and that, as it was desirable he should be present at the proposed interview, an appointment would be made on his return. After Mr. Verwey's return another letter was sent to the State Secretary pressing for an appointment, and referring to the letter sent in November, but to this no reply was received. In 1891 a memorial was presented to the Volksraad detailing the administrative shortcomings of the Netherlands Company, and the high rates for transport of coal; finally asking for relief. The company evinced a better disposition to meet the requirements of the mines by slightly reducing rates, and by making arrangements for the construction of some sidings. In June, 1892, Mr. Middelberg, who expressed a desire to meet the wishes of the industry, had an interview with the Executive Committee, when the

insufficiency of rolling-stock, difficulties with regard to sidings, and the high transport rates were referred to. The contracts for sidings were amended, and it was stated that additional trucks were on the way from Europe; but, though it was admitted that the rates were high, no prospect of an early reduction was held out. The proposal for a line to the south of the main reef was submitted, and was favourably entertained, but no active steps were taken to carry it out till last year, when the Volksraad refused to sanction construction, on the ground that the information before them was insufficient. This year it is hoped the necessary authority will be granted, and the Chamber has memorialised the Volksraad with regard thereto.

Early in 1893 companies complained to the Chamber of scarcity of coal, and in some cases operations had to be suspended. The Chamber entered into telegraphic communication with the Government, urging that the strongest pressure should be brought to bear on the Netherlands Railway Company to compel it to fulfil its obligations to the mining companies. No replies were, however, received. In May complaints against the company were renewed, and a telegram was again sent to Government asking it to give its earnest attention to the matter. This time a reply was received stating that the telegram *re* coal transport had been referred to the Government Commissioner for Railways, to whom in future communications on railway matters should be addressed. The Chamber thereupon telegraphed to the Railway Commissioner pointing out the urgency of the case, but failed to elicit a reply. About a fortnight later the Chamber wrote to the Commissioner informing him that since the last communication further complaints had been received with respect to the Netherlands Railway Company failing to deliver coal to the mines, owing to an insufficiency of trucks, and pointing out that the company should be compelled to provide an adequate number of trucks for coal transport, or allow the companies to do so. Again there was no reply. In the middle of June the Chamber telegraphed to the Commissioner on the same subject, and at last, through the Assistant Commissioner, an answer was obtained, but it amounted mainly to an excuse for the negligence shown by the railway company, adding, however, that, if the Chamber could obtain the loan of trucks from the Cape Government Railways, the Netherlands Company would pay for them. In July, in response to the repeated representations of the Chamber, the Commissioner came to Johannesburg to hear complaints, when the Chamber's deputation laid stress on the fact that the railway company should not only secure sufficient trucks for transport of coal, but should grant greater facilities for the construction of sidings to the mines; the desirability of a line to the south of the main reef was also urged. After this, owing to the arrival of trucks from Europe, the transport service improved.

In June, 1895, owing again to insufficiency of trucks, the coal transport service of the Netherlands Railway broke down, and the danger of mines having to suspend operations became imminent. In these circumstances the Chamber appealed to the Cape Government Railways to lend the Netherlands Company as many trucks as they required, and the appeal was at once fully responded to. The prompt action of the Cape Railways averted what would have been a serious industrial crisis; but a letter to the Netherlands Railway Company, sent a few days later by the Chamber, asking them to expedite the return to the Cape of trucks bringing up goods, so that there might be no necessity for sending back those lent for coal transport, was not even replied to.

In May, 1896, the old condition of things recurred. Once again the railway company was unable to deliver coal to the mines in sufficient quantity. The Netherlands Company was addressed on the subject, and a copy of the letter forwarded to the Government, with a request that they would use their influence to induce the company

to provide sufficient trucks for coal transport. No reply was received from Government.

The present rates for transport of coal on the Rand Tram, according to the sliding mileage scale for coal, vary from a maximum of 3d. per ton per mile to a minimum of 2d. per ton per mile; the average for distances up to 40 miles being 2½d. per ton; the charge from Springs to Johannesburg being £3 4s. 2d. per 10-ton truck, for which on the Natal system for the same distance only 12s. 11d. would be paid; while the same company's rate to Delagoa Bay is 54d. per ton per mile; in the Cape the coastward rate is ½d. per ton per mile; the inland rate 1d. per ton per mile; in the Orange Free State the rate is ½d. per ton per mile; all on the basis of a 2,000 lb. ton; in Natal the rate is ½d. per ton per mile for the 2,240 lb. ton. This comparison shows that the rate for carrying coal from the collieries in the vicinity of the Rand to the gold mining companies cannot be described as other than extortionate.

To sum up the position we may draw attention to the fact that the Netherlands Railway Company earned last year, over and above the working expenses and guaranteed interest on loans and capital, the sum of £1,330,000. They also enabled—we might fairly say forced—the Cape and Natal lines to earn £1,801,000 profit, besides 4 per cent. interest on their capital. That is, the Transvaal consumers were taxed to the extent of £3,131,000 for the benefit of these three railway administrations.

The Chamber recently presented a memorial to the Volksraad asking that provision may be made for the expropriation of the Netherlands Company's railways; and, in its opinion, this will prove the only effectual means of preventing the system of overcharges, which, it must be presumed, will always be attempted by a purely commercial monopolist enterprise, and for utilising the railway system to the fullest extent for the development of the mining industry and the advancement of the general interests and prosperity of the country.

GOLD THEFTS.

In 1891, in its memorial to the Volksraad, asking for amendment of the Gold Law, the Chamber also urged the necessity of provision being made for the detection and punishment of thieves and receivers of gold. And it may at once be stated that the Volksraad has favourably received and given effect to the suggestions of the Chamber with regard to amendments to the Gold Law, imposing restrictions on the purchase and possession of raw gold, etc., and providing penalties for breaches of the law. But the failure to provide adequate protection to the mines has been, and still is, due to faults of administration. The law provides for the punishment of offenders, but no efficient machinery exists for bringing them to justice. Thefts have, therefore, gone on practically uninterruptedly since the early days of gold mining here, though the companies have endeavoured to protect themselves by all the means in their power; and except for an occasional prosecution the receivers have been able to prey on the industry with virtual impunity.

In 1892 in their memorial to the Volksraad on gold thefts, the Chamber asked that the Government should be authorised and requested to make regulations for the establishment of some public body or institution, or other systematic means or machinery for detecting thefts and illicit dealings in gold and other precious metals.

In 1893 in their memorial the Chamber asked the Volksraad to make provision for the appointment of a Government Board at Johannesburg, with a special detective force attached thereto; working under regulations best calculated to minimise the thefts of gold and illicit dealings therein. The subject was referred to a special commission, which reported as follows: "The Commission recommends that the

petition be referred to the Government with instructions (1) to draw up, in conjunction with the Minister of Mines, such regulations as they may consider to be in the interest of the gold mining industry; to publish same, and lay them before the Volksraad next session; and (2) to instruct the Government provisionally to take such special measures as may be deemed necessary to suppress thefts of gold and amalgam. The necessity of the above recommendation has appeared to us, not only from the petition itself, but also from the information given by the Minister of Mines and members of the Chamber of Mines." After a three days' debate, the Volksraad resolved to disapprove their commission's report, and refer the petition to Government.

In 1894 the Chamber spent £1,070 in getting evidence in connection with the thefts of, and illicit dealings in, gold; and on the 10th April of that year a deputation went to Pretoria and interviewed the State President and Executive Council. The State President stated that he was satisfied that something ought to be done to diminish thefts of gold, but would not bind himself to establish a special detective department; he, however, favourably entertained a proposal for placing a sum on the estimates for the maintenance of extra police, and asked the Chamber to submit their proposal in writing. This was done; the proposal being as follows: (1) The Chamber engages to provide a sum equal to that set apart by the Government; (2) the police referred to shall be employed solely in connection with the detection of thefts of, and illicit dealings in, raw gold, amalgam, etc., and in taking measures for the suppression of these crimes; (3) the proceeds of all raw gold, amalgam, etc., that may be received shall, after the deduction of rewards or bounties to the police, and of the cost of maintenance of the force, be passed to credit of account, and such balance as may be to credit at the close of the year shall be divided equally between the Government and the Chamber, for the reduction of the respective contributions which may have been made; (4) the police referred to to be appointed by and be under the control of the Government; details to be arranged later; (5) this arrangement shall be in force for one year. The Government replied "that a sum of £6,000 had been placed on the estimates for detectives. On confirmation of this item by the Volksraad, the Government will be prepared to set aside therefrom a sum of £2,000 as soon as your Chamber contributes a like amount. This combined sum of £4,000 will be applied to the purposes described by your Chamber, under the express condition stated at the interview relating thereto, of absolute Government control and direction." The Chamber thereupon resolved that the action of the Executive Committee be confirmed, and that the sum of £2,000 be contributed to the maintenance of special detectives, as recommended. In July the Government were informed that the Chamber was prepared to contribute £2,000, subject to the Government providing a similar amount, for the purposes detailed in the letters exchanged, whenever required to do so.

In February, 1895, the Chamber wrote to the State Attorney with reference to gold thefts, and asked that the arrangement with the Government for the appointment of detectives to be engaged solely in the suppression of gold thefts, should be carried out, the Chamber having undertaken to contribute £2,000 for the purpose; and in conclusion said: "The Chamber hopes that you will at the earliest opportunity bring the matter under the notice of the Government, and point out that strong measures are needed, not only for the protection of legitimate industry, but also for the removal of the scandal occasioned by crime being carried on on a large scale with practically absolute impunity." The receipt of the letter was acknowledged. The difficulty in connection with carrying out the arrangement was that Government would not appoint a special gold thefts detective force. In 1895 amendments were asked for in the gold thefts section of the Gold Law and were adopted by the Volksraad.

This year the Chamber has in a memorial appealed to the Volksraad to make provision for the appointment of a Government Board at Johannesburg, with a force of special detectives under its control, for the suppression of thefts of, and illicit dealings in, gold.

It will be noticed that since 1892, the Chamber has been endeavouring to secure this necessary measure for the protection of the gold mining industry.

BEWAARPLAATSEN MINING RIGHTS.

In 1891 the companies found it necessary to acquire ground at some distance from the mines for the carrying on of their operations. This they did by taking areas under ordinary claim licence, but as this licence gave no title to use of the surface, bewaarplaatsen licences were also obtained. They were then advised to stop paying claim licence, as the bewaarplaats licence fully secured their rights, the Volksraad having that year passed an amendment to the Gold Law, by which digging under bewaarplaatsen was prohibited; and at the same time an annexure was attached to the Gold Law, containing certain regulations, providing that the holder of a bewaarplaats licence should have a preferent right to the minerals.

In 1892, at the instance of the Government, the Volksraad again amended the law, authorising the Government, subject to certain conditions, to grant permission to mine under bewaarplaatsen and other reserved areas. The Chamber thereupon endeavoured to get a rider attached to this amendment, giving the holder of the surface rights a three months' preferent right to take out mining rights, but did not succeed. It was currently reported that a group of speculators, cognisant of the contemplated alteration of the law, had already applied to Government for the mining rights under bewaarplaatsen, and the companies in self-protection also lodged applications. An announcement was then made that no application sent in prior to the 1st September would be entertained, and that in dealing with applications the question of preference would be matter of careful consideration. Both the State President and the Minister of Mines gave verbal assurances that no injustice to the mining companies would be permitted. On the 1st September the companies accordingly filed new applications, but up till now their receipt has not been acknowledged, nor within our knowledge have they ever been considered.

In 1893 the Chamber presented a memorial to the Volksraad on this subject. It was then referred to a special commission, which recommended certain further amendments to the law; one, in accordance with the Chamber's request, providing that the owner or occupier of bewaarplaatsen should have a preferent right to the mining rights in question over all other applicants. The Volksraad, however, decided to defer consideration of these amendments till the next session, and to have the law with the proposed amendments published as a draft law.

In 1894 the Chamber memorialised the Legislature again, and the Second Volksraad, after a protracted debate, adopted the draft law virtually as published, Article 21c providing that "such rights (mining rights) shall be granted to holders of machine stands, water rights, etc." An effort was made by the Government to induce that body to reconsider its decision, which, however, only drew forth a resolution not to alter the law as already passed.

The First Volksraad adopted the law in principle without making any alteration; but the bewaarplaatsen articles could not come into operation until the regulations controlling mining in these areas had been approved by the Second Volksraad; and, as the Government failed to submit the regulations before the close of the session, the whole matter was shelved for another year.

In 1895 the Chamber sent in another memorial. The Gold Law had, at the request of the Chamber, been codified, and in this form it came before the Second Volksraad for confirmation. The articles referring to bewaarplaatsen mining rights were passed with some minor alterations, but the provision that these rights should be given to the surface-holders, was left unchanged. In the First Volksraad the Government tried to secure an important amendment, providing that mining, except by or in the name of the State, should be prohibited under certain areas, and that the Government should be allowed to grant these rights to others when it was not intended to exercise the State's privilege. The chief alteration suggested was that affecting the preferent right of the surface-holder, which had already been confirmed by the Second Volksraad and approved in principle by the First, by substituting a new article, stating that "for the obtaining of these rights, etc., shall be taken into consideration," in place of the existing article which laid down that "these rights shall be granted to, etc." The First Volksraad, however, would not go further than referring the articles back to the Government, with instructions to print the Gold Law as amended by the Second Volksraad, and include in it any further amendments which they wished to submit to the Legislature. A few days later the draft law including the Government's amendments, was printed and laid before the House, and that body was asked by the State President to depart from the Order and at once to consider the amendments. This was done, and a two days' debate ensued. In its course it was pointed out that the articles under discussion had been passed by the Second Volksraad, on whom the duty of framing the Gold Law had been specially devolved, and had been confirmed by the First Volksraad. A resolution was finally passed, not to accept the Government's proposals, but to suspend the articles referring to undermining rights for a year, instructing the Government meanwhile to obtain further information.

In 1896 the Chamber presented a memorial to the First Volksraad, asking them to confirm the articles as passed by the Second Volksraad, but although no fresh information was submitted by the Government, the First Volksraad overrode the decision of the Lower Chamber, and stultified their own action of the two previous sessions by affirming the principle that mining rights under bewaarplaatsen, water rights, etc., shall be sold by public auction, one-half of the proceeds going to the Government and the other half to the owners of the farm.

This year the Chamber has again memorialised the Second Volksraad, pointing out that the mining companies are of opinion that they have been deprived of their equitable and legal claim to the mining rights under bewaarplaatsen, etc., by the First Volksraad, and asking that the amended articles as adopted in 1894, may be restored in the law.

CEMENT DUTY.

In July, 1892, the Chamber was informed that an application had been made to Government to impose an import duty of £1 per cask on cement. A memorial was thereupon sent to the State President and members of the Executive Council, pointing out that, in the opinion of the Chamber, sufficient protection was already afforded to the local factory by (1) the then existing import duty of 5 per cent.; (2) the heavy expense of importation from Europe, which amounted to £2 per cask; and (3) that the burden which would be imposed upon the industry by such extra duty would be a constantly increasing one, as cement was being used in large and steadily growing quantities; and a request was made that any attempt to increase the duty should be opposed. Mr. Jan Meyer, M.F.V., for Witwatersrand, was also asked to offer strenuous

opposition to the proposal, and replied that he would do his best. Nevertheless the duty was raised to £1 per cask.

In 1893, the Chamber presented a memorial to the Volksraad, setting forth that cement was largely used in mining works and in the erection of buildings generally; that the English cost was 5s. 6d. per cask, and the cost of importation 34s. per cask, and that the tax was unduly burdensome on the mines and the general public, finally praying that the duty might be reduced to 5 per cent., at which it had stood till the previous year. But the memorial to the Volksraad was as fruitless as the one to the Government had been, though at the time the manufacture of cement in the Transvaal had practically come to a standstill. In 1894, the Chamber again addressed a memorial to the Volksraad, repeating its former arguments; stating further that the cement factory was not working, and asking for the repeal of the £1 duty. This time a measure of success was attained, the special duty being reduced to 12s. per cask, at which, plus 7½ per cent. *ad valorem*, it now stands. Last year, according to returns furnished to the Chamber, 22,165 casks of cement were used by 81 companies, and it is evident how undue a proportion of the total cost is attributable to the heavy import duty.

CONCLUSION.

In the foregoing statement, the chief burdens and grievances of the mining industry have been briefly touched upon, but others, in some cases of a serious nature, have been omitted, from a desire not to produce too lengthy a document. In this category we may cite the import duties on food-stuffs, which largely increase the cost of white and native labour, and which as far back as 1890 the Chamber tried to get repealed; and the constant vigilance which it has been absolutely necessary to exercise to prevent articles used in mining from being artificially increased in price through privileges to be granted to individuals under concessions, factory contracts, or, as in the case of cyanide, a State cyanide monopoly; while the endeavour to interfere with the High Court, by means of an amendment to the Patent Law, and so render nugatory any judgment in favour of the mines which it might give in the cyanide case, was only defeated by the barest majority. Fortunately, the action of the Chamber backed by the support of a majority in the Legislature, was successful in these particular cases; but the fact that year after year the mines have been threatened with the laying on of additional burdens, in some form or other, constitutes a real and solid grievance.

The appointment of your Commission may, it is to be hoped, be taken as an earnest that the value of the mining industry as the mainstay of the country is now appreciated, and that it is the intention of the Government and the Legislature to afford it relief from the intolerable burdens which at present render mining operations in many cases utterly unprofitable.

The memorials which the Chamber has presented to the Volksraad this year are attached hereto in the expectation that they will receive your support.

We have the honour to be,

Hon. Sir and Gentlemen,

Your obedient servants,

JAMES HAY, *President.*

G. ROULIOT, } *Members of*
H. F. STRANGE, } *Executive*
 } *Committee.*

A. R. GOLDRING, *Secretary.*