The initial expenses of a mine, the development, etc., are much heavier than the expenses when it is started and in full swing?-Yes, much heavier.

These new mines which are started, are they so good that they will pay expenses, seeing that some old mines had to close down on account of not being able to pay expenses ?--- Yes.

for good You think the expropriation would create a good impression not only here but in tion in Europe ?---Yes.

But why ?-Because the impression is only to be formed that when the Goverament holds the railway it will alter the position, and they could regulate the tariff as they liked, to meet the wants of the country. Apart from that, the railway would be regarded as a valuable asset in the hands of the Government.

Have they got such a lot of interest in our Government that they are anxious the Government should have good assets ?--- I am taking up the position that this railway is a very important factor in the welfare of the country, and when I come to consider that we look towards Europe for our support in making this country what it actually is at the present time, and what I maintain it will be through the inflow of further capital, I say to bring about that desirable object the Government should be possessed of the railway to restore that confidence, and make the investing public at Home realise that the asset is the property of the Government, and they can do with it w they think fit.

But supposing tariffs are put on an equitable basis in order to meet all the require ropriation of lively prefer. on of railway company or by the Government ?--- I have answered that already. It would be a very good thing if the tariffs were brought down. It would be of great assistance to the people of this Republic. But I am taking a higher and more comprehensive view. is a question of very high finance. It will have a moral and financial effect through out Europe, and would have a great effect on the future progress of this country.

This concluded Mr. Robinson's evidence, for which he was thanked by Chairman.

r. H. F. E. Pistorius' evidence.

ites alone.

MR. H. F. E. PISTORIUS submitted the following statement from the Joint Og mittee of the Chamber of Commerce and Mercantile Association :---

mainstay

country.

on mines.

Railway mon opoly.

This committee, representing the merchants and traders of Johannesburg, ma the following statement regarding the present position of the mining industry, alw dining industry bearing in mind that that industry is the financial and industrial mainstay of is financial and country. Without the market afforded by the mines other industries could not a of in the Transvaal, and this economic fact is so far-reaching in its effect on The successful work industries that even agriculture comes under the same rule.

of the mines affords a basis for industrial, agricultural and commercial develop in many other ways. Admitting this fact then, the first necessity for the prosp of the country from an industrial standpoint is to ensure the success of the m Unjust burdens We are of opinion that at present the mines have to carry many heavy and inde sible burdens. The chief of these are the monopolies for railways and for explanation We ask the favour of your careful consideration of the following burdens that ca readily removed :-

Railways being necessarily a monopoly, and in all countries superseding the ways of the country, are consequently under different economic and administr conditions to other industrial enterprises. The public have to be guarded against possibilities of such a monopoly as that afforded by a railway, heing used general disadvantage. In England and America the average dividends paid by

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railways amount to between 3 and 4 per cent. per annum. In view of these facts the Netherates charged and profits secured by the Netherlands railway cannot be justified. The rates obtaining on the Netherlands Railway are far in excess of those ruling on all other lines in South Africa. The very great differences are shown in the following tables:—

	1		Normal per ton per mile. d.	Intermediate per ton per mile. d.	Bough per ton per mile. d.	
Cape			2.34	2	1.3	Compa: ble
Orange Free State	•••	•••	2.34	2	1.3	Afric way :
Natal	•••		3.04	3.04	1.94	
Portuguese			4.07	3.23	2.44	
Netherlands, via Ca	ре	•••	7.7	7.7	7.7	
	tal		5.06	3.82	3.26	
" " Del	lagoa		4.27	3 69	2.54	

AGRICULTURAL PRODUCE.

					plus terminals.
Cape, for 23	miles		•••		<u></u> ₽d.
Orange Free	State, for 23 n	niles		•••	<u>‡</u> d.
Natal, for 13	miles	•••	•••	•••	1 ³ d.
Portuguese	•••		•••		2 ⁻ 2d.
Netherlands,	via Cape and	Orange Free	e State		3·1d.
**	" Natal	•••	•••	•••	3 [.] 26d.
**	" Delagoa E	Bay	•••		2·3d.

The mines mainly consume heavy goods that have a low prime cost in the Ballway countries from which they are brought. The following table will illustrate the position :---

		Prime cost.			Rail charge.			
		L	8.	d.	£	8.	đ,	
Cargo of Swedish deal	•••	1,484	10	5	2,658	13	9	
" Pitch pine		2,379	7	1	7,361	8	6	
300 casks cement	•••	80	16	10	405	0	0	
1,000 cases paraffin	•••	207	0	8	306	13	4	
1,000 boxes candles	•••	347	11	9	104	12	6	
120 drums grease		19	9	1	25	15	2	
100 shoes and dies		170	15	8	64	11	2	
Steel rails		69	3	11	118	12	8	

In the United States of America the railway lines cost about £12,000 a mile to cost of muld and equip, and the average rate charged on all goods is 2.5 of one penny per of rail on per mile. The high rate charged by the Netherlands Company for coal traffic is an special hardship on the mines. The bulk of the coal traffic is carried on the Rand Nether and Netherlands Company for coal traffic is an state. The rates vary according to distance from 2.08d, per ton per mile to 2.92d. The Natal the rate is $\frac{1}{2}$ d, per ton of 2,240lbs, per mile. In the Free State the rate is $\frac{1}{2}$ d, per ton of 2,240lbs, per mile. In the Free State the rate is $\frac{1}{2}$ d per ton of 2,000lbs. The coal mines produced 1,437,297 tons during 1896. It is timated that the railway received £350,000 for transport of the coal. If the Free state rate were adopted there would be a saving to the mines of over £200,000, and mample margin would still be left for the railway. The management and general Nethe Railwa minist without railway experience and administer the railway with all the disadvantages of the general public that an unchecked monopoly will allow. The higher adminis-

Der ton ner mile

tration is also inefficient. This is conclusively shown by such facts as the Lingham contract—a document so loosely drawn as to have cost the railway £60,000 to get it cancelled-and the dynamite disaster. Competent administration would have avoided mon both these evils. Dynamite is another monopoly that bears heavily on the industry. The present lowest price of No. 1 dynamite is 85s. at the factory, plus 2s. 6d. per case ansvaal for delivery. We are informed that No. 1 dynamite is selling in Germany at 21s. 6d. per case. It would cost 11s. 3d. per case to land it here, making the landed cost 32s. 9d. For the purpose of comparison, we will take the price at which Nobels con-tracted with the mines in 1893. That was 40s. a case. To that add 5s. a case, as now received by the Government in lieu of duty, bringing the price to 45s. a case. The Government agent sells at 85s., and thus has a margin of profit of 40s. a case. The consumption is equal to 250,000 cases a year, and the mines therefore pay $\pm 500,000$ as te agen year more than the market value of the article. Amongst the excessive charges d royalty making up this enormous sum are the agency charges levied by Mr. Lippert and the сs. royalties in favour of Messrs. Lewis and Marks. Cement furnishes another burden Ξ. for the mines, increases the cost of building dwelling-houses, and generally has been and to the great disadvantage of the community. First-class cement costs in Europe an svaal prior cement 5s. 6d. per cask of 400lbs. gross weight. It costs 44s. a cask to bring here. The consumer is not only burdened with the heavy cost in freight and railage in bringing the in cement, cement to this market, but has to pay a protective duty of 12s. a cask, so as to bolstage It factory, up the local factory. The protection given the local factory is 12s. a cask through the Customs and 7s. 8d. through excessive railway charges. The local factory produces equal to 30,000 casks per annum, and is, therefore, subsidised by the State to the extent of $\pounds 28,000$ per annum. We submit that such an anomaly as this subside to a small industrial company (which is only a parasite on the main industry of the country) should be swept away.

The evidence herein already adduced regarding the disastrous experience gains in supporting the dynamite and cement concessions indicates the evils springing from k making such a policy. The concession to manufacture bricks is another that bears heavily a this community, and should be abolished, and so also should the heavy duty a printed matter.

The incidence of taxation, by which the necessaries of life carry such a hear lence of taxshare of the burden, should be amended. It is not only an economic mistake, but our opinion, a positive wrong to tax the bread of the people. During 1896 grain § in and nour flour to the value of £1,000,000 were imported. Although the special duties w suspended the amount paid in ordinary ad valorem duties amounted to fully £60,0 and this heavy burden was mainly contributed by the wage-earning portion of community. The Customs charges are altogether excessive and require mater reduction. In all other South African States and Colonies machinery is import port duty on free, but here we have to pay £1 16s. per cent. This charge directly bears on mines and should be removed. Amongst general questions that have already a under enquiry by the Commission, are white labour, native labour, over-capitalise and merchants profits.

We are of opinion that no material reduction of white wages will be post until the cost of living has been reduced. The present policy of high tariffs und enhances the cost of necessaries, checks enterprise, and produces such a high cost living that a workman earning £20 a month can but barely maintain his wife family. Native labour is an equally important factor to the mines. We are confi that if native labourers were afforded facilities and due protection in coming to fields, the supply would be so great and continuous as to enable wages to be real to an average of 35s. a month. The ill-treatment and hardships of natives

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coming to and travelling from these fields, the injustice with which they are treated under the Pass Law, and the oppressive regulations imposed on them cost in extra wages alone fully 25s. a month. Estimating for 70,000 natives working for wages in this district, that shows a loss of over one million per annum. To illustrate the oppressive working of the Pass Law we adduce the following recent incident:-A Malac building contractor absconded from Jeppestown and left 25 natives without a Law, fortnight's wages and without their passes. The chief contractor on the job decided to carry on the work, and arranged with the natives for them to continue at work. He went to the Pass Office, reported the case, and asked for new passes for the boys. He was promptly refused, and told that the whole lot would be arrested and fined or imprisoned for being without passes. Such administration can only have one result, and that is to drive away labour, and, as a reflex result, increase the cost of what is left.

Over-capitalisation is a point that appears to have occasioned some misunder-overstanding. Whether a mine is over or under capitalised does not in any way affect the working charges. It is purely a market question, and affects the price of shares. The industrial question for the mines is whether or no they can produce 20s. worth of gold at below a cost of 20s., and therefore at a profit. How the mine is capitalised does not affect the industrial problem either way.

Merchant's profits in Johannesburg are on a narrower margin than in any Johan mining camp in the world. The leading lines used in quantities by the mines are mer profit contracted for at a margin of the barest possible profit, and we will submit proofs of this statement.

Chairman.

As Chairman of the Chamber, I should have expected you to have given some comme indication of the measures required to facilitate commerce and agriculture. In your tetement there is very little on that point. You practically go over the same ground traversed by mine managers. I can understand that the prosperity of the mines a great measure influences the prosperity of commerce and agriculture. But still trainot be denied that commerce and agriculture are separated from mining, and for he prosperity of the country generally agriculture and commerce should go hand in and. Your report suggests no redress or measures to be taken to relieve the decisities of commerce and agriculture. Now, what can be done by commerce to set agriculture? The only point I find in your statement on agriculture is thisthe only thing done by the Government in order to protect the agriculture of is country is that the commercial people want to take away—that is, the import nity on food stuffs.—In the first place, I should like to point out that my report Import fors to the price of labour, which would materially assist commerce and agriculture, cost of b dyin order to get commerce and agriculture to flourish in this country, the mining Commerce agriculture, cost of b agriculture, cost o agriculture which is the backbone of this country, should flourish. That is why we say agriculture the tax levied by the railways, dynamite, and native wages should be reduced. shown in the question of dynamite alone, £500,000 could be saved in the way of Free trace trade in dynamite. Take railway statistics. For instance, on a load of coke of a Railway time cost of £68 10s., the railway carriage was £294. The two Colonies took 293 cent of the cost, and the Netherlands Railway for carrying from Vereeniging to Mannesburg got 136 per cent., the entire cost being from Europe to Johannesburg the per cent. on the prime cost. So the load which originally cost £68 10s., cost High here £455 10s. In the matter of pig iron, a lot which cost in England £149, **Exis pay £294** for transport. The Free State and Cape Colony drew 134 per cent. Tranzying, and the Netherlands for a distance of 52 miles got 63 per cent. The

cost of laying down a quantity of pig iron costing in Europe £149 1s. 3d. increases by the time of delivery here to £514 ls. 8d. That shows that those heavy railway charges made it so expensive that it must be a heavy burden on the mining industry. Then you say that the Chamber of Commerce tries to take away the only protection granted to agriculture in this country by suggesting the removal of the tax on duty on foodstuffs. If you take the tax on foodstuffs, you will find that not alone is the tax the usual nine per cent. ad valorem, but also a special tax in many cases 100 per cent Notwithstanding the expense of this heavy tax very little is coming into the country and up to the present that has not improved the position of agriculture in the country

It has not been shown what we have to do to assist agriculture. Pig-iron and

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dynamite, which you speak about, do not concern agriculture; they concern mining; I want to speak exclusively about agriculture. I think you will agree with me that it is desirable that agriculture, as well as the mines, should be developed in this country. Foodstuffs, which to-day are brought into the country, might be produced in the country itself, and that would also be a great support to commerce. There is hardly any necessity to travel over the same ground as has already been gone over by other witnesses. What the Commission would like to know from the Chamber of Commerce is, what are their requirements, and what can be done to foster agriculture, the importation of machinery, etc. As long as we can import sheep here it appears to me that Mr. Pistorius does not mind what becomes of the agriculture of the country I take it that the prosperity and advancement of the goldfields is a big factor in the That is why country, but the backbone-the sinews of the country-is agriculture. we would have liked very much some opinion on those points. You have shown us how agriculture and commerce can go hand in hand. There is another question I want ortation of to speak about-the importation of iron. It is stated that this Republic contains iron as good as any other country. Don't you think there is a chance of getting iron out of this country-that is, instead of importing it at a high cost? Would it not be another development of industry, providing work for thousands of people, and which would keep the money in our own country ?-In reply, I would like to say to the Chairman, regarding the prosperity and advancement of agriculture, that I acknowledge it is the backbone of every country. But in this country, so far, agriculture has not provided for the wants of the population. The prosperity of agriculture at the present moment is dependent on the prosperity of the mining industry, and although there a big market here and good prices for all produce, agriculture has only advanced very little. How can you then say that the Chamber of Commerce or the population mount of food want to take away the only protection of the country? The market shows that most stuffs importof the produce on the market here comes from the Free State and outside. Regarding iron, I believe there is lots of iron in the country, but up to the present I cannot e orking of Transvaaliron of how it would be possible to get iron out under present conditions. If transport we easy and cheap, and wages to get ore out of the ground were cheap, then I would so "Yes, let us get the iron out of our own country." Until such times as the condition are altered in such a manner that it can be worked cheaply, it would be impossible t compete with Europe. ſŸ 17

Mr. Joubert.

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commerce and the mining industry.

I want to know in what way is the prosperity of commerce dependent on f prosperity of the mining industry.-Here in Johannesburg they are so close connected that the prosperity of trade or commerce entirely depends upon prosperity of the mines.

And the prosperity of the mines and commerce chiefly depends on the prosper

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of agriculture ?— The prosperity of the country depends upon the prosperity of the mines.

The country cannot exist for mines and commerce without agriculture. Don't you consider that the regulations which press on the mines and commerce also press on agriculture. The commercial men do not pay import duties; the farmer pays that.— That indirect taxation is paid by the whole population. The reduction in railway rates does not only affect the mines and commerce, but also the farmer.

Mr. Brakhan.

All the matters which have been laid before the Commission so far are very clear on some points, except dynamite. The dynamite question seems to be shrouded in a good deal of mystery. We cannot arrive at any particulars as to how much of it is really manufactured here, and in order to arrive at some conclusion about the question I should like to ask you certain things. Can you inform us how much nitrate and how much sulphur has been imported into this Republic by the various railways?—I don't Im_1 think that the Customs returns show how much of these goods are separately $\frac{d}{d}$ imported. And then, besides, sulphur is largely imported in connection with the Scab

You think it is difficult to find out how much sulphur has actually found its way here into the Transvaal?—There would be no difficulty, provided the Customs suthorities took a separate account of it.

I should like to put a suggestion to the Chamber of Commerce and Mercantile Association to try to find out what the quantity has been, and also what quantity of guhr has been imported, and what quantity of ready-made dynamite and nitro-gelatine. I think the latter points should not be so difficult to answer, as the data could no doubt be got from the ports. Nearly all the dynamite which comes into South Africa is used in this Republic.—I don't think that will help you. The quantity of dynamite imported into this country the Government have the statistics of, and guhr also. The dynamite factory could produce that to the Commission, and therefore there would be no occasion to see that specially through the Customs. These matters are all in the hands of the Government.

I think it would be wise if some evidence came from outside quarters.—You mean on this question. I don't see that would help you at all, because the whole of the dynamite consumed on the fields must come through the dynamite factory, and therefore the whole information is at the factory, and in the hands of the Government, and is available, I suppose, for this Commission. The Government can call upon the factory authorities to say what quantity of these goods has been imported.

With regard to the revenue derived from the importation of dynamite, I was glad state to see that you take a broad view of the case. I think everyone must know the mo dovernment is quite entitled to make a profit out of it, and I hold that your opinion what the monopoly make too much profit on this very necessary article?—Far too much.

And you hold, as a mercantile man of experience, that there would be no difficulty in importing dynamite at a reasonable rate, and in ample quantities to hupply the demand; and if the Government were to receive a duty of 10s. a case, it would mean about £125,000 per annum, and yet you think the mining industry would have enormous benefit ?—Certainly.

I see under taxation with regard to the duty which is imposed on machinery, Imposed do not say it is exactly high, but that it should be removed; don't you think, making other taxation into consideration and the general conditions which prevail here, but this duty of $1\frac{1}{2}$ per cent. is a low one?—In comparison with others it is.

I hardly think the mining industry has raised the question of this duty being a burden ?-I think they have not, but seeing you wish to develop the resources of the country, therefore you must give the people who undertake this particular duty every opportunity to lay down machinery as cheaply as possible.

I think it is much more important that the railway rates should be cut down to a reasonable extent, and this would make an infinitely bigger amount than this duty of 14 per cent., which I understand is levied on the cost of machinery in Europe, plus 20 per cent. ?-Yes, making it 36s. per cent. I agree with you that this does not affect the question very materially, but taking into consideration the development of the country, and a new country, particularly where you have many mineral resources to be developed, you want your machinery brought into the country not only for the mining industry, but for agricultural purposes, as cheaply as possible; therefore, the import duties should be taken off and railway rates should be brought down to reasonably profit-paying basis.

I take it your remark in your statement refers to mining machinery ?- In this particular instance it does, but, we take it, the prosperity of the mines means also the prosperity and development of other industries in the country. We take it the mining industry is the first point with us. Every other industry is dependent on it is and if you develop the mining industry you develop agriculture and the other dent on manufactures in the country.

We ought not to ask the I personally hold we ought to be fair in our demands. If the price of dynamite Government to cut down everywhere.-That is quite right. is reduced, and if you reduce the rates charged by the railway to a fair profit-paying basis, you will help the country forward to such an extent there will be no reason of complaint.

On the other hand, I do not think anyone connected with the mining industry will grumble if they have to pay the rate charged on the cost of machinery in Europe ?-I do not say so either. The object of bringing forward this question of minimum charges of the railway is to bring indirectly forward the question of the thereinds desirability of the Government taking over the railway, and working the railway for the benefit and development of the country. the benefit and development of the country. The railway, then coming into the hands of the Government, will be managed by the Government, and then the profits which will be made will be merely sufficient to pay interest on capital and sinking fund. Then the railway rates will be reduced to such an extent that all industries whether they are mines, manufactures, or agriculture, will be stimulated, and will benefit to such an extent that they will work hand in hand for the general develop There are many reasons why the public wish to see the ment of the country. railway in the hands of the Government-not only to do away with the enormous charges, but to have the railways as an integral part of the institutions of the country Then we can expect that railway rates and general management of the railway with be subject to public opinion and the direct control of the Government. We do not say that the general management of the railways should be altered so far as the interior personnel is concerned, but as regards the higher officials, and that the Then, of course, we can should all be controlled by a Government department. expect redress, and it will tend to the development of the country.

ive labour.

Now, with regard to native labour. You refer to the ill-treatment and hardship which the natives have had to undergo in coming to and travelling from these fields there is no doubt that from the reports we get, the boys are really under ve great difficulties whilst coming to the fields---if they come on foot---and also whe they go away. Your experience is also in that direction ?-In our business we not employ the class of natives who come to work on the mines; the majority of

boys we employ, for instance, in our works, are boys who come from Natal, Cape Colony, or Basutoland, and they come by railway.

But does it come within your knowledge, irrespective of your business, that the boys are subject to ill-treatment?—That is another reason why the railways should Trans be in the hands of the Government : that they will grant facilities to bring boys from their homes and back again in perfect safety, and in a short space of time.

And also that the rates might be lowered, still leaving a profit to the railway ?--Certainly. In connection with native labour, I would like to say that at a meeting much of the committees of the Chamber of Commerce and Mercantile Association yesterday, airesolution was passed that I should inform the Commission in connection with the native labour question, one of the greatest difficulties which the mines experience with the question of the illicit liquor traffic along the line of reef, whereby a very large number of natives are incapacitated from performing their work for perhaps a third of the week. Provided this liquor traffic was under better control, the miners would have the services of the boys for full time. As a remedy in connection with this matter, they suggest that, instead of a fine, imprisonment should be substituted, and if such were adopted, they feel that a great deal of the present illicit liquor traffic, which is a source of annoyance and inconvenience to the mines, would be removed.

w Do you think that the illicit trade to natives is such a remunerative one that the ines are readily forthcoming ?—I do not know that for certain, but I have heard that bottles of brandy are sold for 5s. and 6s. which cost 1s.

Under these circumstances, it would certainly appear that imprisonment would be every much more severe remedy than a fine ?- My own opinion was that it was a very drastic resolution, but when other members gave their experience and said that these illicit dealers were fined once, twice, and three or four times, and it did not prevent them from carrying on the business, I came to the conclusion that, under these circumstances, nothing but very drastic measures would prevent the continuance of this business, and cause an improvement in the natives in physique, and an advantage to the employers and mines.

Mr. de Beer.

There are two institutions in Johannesburg of the same kind, the Mercantile Johan Association and the Chamber of Commerce-have they got the same object in view? -Yes.

Then why should there be two?—It is difficult to give an explanation to that. We work harmoniously together for the prosperity and advancement of commerce.

Would it not be better to have amalgamation instead of harmonious working ?--tesuppose it is a case of "many people many minds."

Witness said that no bricks could be made by machinery because there was a con- Brick conces interesting the second what is the price of machine-made bricks ?-About £4 10s. per 1,000.

vIt is a very high price.—Yes, under ordinary circumstances it should be about Sper 1,000. That would be a good price if brick-making was open to the public. Now, take the same class of bricks, hand-made; what could they be made for ?-

here is a difference between the two. A hard-pressed brick, made by machinery, is by much better than a soft-pressed one made by hand. There is no comparison.

You say that there is a heavy tax on food-stuffs. It is not an ad valorem duty of Import d per cent. only ?—Oh, no. There is an *ad valorem* duty of $7\frac{1}{2}$ per cent., with the dition of 20 per cent.; or, in other words, we have to pay $7\frac{1}{2}$ per cent. on £120, and at brings the duty up to 9 per cent. In addition, there is a special duty on different ticles of commerce.

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Does the 9 per cent. not include the special duty ?-No.

inistra-Now, with regard to the Pass Law. You give an instance of a kaffir being iller of Pass treated. Do you know of any other cases ?—No, I am not intimately acquainted with the law. Other witnesses will doubtless be able to give you many instances.

Are you personally acquainted with the case you cited?—No, it was reported to me. How do you make out the 25s extra wages required to be paid to the boys?—We have to pay them 25s. more than we ought, owing to the stringent laws, and the lack of protection afforded to them on the roads. If they were better protected, and could be brought here cheaper, I think we could get them to work for 35s. Take a contractor on the Natal Railways employing a number of boys. While they are in Natal territory they pay the natives 30s. a month, but the moment the boys cross the border at Volksrust, they want higher wages, because they are taken up and fined for the smallest offence. Therefore they must be paid at a higher rate to compensate them.

capitalisaof mines.

e Lingham

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You refer to over-capitalisation of the mines. Do not you think that overcapitalisation affects the credit of the country as well as the mines?--No, not the country so much. It affects the shareholders, not initially, but when they find out that their mine has been over-capitalised; but that is not the question. The question is whether the mine can be worked at a profit.

We are well aware of that, but we consider that, eventually, over-capitalisation of mines will cause the credit of the country to suffer.—It may eventually, but it is impossible to find out whether the mine has been over-capitalised. When a property is floated, a large sum is sunk in the mine, and, as development proceeds, it may be necessary to increase the capital, and yet after all the mine might be found unpayable

Do not you think too much money is invested in the properties ?---No, besides the importation of money would not detrimentally affect any country.

Look at Capetown. It is an old-established town. It has its port, and extensive commerce attends it. No one has thought of putting up such extensive buildings. Perhaps, but the buildings in Johannesburg are erected in many cases out of money made on share transactions in Europe.

You refer to the Lingham contract. What do you mean by the contract?—The contract entered into between Lingham and the Netherlands Railway Company to carry wood from Delagoa Bay at a lower rate than the ordinary tariff. It was found that it did not pay the Railway Company, and they cancelled it; and it is said the paid Lingham £60,000 to get out of it.

Mr. Smit.

Do you know it for a fact ?---No.

Do you know that the contract was entered into ?-I cannot swear that it a signed.

You should not make such damaging statements unless you are sure of them know that there was such a contract, but it was given to me in such a manner are preclude me from referring to it in detail. The Chamber of Commerce has the copy

The Pass Law.

Do you think that the Pass Law, even if properly carried out, would be a bad a ---I think that the law, if properly carried out, will prove a very good law, and it prevent desertion, because the boys deserting will be brought back to the mines for where they ran away, by the administration. If the kaffirs once knew that they and not easily escape, desertions would be minimised.

I think so myself.—Yes, perhaps not one in a hundred would desert. I const the fine of £3 a heavy one.

It was fixed for the purpose of deterring boys from deserting.—Yes, but still a heavy one. If there was an efficient and sufficient staff, the boys would not de

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