

REPUBLIC OF SOUTH AFRICA.

S.A. MINT.

Reference: 16/3/3 (17)

103 Visagie Street,

P.O. Box 464,

PRETORIA.

7th December, 1962.

The Secretary to the Treasury,
Union Buildings,
PRETORIA.

ANNUAL REPORT OF THE DIRECTOR OF THE SOUTH
AFRICAN MINT FOR 1961/1962.

I wish to submit herewith the following report on the activities of the South African Mint during the financial year 1st April, 1961 to 31st March, 1962.

CHAPTER 1 : FINANCIAL.

(Coinage and Ammunition Branch).

Expenditure : Revenue Vote 16.

There was an increase of 23% compared with the previous year's expenses.

This increase is mainly due to an increase in the production establishment owing to the fact that new calibres cartridges had to be manufactured. Much overtime was also worked as the demand for cent and half-cent coins was abnormally high. There was also an appreciable increase in the costs in connection with the purchase of plant and equipment, mainly for the production of 7.62 and 9 mm. cartridges for the Department of Defence.

The comparative figures of expenditure for the past two years are as follows:-

Annual Revenue Vote - Expenditure.

Financial Year.	: Amount	: Percentage increase on previous years.
1960/61	: R1,010,077	: 62% increase.
1961/62	: R1,236,650	: 23% increase.

Turnover.

There was a reduction of approximately 29% in the turnover, as compared with the previous year.

The following statement shows the decrease and increase under the different products.

Comparison of Annual Turnovers.

Financial Year.	Coinage Branch			Ammunition: Branch.	
	Coin		Sundry products	All products.	Total
	S.A. Cur- rency (a)	Proof.			
1960/61	:R1,308,369	:R131,947	:R 900,069	:R889,384	:R3,229,788
1961/62	:R 420,605	:R152,505	:R1,148,719	:R580,969	:R2,302,798

(a) In addition to the coin sold for circulation purposes in the Republic, the following new coin was issued in replacement of worn S.A. coin withdrawn from circulation:

800 Standard silver coin.

1960/61 - R246,064 1961/62 - R294,237

Bronze coin (£.s.d.) 1960/61 - Nil 1961/62 - R418,964

Profit.

Compared with the previous year, the total profit decreased from [REDACTED] to [REDACTED].

The decrease is mainly due to the following:-

1. The circulation of silver coin was a good deal less and consequently there was an appreciable decrease in the profit.
2. As the result of the withdrawal of surplus pennies, half-pennies and farthings, big quantities of cents and half cents had to be coined and as bronze coins are coined at a loss, the loss on bronze coinage and re-coinage increased considerably.
3. Many production difficulties were experienced in the production of new types of cartridges and consequently less cartridges were manufactured and sold.

Withdrawal of surplus £.s.d. bronze coin.

The issue of cent and half-cent coins caused a surplus of £.s.d. bronze coins and as the number of cents and half-cents put into circulation increased, serious storage problems arose at the various banks and it became necessary to arrange for the withdrawal of these surplus coins and their melting by the S.A. Mint.

Provision was accordingly made in Section 3 of Finance Act No.76 of 1961 for the Minister of Finance to authorise the withdrawal from circulation of surplus £.s.d. bronze coins and ministerial authority for the withdrawal of specified amounts was granted. Vast quantities of these surplus coins were in the hands of the banks and as it would have been impossible for the S.A. Mint to account to the banks on a basis of the actual telling of the coins, it was arranged with the S.A. Reserve Bank that a minimum of 5% of the number of bags from each consignment, selected at random, would be told and that the average value of the consignment determined in this manner, would be accepted

as final. This procedure was approved of by the Treasury and the first consignment arrived at the S.A. Mint on the 13th June, 1961.

See also Chapter 6 : Coinage Section for special procedure adopted for the handling of these surplus coins.

CHAPTER 2 : STAFF.

During the year the total number of staff decreased from 624 to 610 and in the subjoined comparative table details of the variations in respect of the different categories of personnel are given:-

Categories:

Classes (a) to (e) are fixed posts filled by permanent officers;
(f) to (o) include both permanent and temporary employees.

	Number of persons as at:	
	31. 3.62	31. 3.61
(a) Administrative	8	8
(b) Professional	5	6
(c) Technical	13	14
(d) Clerical	17	17
(e) General Division (A & B) (excluding those under items (g) - (i)	12	12
(f) Temporary employees against posts in categories (a) - (e)	10	11
(g) Sub-Foreman and Special Crafts- men	13	12
(h) Artisans and Toolmakers	34	38
(i) Male Operators	43	52
(j) Apprentices	8	6
(k) Women Operators and Super- visors	132	140
(l) Guards, Protection Officers, Nurse and Drivers	17	17
(m) Bantu Guards and Boss Boys	34	34
(n) Bantu Messengers and Bantu Female Cleaners	12	12
(o) Bantu Labourers	252	245
	<u>610</u>	<u>624</u>

Recruitment:

A total of 199 appointments were made whereas the services of 213 employees were terminated during the year.

Major Staff Changes:

(a) Retirements and Resignations:

- (i) The Director, Mr. J.P. Roux, retired on the grounds of superannuation on the 16th October, 1961, after 35 years Government service of which he served 18 years as Director of the S.A. Mint.

The occasion was marked by a farewell luncheon in honour of Mr. and Mrs. Roux, given by the S.A. Mint Benevolent Fund and the Recreation Club in the Recreation Hall at the Ammunition Branch, which was attended by approximately 300 persons including the following guests of honour:

Mr. I.T. Meyer, Secretary to the Treasury and Mrs. Meyer;
Mr. G.W.G. Browne, Secretary for Finance and Mrs. Browne;
Dr. J.E. Holloway and Mrs. Holloway;
Commandant Verster, Department of Defence;
Mr. G.J. Malan, the new Director of the S.A. Mint and Mrs. Malan.
Mr. D.H. Shaw, Assistant Director, and Mrs. Shaw officiated as host and hostess. Mr. M.J. Fourie, Production Superintendent, acted as master of ceremonies whereas Mr. Kuyper, Assistant Production Superintendent and Chairman of the Recreation and Social Club, Coinage Branch, proposed the toast on Mr. Roux.

On behalf of the staff of the S.A. Mint, Mr. D.H. Shaw presented Mr. Roux with a magnificent silver cigar box mounted on a "Rooibos" wooden base with the front view of the S.A. Mint's main building modelled in 18 carat gold on the lid. At the same time Mrs. Roux was presented with a beautiful trinket box, made from "Rooibos", with silver ornamentations artistically mounted thereon.

Both these presents were designed and made in the S.A. Mint.

- (ii) Mr. F.C. Sanderson, Foreman of the Die and Medal Section, retired on the grounds of superannuation, after a period of 22 years service, with effect from close of duty on 30th September, 1961.
- (iii) Mr. A.J. Pritchett, Foreman, resigned with effect from the 1st November, 1961.

(b) Promotions and Transfers.

- (i) Mr. G.J. Malan, Chief Inspector of Machinery (Factories), Department of Labour, was promoted to the post of Director of the S.A. Mint, with effect from the 17th October, 1961.
- (ii) Mr. G.I. Schneider, Senior Accountant, was promoted to the rank of Principle Accountant, with effect from the 1st June, 1961.
- (iii) Mr. J.W. de Graad, Chief Professional Officer, was transferred on promotion to the Department of Health, with effect from the 1st December, 1961.
- (iv) Mr. J.J. Klassen, Workstudy Officer, was promoted to the regraded post of Senior Workstudy Officer, with effect from the 1st June, 1961.
- (v) Mr. W.J.J. Conradie, Accountant Grade II, of the Treasury was transferred to the S.A. Mint, with effect from the 10th October, 1961.

- (vi) Mr. D.M. Steenkamp, Senior Professional Officer, was promoted to the vacant post of Chief Professional Officer, with effect from the 1st February, 1962.
- (vii) Mr. L.J. van Loggerenberg, Sub-Foreman, was promoted to a post of Foreman, with effect from the 1st January, 1962.
- (viii) Mr. J.J. Pretorius, Sub-Foreman, was promoted to a post of Foreman, with effect from the 1st January, 1962.

Visitors:

A total of 3215 visitors (886 adults and 2329 scholars-Whites and Non-Whites), visited the Coinage Branch during the year; this was 1185 more than in the previous year. Among the adults were several visitors from abroad. Scholars, in particular, find a visit to the Mint most informative and interesting.

CHAPTER 3 : GOLD.

Mint's Basic Selling Price of Gold.

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

The preparation charge of granules and dental gold remained unchanged.

Gold Coins.

A total of 7,864 gold proof coins (3,932 pieces of R2 and 3,932 pieces of R1) were struck for sale in 3,139 proofsets of 9 coins (R2 - 2c) and 793 proofsets of 2 coins (R2 and R1).

In addition to the above 2,246 non-proof R2 coins and 2,880 non-proof R1 coins were struck for sale.

CHAPTER 4 : MINT MUSEUM AND LIBRARY.

The activities of the Museum during the year were very limited and no purchases of coins or medals were made.

The following gifts were, however, received:-

1. Mr. L.R. Karp - Prooflike set of Canadian coins.
2. Postmaster-General, Pretoria - A collection of 51 foreign coins and 117 foreign bank notes.
3. The South African Museum, Cape Town - Set of token coins formerly used by the catering department of the old Cape Town Pier.
4. National Museum of Finland - Set of 5 bank notes and 8 coins.

CHAPTER 5 : MINT BULLION OFFICE.

Gold Transactions.

There was an overall increase of approximately 39% in

the total weight of gold transactions as compared with that of the previous year.

Weight of Gold Transactions in 1961/62 compared with 1960/61

Different caratages all converted to fine oz. troy

	<u>1961/62</u>	<u>1960/61</u>
Received from S.A. Reserve Bank	42,761.12	32,343.93
Granulated and dental gold sold	29,496.12	25,730.89
Medals, wire and sheet gold sold	255.19	261.71
Weights of 2 Rand and 1 Rand coin	2,259.11	1,205.71
Transferred to Die and Medal Section	1,596.13	153.84
Received from Die and Medal Section	-	150.73
Transferred to Coinage Section	11,357.12	6,502.19
Received from Coinage Section	<u>7,304.43</u>	<u>2,127.54</u>
	<u>95,029.22</u>	<u>68,476.54</u>
Approximate value of basic price of R25.00 per fine oz.	R2,375,730	R1,711,914

In addition to the above gold transactions, the Transvaal and Orange Free State Chamber of Mines deposited with the Mint 47,893.86 oz. 22 carat gold for the production of two rand pieces for sale overseas.

Silver Transactions.

The weight of silver transactions during the year was considerably less than during the previous year. The transactions for the two years are as follows:-

Weights of Silver Transactions: All converted to fine oz. troy.

	<u>1961/62</u>	<u>1960/61</u>
Bought from Rand Refinery and Sundry persons	303,142.44	205,198.45
Coin withdrawn from circulation (800 Std.)	364,024.43	346,036.93
Granules and strip sold	273,321.94	282,923.04
Medals and other items sold	12,432.53	10,641.72
Issues to Die and Medal Section	35,387.22	658.19
Received from Die and Medal Section	6,117.74	-
Issued to Coinage Section	361,468.12	463,179.72
Received from Coinage Section (not coin)	-	40.00
Coin received from Coinage Section	506,017.07	1,094,639.73
Issued for various alloys	<u>2,821.44</u>	<u>2,635.79</u>
	<u>1,864,732.93</u>	<u>2,405,953.57</u>

Purchases of Silver.

Approximately 300,000 oz. fine were purchased from the Rand Refinery during the year for the manufacture of granules.

Mint's 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.

Coin received and issued.

The following is a comparative table in respect of new coin received from the Coinage Section and issued by the Bullion Office.

Value of Gold, Silver and Bronze Coin.

Received from Coinage Section and Issued to Banks etc.

Receipts from Coinage Section : Issued to Banks etc. during during:

	1961/62	1960/61	1961/62	1960/61
	R. c.	R. c.	R. c.	R. c.
<u>Gold.</u>				
2 Rand	12,356.00	1,536.00	10,952.00	1,362.00
1 Rand	6,812.00	1,423.00	6,213.00	1,170.00
<u>Silver.</u>				
50 Cent	4,007.00	29,280.50	6,437.50	24,556.50
20 Cent	410,183.60	305,500.40	315,727.00	304,343.60
10 Cent	64,329.50	51,091.70	46,386.70	50,671.80
5 Cent	77,902.35	11,531.15	75,390.45	10,340.50
2½ Cent	246.02½	7,493.77½	669.55	4,419.45
<u>Bronze.</u>				
1 Cent	410,308.59	328,907.16	406,628.14	328,224.82
½ Cent	150,991.49	89,393.58	148,387.38	89,340.31
	1,137,136.55½	826,157.26½	1,016,791.72	814,428.98

The issues of £.s.d. system coinage during the year were as follows:-

£.s.d.	£.s.d.	£.s.d.
£1 - 960.0.0	5/- - 18,038.15.0	1d. - 530. 8.4
£½ - 366.0.0	2/6 - 209.15.0	½d. - 318. 9.7
	2/- - 26,837.14.0	¼d. - 485.16.6½
	1/- - 25,971. 1.0	
	6d. - 838.19.6	
	3d. - 803. 6.6.	
<u>£1,326.0.0</u>	<u>£72,699.11.0</u>	<u>£1,334 14. 5½</u>

Proof Coin:

The Mint made 3,139 nine coin proof sets (R2 - ½c), 793 two-gold coin proof sets (R2 and R1), 4,391 seven coin proof sets (50c - ½c), and 10,912 selected 50 cent pieces.

Withdrawal of 800 Standard Coin for Reminting.

Since the introduction of the lower 500 standard in 1951, 800 Standard coin has been withdrawn for reminting into 500 Standard coin as follows:-

	R. c.
1951 - 1960	7,609,177.85
1960 - 1961	246,833.07½
1961 - 1962	259,336.67
	<u>8,115,347.59½</u>

Included in the above figures is a very small quantity of 500 Standard coin which was mutilated whilst in circulation or which was damaged by fire.

Withdrawal of 800 Standard coin was restricted during the year to enable the Coinage Section to concentrate on the production of decimal system coins.

Withdrawal of £.s.d. system Bronze Coin.

During the year R419,600 of £.s.d. system bronze coin was withdrawn and replaced by cents and half-cents.

Non-Ferrous Bullion Transactions in the Bullion Office.

The following are (1) the receipts of, and (2) the transactions in non-ferrous metals during 1961/62. Most of this was issued to the Coinage Section for the production of silver coin, but a small amount of copper was issued for the alloying of gold.

(1) Receipt of Non-Ferrous Metals. (All in lb. Avoirdupois).

<u>Copper.</u>	<u>Brass.</u>	<u>Bronze.</u>	<u>Total.</u>
18,493.00	100.00	153.00	18,746.00

(2) Non-Ferrous Metals Transactions.

Issued to Coinage Section for silver coin..	18,640.00
Weight of bronze coin received from coinage Section	1,238,956.00
Weight of metals issued for alloying	827.00
	<u>1,277,169.00</u>

For economic reasons, all blanks for bronze coinage were supplied by the Ammunition Branch.

Packing and Despatch Section.

The number of parcels despatched by post were considerably less than the previous year but there was an increase in the despatches by rail.

Details are:	<u>1961/62</u>	<u>1960/61</u>
Parcels despatched by post	6,064	11,511
Parcels, other than coin, despatched by rail	536 (9,000 lbs)	55 (4,770 lbs)
Boxes of coin despatched by rail	9,247 (996,917 lbs)	7143 (841,923 lbs)

CHAPTER 6 : COINAGE SECTION.

Melting Section.

The following schedule of melting production shows a decrease as compared with the previous year.

Metals and alloys melted. (output).

Coinage bronze melted	22,355 lbs.
Copper granules	Nil
Total	22,355 lbs.
500 Std. silver for coinage	1,432,857.06 ozs
925 Std. silver for D. and M.	31,294.57 "
800 Std. silver for D. and M.	Nil
Fine silver for D. and M.	6,444.59 "
Fine silver granules	295,302.97 "
Total	1,765,899.19 ozs,

as compared with 2,424,699.93 ozs. in 1960/61. Of the 22,355 lbs. of coinage bronze melted approximately 15,000 lbs. was £.s.d. bronze coin returned to the Mint to be re-alligated, melted and cast into bars for the production of decimal bronze coin viz. cents and half-cents. The remainder was rejected bronze coin which was melted and cast into ingot form for despatch to the Ammunition Branch.

Rolling Section.

The total production in this section was 1,782,677 ozs. of bars rolled and more than 75,000,000 gold, silver and bronze blanks annealed and cleaned.

82,912.59 ozs. of Std. gold were supplied by the Chamber of Mines from which the S.A. Mint was required to mint 100,000 gold R2 pieces.

The gold was cast into bars from 10c moulds by the Rand Refinery. These moulds were supplied on loan by the Mint.

This was the first time since South Africa went off the gold standard in 1932 that gold coin was minted on a large scale.

It was decided to roll the bars to gauge on the existing mills and to install a draw bench if difficulty was experienced to control the weight of the blanks.

A reasonable control on the weight of the blanks was achieved by increasing the number of "springer" passes on the gauging mill and working slightly above the standard weight of the coin. The heavy blanks were reduced in weight at a later stage by making use of a filing machine.

Of the 75,000,000 blanks which were annealed and cleaned no less than 71,000,000 were cents and half-cents.

Coinage Section.

The number of coins struck in the coining room totalled 75,612,000 pieces for the year.

Of this total 71,229,000 pieces were cents and half-cents and 100,000 gold R2 coin which were minted for the Chamber of Mines.

The R2 gold coin has a weight tolerance which is less than the 2½ cent piece viz. plus or minus .2 grain. It was therefore necessary to reintroduce individual weighing and hence reinstallation of 14 automatic weighing machines. These weighing machines had been standing idle since 1932 and had to be thoroughly cleaned and overhauled.

The gold blanks were automatically weighed before coining. This made it possible to reduce the weight of the heavy blanks by passing them through a filing machine which removed, by means of a rotary file, a little of the gold on its outer edge. This operation was repeated as often as was necessary on each blank until its weight was reduced to ± standard.

In order to cope with the withdrawal of £.s.d. bronze coins which became surplus as a result of decimalisation, it was necessary to introduce the following procedure:-

- (i) The pennies, half-pennies and farthings are returned by the banks, packed in separate bags of R10 each. On arrival at the S.A. Mint the number of bags are counted and the total weight i.e. coin, plus bags, labels etc. of each individual consignment is recorded by a Mint Office Official.
- (ii) 5% of the bags of each denomination in the consignment is checked and all foreign coin, silver coin, cents, half-cents and any metal or other material are removed and placed in separate receptacles, counted and weighed. The empty bags, labels, etc. are also weighed and the weight recorded. After this has been done the number of coins in the individual bags are determined by tole and the result is forwarded to the Accountant, who then calculates the amount due to the bank.
- (iii) The balance of the consignment is then overlooked and all foreign coin etc. mentioned above and any with visible lead deposits are removed. They are then placed in journey bags of 50 lbs. each and together with the coins referred to in paragraph (ii) despatched to the Ammunition Branch where they are melted and poured into ingots; these ingots will be re-alligated and melted for coinage bronze when required. (See also Chapter 1 : Withdrawal of surplus £.s.d. bronze coin).

521 Tons of £.s.d. bronze were overlooked by the staff of the coining room during the year.

Finally 364,024.43 ozs. of 800 Standard silver coins were sorted and counted for re-minting.

A new 120 ton Taylor & Challen coining press capable of striking 150 coin per minute was installed in the coining room. The first coin viz. a 1 cent piece was struck on this press on 1st November, 1961.

This press producing 140 coin per minute helped tremendously to boost the production of our decimal coin.

Decimal Coin Production from 1st April, 1961 to 31st March, 1962.

Deno- mina- tion.	Bars cast ozs.	Bars rolled ozs.	Blanks coined ozs.	Good coin pieces produced.	
Gold 916.66 Std.				1961-62 Number	1960-61 Number.
R2		14,908.30	1,586.80	6,178	768
R1		)	875.42	6,812	1,423
Total		14,908.30	2,462.22	12,990	2,191
Silver 500 Std.	ozs.	ozs.	ozs.	Number	Number
50c			7,284.96	8,014	58,561
20c	1,218,247.02	1,481,273.63	745,174.41	2,050,918	1,527,502
10c		5,021.09	116,727.77	643,295	510,917
5c	214,610.04	198,561.82	141,225.43	1,558,047	230,623
2½c			447.60	9,841	299,751
Total	1,432,857.06	1,684,856.54	1,010,860.17	4,270,115	2,627,354
Bronze	lbs.	lbs.	lbs.	Number	Number
1c			852,738.73	41,030,859	32,894,502
½c			376,714.51	30,198,298	17,884,502
Total			1,229,453.24	71,229,157	50,779,004
Total Number of Gold, Silver and Bronze coins				75,512,262	53,408,549
Std. Gold					
2R		82,912.59	25,691.55	100,000	
Customers Property					

1961 Proof coin were struck and delivered to Mint Bullion Office as follows:

R2	to ½c	3,139 sets
50c	to ½c	4,391 sets
R2 and R1 only		792 sets
Selected 50c		5,024 Pieces

CHAPTER 7 : DIE AND MEDAL SECTION.

Die and Medal and General Press Sections.

Due to the production of the Republican medals the productivity in these sections increased by approximately 500,000 units as compared with the previous year.

The order for 2,900,000 Republican school medals was completed before the required date viz. 31st May. The number completed during the year under review was approximately 1,700,000.

It was possible to maintain an even spread of work throughout the year. This made it possible to keep in constant employment a smaller but better trained personnel and in turn ensured that articles of a high standard were produced.

The requirements of the Department of Foreign Affairs, the various Embassies, Ministers and heads of departments for various gold and silver articles were again satisfactorily met.

A silver cigar box mounted on a "Rooibos" wood base and the front view of the Mint building modelled in 18ct. gold mounted on top of the silver box needs special mention as this was a magnificent piece of work.

This box was presented to the previous Director of the Mint, Mr. J.P. Roux, from the staff on the occasion of his retirement from the Public Service. At the same ceremony Mrs. Roux was presented with a trinket box also made from "Rooibos" with silver ornamentations artistically mounted on it.

This was also a beautiful piece of work.

CHAPTER 8 : ENGINEERING AND MAINTENANCE SECTIONS.

The Maintenance Section was fully engaged during the year in maintaining the production plant and factory services to meet the continuing demand for decimal coinage.

The two steam boilers were prepared for the annual inspection, the balances and scales at the Coinage Branch and the scales at the Ammo. Branch were maintained and the Mint Bullion Office balance and the Ammo. Branch weighbridge were assized.

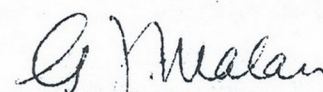
The vestibule arch of the RPHO annealing furnace was rebuilt and new hearthplates installed and a complete new grate was installed in the central heating boiler.

The former record room was converted into a storeroom for bronze sterling coins pending overlooking and fluorescent lighting was installed in the Staff Offices. A set of bar mould clamps and a pouring stand were constructed to bring the turntable in the Melting House into service for the casting of bronze bars and the turntable was fitted with a frid platform and protective shield.

A new coining press was installed in the Coining Room and a filing machine for gold coins was fitted with an independent motor drive and installed in the Weighing Room.

Venetian blinds in the Staff Offices and Die and Medal Section and metal awnings over the windows of the Senior Accountant's and Audit Offices were installed in place of the former canvas awnings with great benefit to the appearances of the buildings.

The P.W.D. carried out the interior renovation and painting of the entrance foyer and passages, various offices in the Central block, the Accounts Section and the Guard-room.


DIRECTOR OF THE S.A. MINT.