



ANNUAL REPORT OF THE
DIRECTOR OF THE SOUTH AFRICAN
MINT FOR THE YEAR
1ST APRIL, 1966 TO 31ST MARCH, 1967.

REPUBLIC OF SOUTH AFRICA.

SOUTH AFRICAN MINT.

The Secretary for Finance,
Union Buildings,
PRETORIA.

ANNUAL REPORT OF THE DIRECTOR OF THE SOUTH AFRICAN
MINT FOR 1966/67.

I wish to submit the following report on the activities of the South African Mint during the financial year 1st April, 1966, to 31st March, 1967.

Introduction.

The main consideration during the year as was the case in the previous year was again the introduction of the new series of coins and the withdrawal from circulation of the old silver and bronze coinage.

All denominations of the new series except the 1 cent, 50 cent and silver one rand were issued during the previous year leaving these denominations to be issued during this year on the previously determined dates in accordance with the planned programme. With the issue of 64 million 1 cent, 8 million 50 cent and 2 million one rand coins the complete changeover was effected involving the issue of a total of 311 million coins made up as follows:-

R1 silver	2 million
50c nickel	8 "
20c "	58 "
10c "	55 "
5c "	65 "
2c bronze	59 "
1c "	64 "
TOTAL	311 "

The successful completion of this very considerable production programme was only possible by working on a permanent overtime basis of two twelve hour shifts per day. The distribution of 1.430 tons of coins to ensure that the required number of coins was available at every bank throughout the country on the determined dates of release was in itself a considerable task. Much credit is due to the Mint staff whose maintained efforts made possible the change-over to the new coinage within the prescribed period and without any serious difficulties.

~~The old silver and bronze coins were withdrawn as the new coins were issued and the silver was melted down into bars.~~ These were refined and the silver and copper thus recovered were sold separately at the prices ruling on the London Metal Exchange. The fact that the undertaking which did the refining under contract also contracted to buy the silver and copper on the basis indicated considerably simplified the process. As the S.A. Mint could not provide the assaying facilities required in respect of the large quantity of silver

alloy involved it was arranged for the South African Bureau of Standards to do this work. This arrangement also worked satisfactorily. Up to the end of the year a total of 1,110 tons of silver coins had been withdrawn of which 745 tons had been re-fined. The bronze coins withdrawn were defaced and sold as a metal alloy and 642 tons were dealt with in this way.

With the conclusion of the new coinage introductory programme it was possible to revert to normal single shift operation but instead of the rate of production falling to the anticipated 40 million coins per year, the sustained requirements for new coins necessitated a rate of production of 120 million per year for the rest of the year.

The inspection by the Public Service Commission into the staff structure of the S.A. Mint as an institution separate from the former ammunition branch, was concluded and the recommendations accepted and implemented during the year. The new structure should bring about a considerable improvement in the administration and control of the Mint.

It had become evident that the S.A. Mint would have to modernize with regard to equipment and accommodation in order to be able to comply effectively with the present and future coinage production requirements. In this connection an overseas study tour was undertaken by myself which included visits to various mints in Europe, the United Kingdom, the United States of America, Canada and Australia as well as visits to various metal works. The information thus obtained was most valuable in planning for the proposed modernisation and recommendations in this connection have been submitted.

CHAPTER 1: FINANCIAL.

Expenditure:

The expenditure decreased by R23,665 in comparison with the previous financial year.

The following table shows the expenditure for the last two financial years:-

Financial Year	Amount.	Percentage increase or decrease compared with previous year.
1965/1966	R925,326	72.73 decrease
1966/1967	R901,661	2.56 decrease

Turnover:

The following table shows the turnover of the various products of the South African Mint:-

Financial Year	Republican Coinage		Sundry Products	Total
	Currency (a)	Proof		
	R	R	R	R
1965/1966	12,822,136	253,481	1,875,479	14,951,096
1966/1967	10,353,870	228,945	2,373,323	12,956,138

The decrease of approximately R2,000,000 is mainly due to the completion of the change-over to the new coin series.

- (a) In addition to the coins sold for circulation in the Republic, new coins were also issued in replacement of the following old coins withdrawn from circulation:-

Silver coin 1965/66 - R3,425,125	1966/67 - R14,011,425
Bronze coin 1965/66 - -	1966/67 - R 821,460

Profit:

The Nett Profit was compared with for 1965/66.

CHAPTER 2: STAFF.

During the year there was a decrease of 27 in the number of staff employed as compared with the previous year.

The following comparative schedule shows the variations in respect of the different categories:-

Categories.	Number of persons in employment on:	
	31.3.1967	31.3.1966
(a) Administrative	4	5
(b) Professional	-	1
(c) Technical	8	7
(d) Clerical	11	14
(e) General Divisions A and B, excluding items (g) to (i)	16	11
(f) Temporary employees against posts under items (a) to (e)	7	12
(g) Special Craftsman	5	8
(h) Artisans and Toolmakers	9	9
(i) Male Operators	13	17
(j) Apprentices	2	2
(k) Women Operators and Supervisors ..	55	67
(l) Guards and Protection Officers ...	6	7
(m) Bantu Guards and Bossboys	11	11
(n) Bantu Messengers and Bantu Female Cleaners	8	10
(o) Bantu Labourers	96	97
Totals	251	278

Recruitment.

A total of 98 appointments were made whereas the services of 117 employees were terminated.

Major Staff Changes.

- Mr. T. Sasseen was promoted to the post of Chief Die Sinker and Medallist with effect from the 1st October, 1966.
- Mr. W.S. van As, Administrative Officer, received merit progression with effect from the 1st October, 1966.
- Mr. J. Buitendag, Senior Operator, received merit progression with effect from the 1st October, 1966.

- (d) Mr. C.J.H. O'Reilly, Administrative Assistant, was transferred to the Treasury with effect from the 1st February, 1967.
- (e) Mr. L.S. Horne, Senior Foreman of the Coinage Section, retired on pension on the 22nd December, 1966, after 43 years of service and was re-appointed as a T.N.6 Stores Officer with effect from the 9th January, 1967.

Visitors.

The S.A. Mint had 3,536 visitors during the year, this being 839 less than during the previous year. The visitors consisted of 1,120 adults and 2,416 scholars and included 64 visitors from foreign countries.

CHAPTER 3: GOLD.

Basic Selling Price of Gold.

The basic price of gold remained constant at R25.10 per oz. fine plus 1% (the basic price plus $\frac{1}{2}\%$ is paid to the S.A. Reserve Bank).

The preparation charge of granules and dental gold remained unchanged.

Gold Coins.

A total of 22,002 gold proof coins (11,001 of R2 and 11,001 of R1 coins) were struck for sale in 10,000 proofsets of 9 coins (R2 - 1c) and 1,001 proofsets of 2 coins (R2 - R1).

In addition to the above 10,011 non-proof R2 coins and 10,005 non-proof R1 coins were minted for sale as well as 300,000 R2 coins and 100,000 R1 coins for the Chamber of Mines.

In commemoration of Rhodesian Independence on the 11th November, 1966, the Reserve Bank of Rhodesia placed an order for the manufacture of £5, £1 and 10/- gold coins. A total of 3,000 £5, 5,000 £1 and 6,000 10/- gold coins were minted for this purpose.

CHAPTER 4: MINT BULLION OFFICE.

Gold Transactions.

There was an overall increase of 145.57% in the total weight of gold transactions as compared with the previous year mainly as a result of the minting of Rhodesian gold coins and the increase in the number of proofsets (R2 - 1c) which include the two gold coins.

Weight of Gold Transactions in 1966/67 Compared with 1965/66.

Different carat grades converted to fine oz. troy.

	1966/67	1965/66.
Received from S.A. Reserve. Bank etc.	171,943.12	56,960.28
Granulated and dental gold sold..	67,897.33	57,283.41
Medals, wire and sheet gold sold.	204.08	268.50
Weight of 2 rand and 1 rand coins	7,420.50	5,771.10
Transferred to Die and Medal Section	575.21	742.30
Received from Die and Medal Section	204.08	238.14
Transferred to Coinage Section ..	50,493.31	4,102.53
Received from Coinage Section ...	9,122.44	-
	307,860.07	125,366.26

Value at the approximate basic
price of R25.10 per fine oz.

R7,727,287.00 R3,146,693.00

Silver Transactions.

Weight of Silver Transactions Converted to Fine Oz. troy:-

	1966/67	1965/66.
Bought from Rand Refinery Ltd. and Sundry Persons	2,461,019.60	916,584.27
Coin withdrawn from circulation (500 Std., 800 Std.)	11,604,677.60	26,150,860.86
Granules and strip sold	398,697.74	378,398.06
Medals and other items sold ...	16,816.33	6,129.60
Issues to Die and Medal Section	31,564.71	4,609.40
Received from Die and Medal Section	12,673.60	358.94
Issues to Coinage Section	1,491,655.80	891,882.05
Received from Coinage Section (not coin)	116.05	-
Coin received from Coinage Section	548,782.34	859,074.38
Issues for various alloys	6,269.00	4,745.02
	16,572,272.77	29,212,642.58

Purchase of Silver.

Approximately 2,424,628.00 oz. fine were purchased from the Rand Refinery Ltd., mainly for the manufacture of silver coin and granules.

Basic Selling Price of Silver.

It was necessary for the Mint, with Treasury approval, to vary its basic selling price of silver in conformity with the rise and fall in the overseas market price. The average price was 94 cents per oz. fine.

Nickel Transactions.

Weight of Nickel in oz. Troy:-

	1966/67.	1965/66.
Blanks purchased for coinage ..	5,595,817.72	33,768,622.23
Weight of coins received	5,133,287.12	27,392,653.06
Transferred to Die and Medal Section	4.82	10,110.55
	10,729,109.66	61,171,385.84

Coin Received and Issued.

The following is a comparative schedule in respect of gold, silver, nickel and bronze coins received from the Coinage Section and issued by the Bullion Office:-

Value of Gold, Silver, Nickel and Bronze Coin Received and Issued.

Denomi- nation	Receipts from Coinage Section during		Issued to Banks etc. during	
	1966/67	1965/66	1966/67	1965/66
	R c	R c	R c	R c
<u>Gold:</u>				
2 rand	42,024.00	32,780.00	27,520.00	25,302.00
1 rand	21,006.00	16,256.00	14,079.00	12,688.00
<u>Silver:</u>				
1 rand	1,422,583.00	2,161,969.00	715,455.00	2,135,661.00
<u>Nickel:</u>				
50c	1,989,809.00	6,086,238.00	2,072,596.50	4,137,685.00
20c	1,619,417.80	11,689,057.00	276,738.80	11,682,711.80
10c	736,953.50	5,522,174.30	1,886.90	5,381,351.30
5c	687,291.10	2,953,612.50	522,933.60	3,075,666.60
<u>Bronze:</u>				
2c	515,416.50	1,064,889.78	531,378.00	1,108,320.74
1c	623,068.52	501,439.18	826,217.91	283,130.69
	7,657,569.42	30,028,415.76	4,988,805.71	27,842,517.13

Proofsets.

The Mint made 10,000 nine coin proofsets (R2 - 1c), 1,001 gold proofsets (R2 - R1) and 15,000 seven coin proofsets (R1 - 1c).

Withdrawal of 500 Std. and 800 Std. Silver Coin for Remelting.

The withdrawals up to 31st March, 1967, amount to:-

1951 - 1964	R8,696,719.26	(800 standard)
1964 - 1965	R113,800.00	(800 standard)
1965 - 1966	R14,611,200.00	(500 and 800 standard)
1966 - 1967	R6,273,200.00	(500 and 800 standard)
	<u>R29,694,919.26</u>	

To the end of March, 1965, the withdrawn silver alloy was used for recoinage. As a result of the change-over to nickel coins, the alloy in the silver coins withdrawn since that date has been refined under contract by Engelhard Industries of Newark, New Jersey, U.S.A. The refined silver and copper were sold by the S.A. Mint at the price ruling on the London Metal Exchange.

Withdrawal of £.s.d. Bronze Coin.

During the year coins to the value of R310.00 were withdrawn from circulation.

Withdrawal of One Cent Bronze Coin.

The change-over to the new coin series and the issue of the new two cent and one cent bronze coins resulted in the withdrawal of old one cent bronze coins from circulation. During the year coins to a value of R587,630.00 were withdrawn. As the metal of these old coins cannot be used economically for recoinage, the coins are defaced by passing through a rolling mill, after which the metal is sold by public tender.

Non-Ferrous Bullion Transactions.

The following are the receipts of and the transactions in non-ferrous metals. This involved mainly issues to the Coinage Section for the production of gold, silver and bronze coin as well as a small amount of copper for the alloying of the different grades of gold.

Receipts of non-ferrous metals
(in lbs. avoirdupois):

<u>Copper.</u>	<u>Brass.</u>	<u>Total.</u>
278,812.00 lb.	191.00 lb.	279,003.00 lb.

Non-ferrous Metals Transactions:

	<u>Lb.</u>
Issued to Coinage Section for Silver Coin	21,399.87
Weight of bronze coin received from Coinage Section	638,154.70
Weight of bronze blanks received from Pretoria West Metal Pressings	182,669.00
Weight of metals issued for alloying	26,868.17
Transferred to Die and Medal Section	8.31
	869,100.05

Blanks for bronze coinage which for practical reasons were previously supplied by Pretoria West Metal Pressings, are now produced at the S.A. Mint.

Packing and Despatch Section.

The number of parcels despatched by post and by rail compared with the previous year, were:-

	1966/67	1965/66.
Parcels despatched by post	9,771	9,012
Parcels, other than coin, despatched by rail	170 (10,442 lb.)	242 (3,100 lb.)
Boxes of coin despatched by rail	3,043 (373,311 lb.)	9,925 (994,207 lb.)
Bags of coin despatched by rail	61,037 (730,106 lb.)	67,908 (784,066 lb.)

CHAPTER 5: MINT MUSEUM AND LIBRARY.

The activities of the museum were very limited during the year and no purchases were made.

The following gifts were received:-

Export Products (Pvt) Ltd., Rhodesia.	10 Bronze Independence Medals.
Reserve Bank of Rhodesia.	1 Proofset 3 Rhodesian gold coins (£5, £1 & 10/-).

An old blanking press, purported to have been used at the Staats Munt te Velde for the blanking of the historical Veldpond, which was handed to the S.A. Mint some years ago by the Transvaal Gold Mining Estates, Pilgrims Rest, was presented to the War Museum, Fort Klapperkop. In addition a diorama depicting the Field Mint at Pilgrims Rest, 1902, consisting of a large display cabinet and pedestal was presented to the War Museum.

CHAPTER 6: COINAGE.

Melting Section.

This section was kept very busy with the melting down of the 800 Std. and 500 Std. silver coin withdrawn from circulation in addition to producing the bars necessary for gold, silver and bronze coinage requirements.

The following is a schedule of the smelting activities during the year:-

Metals and Alloys melted:

<u>Gold:</u>	Fine gold granules	7,257.15 ozs.
	22ct. gold granules	37,594.56 ozs.
	18ct. gold granules	4,281.26 ozs.
	9ct. gold granules	28,182.11 ozs.
	9ct. gold for Die and Medal	1,851.87 ozs.
	22ct. gold for Chamber of Mines	254,776.56 ozs.
	Total	<u>333,943.51 ozs.</u>

<u>Silver:</u>	800 Std. silver for coinage	2,542,098.19 ozs.
	925 Std. silver for Die and Medal Section	40,180.52 ozs.
	Fine silver for Die and Medal Section	5,132.50 ozs.
	Fine silver granules	403,185.73 ozs.
	Total	<u>2,990,596.94 ozs.</u>

Bronze: Coinage bronze 407,889 lbs.

800 Std. and 500 Std. coins melted down for refining: 12,217,356 ozs.

Rolling Section.

The production in this section was:-

Bars rolled and blanked:

800 Std. silver	1,648,037.72 ozs.
22ct. gold	264,593.95 ozs.

Total 1,912,631.67 ozs.

2c and 1c Bronze 339,559 lbs.

Blanks annealed and cleaned:

800 Std. silver (R1)	1,499,000 pieces.
Std. gold (R2)	306,100 pieces.
Bronze 2c and 1c	112,878,970 pieces.

Total ... 114,684,070 pieces.

Blanks cleaned:

Nickel (50c, 20c, 10c and 5c) 33,855,902 pieces.

Coining Section.

123,148,341 Coins were struck during the year, made up as follows:-

Gold	456,018
Silver	1,422,583
Nickel	33,192,063
Bronze	88,077,677

Total 123,148,341

The number of silver coins withdrawn from circulation to be overlooked, counted and weighed and subsequently melted down for refining amounted to:-

25c	10,332,000
20c	11,954,000
10c	7,940,000
5c	10,108,000

Total 40,334,000

1 Cent bronze coins were withdrawn from circulation during the year and amounted to 1,285,436 lbs. i.e. approx. 642 tons. These bronze cents were weighed and overlooked and passed through a rolling mill to be effectively defaced and sold as metal alloy.

COIN PRODUCTION.

Denomination	Bars Cast ozs.	Bars Rolled. ozs.	Blanks Coined ozs.	Good Coin Produced	
				1966 - 1967 No. of Pieces	1965 - 1966 No. of Pieces
Gold					
2R	47,462.06	47,462.06	4,315.51	21,012	16,390
1R	47,462.06	47,462.06	1,413.36	21,006	16,256
TOTAL	47,462.06	47,462.06	5,728.87	42,018	32,646
Silver					
800 Std.					
1R	2,542,098.19	1,648,037.72	685,977.93	1,422,583	2,158,739
TOTAL	2,542,098.19	1,648,037.72	685,977.93	1,422,583	2,158,739
Nickel					
50c			1,213,973.04	3,979,617	12,161,024
20c			1,485,502.86	8,097,089	58,445,285
10c			1,021,756.65	7,369,535	55,224,303
5c			1,104,220.19	13,745,822	65,405,546
TOTAL			4,825,452.74	33,192,063	191,236,158
Bronze					
2c	1bs. 407,889	1bs. 91,056	230,526.53	25,770,825	61,479,228
1c	407,889	248,503	399,283.23	62,306,852	50,142,168
TOTAL	407,889	339,559	629,809.76	88,077,677	111,621,396
Gold. Chamber of Mines					
2R	ozs. 254,776.56	ozs. 259,857.89	77,045.30	300,000	300,000
1R	254,776.56	259,857.89	12,852.14	100,000	
TOTAL	254,776.56	259,857.89	89,897.44	400,000	300,000
Rhodesia					
Gold					
£5			3,852.32	3,000	
£1			1,284.10	5,000	
10/-			770.46	6,000	
TOTAL			5,906.88	14,000	
GRAND TOTAL				123,148,341	305,348,939

PROOF COIN MINTED AND DELIVERED TO MINT OFFICE.

R2 - R1 1,001 Sets
R2 - 1c 10,000 Sets
R1 - 1c 15,000 Sets.

CHAPTER 7: DIE AND MEDAL AND GENERAL PRESS SECTION.

The production in this section amounted to:-

Coinage Dies	4,315 units
Non-coinage dies	53 units
Medals and badges	37,816 units
Gold jeweller's articles	30 units
Silver jeweller's articles	1,257 units
Bronze jeweller's articles	318 units
Sundry articles	1,658 units
General Press	86,754 units
Defence medals stamped	<u>2,235 units</u>
Total	<u>134,436 units</u>

CHAPTER 8: ENGINEERING AND MAINTENANCE SECTIONS.

Maintenance of production plant and ancillary services and the supply of press tools for the coining and blanking presses again constituted a major part of the activities of this section. In addition the following work was carried out:-

1. Two heavy rolling mills were removed from the No.2 Rolling Room. One mill was sold and the other re-erected in the General Press Section.
2. Two blanking presses, received from the former Ammunition branch, were installed in the No.1 Rolling Room.
3. One small rolling mill was erected in the Laboratory.
4. Redundant machinery was removed from foundations and suitably displayed for sales inspection in the No.2 Rolling Room.
5. During renewal of the floor in the Melting House by the Department of Public Works this Section undertook the renewal of all waterpipes in that area.
6. Relining of pit fires in the Melting House was carried out.
7. Two blanking presses were removed from the No.1 Rolling Room. One press was dismantled for spares for the three remaining presses and the other sold.
8. Three centrifuges were installed in the No.1 Rolling Room.
9. Two office enclosures of timber and glass construction were fabricated and erected in the Stores Section.
10. The slate floor in the main foyer was partly removed and again replaced after installation of a power supply cable to the newly installed central display cabinet.
11. Excavation of old concrete foundation was carried out to prepare for the foundations of two new rolling mills to be installed in the No.1 Rolling Room.
12. One steam boiler was prepared for hydraulic test inspection by the Department of Labour. The second boiler received routine attention by way of internal and external cleaning and overhauling.

The following work was carried out by the Department of Public Works:-

1. Renewal of the floor in the Melting House.
2. Renewal of a section of the passage floor between No.1 Rolling Room and the Coining Section.
3. External renovations to all buildings and boundary fences as well as macadamizing of roads on the premises.

CHAPTER 9: ASSAY OFFICE.

The following is a summary of the work done by the Assay Office staff during the year:-

Precious Metal Melting and Recoveries:

Gold. Ounces Troy.	Silver. Ounces Troy.	Description of Melts.
34.67	84.60	Mint Office Reclamations
992.49	225.00	Bars for Badge and Medal Section.
<u>1027.16</u>	<u>309.60</u>	

Metal Assays.

<u>Gold:</u>	Mint Office	548 samples.	
	Coins	10 samples.	
	S.A. Bureau of Standards	<u>373</u> samples	931
<u>Silver:</u>	Bars	1168 samples.	
	Coins	48 samples.	
	Mint Office, Badge and Medal Section	314 samples.	
	S.A. Bureau of Standards	<u>54</u> samples.	1584
<u>Bronze:</u>	Copper determinations	1869	
	Tin determinations	<u>1668</u>	
			<u>3537</u>
		Grand Total ..	<u>6052</u>

General Chemical Analysis.

1. Illicit Gold Trade:

Assays on 393 exhibits in 269 Court cases were carried out for the S.A. Police, Gold Staff.

220 Pieces of gold were cast for trapping purposes.

In one case the Assayer was subpoenaed to give evidence in Court.

2. Counterfeit Coins:

36 Specimens were handed in as alleged counterfeit coins of which 23 proved to be counterfeit after investigation.

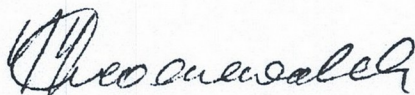
In one case the Assayer was subpoenaed to give evidence in Court.

3. Prospectors:

5 Samples of minerals were received on which 10 determinations were done.

Miscellaneous.

300 Nickel coin blanks were assayed for acceptance test purposes.



DIRECTOR OF THE S.A. MINT.

PRETORIA.

1st March, 1968.