A HISTORY OF THE SOUTH AFRICAN TEXTILE INDUSTRY.

THE PIONEERING PHASE, 1820 – 1948

by

JAMES (PADDY) CAROL McDOWELL

Submitted in fulfilment of the requirements for the degree of
Master of Commerce (Economic History)
at the University of Natal, Durban

December 2000

DECLARATION

I hereby declare that this dissertation, except where explicitly stated to the contrary in the text, is entirely my own original work.

JAMES (PADDY) CAROL McDOWELL

ACKNOWLEDGEMENTS

I would like to acknowledge Professor Bill Freund the supervisor of this thesis, being the person who introduced me, a mature student to the academic world. My sincere thanks are extended to him for his patience, unwavering support, guidance and interest in my work.

My thanks and acknowledgement are extended to my wife Jenny, also for her support and patience during the period of this thesis, as well as being my cartographer producing the maps and graphs. Others who were of great assistance were Professor Vishnu Padayachee and my friend Jeanne Hill of Cape Town. The enthusiasm of all those interviewed throughout South Africa and overseas stimulated and encouraged me and a special word of thanks is due to the immediate descendants of the families of the South African textile pioneers.

I owe a special debt of gratitude to Mrs Norma Hatcher for her support and willingness in typing and preparing this document.

ABSTRACT

The aim of this thesis is to bring together scattered information about the South African textile industry in an endeavour to give its growth some semblance of order up to 1948.

The thesis commences by looking at the early colonial period, from the arrival of the 1820 Settlers and the first mill they established. As wool and cotton are basic commodities in the textile industry, these are dealt with from the arrival of Jan van Riebeeck in 1652, as is the colonial economy. The development of the industry is tabled, in chronological order, from 1822 covering where mills were sited and their founders.

Two chapters are devoted to the leading pioneers in the industry – Harris, Mauerberger, Beier and Frame.

The position of trade unions and the role of the state in the industry are looked at, subsequently.

The thesis concludes with an assessment of the industry up to 1948.

The question is posed as to the future of the textile industry in the South African economy.

CONTENTS

LIST OF TABLES

LIST OF FIGURES

INTRODUCTION

The thesis will commence with the 1820 British settlers who established the first mill, through to1948, with special emphasis on the period between 1875 and 1947/8. The years 1947/8 saw the beginning of a proper textile industry, when a range of fabrics, in addition to blankets was produced by various mills ,that came on-stream during this period. Taking into account that the total time frame is in excess of a hundred years the amount of original literature relevant to the industry in this period was somewhat limited.

Fortunately major contemporary investigations carried out by the Board of Trade and Industry were available in University of Natal archives. The Board published report 290 on September 11, 1946 under the title "The South African Blanket Manufacturing Industry" and report 323 dated December 29, 1950 under the title "The Textile Manufacturing Industry". From the titles of these two reports it will be realised that the pre-World War II weaving industry was to all intents and purposes a blanket manufacturing industry and yet it was sufficiently large, and important to justify an investigation into it by the government. The Annual General Meetings minutes of The Industrial Development Corporation South Africa Limited covering the immediate post World War II meetings (see bibliography) were available from the IDC library. The publication "Jewish Roots in the South African Economy", published in 1986 by Mendel Kaplan, contained a chapter on the Jewish pioneers in the textile industry which was most informative. There were also company publications by the Frame Group and the Beier Group which traced the history of these respective groups. The late Mrs Norris, the mother of John Norris, currently a director in the Frame Group, compiled her reminiscences on Frame. Furthermore, her late husband was a director in the group and a contemporary of Frame, which would indicate that her writings would have come from direct knowledge and were not dependent on hearsay. Writings by historians, economists, financial journalists and company archives were available from various sources. Information obtained from Neville Gottlieb on the Harris dynasty, coupled with an interview with Mrs Raphaely, the daughter of Woolf Harris, was of great value as was information provided by Mrs Estelle Yach, the daughter of Morris Mauerberger.

Certain direct descendants of the original pioneers were interviewed and yielded interesting and useful information. Furthermore senior personnel who worked in the industry in the post World War II era were also interviewed. (See bibliography) . This was most definitely the pioneering stage of the textile industry, albeit predominantly a blanket manufacturing industry , and it is hoped that the trials and tribulations experienced by the early mill owners will be appreciated, as pioneers of the industry. They lived and worked in a fiercely competitive and unforgiving industry.

In its formative years, and up to the commencement of World War II, the industry was of limited importance to the country, as agriculture and mining were the main contributors to the economy. During this period virtually no fabric was produced that was used by a reasonably sized clothing industry. Post World War II the industry had to compete with fabric imported by the wholesale merchants and clothing industry and it struggled to have its fabric accepted. It was eventually given protection by the government by way of substantial duties on imported fabric as well as import permits which not only controlled the value of imports but also the type of fabric that could be imported. In the economic climate of the year 2000, the industry has undergone a dramatic shift brought about by the post-apartheid government's attitude to free enterprise and the globalisation of the world economy.

The contribution of the South African textile industry to the overall economy of the country became of vital significance not only as an employer of the population but as a provider of a wide range of fabric and yarn. These were used by the garment manufacturing industry, the mining industry, the automotive industry, the tyre manufacturing industry and for other purposes. The industry generated, (and still does), job opportunities in other sectors of the economy which supply it with goods and services and it is estimated that for every one employee in the textile industry, jobs are created for two and a half employees in other industries. (see chapter 5)

Statistical information, prior to the 1994 general election, was compiled on a racial basis by the various government departments. In order to understand the race classification and geographical distribution of the population a broad summary follows.

European: this refers to a "white" skinned person of European descent who can be classified as a Caucasian.
Non-European: this classification had three categories and in certain circumstances all these categories are collectively referred to as " Non-Europeans" . To distinguish this group from "Europeans", the three categories that made up the broad classification would be specifically identified and referred to. The categories are:
Coloured: a person of mixed black and white parentage.
Indian/Asiatic: a person of Indian origin.
Black/Bantu/African/Native: a person indigenous to South Africa for example, the Zulu or Xhosa Nation.

In terms of this racial classification the European enjoyed all privileges and was in no way restricted or prevented from operating in any economic sphere. On the other hand the Black was at the bottom of the economic structure and restricted by a multitude of laws. The Coloured and Indian community were equally restricted by the same laws but the working-class community enjoyed a marginally better wage structure. Geographically the white community was spread throughout South Africa and was free to move around the country without any restriction. The Black population of the Western Cape was treated as initially nomadic whereas in the rest of the country they were considered to live on tribal land, with the population density varying. With the passage of time the Western Cape was predominantly populated by the Coloured community and Natal had a substantial Indian community, but these communities also lived elsewhere in South Africa.

The population of the Union of South Africa covering the period 1910-1945 inclusive, in their various racial categories, up to the first democratic elections in 1994 is contained in the table that follows. From 1948 when the National Party came to power this system was known as Apartheid. It therefore follows that this thesis will deal with the position as it existed using the racially classified statistical information and terminology as well as fabric terminology in use during the period of this thesis.

Table 1: Union Population (In 1 000)

MidYear 30th June	Total	Whites	Coloureds	Asiatics	Bantu
1910	5878	1257	517	148	3956
1911	5992	1280	526	153	4033
1912	6103	1305	530	154	4114
1913	6214	1330	534	156	4194
1914	6325	1355	538	157	4275
1915	6436	1380	541	159	4356
1916	6547	1405	545	161	4436
1917	6658	1429	549	162	4518
1918	6769	1454	553	164	4598
1919	6727	1476	539	163	4549
1920	6838	1500	542	164	4631
1921	6957	1524	548	166	4719
1922	7128	1550	563	170	4845
1923	7310	1586	578	174	4972
1924	7489	1620	593	177	5099
1925	7664	1650	608	181	5225
1926	7841	1682	623	184	5352
1927	8014	1710	638	188	5473
1927	8190	1741	653	191	5605
1929	8364	1770	667	195	5732
1930	8540	1801	628	199	5858
1931	8717	1833	697	202	5985
1932	8898	1868	713	206	6111
1933	9074	1899	727	210	6238
1934	9254	1934	742	213	6365
1935	9435	1970	757	217	6491
1936	9618	2009	772	221	6616
1937	9802	2041	788	227	6740
1938	9986	2085	804	234	6863
1939	10170	2123	820	240	6987
1940	10353	2160	836	247	7110
1941	10536	2197	852	253	7234
1942	10716	2231	868	260	7357
1943	10899	2268	883	267	7481
1944	11081	2305	899	273	7604
1945	11265	2342	915	280	7723

Source: Van Eck H J, The Growth of Industry in South Africa since 1911, Annexure 15, *The Certificated Engineer*, February 1961.

Note: There is a discrepancy between the population in years 1911, 1921 and 1936 in the above table when compared with Table 2, p.25.

The thesis is organised as follows:

Introduction. This gives an overview of the industry, the players in it, the products made as well as making reference to some of the more important writings and interviews.

Chapter 1 will deal briefly with the South African colonial economy from the landing of Jan van Riebeeck in 1652 through to 1948. It will include an overview of the important factors that contributed to the growth of South Africa. It will look at the main contributors to the economic development of the country in its formative years, namely agriculture and minerals, subsequently followed by the development of secondary industry.

Chapter 2 will provide an overview of the chronological development of the textile industry and introduce various pioneers of the industry, supported by annexures and graphs relevant to the development of the industry .

Chapter 3 will cover in detail three of the pioneering families namely, Harris, Mauerberger and Beier, and their arrival in South Africa and the businesses they established, how they developed them and their geographical spread.

Chapter 4 will deal exclusively with the colossus of the industry, Philip Frame. There is no disputing the fact that Frame was by far the most successful and aggressive person in the textile industry. He was also a visionary and totally committed to his business, even to the extent of being paranoid about it, having to control everything himself. He came from a family who had been in textiles in Europe for generations and he entered the industry at an early age to serve his apprenticeship.

Chapter 5 will look at the Textile Trade Union movement which had very difficult formative years with internal disagreements and government interference. Its history and power prior to World War II was somewhat limited, which was in contrast with its strong position after the war, which falls outside the period of this thesis. The role of the State through the Industrial Development Corporation of South Africa Limited (the IDC), which came into existence during World War II, will also be covered. Planning took place during the war years and on its termination IDC was able to develop its potential and eventually became a very significant factor in unlocking the economic power of South Africa in numerous industrial undertakings with a strong emphasis on the textile industry.

Chapter 6 will summarise the thesis and pose the question as to the future of the South African Textile Industry in the third millennium.

A brief outline of textile manufacturing follows in the hope that it will assist in the reading of this thesis.

The make up of the textile industry is varied as far as the raw material used and the finished fabrics are concerned. Irrespective of the raw material used the processing is one of spinning and weaving , or knitting, and then finishing the fabric. When the fabric is removed from the looms it is known as "griege goods" (pronounced grey) or loom-state (see Glossary). The fabric then goes through a finishing process and depending on what it is going to be used for, it will be processed accordingly. This process is loosely referred to as "dying and finishing" and the ability of the technical staff and the equipment involved will determine the quality of the finished article. When the fabric is completed it will be sold to factories to be made into garments of some description, or to the wholesale or retail trade to be sold to people who make their own clothing, as is illustrated in the "The Textile Pipeline" in Chapter 2, Figure 6. Non-woven fabrics have not being dealt with as they were not manufactured in South Africa prior to 1948.

It is recognised that a genuine textile industry did not commence until 1947, with the advent of the IDC, a corporation formed under an act of Parliament, in 1942, with financial muscle and political support. After World War II it was involved with erecting a mill to produce a range of worsted (see Glossary) (wool) yarn and fabric, also a cotton mill to produce drills, twills, calico and shirting. The impact IDC had on the development of the textile industry was enormous. As this thesis ends in 1948 the total involvement of IDC cannot be shown in detail but their involvement in two mills prior to 1948 will illustrate its ability to create a textile industry.

As there have only been fragmented writings about the industry it is hoped that this thesis will present a meaningful and interesting history and contribute to a better understanding of the industry up to 1948.

CHAPTER 1

OVERVIEW OF THE SOUTH AFRICAN ECONOMY FROM 1652 TO 1948

The South African economy will be summarised from the time Jan van Riebeeck landed in the Cape in 1652, through to 1948. Special emphasis will be on the period from 1875, when the textile industry, in the form of blanket manufacturing and wool washing commenced, through to 1947 which was recognised as the year in which a true textile industry commenced. This was when a range of fabric, other than blankets, was produced by various mills, with the industry gathering momentum from 1948.

In 1652 when van Riebeeck landed at the Cape the inhabitants were the Khoikhoi who were pastoralists with the tribes moving within particular territories searching out fresh pasture, and the San, who were nomadic hunters who were perpetually on the move. With the passage of time a more structured and organised way of life came into existence with the inhabitants, mostly settlers, providing provisions for passing ships in the form of mutton and vegetables.[1] The settlers expanded into the interior, if necessary by conquest, taking some of the conquered inhabitants' livestock while at the same time, they continued trading. This was the start of the sheep farming industry which eventually developed, from the provision of mutton to the provision of wool, especially with the introduction of Spanish merino sheep in 1789. Over the years that followed the settler population increased as more immigrants arrived. The landing of 5 000 British Settlers in 1820 at Algoa Bay[2], now Port Elizabeth, added greatly to the development of the country. They brought numerous skills including wool washing, spinning and weaving, general farming, and particularly sheep farming as well as commercial knowledge and expertise, all of which contributed to the economic development of the Eastern Cape. Another

1 P.L. Wickins, "Land and Labour" in F.L. Coleman, *Economic History of South Africa*, p.1.
2 H.E. Hockly, *The Story of the British Settlers of 1820 in South Africa*, p.32.

landmark was in 1836 which saw the commencement of the Great Trek of the Afrikaners from the Cape.[3]

The economy of the Cape was developing, especially in the Kimberley area with the exploitation of the diamond fields and by the end of 1880 some 20 companies had been formed and by the first half of 1881 about 70 companies had been registered, mostly in Kimberley. Because of the inflationary conditions "the banks refused to accept scrip as collateral in April 1881. From June the inflated share prices began to fall, and with them they dragged down numerous people".[4] During the boom period large stocks were held by wholesale merchants in the country towns as well as the merchants in the ports. However with the advent of the completion of the telegraphic system, for urgent local communication, and cable services to Europe, as well as the railways that were operating, the large stock holdings were no longer critical and this obviously impacted favourably on the merchants' cash flow. Notwithstanding this improvement in communications there was still a large amount of overstocking, which had to be disposed of, which was caused by two factors, one being a general decline in trade and the other the cessation of wars involving British troops in southern Africa in 1881.[5]

---

3 During the early years South Africa was an agriculturally based economy and remained that way until the first minerals were discovered in the 1800s A limited amount of industrialisation started appearing and in 1846 Mossops tannery opened in Cape Town, in 1866 Mangolds Foundry was opened in Port Elizabeth and in 1878 James Brown's shipyard was established in Durban. *Studies in the Social and Economic History of the Witwatersrand 1886-1914*.
A distillery was established near Pretoria in 1882 and was highly successful catering for the gold miners. It was known as "The First Factory Ltd" and was officially opened by President Paul Kruger in June 1883. It was owned by A.H. Nellmapius and the cousins Isaac and Barnet Lewis and Barnet's brother-in-law Samuel Marks. The company went from strength to strength and was quoted on the London Stock Exchange in November 1892 when it was trading as Hatherley Distillery. (C. Van Onselen, *Randlords and Rotgut 1886-1903*, pp.39/40). About 1902 the army and the British administration closed the distillery down compensating the owners. (p.85). A dynamite factory was opened in 1896 by the Nobel company and Cecil Rhodes established a competing company at Somerset West in 1903 and a third one was established at Umbogintwini in Natal by African Explosives in 1924.

4 A. Mabin, 'Waiting for Something to Turn Up? The Cape Colony in the Eighteenth Eighties', Mabin (ed.), *Organisation and Economic Change*, vol 5, p.22.

5 Ibid, p.23.

The impact of this recession was that exports of Cape wool declined which was not recovered by the increased price of ostrich feathers. Wool exports from the Cape in 1880 amounted to 42 468 000 lbs valued at £2 430 000 and by 1887 the quantity had increased to 44 758 000 lbs but the value had dropped to £1 676 000. The position of ostrich feathers was even more critical as it 1880, 163 000 lbs valued at £884 000 whereas in 1887 the weight exported was 269 000 lbs and the value was £366 000 which was substantially more by weight but dramatically less in value.[6] This limited example will give a good indication as to how difficult economic conditions were .

Within the context of the blanket industry, the early local mills aimed at selling their product to the more affluent white members of the population as it was a more expensive item, being made from wool. Cheaper imported blankets, made from cotton, were sold, through the wholesale trade, to the lower income group, which comprised mostly the conquered African majority, which replaced their traditional kaross (animal skins) mode of dress, until cotton blankets were manufactured in South Africa. During the early years South Africa was an agriculturally based economy, with sheep farming predominating, and remained that way until the first minerals were discovered in the mid 1800s.

Wool

In view of the importance of wool not only to the South African economy as a whole but its use in the textile industry, and specifically the blanket manufacturing sector, the wool industry will be examined in some detail. Thereafter cotton will be examined but it did not have anywhere near the economic or agricultural significance of wool from either the viewpoint of the economy or its place in the textile industry. The economy of the colonial and settler South Africa was developed from this agricultural base and especially wool which resulted in South Africa becoming one of the leading wool producing countries of the world in the nineteenth century, ranking with Australia and New Zealand.

---

6 Ibid, p.24, table 2.

Prior to van Riebeeck's landing in the Cape a voyager reported on the sheep in South Africa as being " very big and very good meat, they had no wool on their backs but 'haire', and have great tails like the sheep in Syria".[7] Van Riebeeck endeavoured to breed sheep from imported stock and established flocks on Robben Island, Dassen Island, Schapen Island and Meeuwen Island. It is interesting to note the sheep were confined to islands and a view was that this was to prevent breeding with the local sheep. It is recognised that the woolled sheep industry started in 1789 with the arrival of first Spanish Merinos which were kept at the Cape government farm at Groenkloof, about 60 kilometres from Cape Town and near the present-day town of Darling. By 1785 the sheep population in the Cape Colony amounted to 300 000.[8] The three van Reenen brothers were the pioneers of sheep farming and the first exporters of South African wool.[9] When Lord Charles Somerset was Cape Governor (1814-1827) he was interested in sheep breeding and imported pure bred Spanish Merinos. With the arrival of the 1820 British settlers in Algoa Bay, now Port Elizabeth, sheep farming developed significantly in the Eastern Cape. By 1830 the largest wool producer in the Cape, and with the leading merino stud farm, was J. F. Reitz and his brother-in-law Michiel van Breda. The first sheep farmer in the Transvaal is reputed to have been Louis Trichardt, the Voortrekker leader in 1836, with a flock of 3 500.[10] Sheep farming was developing throughout the country and new breeds were being introduced but the Merino was still the predominant breed for wool.

The similarity between the Voortrekkers and the Australian Squatters is referred to by de Kiewiet,[11] pointing out that they both "made wool the greatest staple of the country, making commerce brisker, creating new opportunities and increasing the income of the government". As far as South Africa was concerned wool exported from the Cape ports in 1834 was 144 000 lb, in 1838 it had climbed to 491 000 lb

7 Hanekom et al, *An Illustrated World History of the Sheep and Wool Industry*, p.104.
8 Ibid, p.105.
9 Ibid, p.106.
10 Ibid, p.109.

and more than doubled to 1 060 000 lb in 1841 and then more than quintupled to 5 447 000 lb in 1851.[12] Houghton, draws attention to the wool boom of the 1850s and how it focused attention on Port Elizabeth and East London, the harbour ports of the Eastern Cape.[13] In 1850 exports amounted to £286 000 and by 1856 this figure had reached £838 000 which contributed substantially to the Cape being considered "by far the wealthiest of the four territories".[14] What is significant is the weight of wool exported in 1834, before the Great Trek and the quantum leap in the years following 1836. In 1862, 25 000 000 lbs from the Cape, Natal and Free State was exported[15] and in 1869 the figure reached £1 700 000.[16] Notwithstanding these meaningful quantities they did not "nearly approach the commanding position of wool in Australia". This increase in wool exports commenced in 1840 and contributed greatly to the economic growth of colonial South Africa, finding a ready market in the growing English textile industry. "Wool overtook wine as the most important single export before the Great Trek had run its course."[17]

With the development of the industry it followed that ways and means had to be found to market and control the quality of the clip, which resulted in farmers associations and wool exchanges coming into existence, throughout the country. In 1824 in Graaff-Reinet the Agricultural Association of South Africa was formed[18], followed in 1831 in Cape Town by the Cape of Good Hope Agricultural Association[19] and in the same year the Swellendam Agricultural Association was established.

Drought was often a factor in the prosperity of the wool trade. All the territories in

---

11 de Kiewiet, *A History of South Africa: Social and Economic*, p.57.
12 Ibid, pp.57-8.
13 Houghton & Dagut, *Source Material of the South African Economy 1860-1970* volume 1, 1860-1899, p.15.
14 Ibid, p.11.
15 Ibid, p.18.
16 de Kiewiet, p.67.
17 Ibid, p.89.
18 Hanekom et al p 107.
19 Ibid, p.108.

the 1850s experienced drought and in 1860 in the Winburg district of the Orange Free State it was reported that whilst one man lost 900 sheep, losses in the district as a whole were estimated at 40 000.[20] In 1865 President Brand in his speech to the Volksraad remarked on the importance of the wool market to the Orange Free State.[21] Reports were coming in about the drought from Graaff Reinet, reporting a drop off in the wool price, also Somerset East and how everyone had suffered and especially stock farmers, in 1863 and the position was no better in Humansdorp, Robertson and Stockenstrom.[22] The drought in Worcester was classified as "most disastrous" and from Grahamstown it was reported "... the drought was very severe, in consequence of which nearly all the dams were perfectly dried up, and the pasturage completely scorched" in 1862.[23] Notwithstanding the trials and tribulations the sheep farmers were experiencing, through this fierce and long-lasting drought over the whole country they pressed on, developing the wool industry through forming associations across the length and breadth of the country.

In addition to the drought and economic recession of the early 1860s there was apprehension regarding the opening of the Suez Canal, in 1869, particularly among Cape farmers. They believed, that with the opening of the canal, profits from ships' chandlering would drop and furthermore the international price of wool, the Colony's most significant export, and dramatically, with the ending of the American Civil War.[24]

"For what do we now hold this country but for wool? Take away wool, and, in one locality, copper, and, commercially speaking what is left?".[25] The year 1851 saw the Pietermaritzburg Association being formed followed by agricultural societies in

20 Houghton,vol 1, pp.57-58.
21 Ibid, p.29.
22 Ibid, pp.23-24.
23 Ibid, pp.58-59.
24 Nattrass, *South African Economy*, p.24.
25 Speech by the High Commissioner and Governor of the Cape Colony, Sir Philip E. Wodehouse when opening the Fourth Session of the Third Parliament on 13th April 1867, Houghton vol.1, p.22 This highlighted the importance of wool.

Durban and Umvoti[26] and in 1865 the Free State Agricultural Association was established in Bloemfontein followed by associations in Smithfield and Ladybrand. Up until now there were no associations in the Transvaal but this was rectified in 1890 when they were formed at Wolmaranstad, Klerksdorp, Potchefstroom, Heidelberg, Wakkerstrom, Ermelo and Pretoria[27] with associations continuing to be established across the whole country.

Table 1 : Quantity of Wool Exported During the Anglo-Boer War Period

	1899 **lbs**	**1900** **lbs**	**1901** **lbs**
Cape Town	7 375 195	3 262 771	6 012 977
Port Elizabeth	33 086 616	10 853 308	27 214 112
East London	27 732 828	12 638 859	30 752 992

Source: Houghton and Dagut, vol 2, p.39.
Note: It will be seen that exports through East London harbour in 1900 and 1901 exceed those through Port Elizabeth harbour.

To illustrate the importance of wool, being the most valuable of all farm products, exports for the period, 1900-1909 amounted to 85 000 000 lbs, with 1910-1914 totalling 145 000 000 lbs and in 1915-1919 the quantity shipped from the Union was 145 000 000 lbs.[28]

Attempts were made to form a national body and in 1906 the National Association of Wool and Mohair Growers was established in Port Elizabeth in order to bring about some form of cohesion to obtain the best price for the clip.[29] With the outbreak of the First World War (1914/18) the Imperial Wool Purchasing Scheme was formed with the British government offering to purchase the clips of Australia,

26 Hanekom et al, p.109.
27 Ibid.
28 Houghton, vol 2, p.225.

New Zealand and South Africa.[30]

Farmers co-operatives were founded as further attempts were made to give the industry some structure. This was spearheaded by the establishing of the Farmers Co-operative Union (FCU) in Port Elizabeth in 1919 and had offices and warehouses in Durban, East London, Cape Town and Windhoek. FCU played a major role in the founding of the National Wool Growers Association of South Africa. Boere Saamwerk Bpk (BSB) was also formed in Port Elizabeth and was registered as a company on July 29, 1920 with branch offices in East London and Cape Town. When the world wool market slumped in 1921 banks refused to advance loans to farmers but the directors of BSB gave their personal guarantees to the banks which enabled the farmers to obtain the necessary funding.[31] The question could well be asked if South Africa developed as a country because of banks or in spite of banks. In this situation the answer could be "in spite of banks". Not withstanding the fact that the Land and Agricultural Bank of South Africa was well established by 1922 no mention is made of it being approached for assistance by wool farmers. Once again the spectre of severe drought afflicted many areas of the Union from 1920 to 1928. Statistics for the period showed that 2 300 000 sheep and goats were lost through drought and disease, but mostly drought which amounted to approximately £1 150 000 annually.[32] On January 6, 1931, the National Wool Growers Association was established on a national basis to act as the mouthpiece of all wool growers throughout South Africa and South West Africa. Specifically it would "act in all matters pertaining to the sheep and wool industry and to protect, promote and advance the industry in co-operation, as far as possible with the South African Wool Board ".[33]

The national and international marketing structure of the industry was improving and the "Springbok " head was chosen in 1931 as the official brand and could only

29 Hanekom, p.215.
30 Ibid, p.216.
31 Ibid, p.216.
32 Houghton, vol 3, p.14.

be used for wool received from farmers who were members of the National Wool Growers Association.[34] The first wool exchange in South Africa was opened in Durban in 1923[35] which set the trend for other exchanges, or associations carrying out similar functions. It was not until 1934 that an exchange was opened in Port Elizabeth, the recognised major wool centre in the country. By now the industry was developing speedily and numerous breeders associations were opening up all over the country catering for their own breed of sheep. A big step forward was in 1937 when South Africa was represented at a conference in Melbourne, Australia, and along with Australia and New Zealand these three countries founded the International Wool Secretariat.

Prior to the Union of South Africa coming into existence in 1910 the sheep population statistics were recorded by each of the four Colonies. The limited statistics that were found reflects that in 1841 there were 1 million sheep in the Western Province and 2 million in the Eastern Province. In 1890 the population in the Orange Free State was 5 million and in Natal 798 681. The total population of South Africa in 1891 was 13.5 million and by 1904 it had reached 16.3 million.[36] The Union statistics from 1918 reflected a population of 30 million, which by 1930 had peaked at 48 million and by 1948 had declined to 32.6 million.[37] South Africa is one of the leading wool producing countries of the world and by way of comparison total New Zealand sheep population in 1931 was 29.8 million and by 1948 it had reached 32.5 million.[38]

With the development of the wool production (see Figure 1: Sheep farming areas in South Africa) a natural off-shoot was woolwashing. This is the process of treating raw wool through a chemical process using detergent and alkaline to remove the impurities so that it is ready for processing into yarn (see Glossary). The first

33 Ibid, p.118.
34 Hanekom et al, p.217.
35 Ibid, p.216.
36 Hanekom, pp.109-111.
37 South African statistics, 1976, Agricultural Historical Summary, p.9.4
38 Agricultural and Pastoral statistics of New Zealand, 18 61-19 54 p.A33.

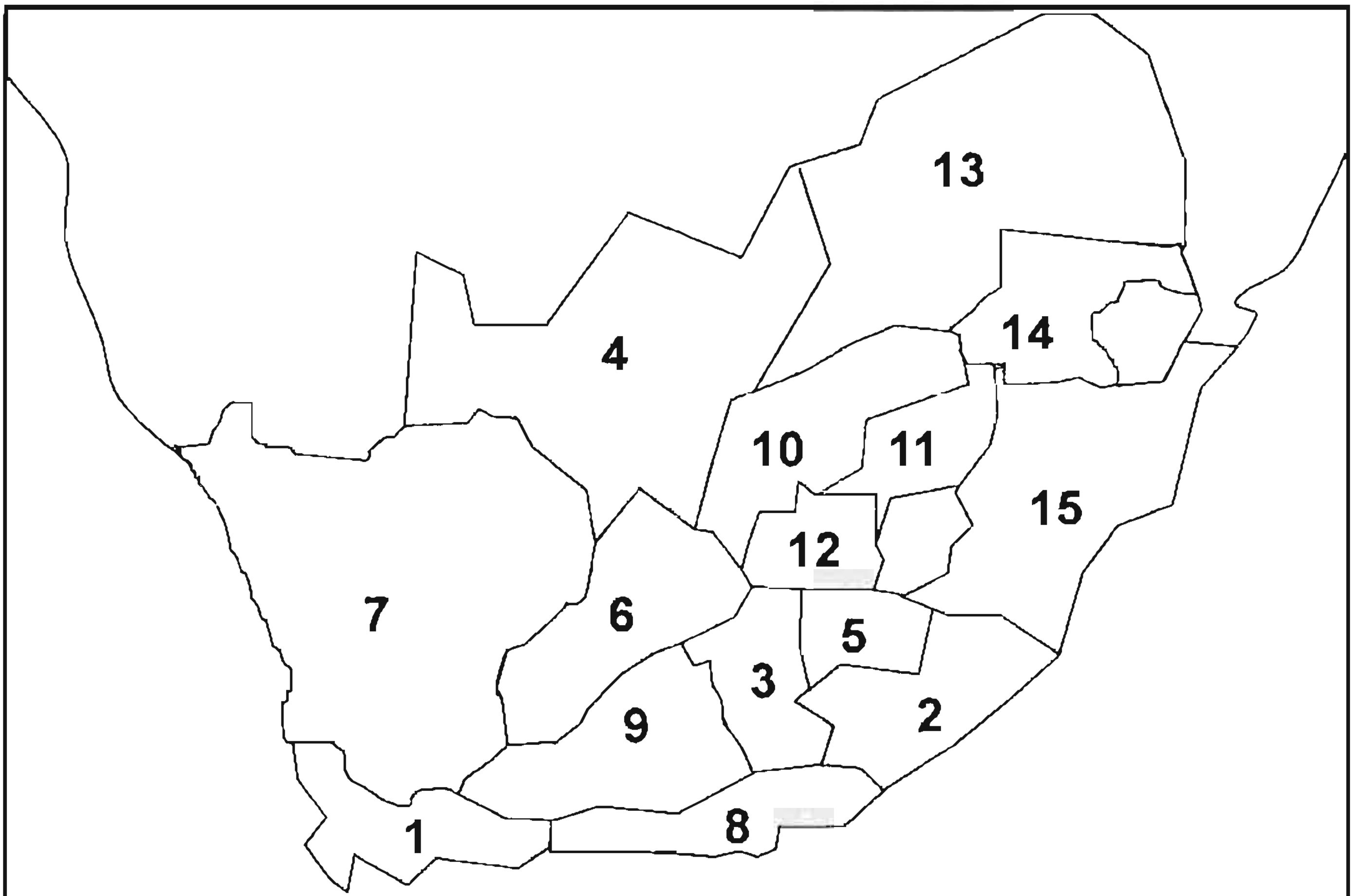
scouring took place in Bathurst in about 1820.[39] As the sheep industry grew, woolwasheries were established at different centres across the country including Ceres, with three operating and two under construction in Colesburg[40] with no less than ten in Uitenhage alone, in the early 1870s, one in Somerset East, owned by a Mr Hart[41], Aliwal North, Middleburg, Pinetown, Huguenot, Port Elizabeth and New Germany. (See Figure 2) . In the Bedford district of the Eastern Cape, in 1868, wool farmers used a unique method of washing wool. They washed the sheep in what was called the "warm water process" and the fleece was sheared almost immediately afterwards.[42]

An overabundance of local wool was available for the South African textile industry. Notwithstanding the substantial size of the South African wool industry the following extracts from the Board of Trade and Industry report 323 of 1950, on the South African textile industry, deals with the reasons why South Africa did not use much of its home produced wool in the textile industry.

"Even if 80% of the Unions requirements of worsted yarn and materials were produced locally, this would not absorb much more than four million lbs of tops. It is thus clear that the greater part of tops production will have to be exported".[43] The report continues and on page 109 paragraph 327 it states: "The Union is one of the largest exporters of raw wool in the world. The local clip, however, consists very largely of merino types of wool. As the worsted industry normally also requires crossbred wool, and the woollen industry also requires crossbred and re-worked wool (shoddy), it is obvious that the industry will have to import large quantities of these. As they are on average cheaper than merino wool, it is to the economic advantage of the country that they be imported".

39 Cape Wools,1992, p.8.
40 Houghton, vol 1, pp.67-68.
41 Ibid, pp.87-88.
42 Ibid, pp.140-141.
43 B T I Report 323 p.31 paragraph 72.

FIGURE1: SHEEP FARMING AREAS IN SOUTH AFRICA

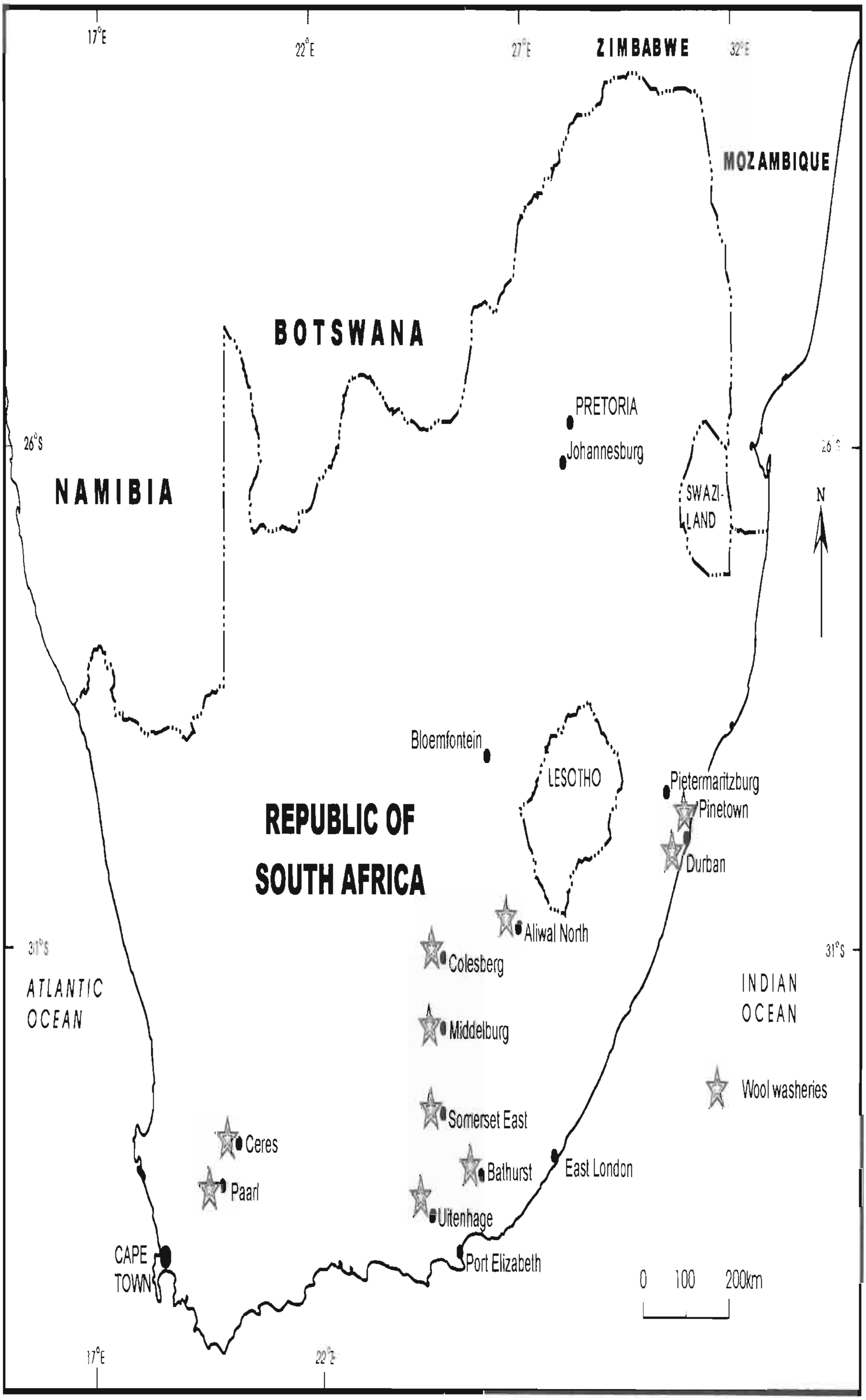


LEGEND

1. South West Cape
2. Border / Transkei
3. Midlands
4. Northern Cape
5. North Eastern Cape
6. Northern Karoo
7. North Western Cape
8. Southern Coastal Region
9. Southern Karoo
10. North & Western Free State
11. Eastern Free State.
12. Southern Free State
13. North & Eastern Transvaal
14. Eastern Transvaal
15. Natal

Source: Cape Wools, Port Elizabeth:1992

FIGURE 2 : WOOLWASHERIES FROM MID -1800s TO 1948



Cotton

The other important raw material used by the textile industry is cotton but it did not enjoy anywhere near the same success in the South African agricultural sector as that of wool. Attempts were made to grow cotton in the Western Cape in 1690 but the climate was not suitable. Resulting from the American Civil War (1861 -- 1865) there was a shortage of cotton and relatively large-scale planting took place between 1860 and1870 in Natal and the Cape Colony, but thereafter production came to a virtual standstill. Jonas Bergtheil, a Bavarian Jew, settled in Cape Town when he was 15 years of age in 1834 He came to the colony of Natal in 1843 and during this time the colony was exporting butter, beans, maize, ivory and skins, mainly to Mauritius. In 1847 Bergtheil and his partners Hippolyte Jaral, a wealthy French settler, and Philip Jacob Jung, a compatriot of Bergtheil, decided to commence growing cotton as Jaral had successfully grown a small crop.To this end they formed the Natal Cottony Company in March 1847 with Bergtheil as its managing director and they bought 15 500 acres of land about eight miles from the coast.[44]

Bergtheil's farm was called "Wandsbeck" and he applied to the Lieutenant-Governor of Natal, Martin West, to establish a village to be called Westville,(in his honour) so he could settle the workers he brought from Germany to work his cotton plantation.[45] The cotton growing scheme failed, owing to poor soil and an inferior variety of seed and a shortage of labour.[46] This was one of only many experiments in Natal. In 1843 Dr Adams, an American missionary and founder of Adams Mission, in Natal, and Daniel Toohey also experimented with cotton seed from an experimental cotton plantation in the Cape Colony and a crop was successfully grown at Congella, Durban.

---

44 *The Annals of Westville* (1974) by Mrs Irene Holliman, Westville Women's Institute. Holliman, 1974.

45 *The Daily News*, Wednesday June 25 1969.

Between 1840 and 1851, 5000 English and Scottish immigrants arrived in Natal, settling in Durban and Pietermaritzburg, bringing with them a multitude of skills where they tried out a range of crops including cotton[47] Towards the end of the 1860s Natal was exporting a range of products including wool and cotton.[48]

In 1870 a select committee, sitting in Cape Town, investigated cotton cultivation in the Lower Albany district of the Eastern Cape. The committee was informed that 2000 acres were under cultivation which was expected to yield between 500 and 1000 bales of Sea Island cotton, whereas in 1869 only 10 bales had been exported.[49] Cultivation took place on the farms of Mr Wright at Bathurst and of Mr Young at Peddie In 1873 cotton totalling 49 376 lbs had a value of £2 055, and in 1874 the quantity had dropped to 15 117 lbs and the value was a mere £257 which was exported.[50]

In 1904 another attempt was made to cultivate cotton, and about 12 / 14 hectares was planted in the Tzaneen district of the Bushveld (Eastern Transvaal). A report on the samples sent to the British Cotton Growers Association reported it to be of good quality, which resulted in a cotton ginnery being erected in 1905. In 1913 an experimental station was opened at Rustenburg to provide cotton farmers with advice. After 1922 the Transvaal Lowveld and the Eastern Transvaal were the main cotton growing areas, so much so that a co-operative and a ginnery were established at Barberton. Production in 1917/18 was a mere 566 bales (a bale weighed 500 lb) and by 1925/26 it had reached 16 305 bales. However from 1929/30 the industry declined rapidly and eventually dropped down to the region of a hundred bales per annum for the period 1941 to 1947. In 1924 a ginnery was erected at Umbogintwini in Natal by African Explosives and in the same year Mr Rouxliard erected a ginnery at Magut, Natal. In 1935 Lancashire Cotton

---

46 Mareke Lindeque, Pietermaritzburg Regional Representative of the Department of Foreign Affairs and Information, July 1981.
47 Houghton, vol.1, p.12.
48 Ibid, p.18.
49 Ibid, p.55
50 Ibid, p.57.

Corporation Spinners of the United Kingdom established their ginnery at Louis Trichardt. Cotton was also grown under irrigation in the Lower Orange River area for the first time in 1927, after which production dropped substantially and it was only in the late 1930s that a ginnery was erected at Standerton. This decline was primarily due to low prices in relation to prices obtainable for alternative agricultural crops which were more profitable than cotton.[51] What is significant at this point in time is that the fibre was exported to Liverpool as there was no cotton spinning or weaving in South Africa. Serious attempts were made to grow cotton in the inter-war years for local use but by 1935 there were no facilities for spinning or weaving and the fibre was exported to Liverpool. It was not until 1939 that cotton was officially declared an agricultural crop. In keeping with the South African tradition of agricultural products being under the jurisdiction of a "Control Board "farmers could only sell their cotton to co-operatives in their operational area."

Following World War II, the British house of Ralli Brothers in London recognised the possibility of profitable cotton cultivation in South Africa. In 1948 they bought a ginnery and two farms in the Magut area of Natal and erected their own ginnery, which is no longer in existence. They also erected a vertical mill (see Ch 2, p.66), Berg River Textiles, (Bergtex),at Daljosaphat, in Paarl, Western Cape where cotton was spun, fabric woven and finished, from their own cotton. As Ralli Brothers were cotton traders they would sell cotton on the open market.[52] The present day cotton production areas, ginning and spinning are reflected on Figures 3 and 4.[53]

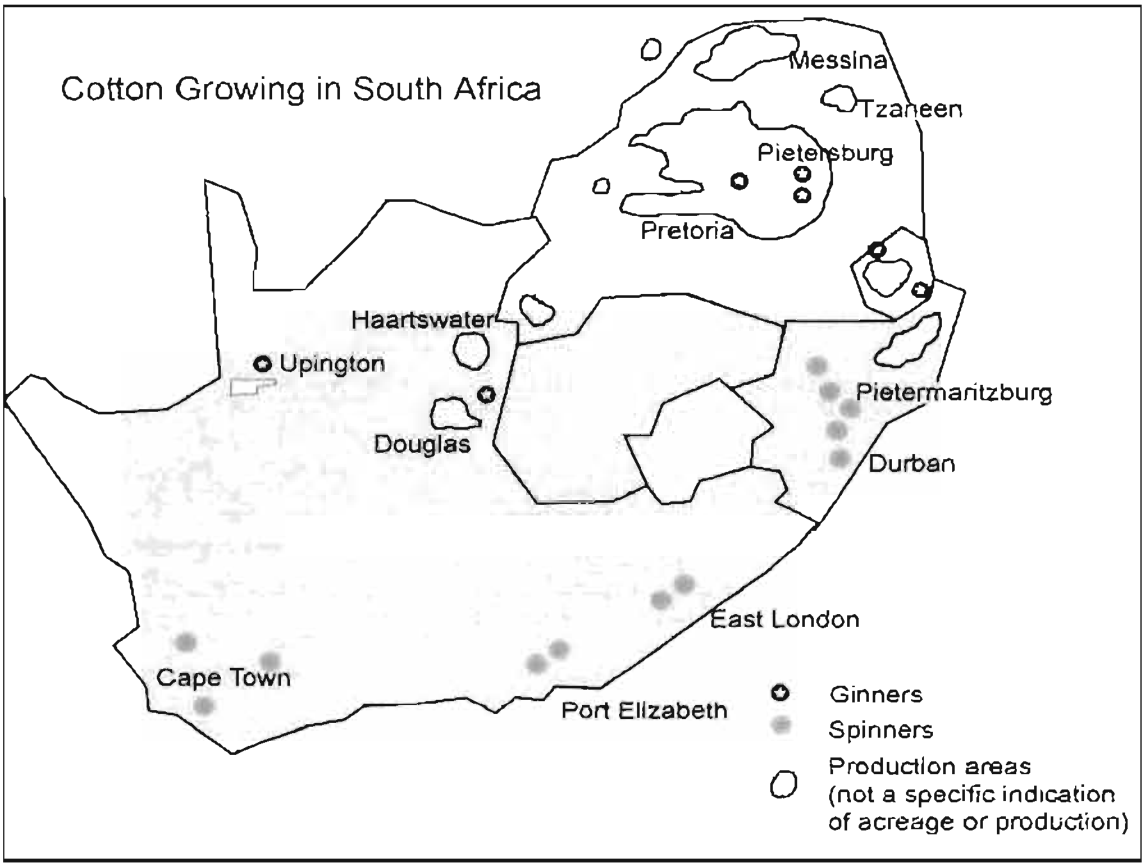
---

51 Cotton South Africa Publication, about 1990. Section A.
Web Site http://www.cottonsa.org.za/cottonsa/history.html.

52 "Bergtex" supplement to S. A. Industry and Trade January 1951 publication.

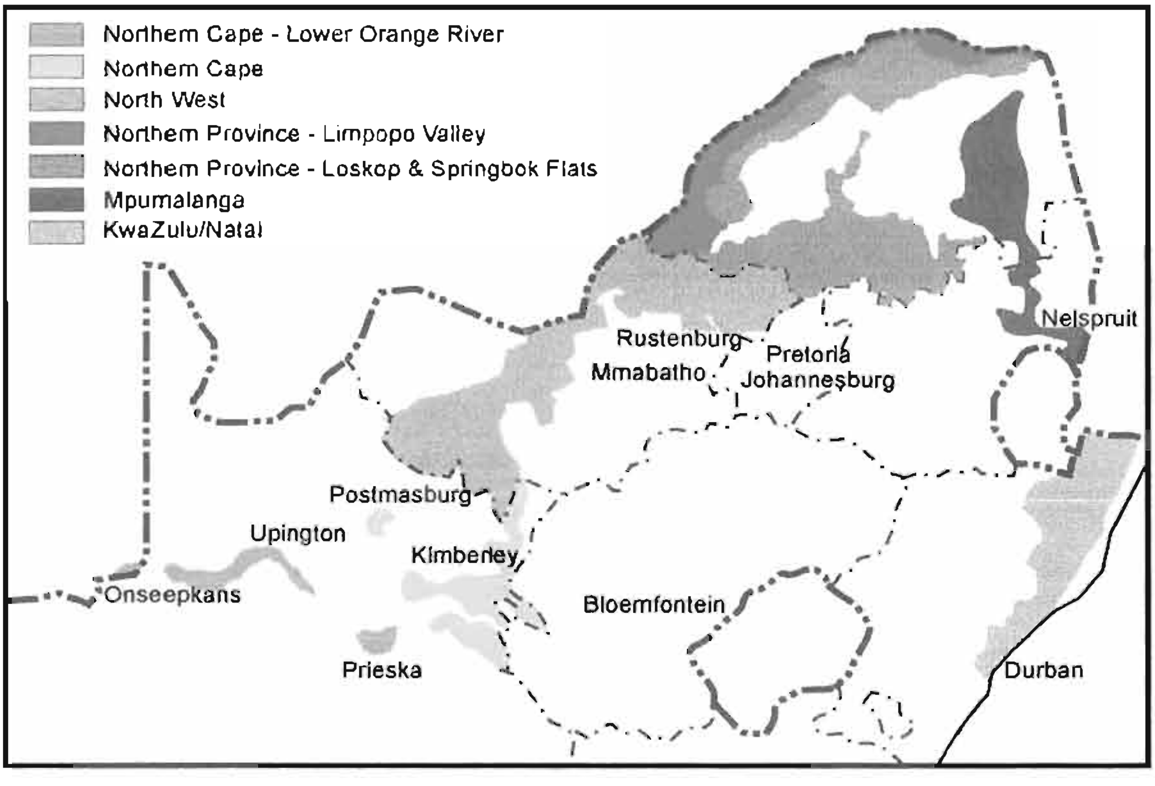
53 Cotton South Africa.... Web site, Figure 3.

FIGURE 3: PRESENT DAY COTTON PRODUCTION AREAS, GINNING AND SPINNERS



Source: Cotton South Africa Website, http://www.cottonsa.org.za: 1999

FIGURE 4: PRESENT DAY COTTON GROWING AREAS



Source: Cotton South Africa Website, http://www.cottonsa.org.za: 1999

Having dealt with wool and cotton, because of their importance to the textile industry, mention must be made that the agricultural sector became fairly broadly based, and an important contributor not only to the domestic, but also the export markets producing wool, maize and maize products, sugar as well as citrus and deciduous fruits, wine, hides and skins, ostrich feathers and tobacco to mention some of the leading products. The serious attempts to develop a cotton growing industry proved not to be economically viable when measured against other agricultural crops and especially against wool. Even in its development stage South Africa was recognised as a wool producing country whereas it was never a very successful provider of cotton. Whilst outside the scope of this thesis the question rises as to whether or not it would be better to direct energy and money, into some other economically viable aspect of the cotton industry, other than cotton growing, which after many years of perseverance remains a small industry. The amount of cotton produced in South Africa is not sufficient to cater for local mills requirements and it is necessary to import the shortfall.

Until local manufacturing of cotton blankets, made from imported yarn, commenced these articles were all imported, mostly from England and Belgium, being distributed by wholesale merchants. In comparing the difference between the South African wool industry and cotton industry, it will be seen that the country was a major player in the world wool market whereas its cotton growing industry was small, and almost insignificant, in world terms.[54]

---

54 In December 1854 two Dutch farmers from Java, Messers van Prehn and Colenbrander arrived in Durban obtained land to manufacture indigo dye from the Indigo plant, which still flourish in the Pinetown area, to sell to the textile industry in Manchester. They erected "vats", now a National Monument, in the grounds of what is today the property of the Natal Blood Transfusion Service in the Paradise Valley area of Pinetown. The venture failed, as the quality of the water from the Avon river, now called the Umbilo river, was chemically deficient, as was the quality of the soil, and the climate was unsuitable The venture only lasted a short period of time and finished up in court in 1856 when van Prehn was awarded damages of £300 and was refunded £600 at 6% interest by the defendant Mr A K Murray, a Pinetown business man.
(Source: *The History of Old Durban* by George Russell 1900, p.258 and Pinetown Museum).

Industrial Development

The impact of the discovery of minerals on the economy of South Africa was profound. Sporadic attempts were made to exploit the mineral wealth of the country with varying degrees of success and failure. Coal was discovered in the 1840s in the Natal Midlands with copper being discovered in 1850 in Namaqualand. It was not until the discovery of diamonds at Hopetown in 1867 and Kimberley in 1869 that the real growth in the mineral exploitation took place. Following hard on the heels of the diamond discovery was that of gold in 1870 in the Murchinson range, 1871 at Pietersburg, 1873 in the Lydenburg district and eventually in 1886 on the Witwatersrand which resulted in the founding of Ferreirasdorp, now Johannesburg. The chief source of iron ore was Thabazimbi from 1918 through to 1958 when the Sishen mine took over in 1953 and to add to the already considerable mineral wealth platinum was discovered in 1920.[55] The inter-relationship between coal, gold and diamonds is illustrated by de Kiewiet: "abundant coal, of good quality and cheap, was of the greatest importance of the economy of gold mining. Gold-mining, furthermore, leapt upwards on the shoulders of the diamond mines".[56]

The population figures appearing in the Introduction, table 1, shows the "big picture" but does not adequately illustrate the market available to secondary industry, whereas table 2 that follows will illustrate the urban and rural population in racial categories. This would have been the diversified markets that the blanket mills had to cater for, which was a marketing mix spread over contrasting climatic conditions and racial preference for various products. For example the warm woollen blanket bought in Johannesburg and probably used all the year-round would not enjoy the same amount of use in Durban's sub- tropical climate during the summer months. Notwithstanding the fact that South Africa is "one country" it is recognised that the purchasing pattern of its population is varied.

---

55 Webb pp.177-178. *Economic history of South Africa* edited by F L Coleman

56 C W de Kiewiet , *A History of South Africa, Social and Economic*, p.118.

TABLE 2

NUMERICAL POPULATION URBAN (urb) AND RURAL(rur). in 1 000

Year	All Races			Whites			Coloureds			Asiatics			Bantu		
	Total	Urb	Rur	Total	Urb	Rur	Total	Urb	Rur	Total	Urb	Rur	Total	Urb	rur
1904	5175	1222	3951	1117	599	517	445	219	225	122	44	78	3490	361	3129
1911	5973	1546	4427	1276	677	600	525	265	261	152	80	72	4019	524	3495
1921	6927	1950	4977	1521	908	614	545	286	259	164	99	65	4697	658	4039
1936	9588	3219	6370	2003	1367	637	769	446	323	220	153	67	6596	1252	5344
1946	11416	4482	6934	2372	1793	579	928	580	348	285	208	78	7831	1902	5928

SOURCE: *South African Statistics 1968 page A-22, Bureau of Statistics Pretoria.*

This expanding population was the market into which secondary industry would sell. Within the context of this thesis it represented the potential market for the sale of textiles, but more specifically blankets. It is a generally accepted fact that the white members of the population, being more affluent, would purchase woollen blankets, as they were more expensive. Sight must not be lost of the fact that within the white population there was a category classified as "poor whites" who would not have been able to afford a luxury item. It is recognised that the less affluent members of the society would purchase "cheap" blankets which were made of cotton. However, as pointed out by Philip Frame in his chairman's address, referring to a survey he made in 1930, when it became obvious to him that the non-European population of the country was "...becoming westernised in its habits, manner of clothing and general outlook".[57]

Already by the late 1850s the market potential of the Black population was recognised: "Traders, too, were well aware of the potential of the African market and many contemporary sources reflect the role of the Africans as consumers, as well as their more widely known function in the economy as labourers and

---

57 As pointed out by Philip Frame in his Chairman's address to the Annual General Meeting of the company held in December 1958 in Durban, contained in a company publication entitled "Thirty Years Within The Frame Group, 1928-1958". ("30 Years")

agricultural producers.[58]

Although not stated in as many words the market was obviously becoming more sophisticated. Freund also makes a valid comment on the market available to secondary industry "the African was envisaged as a significant consumer of "cheap" mass produced industrial goods.........." .[59]

As will be seen from the tables that the market that was available to secondary industry in general and the blanket industry in particular was diversified. The purchasing power of the white population with its greater monthly income would have been offset by the black population's lower monthly income but greater numerical strength. The majority of the black population lived in the rural areas, with the majority of the white population living in urban areas. When the main urban centres are compared, the black/white ratio reflects an ever-increasing black population overtaking the white population. From a marketing point of view the blanket purchased by the rural, or "platteland", black inhabitants would have been different from his urban counterpart whereas the blanket purchased by the white population, rural or urban, would have been the same product. This caused marketing and production problems for the blanket mills and invariably certain items had to be produced in "short runs" which was not economical, as it was necessary to change the yarn on the loom's, with the resulting "down time". This created production difficulties because of the substantial permutations that could be purchased from the range viz : the edge of the blankets could be bound in two different finishes, there was a selection of 18 different colours, spread over 25 different sizes and 23 different styles. Furthermore certain blankets were sold "boxed" yet others were sold in a "presentation box" and yet again some were cellophane wrapped and depending on the blanket purchased they were then packed for transport in cartons. These could contain 12 or 16 or 20 or 24 or 25 units depending on the style and size. Over and above this selection the products

58 Houghton vol.1, p.19.

59 Bill Freund, "The Social Character of Secondary Industry in South Africa 1915-1945" in A. Mabin (ed.), *Organisation and Economic Change*, p.93.

were offered in 100% pure wool, or 55% wool plus other fibres, or 30% wool plus other fibres, or 50% wool and 50% mohair. The range of products that was offered fell into the categories of domestic blankets, juvenile blankets, baby blankets, wraps, "native blankets" and travelling rugs. Furthermore institutional customers could order blankets with lettering. From this will be appreciated the enormous amount of raw material that had to be in stock and this permutation further indicates the diverse markets into which the products were sold. [60]

Prior to the South African blanket industry commencing to manufacture, these articles were imported from England and Belgium and sold through a network of general wholesale merchants. Kemp points out that the perception of Britain being "the workshop of the world" could at best represent a temporary phase. He continues: "And when it comes down to it, Britain's industrial dominance was confined largely to the textile products even in the 1850s and 1860s, when her exports were growing most rapidly".[61] With the Cape and Natal being colonies of Britain they would have been a natural market for the textiles produced. Kemp continues that in Britain "Early industrialisation took place under conditions that were favourable to the entrepreneur and unfavourable for the workers".[62] Although the two initial pioneers of the South African textile industry, Harris and Mauerberger, were not British by birth both families had operated in a British business environment, before settling in South Africa. With this exposure to the British business culture it would be reasonable to assume that they put into practice their experience in Britain, when they commenced operating in South Africa.

The South African manufacturing sector was slow in developing and what did exist

60 Derek Isaacson, the former Marketing Director of South African Woollen Mills Ltd. Interviewed in Sydney, Australia.
See Annexure 1 "Waverley" Pricelist January 1957. A rare document, from the archives, in the form of the South African Woollen Mills Ltd (Cape Town) price list for the blankets produced by Waverley Mills is attached as appendix A. Not only does this show the permutations available but the price and conditions of sale. What is particularly interesting is the "Fall Clause" and not the "Rise and Fall Clause", which was more usual.

61 T. Kemp, *Historical Patterns of Industrialisation*, p.16

was mostly related to the mining industries. In 1910 the government appointed the Cullinan Commission to investigate the feasibility of establishing local industry. This necessitated investigating the economic, social and political aspects of South Africa in the early twentieth century which was not a simple task. The commission's report was placed before Parliament in 1912 and provided a deep insight into the industrial and customs tariff affairs of the country and it also commented on the general state of the economy. The report recommended a policy of "deserving" industries being given "adequate protection", being those industries considered to be beneficial to the economy and which had economic viability in the near future. The majority vote on the investigation favoured protection with particular emphasis on the leather goods, building materials, timber, tobacco and confectionery industries. There was no mention of textiles/blanket manufacturing. The commissioners believed this would encourage a diversification in the economy and in turn enable the country to become more economically self-sufficient. It was also recommended that preferential railway tariff rates be abolished and that the industries affected by this should be compensated by increased tariff protection. It also recommended that a "fair percentage" of "poor Whites" should be employed in the protected industries in an endeavour to alleviate the "poor White problem". The report contained certain qualifications regarding its findings, pointing out existing defects.[63] With the advent of World War I the economy gained momentum which brought about industrial expansion

As the blanket industry is a sub-sector of the textile industry and it in turn is part of the secondary industry it is relevant to mention the industrial groupings that were considered as "secondary", as classified by the Bureau of Census and Statistics.[64] The groupings in the census embraced food and beverages, textiles and wearing apparel, wooden products and furniture, paper products and printing, leather and leather products, chemicals, metal products and machinery. This categorisation will give a good indication as to the reasonably extensive range of merchandise

[62] Ibid, p.18.
[63] A.B Lumby pp.199/200. In: F.L. Coleman, *Economic History of South Africa*. p.208.
[64] Ibid p.208.

that was already being produced in South Africa. It is also relevant to mention that prior to 1924-5 the manufacturing statistics included both private and government concerns. After 1924-5 only private manufacturing concerns were included in the industrial census, and furthermore as an economic measure the industrial census was not taken in 1930-31 and 1931-2. The significance of the commencing date of 1915/16 is that it was the year in which the first industrial census were taken.[65] In 1915/16 there was 3 638 manufacturing concerns and by 1918/19 there were 5 287 being an increase of 45% with the net of value of manufacturing output rising by 53% from R 27,9 million to R 42, 7 million.[66]

In order to expand local industry the Board of Trade and Industries was established on a part-time basis in 1921 and by 1923 the Boards request for increased tariffs for selected local industries, including blankets and rugs, was met with a mild duty protection. It was only in 1924 with the election to power of the Nationalist-Labour Pact government that planned industrialisation took place behind a protective customs duty structure introduced in 1925.[67] This policy had far-reaching implications for the fledgling blanket / textile industry, giving those in the industry protection and paving the way for new mills to be established.[68]

The government policy was one of import substitution which kick-started the blanket industry, which received a further boost during World War II by producing blankets for the war effort. However with the onset of the depression in 1929 the economy suffered, but relatively mildly because of the gold mining industry. In 1931 when Britain abandoned the gold standard and sterling devalued by 30%, 25

65 Ibid p.198.

66 Ibid p.201.

67 BTI No 290, 1946 report on Blanket Industry p 4, paragraphs 13/14.

68 This was particularly true in the case of Philip Frame and in a group publication titled "The Frame Group 1928 -1978" "Frame 50 " on page 5 the opening paragraph reads:
"Determined to remain in the South Africa and, encouraged by the policy of the Nationalist Pact Government in 1924 to promote and support the industrialisation of South Africa, Philip Frame took the first bold step in the country of his adoption."
This decision will be illustrated in chapter 4 dealing with Frame, and its far-reaching impact on the South African textile industry and the economy as a whole.

other countries followed in rapid succession.[69]

These years were very traumatic for the economy of South Africa, not only because of the depression but the position was obviously compounded because of the controversy that raged in South Africa as to whether or not to maintain the gold standard.

The suspension of the gold standard by Great Britain in 1931 came as a shock to the South African monetary authorities as they had not anticipated such a move by London. This decision by Great Britain caused the South African government to hastily decide whether it was going to follow suit or not. Eventually the government decided to maintain the gold standard which was strongly supported at first, by practically the whole country.[70] However with the passage of time many individuals and pressure groups joined in the argument, and eventually the question became a nationwide debate, and ultimately a major political issue, "and as a consequence, party political considerations became hopelessly entangled with purely economic arguments in the whole discussion."[71] Bearing in mind the impact of the depression and the obvious difficulty of conducting business under these conditions, the added burden of an argument over the gold standard must have made the life of the business community exceedingly difficult and stressful. Notwithstanding the situation the economic conditions in South Africa were nevertheless relatively favourable compared with those in many other countries, "this was due to the peculiar role played by gold mining in the economic structure of the Union. While most other South African industries were experiencing serious difficulties in the depression, the gold mining industry was expanding, stimulated by the fixed price for its product and falling costs of production". The increase in the activity of the strategically important industry also had favourable secondary effects, which prevented the incomes of other sectors of the economy from falling as much as

69 A B Lumby p.209.
70 G de Kock p.140.*History of the South African Reserve Bank.*
71 Ibid, p.141.

they would otherwise have done.[72] Eventually on December 29, 1931, the Minister of Finance announced that the Union had completely cut the link with the gold standard and that the banks would be left free to determine the level of the South African pound in accordance with the exchange resources.[73]

When interpreting Figures 5 to 8, in this chapter the period from 1933 onwards should be read against Freund's statement : "the real dividing line in the history of South African secondary industry needs to be drawn in 1933. A dozen almost uninterrupted boom years began when the government abandoned the gold standard which fuelled a price rise in gold and led to an expansion of mining. This triggered an upsurge in metal firms again working to full capacity and workers getting paid overtime which was the same year (1934) as Iscor commenced operating".[74] The general boom in the economy enabled the blanket industry to sell more of its production and expand its operations.

The number of establishments grew steadily from 1915 and there is no accounting as to why there was a sharp increase in 1921-2 and then a decline in 1922-3. It is significant that notwithstanding the depression and the uncertainty as to whether or not South Africa should withdraw from the gold standard, there was a steady increase in new establishments opening in the early 1930s. The growth during World War II was fairly steady but at the conclusion of the war it was already commencing to grow at a significant rate, which was the beginning of the post-war boom as illustrated in Figure 5.

The salaries and wages (Figure 6) kept pace with the number of new establishments opening and wages paid to black workers in the private sector from 1924-5 decreased against their white counterparts, and in fact the gap widened from 1932 / 3 to the commencement of World War II when the earnings of the

---

72 Ibid, p.146.

73 Ibid p.163.

74 Social Character of Secondary Industry in South Africa 1915–1945. Bill Freund BRN 238279 (p.15). Seminar paper delivered 22 April 1985.

black workforce began to marginally improve. In broad terms the earnings of the white workers were in the region of 67% of the total up to 1924-25. Table 3 which follows compares the annual earnings of workers in the textile industry against those in secondary industry as a whole. Taking into account what can be considered a "substantial difference" in these comparisons and the black worker earning more in the blanket industry than his counterpart outside of the blanket industry, the question must be asked as to why this came about.

By 1939 secondary industry had become the second most important sector in the economy after mining. This was a result of an increase in manufacturing firms and an increase in the net value of industrial output, indicating considerable expansion by individual firms.[75] As the South African economy gained momentum so the market for blankets increased. However there was a demand for the imported article which was of a better quality than the home produced product.[76] This was always a problem the blanket industry had to face, and still exists to this day not only in the textile and clothing industries, but in other industries, as there is a snobbish perception about owning an imported article as opposed to a locally produced product.

Table 3 : Comparison in Earnings in Rand between Secondary Industry as a Whole and the Blanket Industry

Year	White* Secondary Industry	White Textile Industry	Black* Secondary Industry	Black Textile Industry
1933/34	344	212	97	124
1934/35	365	236	99	117
1935/36	378	259	101	124
1936/37	397	271	105	142
1937/38	415	285	112	150
1938/39	426	286	112	153
1939/40	449	333	114	160
1940/41	476	359	123	175
1941/42	552	389	145	205

Source: * A B Lumby in F L Coleman, *Economic History of South Africa*, pp.210/212.
BTI Report 290, 1946 Blanket Industry, p 7, Table 1, General.

---

75 A B Lumby, p.215.

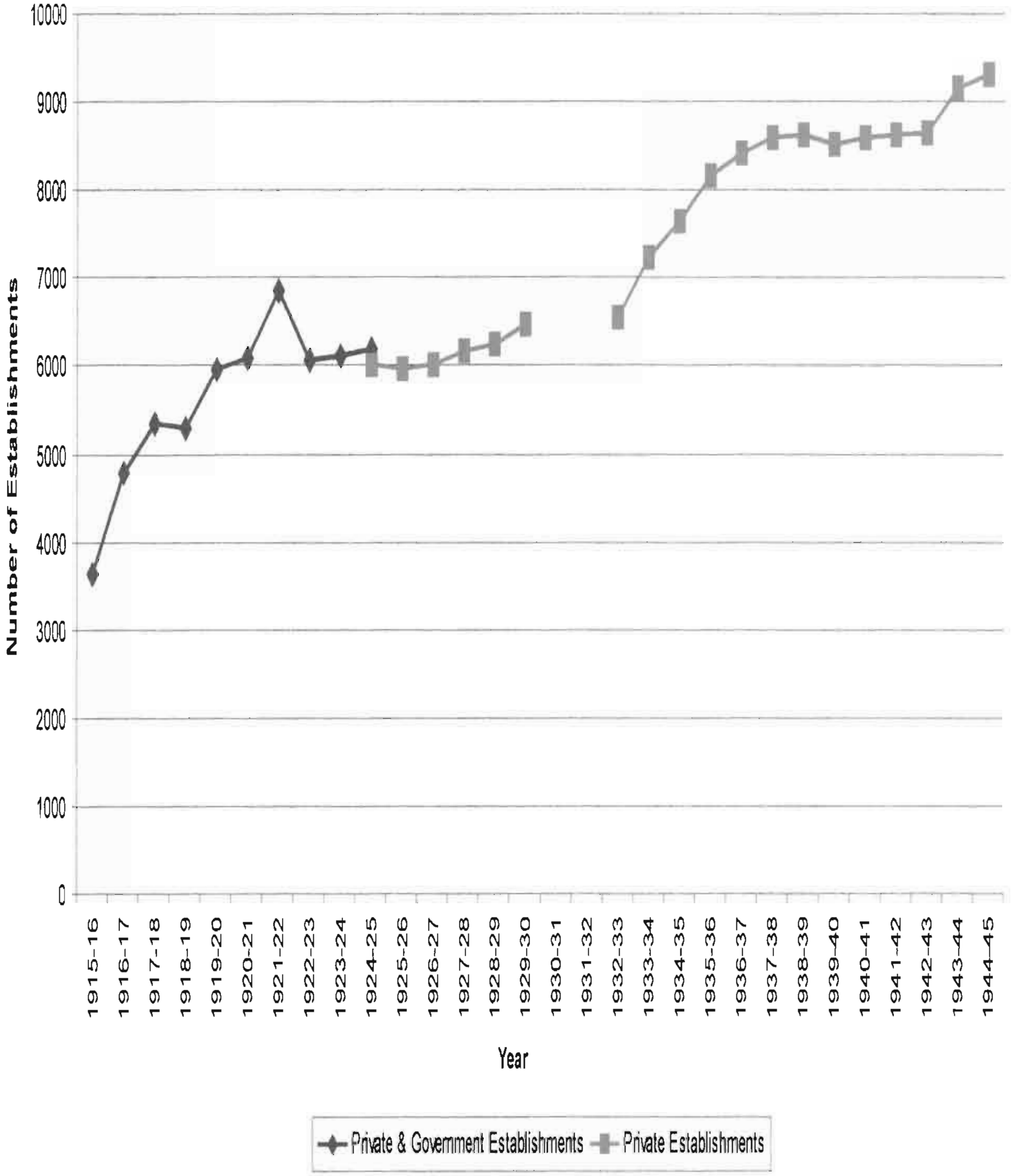
Table 4 illustrates the employment and net output in textile and wearing apparel Industry. It has not been possible to obtain textile figures on their own as it was traditional to group statistically "Textile and Wearing Apparel" together as they are related to each other.... at worst the figures indicate growth in a sector of secondary industry that is hyper-sensitive to economic influences.

The labour force (Figure 7) from 1924/5 to 1929/30 increased by 68.9% and the net output increased by 58.86% with the unit of value per employee increasing by 86.54%. Whilst percentage increases are important and even impressive the value in monetary terms of the employee output was not as impressive. The period 1932/3 through to 1936/7 did not reflect any meaningful increase and this only became noticeable in 1937/8 and particularly in 1938/9. What is significant is the fact that from 1928/9 through to 1933/4, when South Africa, and the rest of the world for that matter, were experiencing the depression and economically unsettled conditions because of the dispute over the gold standard, the number of employees was steadily increasing, and net output increased, notwithstanding no figures being available for the period 1930/32. This would indicate a very resilient economy.

---

[76] BTI report 290 paragraph 34 p.11.

FIGURE 5. SECONDARY INDUSTRY IN SOUTH AFRICA: 1915-1948
NUMBER OF ESTABLISHMENTS

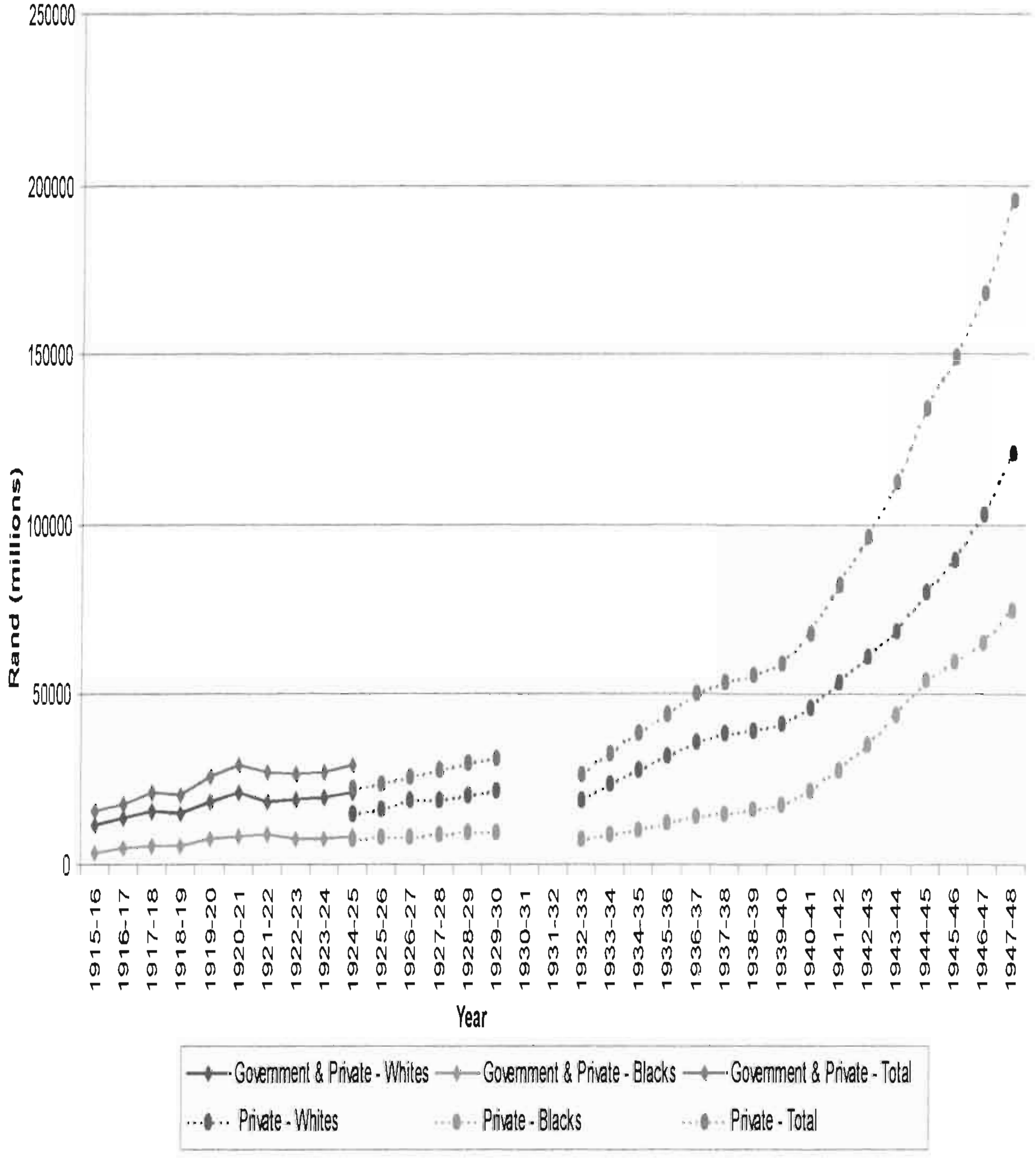


Source:Bureau of Census & Statistic *Statistics for Fifty years 1910-1960* ,(1961), L-3.

Note 1. Prior to 1924 - 25, manufacturing statistics included both private and government concerns. After 1924-25 only private manufacturing concerns are included in the industrial census.

Note 2. As an economic measure the industrial census was not taken in 1930-31 and 1931-32.

FIGURE 6. SECONDARY INDUSTRY IN SOUTH AFRICA: 1915-1948
SALARIES AND WAGES



Source:Bureau of Census & Statistic *Statistics for Fifty years 1910-1960* ,(1961), L-3.

Note1. Prior to 1924 - 25, manufacturing statistics included both private and government concerns. After 1924-25 only private manufacturing concerns are included in the industrial census.

Note 2. As an economic measure the industrial census was not taken in 1930-31 and 1931-32.

Table 4 : Employment and Net Annual Output in the Textiles and Wearing Apparel Industry

Year	Employees	Net Output (R'000)	Output per Employee (R rounded off)
1924/25	12 800	4 034	315
1925/26	13 800	4 768	346
1926/27	15 700	5 188	330
1927/28	16 800	5 708	339
1928/29	18 400	6 418	348
1929/30	18 800	6 854	364
1930/31	As an economic measure	the industrial census was	not taken in this period.
1931/32			
1932/33	24 200	7 498	310
1933/34	30 500	9 134	299
1934/35	33 500	10 752	321
1935/36	35 500	11 738	331
1936/37	37 800	12 858	340
1937/38	37 500	13 208	352
1938/39	38 100	14 390	378
1939/43	no data	World War II	

Note 1: The statistics were extracted from table 7, p.208, table 8 p.210, table 9 p.212 Lumby. The source of those statistics was "Statistics for 50 years 1910 – 1960" provided by the Bureau of Census and Statistics.

Note 2: From 1944 / 5 onwards the textiles and clothing statistical categories were expanded to include the leather and footwear industries and consequently are not shown in this table as they would distort the figures.

Note 3: The output per employee was not contained in the original statistics and was calculated by the writer.

Perhaps the most telling aspect of the development of secondary industry relates to the cost of the material used and the value of output as illustrated in Figure 8 from which can be seen the level of consumption during World War II and beyond.

In studying the textile industry in South Africa, from its inception the use of the word "textiles" was not strictly used correctly. Textiles embraces a wide range of products most of which are illustrated in the diagram "The Textile Pipeline" appearing in Chapter 2, Figure 6. It was only from about 1947 onwards that South Africa could truly boast a textile industry within the correct meaning of the word. What existed from the earliest days was predominantly a blanket manufacturing industry, which is a "sector" of the textile industry, with a limited amount of other products, such as rugs and "kaffir" sheeting as well as a small amount of melton (see Glossary) being produced.

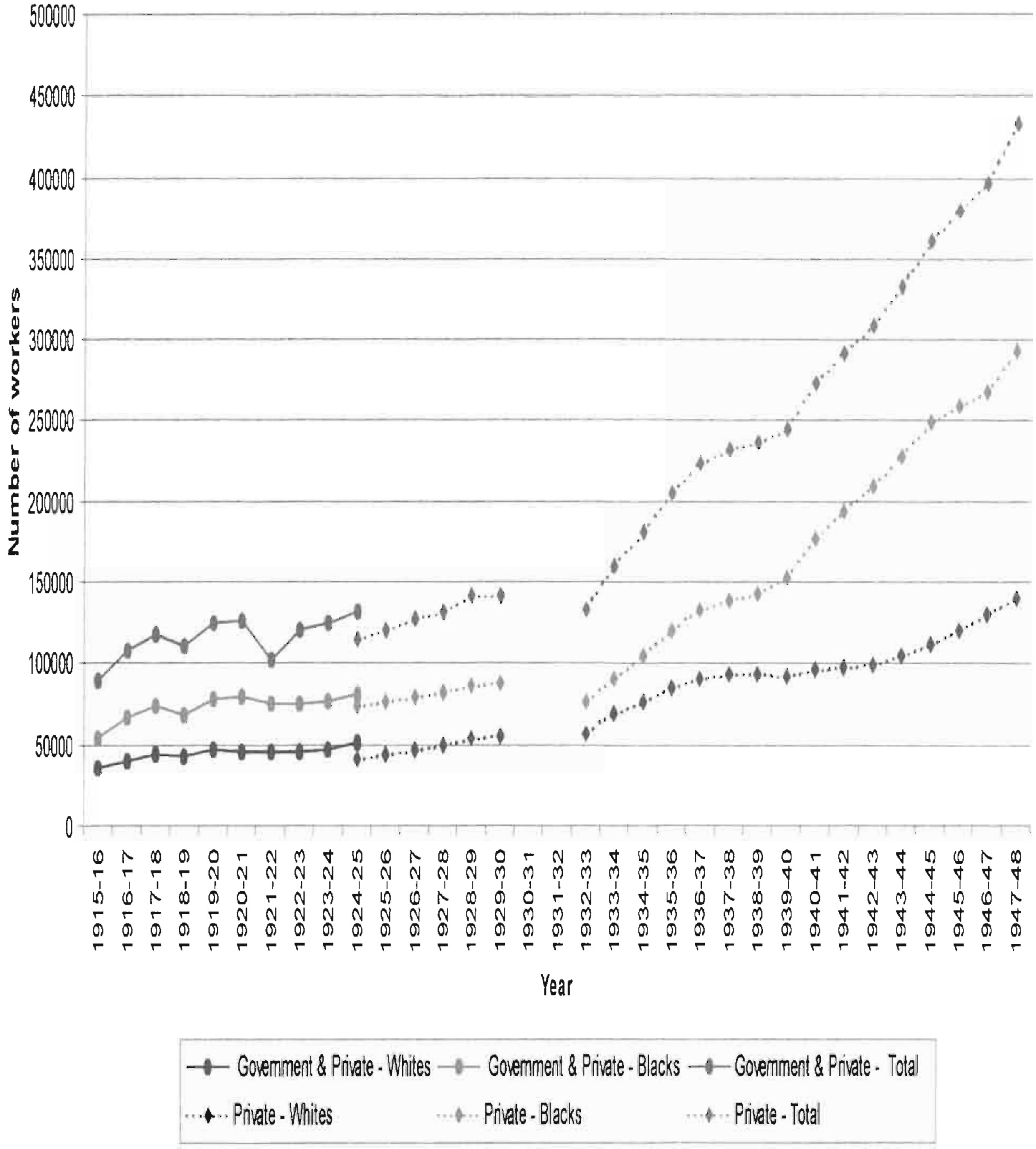
Having sketched the overall South African economy from 1652 up to 1948 it will be seen that the blanket industry had a growing market, from 1904 to 1946, as appearing in Table 1 being the population, growth in all race groups in South Africa appearing in the introduction, as well as figure 9 in this chapter.

At the outbreak of the Second World War in 1939 the South African secondary industry was in a much stronger position that it had been prior to the First World War in 1914, mainly due to the substantial tariffs imposed in 1925, which gave protection to the secondary industry and enabled it to grow. Following the cessation of hostilities in 1945 the country was on the brink of a post-war boom in which textiles was going to play a leading role. What was also very significant in the blanket industry was "a feature of the financial structure of the industry is that quite a number of mills were started as family concerns or as concerns founded by a few individuals".[77] It was only in the post World War II era that corporate entities invested in the textile industry. This sets the scene to look at the mills and their owners, in more detail, who made up the blanket industry as well as the Trade Union movement and IDC, in the chapters that follow.

---

77 BTI report 290 para-38 p.12.

FIGURE 7. SECONDARY INDUSTRY IN SOUTH AFRICA: 1915-1948
NUMBER OF WORKERS

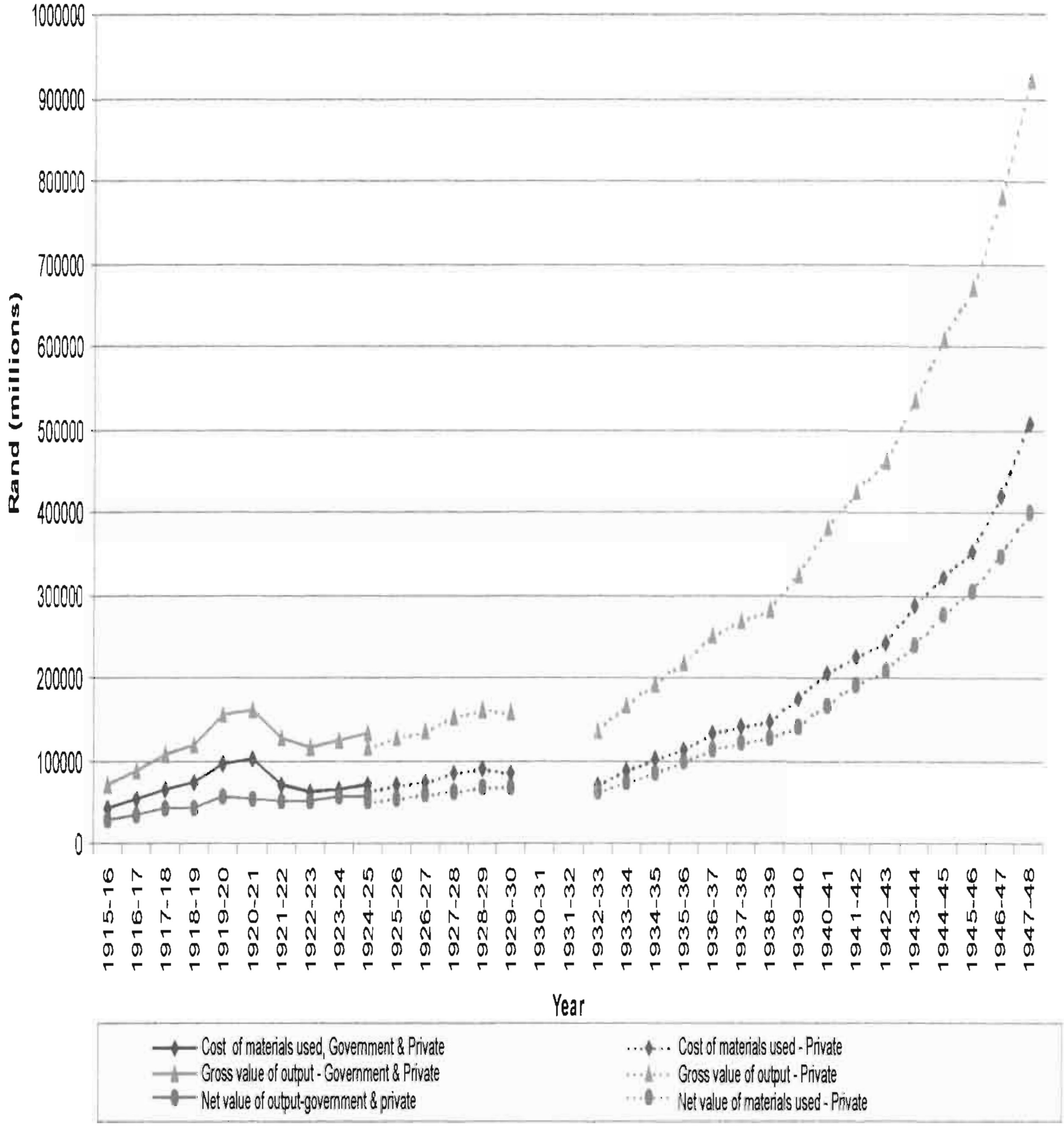


Source: Bureau of Census & Statistic *Statistics for Fifty years 1910-1960*, (1961), L-3.

Note 1. Prior to 1924 - 25, manufacturing statistics included both private and government concerns. After 1924-25 only private manufacturing concerns are included in the industrial census.

Note 2. As an economic measure the industrial census was not taken in 1930-31 and 1931-32.

FIGURE 8. SECONDARY INDUSTRY IN SOUTH AFRICA: 1915-1948
MATERIAL COST AND VALUE OF OUTPUT

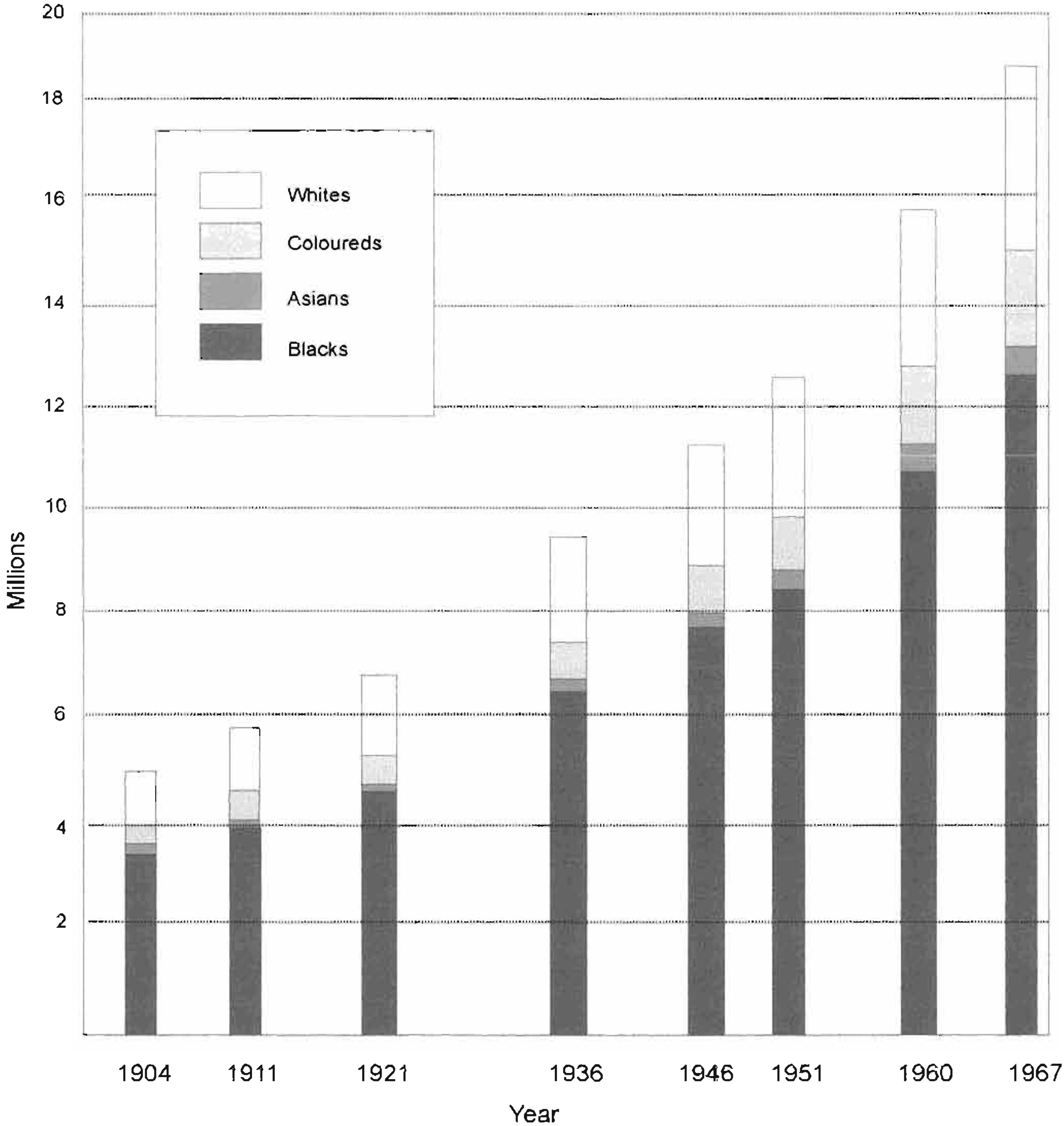


Source: Bureau of Census & Statistic <u>*Statistics for Fifty years 1910-1960*</u> ,(1961), L-3.

Note 1. Prior to 1924 - 25, manufacturing statistics included both private and government concerns.
After 1924-25 only private manufacturing concerns are included in the industrial census.

Note 2. As an economic measure the industrial census was not taken in 1930-31 and 1931-32.

FIGURE 9. GROWTH OF THE POPULATION
1904 - 1967



Source: South African Statistics, 1968.
Compiled by the Buro of statistics.

CHAPTER 2

THE SOUTH AFRICAN TEXTILE INDUSTRY AND PARTICIPANTS FROM INCEPTION TO 1948

At the outset it is opportune to mention that in South Africa blankets can be likened to the tartans of the clans of Scotland. They identify certain tribes from the point of view of colour and design, they also have a ceremonial use as in the case of the Xhosa male circumcision ceremony as well as their main purpose of providing warmth. From the population statistics appearing in the Introduction the market potential will be appreciated.

The South African textile industry commenced as a blanket manufacturing industry, and the players in it from its "infancy" in 1821 when construction on the first mill commenced, up to 1948 will be covered in this chapter. The term textiles embraces the processing of cotton, wool, artificial fibres (e.g. polyester, nylon etc.) and bast fibres (e.g. natural fibres such as jute and flax). The individuals and mills involved in the industry in its early days will be introduced, with the wool and cotton industries having been referred to in Chapter 1, as well as the Textile Trade Union in 1932 and the formative years being 1942 / 48, of the Industrial Development Corporation of South Africa Limited (IDC).[1]

The inquiry into the blanket industry was part of the general investigation of manufacturing industries in the Union, undertaken by the Board of Trade and Industry on instructions from the Minister of Economic Affairs. The relevant terms of reference were published in report No 282 of 1945 of the Board. An investigation into "The South African Blanket Manufacturing Industry" was published in report 290 dated September 11, 1946. An investigation into the textile manufacturing industry was published in report 323 dated December 29, 1950, under the title "The Textile Manufacturing Industry". In report 303 dated May 1948 on the clothing industry, the felt hat industry was considered

---

[1] See Chapter 5.

and the knitting industry, being inseparable from the making up industry, was also included. The cotton wool industry and the withdrawal of certain rebate facilities in respect of certain felts was included in report 319 on Customs Tariff Amendments, 1950. These reports collectively cover the major part of the textile industry.

From the foregoing it will be realised that, whilst the blanket industry is very much part of the textile industry, it was in fact large enough to warrant an investigation into it, in its own right. At the date of the investigation, report 290, "textiles" in the form of fabric produced for sale by the yard, was relatively small and the only mill producing such fabric, was Harris Cotton Mills Limited, in Harrismith established in 1938. This is highlighted by the following statement:

"Leaving out of account the manufacturer of blankets and kaffir sheeting, the Union's cotton textile industry can be said to date from 1947, when the first mill (see Glossary) started to manufacture. In 1948 two further mills started and in 1950 a further five. Several more mills are projected, and they should reach the manufacturing stage in 1951".[2]

Table 1 : Development of the Blanket Industry from 1933 - 1942

Year	1933/34	34/35	35/36	36/37	37/38	38/39	39/40	40/41	41/42
No of Mills	12	12	12	12	13	15	16	16	16
No of Looms	1122	1150	1191	1210	1250	1233	1292	1335	1306

Source: BTI Report 290, 11.9.1946, p 7. Para 26, extract from Table 1.

The production capacity of the industry should not have been measured by the number of mills in existence, but by the number of looms. Sight must not be lost of the fact that there were second-hand looms operating.[3] It is against this background that the industry must be viewed over the period 1933/1942.

2 BTI report 323, paragraph 45, p.24.
3 BTI report 290, Chapter III, para 16 p.4.

It is significant that the number of weaving looms are mentioned but there is no mention of any spindles (see Glossary) in operation in BTI report 290. This could indicate that the spinning capacity of the industry must have been fairly insignificant, as spinning of yarn is a vital part of the production process. This report refers to weight, measurement and values in, lbs, yards and Sterling monetary values (the Imperial system). The metric system was introduced on February 14, 1961 in South Africa. The currency is in the form of Rand (R) and designated internationally as ZAR, with measurements being quoted in meters and weight in kilogrammes

A schedule of the early textile companies in South Africa is set out in table form, annexure 1. What follows is a brief history of each company apart from those companies covered in future chapters .

The first textile mill established was in Bathurst by the Bradshaw Brothers in 1822 who were 1820 Settlers. There was a period of 53 years before the next mill was opened which was Waverley Wool Washing Establishment in 1875 in the Ceres / Wolsley area.[4] In 1890 an unnamed mill was opened in King Williams Town but there is another view that it opened in Grahamstown. In 1908 Howick Falls Developing Syndicate tried but failed to open a mill in Natal. The Harris family floated South African Woollen Mills in 1911 in Cape Town and in 1918 Rhodesian Rope Company registered in Durban with Morris Mauerberger[5] getting involved in 1920 with Woollens Limited (or Mimosa Textiles) at Hugenout. Afrikaner wool farmers opened a blanket mill, Nasionale Wol Industreë van Suid Afrika (Edms) Bpk., in Harrismith in 1922 with Cape Woollen Mills opening in 1924 in Cape Town to be followed in 1926 by Baker King Ltd opening Saftex (Pty) Limited in East London. Two mills opened in 1928, African Textile Mills Limited (Frame) Durban and Union Textile Mills Limited, Cape Town. In the same year Nasionale Wol Industreë van Suid Afrika (Edms) Bpk. in Harrismith was bought by the Harris family and renamed Standard Woollen Mills. Also in 1928 in Cape Town, Leopold Davidowitz and Lazor Kantor launched Union Textile Mills to manufacture blankets. The year 1929 saw Wentworth Textile Mills Limited (Wentex)

4 See Chapter 3, Harris.

deciding to open a mill in Jacobs, Durban which they did in 1930. In 1929 OTH Beier arrived in Durban from Germany and got involved in the wool exporting business which eventually led to producing felt for slippers, and from the felt waste, blankets were produced (see Chapter 3 on Beier). In 1930 the Australian company Felt and Textiles Ltd commenced operating in Durban under the direction of Roy Faulks. Felt and Textiles and IDC developed a close working relationship which is covered in Chapter 5. Smith and Nephew, the United Kingdom surgical dressing manufacturers registered a South African company in 1931, with Mauerberger opening a mill in 1932 in Johannesburg which he followed with another mill in 1933 in East London. Disa Textiles was opened in 1932 by Henry Duveen in Cape Town and eventually relocated to Pietermaritzburg in 1942 where it traded as Duveen & Sons (Pty) Ltd. Frame formed Consolidated Textile Mills in 1934 with its head office in the Durban industrial suburb of Jacobs. The Bailes family opened a mill in 1936 to produce twine and cordage and at a later stage added the manufacturing of hessian bags to their range. Harris Cotton Mills Limited was founded in 1938 at Harrismith by the Harris family of Cape Town. In 1943 Amato Textile Mill was established in Benoni, by the Amato family in conjunction with IDC, one of their rare financial failures. United African Cotton Industries, formerly an IDC undertaking, opened in about 1943 in Benoni. The Richardson family in Port Elizabeth under the chairmanship of Sir Leslie Richardson were expanding their activities and in 1944 they entered the wool washing industry when they opened Richardson Woolwashery. On the cessation of World War II, Morris Mauerberger bought two mills in Lancashire in 1945. In Pinetown, Natal in 1946 D. Pegler and Sons was opened by Don Pegler and Paul Blakey to manufacture stockinet, also known as mutton cloth (see Glossary) which was exported to New Zealand and they eventually increased the range of products by adding dish swabs and canvas fabric (see Glossary). Also in 1946 George Epstein opened Silknit (Pty) Ltd in Durban and this company was eventually taken over in 1952 by British Celanese/Courtauld's and changed its name to South African Fabrics Limited. Maurice Mauerberger, who by now was no longer part of the Consolidated Textile Mills Group, opened Worcester Textiles (Pty) Limited, producing

---

[5] See Chapter 3, Maurberger.

blankets, rugs, sheeting and towels in Worcester in 1947. The year 1947 was significant in that it saw the first carpet mill being established in South Africa. This was a joint venture between Felt and Textiles and the Carpet Manufacturing Company (CMC) of Kidderminster, England, to manufacture Exminister and Wilton broadloom carpeting and rugs (these rugs were to be used as floor covering, as distinct from rugs/shawls that were manufactured by blanket mills). This company is still operating and trades as Ulster Carpets, the South African company now owned by Ulster Carpets of Portadown, County Armagh, Northern Ireland.

Having identified the mills which opened, and in addition failed to open or went insolvent they will now in be dealt with in more detail (see Annexure 2). Chapter 3 deals with Harris, Mauerberger and Beier and Chapter 4 is devoted to the colossus of the industry Philip Frame.

When the 1820 Settlers landed at Algoa Bay, now Port Elizabeth, the brothers Samuel and Richard Bradshaw and Isaac Wiggall from Gloucestershire who travelled on the "Kennersky Castle" were in their midst, with Samuel being their leader . They settled in Bathurst, between Grahamstown and what is today known as Port Alfred, then Port Frances. Samuel was a weaver who by December 1821 was building a mill (see Figure 1) from local stone and the timber used was yellowwood and sneezewood. The roof of the building was North Wales slate, which had been brought to Port Elizabeth as ships' ballast. The double storey mill measured 5 m by 4 m internally. The machinery that was installed was a spinning machine and loom, from Gloucestershire which was driven by a 5.4 m water wheel. A weir was built up stream on the Bathurst River and was diverted to a millrace which directed the water onto the wheel. Downstream from the mill a stone building was erected for the washing of the raw wool, which was obtained from local producers. The mill

Figure 1: Bradshaw's Mill, Bathurst, Eastern Cape

(Courtesy Port Alfred Publicity Association) was operating by May 1822 and it produced woollen blankets and Kersey cloth (see Glossary) which supplied the needs of the local inhabitants of the border area. Kersey cloth was similar to melton (see Glossary) and was well known as it had been in existence since the days of Edward III (1327 -1377) and through the reigns of Henry VIII and Edward VI.[6] The mill produced these articles up to 1834 when it was burnt down in the Sixth Frontier War by the Xhosas, and did not recommence manufacturing. It still stands today (2000), as the stone walls withstood the flames, and is being restored as a working museum. In 1970 the building was declared a National Monument with the help of the Van der Stel Foundation.[7]

There was a period of 53 years before the next mill was opened which was Waverley Wool Washing Establishment of 1875, started by William Wallace Dickson on his farm "Waveren" in the Wolseley/ Ceres district of the Western Cape, where wool was washed and blankets produced on six looms. A small old-fashioned 60 hp water turbine, the power source of which was a water wheel, drove the mill (see photograph Chapter 3, Harris, Figure 2). The mill was staffed by a European foreman and about 20 coloured workers who were housed on the farm. By 1897 the company was experiencing financial difficulties and the property was re-possessed by the Bank of Africa who held it as security for funds provided.[8] The company was sold by the bank to a Scot, James Gray, who died at the age of 50, in 1909. Gray had rented it to Joseph Chadwick, the manager of the farm "Waveren", who later became the first works manager for South African Woollen Mills Limited. Finance for the operation was provided by Charles Ward Hutton Norton who changed the name to Waverley Wool Manufacturing Company and the blankets sold under the brand name "Waverley", currently in use, which must make it one of the oldest brand names in South African textiles, if not in the whole of South African industry. The partnership of Chadwick and Norton was eventually dissolved in c.1911 when Wolf Harris moved in. From its founding Waverley had met with mixed fortunes up until the Harris family took it over in 1911.

---

6 Mercury Dictionary of Textile Terms p.97
7 Lower Albany Historical Society, Bathurst, the curators of Bradshaw's Mill hold the title deeds to the property
8 M Kaplan p.284. *Jewish Roots in the South African Economy.*

From then on it was a success story as it was the beginning of the South African Woollen Mills Limited, dealt with in Chapter 3.

A further period of 16 years elapsed (from 1875) before the next (un-named) blanket mill was opened in King Williams Town in 1891.[9] The mill intended to sell its products to black rural customers in the Eastern Cape. Production ceased during the Anglo-Boer War (1899 – 1902) and the company did not resume after the war, through lack of capital.[10] David Draper who is reputed to be the first person to mine coal in the Newcastle district of Natal, established a woollen blanket mill, which also produced woollen trouser material, at Lennoxton in about 1892 resulting from an advertisement stating that a wool business in Grahamstown had closed and machinery was for sale. He purchased the machinery as it was in excellent condition and was driven by water power. He sited the mill on a farm through which the Ncandu River ran, from which a furrow was cut to carry water to the mill to drive the machinery. Female weavers from Scotland were used to produce good quality blankets and cloth and the company traded as Lennoxton Woollen Factory. One of the reasons for establishing the factory in Newcastle was because there was a large depot for wool, hides and skins housed in a huge wool shed owned by Parker, Wood and Company, subsequently purchased by S Butcher and Sons, large Durban general wholesale merchants, which meant that there was always a plentiful supply of wool. They also had an agency at Memel in the Orange Free State, which coincidentally was the name of the town in Lithuania where Philip Frame was born. As there was no telephone or telegraph communication with Durban this problem was overcome by using pigeon post between the two centres to conclude business. It would appear that the mill was operating in 1905 when the manager was a Mr Kemp but there is no definite date as to when it ceased operating.[11]

---

9 J Maree p.25, 1994.*Towards an Industrial Strategy for the South African Textile Industry* PhD thesis, Department of Sociology, University of Cape Town.

10 Board of Trade and Industry report 290, dated 11 September, 1946, Chapter 1, p.1 on The South African Blanket Manufacturing Industry.

11 Doreen Russell. Interview August 1999.

Another version is that the mill was moved to Lennoxton, Newcastle Natal, in 1897 from King Williams Town.[12] An article by Mr William Beardall of Newcastle published by "South African Commerce and Manufacturers' Record"[13] gives considerably more detail. The Chairman of the company was Mr Frank Greaves who with six colleagues, including Sir Thomas Watt, constituted the Board, the secretary was Mr P.van Breda and Mr J. Reyburn was the factory manager. The auditors where Messrs A. Cameron and J. Nottman. Lennoxton was three miles (5 km) from Newcastle (today it is a suburb of the town). In 1899 the firm received £3000 from the Government (Natal) and its business proceeded so favourably that the directors thought of opening a branch factory in the Harrismith District of the Orange Free State. On the outbreak of the Anglo-Boer War the mill was closed down. No reason is given for this but it would appear that the outbreak of the war was one of the reasons, but not the sole reason. Other circumstances mentioned by Mr Beardall which prompted the directors to close the business was having to give long credit to small store keepers, and endeavouring to conduct the business on both wholesale and retail lines. This required substantial capital, of which the company was short. The blankets were too heavy and expensive because of the material used, and the lack of adequate machinery to which must be added the fact that the method of manufacture was somewhat primitive. Compounding these problems was the competition generated by wholesale merchants who were able to hold almost the entire market. Yet another problem the owners had was that the only driving power was water, which resulted in the machinery having to stand idle during the dry season.[14] In view of the different versions as to how a mill came be established in Newcastle, the only certainty would be that in fact it did exist for a period of time, but whether it originated in King Williams Town or in Grahamstown is not certain.[15]

---

12 M Katzen, p 47.

13 July 1915 edition p.282

14 Not only did the company have a financial problem, but it also had manufacturing and competition problems -- a recipe for disaster.

15 The information on David Draper was provided in an interview with Mrs Doreen Russell, an amateur historian from Newcastle where she lived for many years. Lennoxton was a British Army base during the Boer War.
This company's failure is a pre-dated example of what Philip Frame was later to stress, namely that a supplier should have the financial resources, in order to carry the credit needed to be given to its customers when adverse circumstances arose. It

In 1908 Howick Falls Developing Syndicate was established to manufacture blankets in the village of Howick, Natal. The Chairman of the company was Mr John Bell, the secretary Mr J. M. Miller and the consulting engineer Mr Charles Legward. Power was to be generated by the Howick Falls. The power station was to cost £10,000 and the factory equipment £12,000. The capital of the company was to be 2,600 shares of £1 each. The water flow over the falls had been measured showing a variation between 26 million and 500 million gallons per day, compared with the requirements of the power station in the region of 38.5 million gallons per day. In order for the scheme to proceed it was necessary to obtain consent of the inhabitants of the village. A meeting took place in the agricultural hall, which is still in existence, see Figure 2, presided over by the Rev. W. Turnbull, M. A. when the proposed scheme was put to the villagers. The consulting engineer was present and answered numerous questions put to him by the meeting. Confidence in the scheme was shown by a unanimous vote to give the syndicate power over the falls, subject to the conditions laid down by the (Natal) government. The company intended to blast out a power station at the bottom of a 300 ft shaft (see attached plan, Figure 3) with the mill about 800 ft from the top of the falls. The project was to take about two years to complete and would have given employment to "400 natives and 50 white men". In addition to providing employment, Howick and Pietermaritzburg would be provided with street lights free of cost, and should any inhabitants require their premises to be electrified this would be provided at cost. It was intended first to sell blankets to the local population and then to other centres, as approximately 300 000 blankets were

Figure 2: Agricultural Hall, Howick
Photo by the author

also illustrates the lack of planning by the owners in failing to recognise the inability to produce in the dry season, when there was insufficient water in the river to drive the turbines. The "river" in question is known as the Jordan, supposedly a small tributary, but more like "sluit" , of the Ncandu River.

imported every year [16] Three delegates from the meeting consisting of the Rev. W. Turnbull M.A., Chairman of the local Water Board, Mr Davidson and Dr von Mengerhausen were "elected to serve together with three shareholders, to wait upon the Prime Minister on (an unspecified date) Monday at 10 a.m. "The deputation was well received and given every encouragement."[17]

Afrikaner wool farmers in the Harrismith district of the Orange Free State in 1922 decided to start a blanket mill which they called Nasionale Wol Industreë van Suid Afrika (Edms) Bpk. This venture was a failure, as incorrect machinery had been purchased to produce blankets and by 1927 they faced bankruptcy. The Harris family, owners of South African Woollen Mills Ltd, became aware of the predicament the owners were experiencing and purchased the operation, renaming it Standard Woollen Mills Ltd. It became a subsidiary company of South African Woollen Mills Ltd. and is dealt with more fully in Chapter 3 on the Harris family.

---

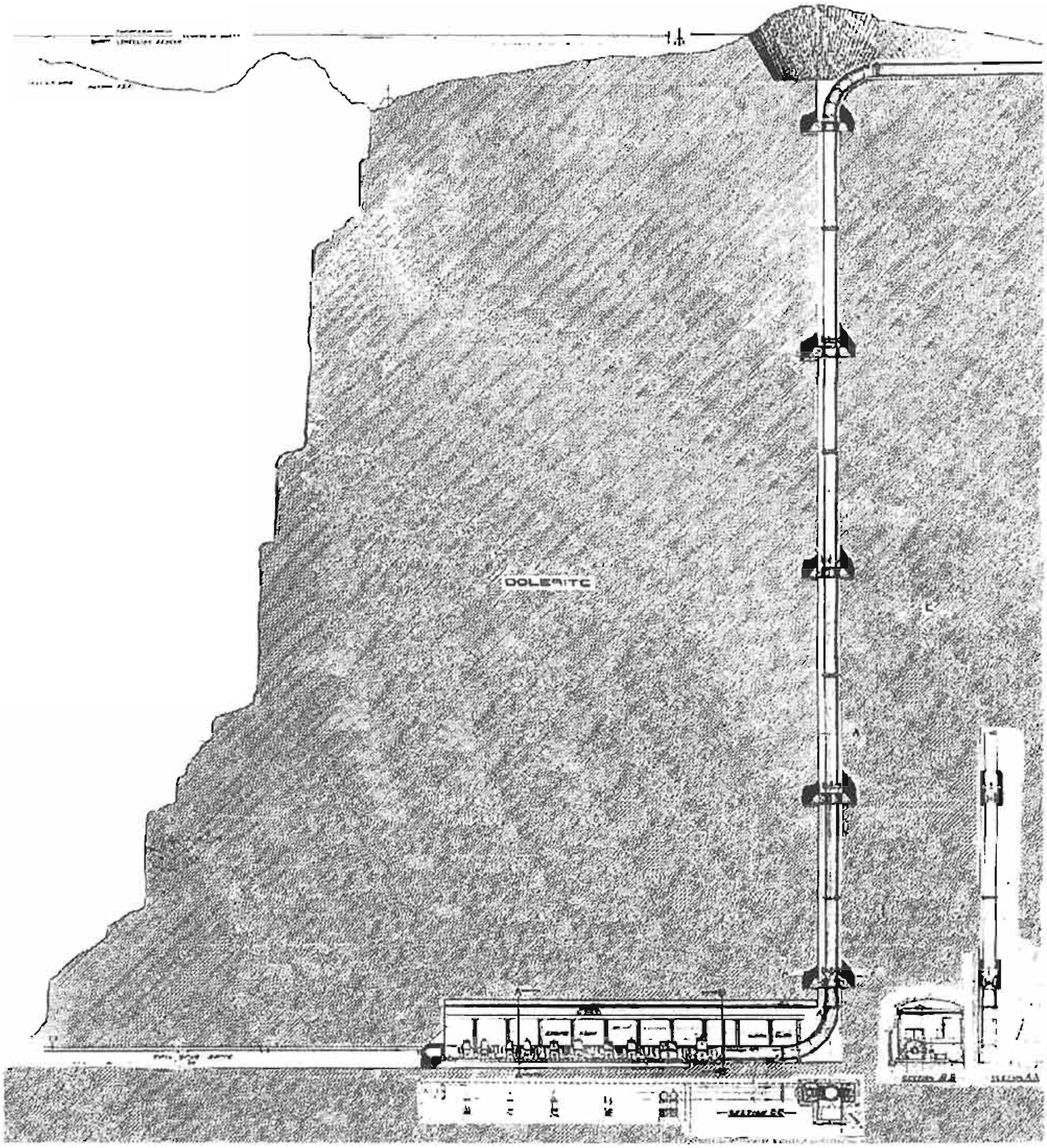
16 It is not clear whether this figure applied to the whole of South Africa or only Natal. In view of the fact that the mill was to be located in Howick, and its production sold to local inhabitants, it would be reasonable to assume that the imports referred only to Natal as the quantity is small.

17 Mrs Maureen Holland, curator Howick Museum and undated newspaper cuttings on the project believed by her to be the Natal Witness, estimated to be c 1908 / 1909. Mention is made that the blankets from overseas were produced from inferior wool or shoddy and that thousands of bales of shoddy were sent home. It can only be assumed that "home" was Bedford, England, which was the centre of the shoddy wool industry at the turn of the century. In spite of substantial research it has not been possible to find any reference as to why the project did not proceed. A possible explanation is that the minimum flow over the Howick Falls was 26 million gallons per day whereas the power station required 38.5 million gallons per day. From the thoroughness of the planning of the project it would be surprising if this, in fact was the reason, or that it could have been overlooked in the research stage. The 26 million gallons would be in the winter time, being the 'dry season' which would indicate that the mill would be unable to produce. No mention could be found of constructing a dam to store water to enable production to continue during the 'dry season'.

FIGURE 3
GENERAL ARRANGEMENT OF HYDRO-ELECTRIC POWER STATION
FOR
HOWICK FALLS PROPRIETARY LTD

SECTION AA ON GENERAL PLAN
SCALE 10FT TO 1 INCH

Charles Legward
Consulting Engineer
P O Box 3414 Johannesburg



Cape Woollen Mills Ltd. was opened in Cape Town in 1924 by the Daitz family[18] and Hippo Quarries Ltd. It subsequently transpired that the mill was badly sited as the blankets manufactured were sold to the Natal and Transvaal markets. This resulted in the company re-locating to Durban in 1930, to be near these markets and changing its name to Natal Woollen and Cotton Mills Ltd. After World War II it produced polyester / viscose fabric for the clothing factories for the manufacture of safari suits and trousers. Eventually the company was bought by the Frame Group.[19]

The introduction in 1925 of a new customs duty structure[20] on blankets, rugs, shawls and kaffir sheeting (see Glossary) was very significant as it had a dramatic impact on the industry. The duty was complex, being based on a combination of weight, content of cotton and shoddy (see Glossary) also on whether the blankets were new or second-hand. It was estimated that the duty increase ranged from 197.5% to 310%, which was very substantial, taking into account the raw material component of a blanket. The object of the duty was to promote the use of South African wool in the local blanket industry by excluding the importation of cotton blankets, mainly manufactured from shoddy in England and Belgium. This failed, and cotton blankets for some unknown reason were manufactured at the expense of woollen blankets. This could have been because a ready market existed for cotton blankets, or because of the difference of opinion between manufacturers on the suitability of South African wool for the production of blankets. One group believed that crossbred wool was better suited, as it produced a blanket with a "full handle" and " lofty finish" as found in the imported articles. Other manufacturers claimed that they achieved excellent results with South African merino wool blended with karakul hair.[21] This combination was used to

18 Not to be confused with the Ditz family of Durban.

19 Mervyn Daitz nephew of Victor Daitz a founder member Durban, July 1998..

20 Dr David Kaplan (not to be confused with Mendel Kaplan). PhD thesis, University of Sussex, England. "Class Conflict, Capital Accumulation and the State: An Historical Analysis of the State in 20th Century South Africa 1977 deals extensively with the difficulties, opposing views and length of time it took before the duties were introduced to protect secondary industry, Chapter IV (p.177)

21 BTI Report 290, page 6 paragraph 24.

produce blankets during World War II, when the cost of production did not seem to be a factor. Notwithstanding these different opinions, it was agreed that South African wool was too expensive as a raw material for the local manufacture of blankets and rugs.[22]

The increase in duty had the desired effect in that new mills were established to manufacture cotton blankets and not woollen as the government envisaged. The rush to open mills resulted in errors of judgement, regarding siting. In order to jump on the bandwagon the new mills were equipped with second-hand machinery because it was readily available. This meant that these mills were starting with oldtechnology and some of the looms were still operating in the early 1950s.[23]

It has been estimated in the BTI report 290 of 1946 that some of the machinery could have been at least 40 years old and a large proportion of it more than 30 years old, at the date of the investigation. The substantial tariff protection enabled the industry to operate in a "comfort zone" and consequently the industry did nothing to introduce more efficient machinery as the duty substantially reduced external competition, thus perpetuating the independent attitude that prevailed in the industry. By and large it still prevails today (2000). It is against this background that what could be considered the first boom in the South African textile industry took place, as will now be illustrated. The second boom really took off from 1949, driven by IDC, and is outside the scope of this thesis.

The largest general wholesaler in East London, Baker King Ltd. imported substantial quantities of kaffir sheeting. When the South African government in 1925, introduced high duties on this product they endeavored to overcome the duties by describing the imported fabric as "loin cloth", which carried a lesser duty but needless to say this description was eventually ruled against

22 Ibid page 15 paragraph 8.

23 A similar situation arose in 1962 when IDC financed the establishment of Cyril Lord (South Africa) (Pty) Ltd. in East London, which was a U K based company in the carpet manufacturing industry as opposed to the shirt fabric manufacturing industry, which they started in South Africa with "old technology". IDC was desperate to promote the governments apartheid policy and hence the inordinate "rush".

by the customs authorities. The outcome of this ruling was that Baker King decided to open their own mill in Chiselhurst, the industrial area of East London, calling it Saftex (Pty) Ltd which they did in 1926. Initially kaffir sheeting was produced but the product range was extended to include blankets and brushed sheeting as well as bed spreads.[24] In the BTI report No 290 page 2 paragraph 6 mention is made that Baker King found their position in imported Lancashire type blankets (see Glossary), being undermined by South African manufacturers selling quantities as small as a single bale (see Glossary) to stores, at the same bale price at which wholesale merchants purchased in bulk lots running into hundreds of bales.

Saftex expanded their operation by creating "The Beehive Group" manufacturing various diversified products so as not to be solely dependent on wholesale business. In addition to the textile range of products produced by Saftex, a substantial selection of soaps, embracing toilet, laundry and household as well as scouring powder and washing soda was produced by Foamex (Pty) Ltd. They also produced for Colgate Palmolive under licence until they were able to open their own facility. A pharmaceutical range was produced by Kowie Medicines (Pty) Ltd. Tea and coffee blending was also undertaken and marketed under the "Ambrosia" brand.[25]

---

24 Mr Alexander "Rex" Burnham-King, group production director.

25 An interview in East London, in August 1998, with Mr Alexander (Rex) Burnham-King, the grandson of Mr. Thomas Burnham-King who joined Mr. Baker of Bristol, England. Baker had a retail business called Baker Brothers in Grahamstown and King Williams Town. They founded Baker King (Pty) Ltd in 1861 as a general wholesaler operating throughout the Ciskei and Transkei. The company was eventually floated on the Johannesburg stock exchange. All his brothers and cousin were trained in the commercial world, and their university degrees embraced commercial subjects, whereas he opted to become an engineer.On graduating he took over all the manufacturing operations in the group. He also advised that Frame created fierce competition in the blanket and kaffir sheeting field, and that tremendous animosity existed between the respective groups. Furthermore the Baker King and Mauerberger Groups jointly endeavoured to "keep Frame at bay", without success. When Frame bought the Baker King (Beehive) group these companies were included in the purchase but Frame disposed of all of them only retaining Saftex.

In 1928 in conjunction with Baptist John Balladon of Vryheid, Natal, Philip Frame opened African Textile Mills Ltd (Afritex) to produce blankets in Durban. Frame had arrived in South Africa in 1925 and had worked for both Harris and Mauerberger in the Cape (see Chapter 4 Frame). Meanwhile, also in 1928, Leopold Davidowitz and Lazor Kantor (see photograph Figure 4) opened Union Textile Mills in rented premises in Woodstock, Cape Town for the same purpose. In 1936 that "company" was converted into a proprietary limited company and operated from a building owned by Davidowitz and Kantor (Daka Buildings (Pty) Ltd). They also became involved in the spinning of yarn through Kandee Spinning and Weaving Company (Pty) Ltd. using machinery purchased from the liquidator of National Spinning Company.[26]

Figure 4: Kantor and Davidowitz
(Courtesy Mrs Phylis Friedlander, Davidowitz's daughter)

The Belgian company, Geerinckx and Dahl, decided to open a textile mill in South Africa in 1929 to protect their southern African markets in the Congo, Swaziland and the Transkei and selected Escourt, Natal, as a manufacturing site. They approached the South African Railways and Harbour authorities to negotiate a reduced rail freight rate from Durban to Escourt for yarn imported from overseas to manufacture blankets. Their request was refused, resulting in a decision to establish their mill in 1930 at Wentworth, a recently declared industrial township in Durban's southern suburbs, part of which is now (2000) called Jacobs, which was incorporated into Durban in 1932. The company was registered as Wentworth Textile Mills

26 In 1937 a fire broke out in the raw material store and an employee ran from that end of the building to Davidowitz's office to tell him what had happened but by the time they got back to the raw material store the fire had taken hold. Davidowitz and Kantor never had a written partnership agreement and everything was shared equally. Davidowitz was known as Mr Dee and whatever venture they entered into they usually combined their names to create a company name i.e. Daka, Kandee (Mrs. P. Friedlander daughter of Davidowitz- interviewed in Cape Town, August 1998.).

Limited, which became known as "Wentex".[27] This was a successful operation and in 1935 it became a founder company in Philip Frames' "Consolidated Textile Mills Ltd". This is dealt with more fully in Chapter 4 on Philip Frame's Group. In 1929 0TH Beier arrived in Durban from Germany and his progress is dealt with in Chapter 3.

Meanwhile in Cape Town in 1930 two other companies were opened also to produce blankets. Both eventually moved to Natal. One was Disa Textiles, started by Henry Duveen which eventually changed its name to Duveen and Sons, where he employed his four sons, manufacturing blankets in Pietermaritzburg from 1942 and in later years produced towelling and towels.[28] The company was eventually bought by Glodina Industries Limited (Dano Textiles) Hammarsdale owned by the Balladon family, descendants of B. J. Balladon, who died in Durban in 1961 aged 85, Frames original partner. The other company was Cape Woollen Mills Limited which changed its name to Natal Cotton and Woollen Mills Limited on moving to Durban and was owned by the Daitz family and Hippo Quarries Limited.

In 1930 Roy Faulks arrived in Durban from Australia with a letter of credit for £150 (R1500) with the object of setting up an operation to manufacture felt. A factory was set up in Brickhill Road and later in the 1930s it expanded into premises in Gale Street, Durban. During World War II it was difficult to import felt as it was being used for cartridges for the Allied war effort. John Phillips who graduated with a B.Sc from Hobart University in Tasmania was employed by IDC and after the war they backed Roy Faulks in producing felt in South Africa. John Phillips was responsible for installing the first wool carbonising plant in Uitenhage to produce felt and he had arrived in South Africa in May 1944 via Cairo in a Sunderland flying boat. Ironically he purchased a felt hardening plant from bombed out Germany in 1945, which had been producing cartridge felt for the German war effort. Felt and Textiles of Australia were now in full control of the South African operation. This was the commencement of the association between IDC and Felt and Textiles which

---

27 M Katzen p.49.
28 Paul Duveen, grandson, interviewed in Cape Town, August 1998.

FIGURE 5

THE FIRST BOARD AND FOUNDERS OF THE CONSOLIDATED TEXTILE MILLS LIMITED 1935

L.Geerinckx

E. Dahl

P. Frame

K. Gundelfinger
First Chairman

M. Mauerburger

A. Fisher

Source: Frame Textile Corporation Ltd. New Germany.

was to have far-reaching implications on the South African textile industry, and is dealt with more fully in Chapter 5.[29]

The United Kingdom company, Smith and Nephew Ltd, manufacturers of surgical products, registered a company in 1931 in South Africa but operated The United Kingdom company, Smith and Nephew Ltd, manufacturers of surgical products, registered a company in 1931 in South Africa but operated on an agency basis until 1953 when they commenced building their factory in Pinetown, Natal which went into production in 1955.[30] During the war years IDC ordered a cotton spinning and doubling plant, for their own use, which arrived when the war was over. As IDC no longer required the plant they founded a company called United African Cotton Industries Limited, in Benoni in which they had no financial interest to take over the plant.[31] This company was formed in 1943 in association with Union and Congo Industries Limited, owned by the Amato family.[32] Even though the war was raging Reuben Amato (who was a loner like Frame and Morris Mauerberger) established Amato Textiles in 1943 and he went on to establish the first cotton textile mill in South Africa in 1947, with two more constructed by 1948 and a further five constructed by 1950 with IDC Involvement. The Amato group was one of IDC's rare financial failures, in 1958 when a provision in excess of R2 000 000 was provided for in the accounts. The company was placed under Judicial Management and a successful reconstruction scheme was worked out.[33]

The Jewish contribution to the South African economy in general, especially prior to World War II was very meaningful, and specifically in the textile industry, possibly because of family associations going back many years (see Chapter 3 Harris and Chapter 4 Frame). During this period when the

---

29 Company archives. SA Woollen Mills.

30 Smith and Nephew publication, November 1989.

31 IDC Publication *1940/1970*, p.60.

32 E.A. Rosenthal, *Industrial Development Corporation South Africa Limited, 1940-1960: "The Story of the First Twenty Years"*, p.19.

33 In April 1958, a violent strike took place at the Amato Textile mill in Benoni This is dealt with extensively under the title "Batons and Bare Heads: the Strike at Amato Textiles, February 1958 by Philip Bonner and Rob Lambert, pp.336/65 in Shula Marks and Stanley Trapido, *The Politics of Race, Class and Nationalism in Twentieth-Century South Africa* (Longman, 1987).

foundation of the industry was being laid, the true pioneers who should be acknowledged for their contribution to the economy of South Africa, their adopted country, were the Harris family and the Mauerberger family. Others who made important contributions were Leopold Davidowitz, Lazor Kantor, the Daitz family and Henry Duveen, all from Cape Town and surrounding areas, and the colossus of the industry, Philip Frame, from Durban, who made an enormous contribution. Reuben Amato was another meaningful player in the industry in the Transvaal, and at a later stage in conjunction with IDC. In the case of Harris, Maurberger and Frame they came from textile families who had been in the business for generations.

The conditions under which Jewish families had to live and work is referred to in a contribution in Saron and Hotz, when C Gershater states "for the most part they left the land of their birth as refugees from the Tsarist persectuion and oppression.[34] Their living conditions were difficult with periodic catastrophes such as droughts, floods and fires as their dwellings had thatched roofs and timber walls,[35] and pogroms (1881). The Lithuanian Jew in particular was "enterprising and hard-working, they have been able to take advantage of opportunities offered by a new developing country". It is against this background of extremely difficult conditions in Lithuania and arriving in South Africa with all it had to offer by way of a warm climate, religious freedom and business opportunity that the success of the Jewish textile entrepreneur should be judged. The prized destination of the Lithuanian Jews was the United States of America. However, from as early as the 1860s, after having been stranded in England, because of difficulties with their passage to America, a number finished up in South Africa. "The standard procedure for immigration was for the men-folk to leave first and establish themselves and then be joined by their wives, (or prospective wives) children, and their aged parents and other relations". This was the route the Harris family took, namely Lithuania to England where they put down roots. When Solomon Harris was established in South Africa, his son Woolf joined him. The Mauerberger family established themselves in England after leaving Lithuania,

---

[34] Gershater in Saron and Hotz, *The Jews in South Africa*, p.60.

and from England they settled in South Africa. Moshe (known as Morris) arrived in Cape Town as a 15 year-old in 1905. This briefly summarises the background of the Jewish immigrants and the route taken and the method used to establish the family in a new country.

Having arrived in South Africa, and more specifically Cape Town, they entered a Jewish environment which was reasonably well established. "The (Jewish) community's roots lie in the arrival earlier in the nineteenth century of a small number of English and German Jews whose religious practice followed the 'German' (Hebrew *Ashkenaz*) ritual."[36] In 1891 the Cape Colony had a total white population of 376 987 of which 3007 were Jews of which 2597 lived in urban areas. The community lived in Cape Town proper as well as in the suburbs of Woodstock, Wynberg, Green Point, Sea Point, Maitland and Mowbray and the majority gave their birthplace as Russia and Poland. Their new life in Cape Town would not have been much different, except for the weather, from what they had been used to at home. They were living in a family environment with their meals following traditional Russian cooking and with a strong observance of the religious aspect of their lives. The language of the majority of the Eastern European community was Yiddish and alarm was expressed when the Immigration Restriction Act of 1902 was implemented as it did not recognise Yiddish as a "European language".[37] It was essential for the immigrant to be nationalised to signify their commitment to their new homeland and to avoid the problems caused by being classified as aliens.[38] Those who lived in the city did so in District 4, 5 and 6, or at least conducted their businesses in these areas.

Yiddish continued to be spoken by the majority of the community, but circumstances forced them to have a working knowledge of English.[39] There was great emphasis on maintaining the Jewish tradition from an historical,

---

35 Ibid, p.63.

36 Edna Bradlow, "The Anatomy of an Immigrant Community: Cape Town Jewry from the Turn of the Century to the Passing of the Quota Act", *South African Historical Journal* No 30-31, 1994, pp.103-127.

37 Ibid, p.106.

38 Ibid., p.107.

39 Ibid., p.108.

language, religious and ritual viewpoint.[40] With the passing of time, community structures were established such as the Cape Town Jewish Board of Guardians which was a watchdog over Jewish affairs, as well as finding employment and providing medical aid or loans for various purposes. Generally speaking the community was hard-working and law-abiding and "were hardy and active, showing a remarkable capacity for adjusting themselves to the conditions of South African life. Above all they regarded no legitimate occupation beneath their dignity".[41] The Jewish Cape Town immigrants, and their descendants, whilst living a traditional Jewish life did not isolate themselves from the rest of the community and embraced their new country contributing to its economic, cultural and sporting development

Non-Jewish industrialists who contributed to the industry were the Burnham-King family, owners of Baker King Ltd, East London, O T H Beier of Durban and the Balladon family of Vryheid, initially in conjunction with Frame, and later of Hammarsdale Natal, the U K company Smith and Nephew, the Australian company Felt and Textiles, as well as the Rhodesian Rope Company manufacturers of ropes, twine and matting at Jacobs, Durban, the forerunner of Ropes and Matting (South Africa) Ltd. Also in the twine and cordage industry was the Bailes family of Durban. A very important company was Geerinckx and Dahl of Belgium who traded in South Africa and founded Wentworth Textile Mills Ltd known as "Wentex".[42]

Other immigrants also were important to the pioneering phase of the textile industries such as O T H Beier. It is recorded that he landed in Durban with the equivalent of R100 (R1000).[43] The only other mention of how much money an immigrant arrived with is in relation to R. Faulk, the founder of Felt and Textiles, who landed in Durban from Australia with £150 (R1500) in the form of a letter of credit. It is a reasonable assumption that the textile

---

40 Ibid., p.111.

41 Ibid., p.115.

42 M Katzen, p.49 refers to Roos Geernckz & de Naver as the Belgiuan company that became "Wentex". Philip Frame's nephew, Philip Adiv, confirmed that in fact "Wentex" was founded by Geerinckx & Dahl.

43 Company publication Beier Group 1929 -- 1979 opening paragraph.

pioneers opened up business with a minimal amount of capital, (or none) and no doubt relied on credit from their various suppliers of their raw material.

Early Textile Industry: General Conditions

In dealing with secondary industry in the form of the textile industry it would be inappropriate not to briefly mention the clothing industry, as the two are inextricably bound together, perhaps not so much prior to World War II but certainly in the post-war era. At the turn of the century, clothing factories as we know them today did not exist but bespoke[44] tailoring was already active. The clothing industry has been identified as beginning in 1907 and moved through four distinct periods in its development, the first being 1907 to 1932. This was because imported goods were severely restricted during World War I which stimulated local manufacture of men's wear. The second phase was from 1933 to 1939 when employment rose from 14 276 to 18 250 mostly producing men's and boy's outerwear with women's wear accounting for a mere 10 per cent of total output. The third phase from 1939 to 1948 saw the growth of the clothing industry surpass that of manufacturing in general during the war years. Twice as many factories as that of the pre-war years were operating. By 1946 employment had reached 30 321 producing virtually all the clothing necessary for the country, with the exception of women's foundation garments and swimwear. In the immediate post World War II period up to 1953 the number of factories exceeded the number of bespoke tailors for the first time and by 1957 about 58 000 people were employed in the industry.[45] This comprised the clothing industry market into which the South African textile mills that were coming on stream, would sell. The wholesale merchants were also very strong in the post-war period and this represented a good outlet for the production of the mills. The clothing industry relied almost entirely on imported fabric and because of the affinity between South Africa and the United Kingdom substantial amounts of fabric was imported from that source as there was virtually no fabric manufactured in

---

44 Made to the customers' specification, for example a suit or jacket (*Collins Concise English Dictionary* 3rd ed., 1992, p.121).

45 The Policy of Protection in Regard to Textiles and Clothing, July 29, 1983, also known as the "Steenkamp Report" p.4 Chapter 2, paragraph 18.

South Africa for the clothing industry, other than melton manufactured by Maurberger. The customs tariff was structured into, Minimum, Intermediate and Maximum and had a Most Favoured Nations (MFN) category as well. The customs tariff allowed imports from the United Kingdom to attract the "Minimum" rate of duty which was to the benefit of both countries.

Secondary industry, especially blanket manufacturing took some time to attract the attention of government and any venture into this field had to be financed by the promoters from their own resources or in conjunction with a bank. It was not until 1925 with the election of the Nationalist / Labour "Pact" Government that some form of policy and planning and encouraging of industry came about. "This policy of import substitution helped to induce remarkable industrial development during the 1930s when, as was to be expected at that early stage, manufacturing centred upon the processing of primary products and the production of consumer goods (e.g. blankets) for the local market".[46] It was against this background that the fledgling South African textile industry, in the guise of a blanket industry, had to develop products and find customers in what was a relatively unsophisticated but price sensitive market. It was only after the conclusion of World War II when IDC (see chapter 5) commenced operating as a promoter of industrial undertakings that it was possible for industrialists, and especially those in the textile sector to get meaningful support from the government of the day.

It is opportune at this point in the thesis to deal with the blanket mills that were operating from the early 1930s as they were a small segment in the developing South African secondary industry and they were the foundation on which the important textile industry developed from 1947 onwards. The investigation of the industry published in the Department of Trade and Industry report 290 of 1946 was very thorough and critical of aspects of the industry during the inter-war years, but it did make mention of the profitability of blanket manufacturing. There were many facets to the industry and on examining them a clearer, and hopefully more rounded, picture will unfold.

---

[46] A B Lumby in Coleman, p.195.

The terminology "import substitution" was not used in the economic sense prior to World War II and when the government of the day imposed substantial import duties in 1925 this in effect enabled the blanket mills to manufacture products that replaced, or "substituted" certain imported articles. This protective duty really did kick-start the local blanket manufacturing industry. In the Steenkamp Report "import substitution" is specifically referred to, viz: "economic development may be stimulated through a policy of import substitution or export promotion or both. It is useful to study the experiences of different underdeveloped countries in this regard. Two whose different policies and experiences may hold lessons for others are South Korea and Colombia."[47]

The blanket purchasing population, which was the original mainstay of the industry, was aimed at mostly the black inhabitants of the country who constituted in the region of 70% of the population. (Introduction Table 1). In terms of numbers they represented 3.5 million inhabitants in 1910 and 8.1 million in 1948. Prior to 1945 the majority of textile items produced were blankets, shawls and kaffir sheeting. There was almost no local spinning, and most of the yarn and raw material was imported. In practical terms the blanket industry should be looked upon as a 'sector' of the textile industry but prior to 1948 it could have been considered to be the "textile industry". This changed dramatically after about 1947, when a genuine textile industry, producing a range of basic fabrics, manufactured from wool and cotton, commenced developing.

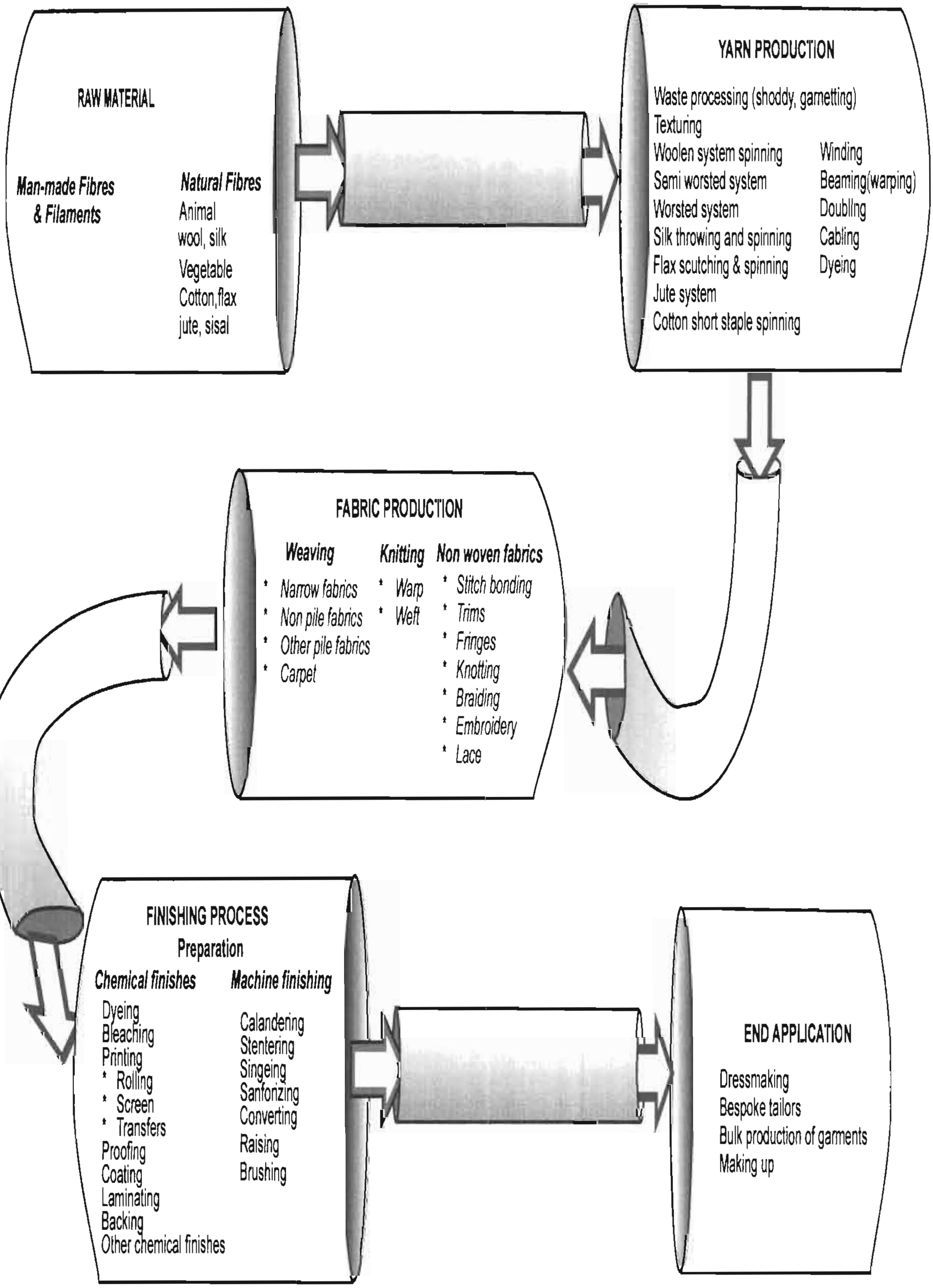
---

47 It is relevant to move forward in time when the then Minister of Industries, Commerce and Tourism, Dr the Hon. D.J. de Villiers appointed a committee to inquire into the Textile and Clothing Industries under the chairmanship of Professor W.F.J. Steenkamp. The report published by this committee became known as the "Steenkamp Report" and was released on July 29 1983. The contents of the report is outside the scope of this thesis, but mention must be made that it was a wide ranging investigation into all aspects of the textile, clothing manufacturing and clothing retail industries. In this report "import substitution" is specifically referred to: "economic development may be stimulated through a policy of import substitution or export promotion or both. It is useful to study the experiences of different underdeveloped countries in this regard. Two whose different policies and experiences may hold lessons for others are South Korea and Colombia".
The report carries on in great detail and deals with these countries industries being protected by high tariffs and import licences.

The emergence and development of textile mills will be examined and these are, by definition, mills that produced fabric for sale to either a factory, which processed it into a garment of some description, or to a fabric distributor who on-sells it in its original state, to a variety of customers. The selling and distribution network the blanket mills adopted was through the traditional wholesale merchants, as well as selling direct to retail outlets, provided they could purchase in sufficient quantity.

When reference is made to a textile mill it applies to the production 'pipeline', depicted in this chapter, Figure 6 that exists in a mill. The common 'pipeline' is the preparation of various natural raw materials such as wool, cotton, flax (for the manufacture of linen) also synthetic fibres which embraces polyester, nylon, rayon, acrylic etcetera. These synthetic fibres can be used on their own, producing a one hundred per cent synthetic fabric or be mixed and blended with natural material, such as wool, cotton or flax. The next stage is the spinning of the raw materials into yarn, followed by the weaving or knitting of the yarn into fabric. Finishing, which is determined by the end use of the loomstate (griege) fabric, can incorporate a range of processes for example, calendering, sanforising, printing, dying, mercerising and stentering (see Glossary). The fabric is then ready for the various applications in the clothing industry, industrial use, or household goods application or for geotextile use (for example the stabilising of infrastructure such as roads, and in mine-filling), etc. The blanket manufacturing process follows the same procedure as that of any woven fabric but at a point in the manufacturing process it is "brushed" (see Glossary) to give it the soft "handle" that is associated with blankets. After a blanket has been manufactured it is packed and eventually sold in shops as a "finished product" and nothing further is done to it, which results in it being classified as a "consumer product" which will explain why in the statistical information in this Chapter the production is measured in units and not in yards, as is the case in kaffir sheeting. There are exceptions, for example, when blanket material is produced in piece lengths to be used in the manufacture of duffel coats for warmth.

FIGURE 6. THE TEXTILE PIPELINE



Source: Alasdair Elliot,Dept of Textile Technology, Natal Technikon, Durban 1999.

Textile mills fall into two categories firstly, vertical or integrated, and secondly horizontal, irrespective of the product they produce. A mill that processes the raw material right through to the finished fabric is referred to as an integrated, or vertical mill and one that purchases yarn and weaves or knits fabric from it, and perhaps finishes it, is known as a horizontal mill, which was how South African mills operated up to about 1948. At one stage the vertical mill method of production was very common, but following the progress made, worldwide from the 1970s, in technical equipment, and specialisation in the various fields, such as spinning, dying, printing and finishing became even more competitive the tendency arose to "out-source" various products and services thereby reducing the capital outlay and staff required to operate a mill.[48]

This thesis will refer to specific mills and their products, (unless the mill in question has requested that its name remain confidential), as it is difficult to get a proper picture of the textile industry by naming mills collectively as is usual. In some cases the mills are direct competitors and in others there are a wide assortment of fabrics produced, which do not meet in the market place as competition, and by giving the name of the mill that produced the fabric a clear picture will emerge.

The problems that the textile industry encountered were enormous, some of them being self-inflicted, because of its reaction to government protection, which covered up inefficiencies in the mills, by way of duties and import permit restrictions, with permits being required from the 1950s. Local clothing factories were always at loggerheads with the South African textile suppliers certainly from about the 1950s onwards over late, erratic, unreliable delivery, high prices, inferior quality and a lack of variety of fabric, not to mention inaccurate piece lengths appearing on invoices. There was no doubt that mills had numerous problems in financing their operations owing to the enormous initial capital required for land, building and equipment as well as the working capital necessary for the day-to-day operations. Mention must be made that in South Africa the textile industry, including blanket manufacturers,

48. Interview: Alasdair Elliot, Technikon Natal, Textile Technology Department.

has traditionally been forced to give extended credit to customers and terms of 120 days from the date of statement was quite normal. Even these generous terms were not always honoured by the textile and blanket mills customers. Generally speaking, extended credit terms apply in all South African industries.[49]

Another problem that the industry has is that South Africa is mostly a "summer season" country as it has a very short "winter/ cold season" which means that any operation depending on winter trade (such as blankets) requires substantial funding to carry it through a fairly short retail selling period, perhaps four months (January /April) and then give extended credit, as previously mentioned. If it can not produce items that can be sold in the South African summer, or exported, to balance its production and thereby generate cash flow it will require substantial finance. This problem has plagued the industry since its inception.[50] As the "textile industry" was predominantly a blanket industry up to 1948 it will be realised that probably for seven to eight months of the year minimum invoicing took place, but operating costs continued.

The financial position of the industry in 1935 reflected a capital investment of some R1 817 000, an annual turnover of R1 652 000 and expenditure of approximately R1 602 000, made up of materials for manufacturing purposes, salaries and wages, mill charges, administration, selling and distribution expenses. Those employed in the industry totalled 2 668, made up of : white males 545, white females 929, Asiatic males 294, coloured males 261, black males 639. Conditions prevailing at the time indicated that the industry was in dire need of some radical alterations to its structure before it could become a significant entity in the economy of the country, which was a factor recognised by those closely associated with the industry. The heavy capitalisation

49 Philip Frame dealt with the subject of credit terms and why a company requires cash reserves, in various reports to the annual general meeting of shareholders. See Chapter 4 on Frame

50 On February 12, 1999 in the Business Section of the Mercury the Frame Group report for the six months ending December 31 1998 stated "The situation has been exacerbated for the past six months by an unusually warm winter which dampened the sales of winter goods".

required to enter the textile industry could have accounted for the fact that South Africa had developed industrially in other directions, as 90% of its immediate pre-war requirements of cotton textiles were imported, principally from the United Kingdom and Japan. There was no doubt that the shortage experienced during the war years emphasised the country's dependence on imported textiles and that the remedy to overcome this problem lay in the development of a local industry. Against this background it is not surprising that the industry grew in the immediate post-war period although difficulties were experienced in obtaining machinery and materials. Until 1949, about 90% of the country's cotton textile requirements were being imported mostly from the United Kingdom and the United States of America which re-placed Japan as a supplier.[51] These imports totalling around R135 000 000 per annum represented about 20% of the total imports of South Africa, which was still one of the largest markets in the world for textiles. By 1949 the investments in assets by the local industry totalled around R 21.2 million, made up of land, buildings, plant, stock, trade debtors and other liquid assets. There were about 75 890 spindles,1 200 looms and the production capacity was in the region of 70 000 000 yards of woven fabric, and 8 000 000 lbs of yarn. Up to 1948 there was virtually no spinning carried out in South Africa, the majority of the yarn required was imported.[52]

From the turn-of-the-century and, particularly from 1911, Wolf Harris through his South African Woollen Mills Ltd was the only South African blanket manufacturer and consequently would have enjoyed a local monopoly. However he would have faced competition from imported articles sold through the wholesalers. It was not until 1920 when Morris Mauerberger entered the field, that Harris had a local competitor. Even then it was not a direct competitor as Harris was producing woollen blankets and Mauerberger cotton blankets, each selling into a different market. The opening of Nasionale Wol Industrieë van Suid Afrika (Edms) Bpk. at Harrismith in 1922 would have

51 This confirms the limited amount of "textiles" produced locally.

52 What makes this information particularly significant is that it was researched by Henry Coelen the Chief Executive Officer (1956-1965) of the Frame Group, see Chapter 4, and not by a government department or any outside agency but by the leading company in the textile industry in South Africa. Interview with Coelen.

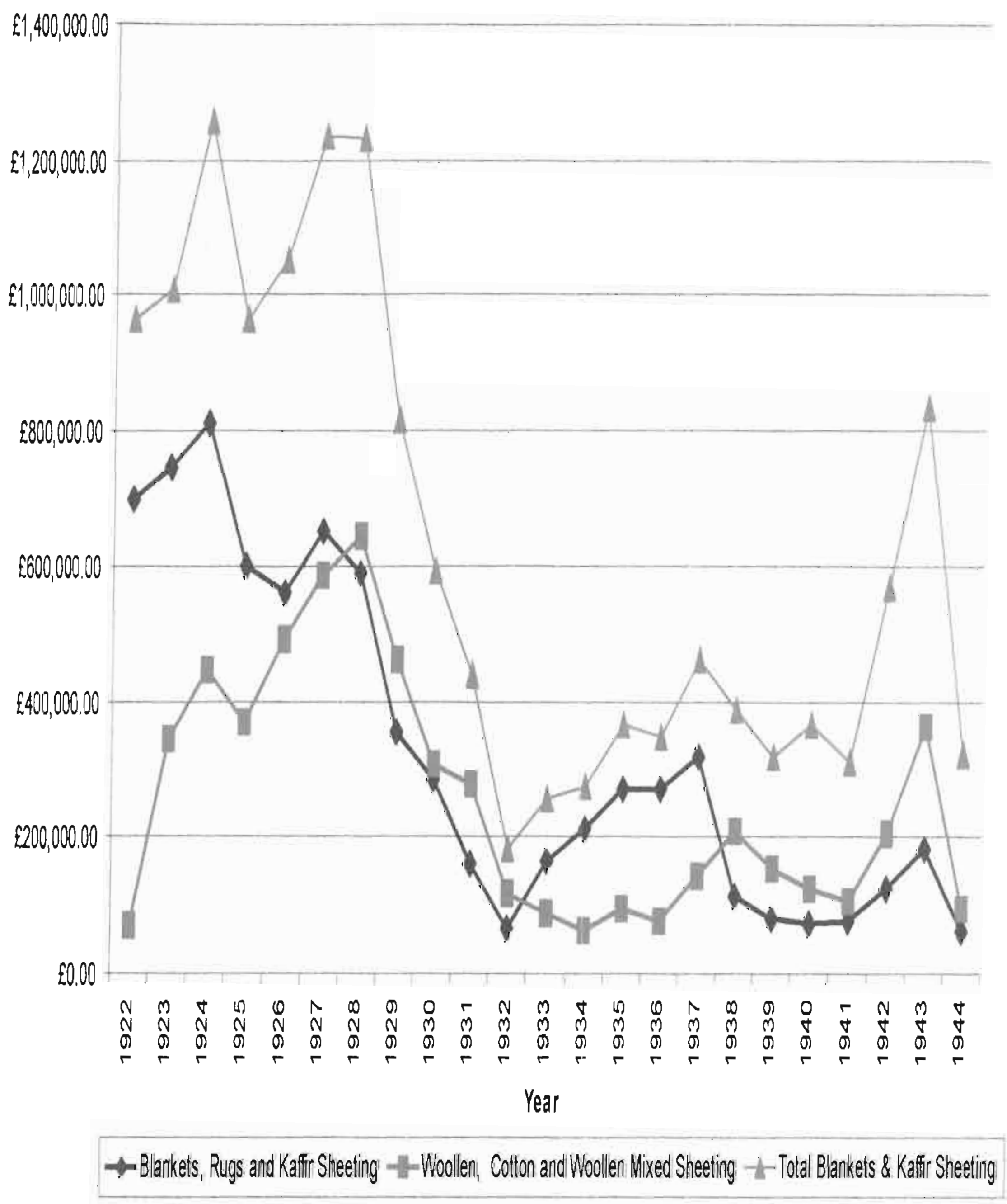
made very little impact on the total market, as the machinery was not suitable for blanket production, which would have indicated production problems regarding quality and no doubt unreliable deliveries.

The graphs that follow will illustrate the fluctuating conditions that the industry experienced from 1922 onwards not only in the roller coaster ride that was experienced in sales. but also in consumer demand for blankets produced from various raw materials. The industry was emerging from its fledgling state and was having to compete with the imported article, as well as blankets produced by numerous local mills that were trying to "jump on to the bandwagon" which was created by the Pact government introducing high duties.

The value of imports of all types of blankets, rugs and kaffir sheeting from 1922 to 1944 inclusive are depicted in Figure 7. What is interesting about this graph is the high level of total imports in 1924, the decline in 1925, the year in which the high duties were introduced by the Pact government, and then a steady increase in imports again up to 1928. Over the four-year period from 1928 to 1932 imports nose dived, which could have been attributed to the new duties taking effect, production from new South African mills and the economic impact of the depression. Imports never again remotely reached the level of the 1920s and what is surprising is the peak in 1943 when World War II was in full swing and no explanation is given for this. The value and weight of imported sheeps' wool by the blanket industry is depicted in Figure 8 with the weight increasing from 1934 to 1938, thereafter reducing substantially to 1943. This reduction could possibly have been because of the lack of shipping space during the war years.

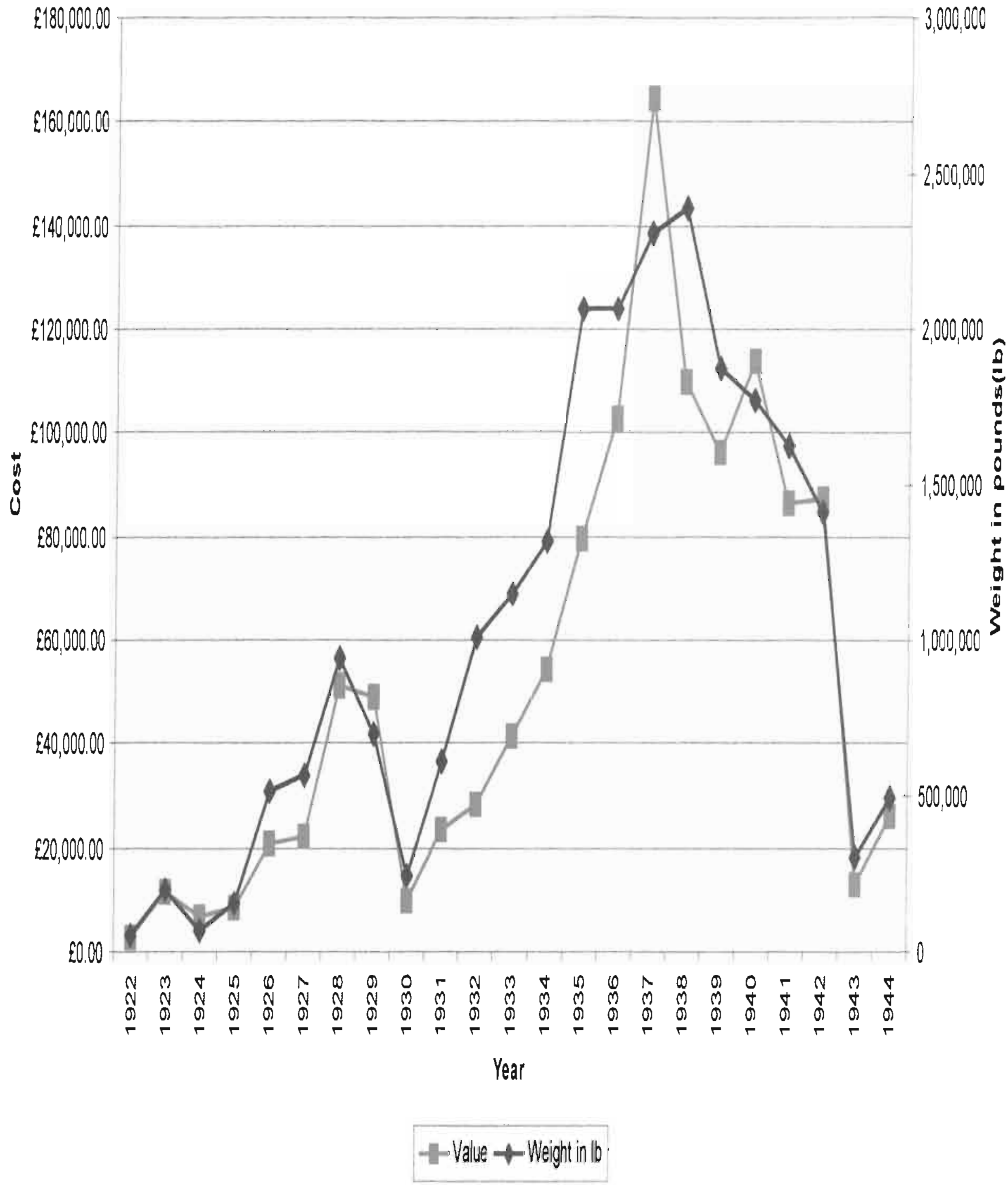
The comparison between the values of imports Figure 7 and locally manufactured blankets, rugs and kaffir sheeting is clearly illustrated in Figure 9 for the period 1933 to 1941 inclusive. By now new mills which came into existence because of the 1925 duties would have been fully operational and the effect of the new duties would have worked their way into the buying

FIGURE 7. VALUE OF IMPORTS OF ALL TYPES OF BLANKETS,RUGS AND KAFFIR SHEETING



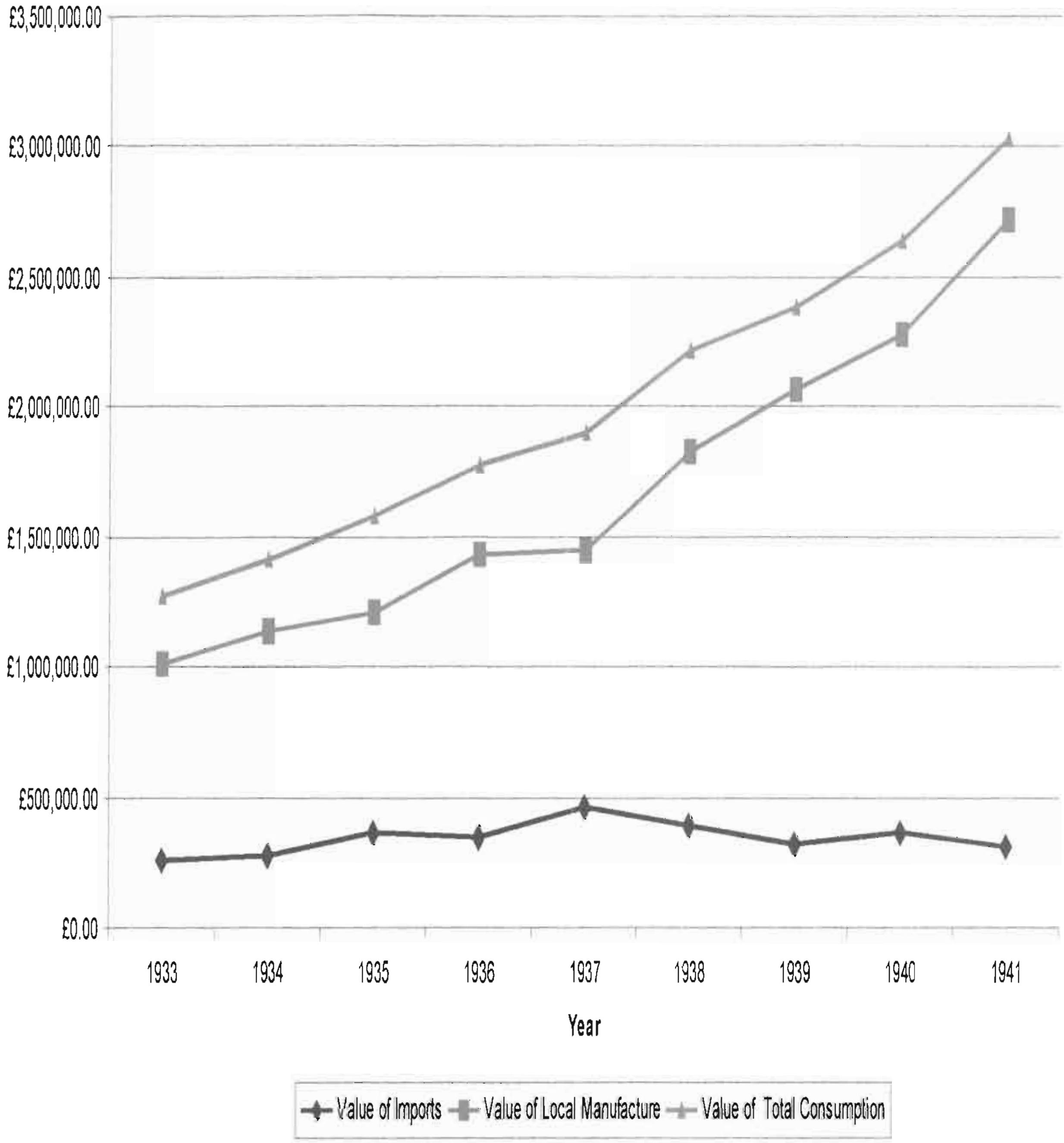
Source: Extracted from B.T.I. Report 290, 11 September 1946, p9,TableIV.

FIGURE 8. VALUE AND WEIGHT OF IMPORTED SHEEPS' WOOL FOR BLANKET MANUFACTURING



Source: Extract from B.T.I. Report 290, 11 September 1946, p9, Table IV

FIGURE 9. COMPARISON BETWEEN VALUES OF IMPORTS AND LOCAL MANUFACTURE OF ALL TYPES OF BLANKETS, RUGS AND KAFFIR SHEETING



Source: Extract from B.T. I. Report 290, 11 September 1946, p9, Table V pattern of wholesalers, and the population of the country was increasing which gave the mills a larger market to supply. The gap between imported and locally manufactured merchandise continued to widen with local production growing as is illustrated in the following table.

Table 2

Value of imports as a percentage of value of total consumption

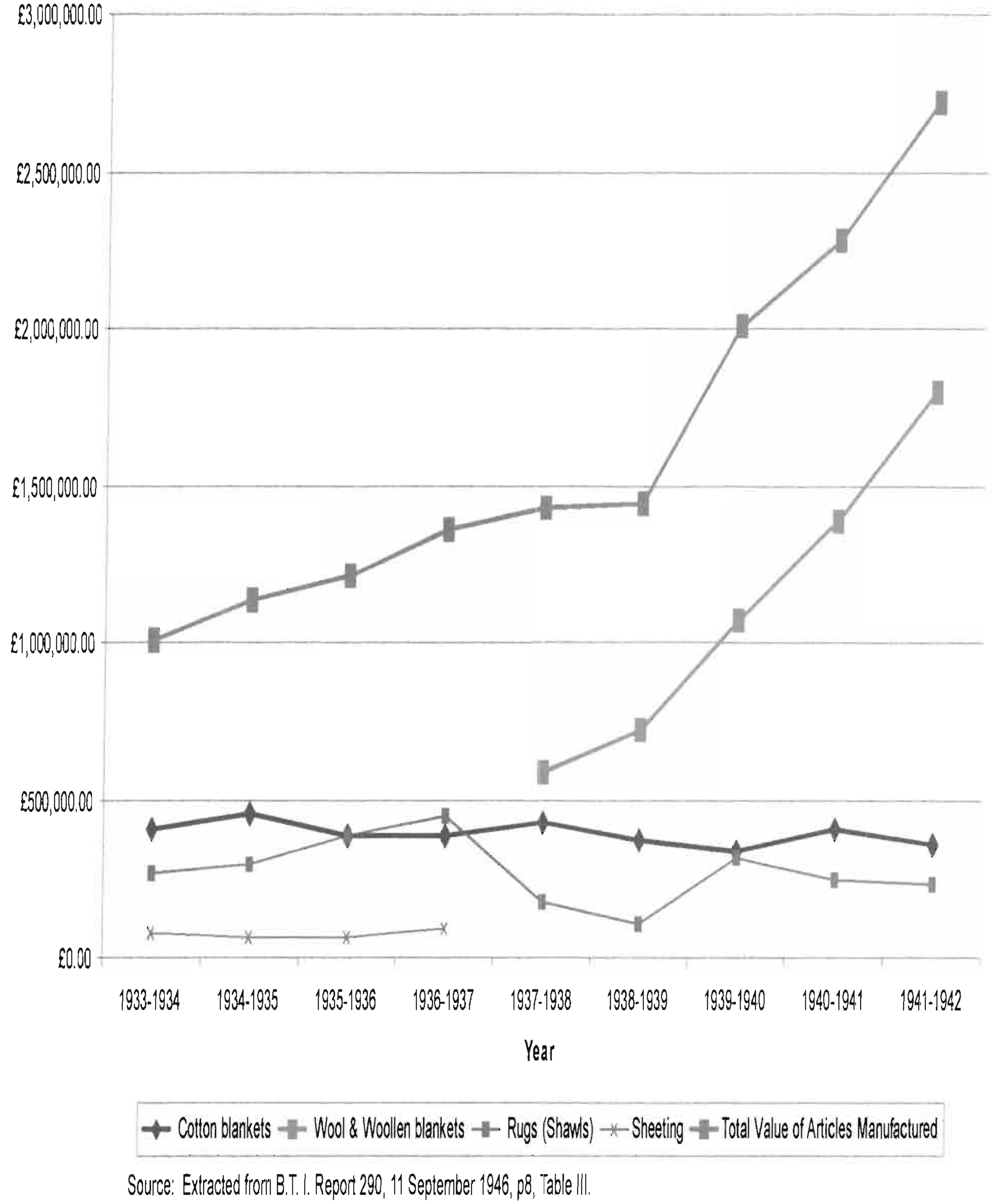
1933	1934	1935	1936	1937	1938	1939	1940	1941
20.1%	12.3%	23.2%	20.3%	24.3%	21.2%	13.3%	13.8%	9.9%

Source: BTI Report 290, 11th September 1946, 9 Table v (extract).

The information contained in Figure 10 and Figure 11 illustrates the value and quantity by category of cotton blankets, wool and woollen blankets, rugs (shawls), and sheeting. What is surprising is the sharp increase in the value of wool and woollen blankets sold from 1937 to 1942 inclusive as shown in Figure 10. The sale of cotton blankets remained constant from 1933 to 1942 whereas the sale of rugs (shawls) fluctuated, dipping in 1937 to 1939 and then recovering. No explanation can be found as to why statistics were not available for wool and woollen blankets, from 1933 to 1937 and for kaffir sheeting from 1937 to 1942 as these articles were in production in these periods. The rugs referred to are not to be confused with "rugs" that are used as floor covering. The rugs within the context of the blanket industry are also known as "blanket shawls "and are decorative and have a fringe. There may be an element of "overlapping" between rugs and blankets as one can substitute for the other, but they are normally purchased for the respective end use in that blankets are used as bedding for warmth, and rugs for wearing and decorative purposes.

Traditionally blankets were sold in bales (see Glossary) even though they are today packed in cardboard cartons, the term "bale" is still used with high quality blankets individually boxed. In compiling their statistics the BTI have not differentiated between the size of blankets and have referred to the total

FIGURE 10. VALUE OF COTTON BLANKETS, WOOL & WOOLLEN BLANKETS, RUGS (SHAWLS) AND SHEETING



Source: Extracted from B.T. I. Report 290, 11 September 1946, p8, Table III.

units produced. It must also be pointed out that kaffir sheeting was sold by the piece which was 40/50 yards in length and the width was 58/60 inches. The quantity required by the customer was then cut from the piece. Kaffir sheeting, being a "heavy" fabric, is normally used as curtaining but it is also used as an under sheeting for bedding or as a mattress cover, as well as being decorated and used as shawls.[53]

The graph clearly illustrates when the South African blanket industry was firmly established, which can be identified as 1934/35 when production was marginally in excess of 3.57 million units Figure 11. In its investigation the Board highlighted that the quality of the locally produced heavier blankets, when compared with the equivalent imported blankets, was not of the same standard. It considered the advisability of introducing quality standards.

This was never carried out because of the number of different fibres that can be used in the production of blankets and it was concluded that the application of manufacturing standards was not feasible.[54] Even though the quality of the locally produced blankets may not have been up to the standard of the imported article, it must have been satisfactory for a local mill to sell the quantity they did and for the industry to develop as it did. The industry was consolidating from 1933 and gathering momentum in the years immediately prior to World War II, as well as in the early years of the war, when there was a dramatic acceleration of the total cost of raw material used.

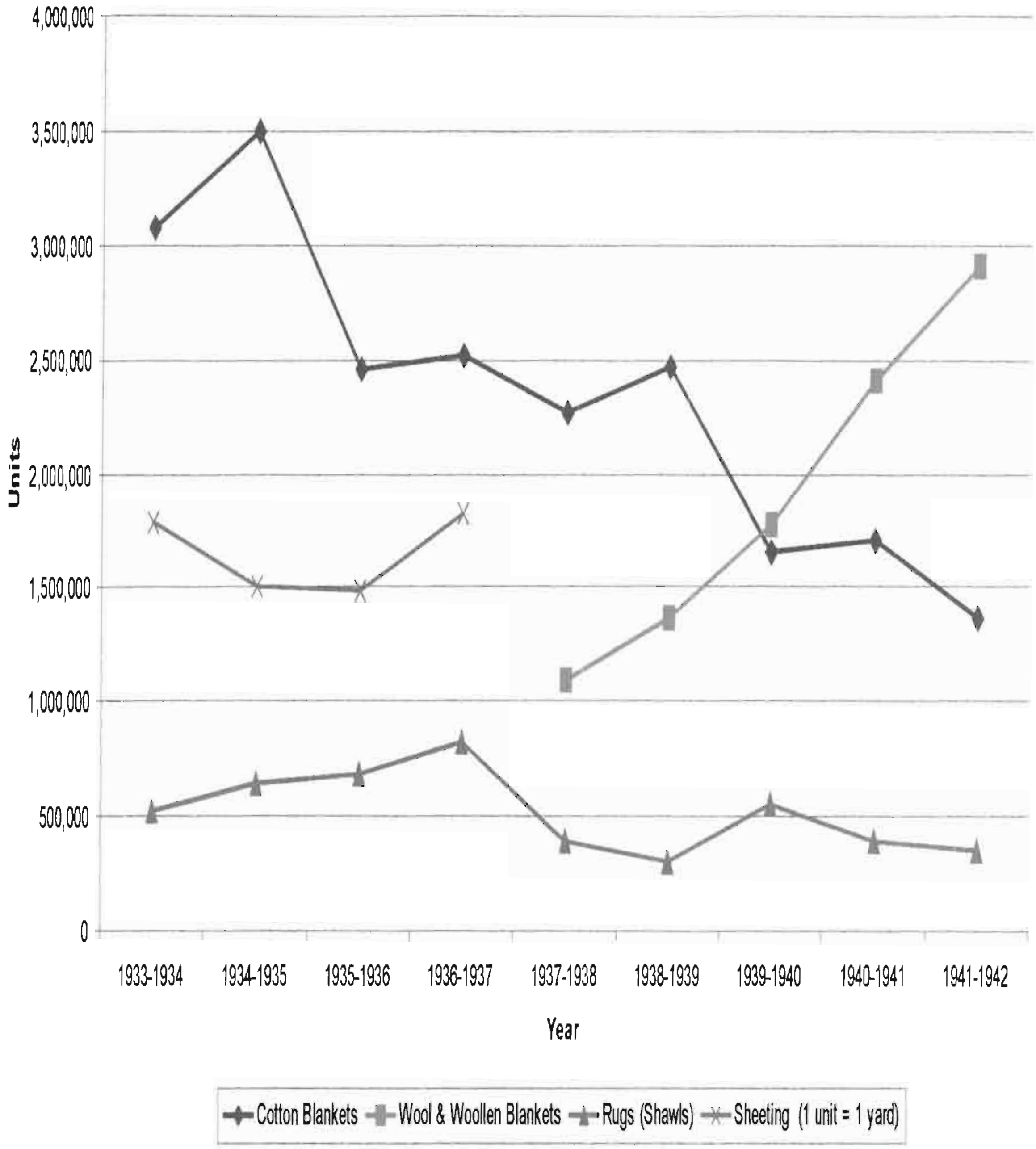
This could have been stockpiling and the realisation that the local material, mostly wool, could be successfully used, as is shown in 1941/42 in the value of the Union (local) material as a percentage of total cost of material. (Table 2) It is not unusual under war time conditions, for price to be of lesser consideration, as it is more important to supply a product, than to be

---

53 Stanley Bloch, retired Managing Director M Bloch & Co one of the largest distributors of kaffir sheeting in South Africa Interviewed in Durban, January 2000.

54 BTI report 290 paragraph 34 pp.11/12.

FIGURE 11. QUANTITY OF COTTON BLANKETS, WOOL & WOOLLEN BLANKETS, RUGS (SHAWLS), AND SHEETING MANUFACTURED



Source: Extracted from B.T. I. Report 290, 11 September 1946, p8, Table III.

concerned about production costs, in this case blankets, which were necessary for the war effort.

Table 3

The value of Union material as a percentage of total cost of materials was:

Year	1933/4	34/35	35/36	36/37	37/38	38/39	39/40	40/41	41/42
Union	33%	36	33	31	28	24	33	43	50

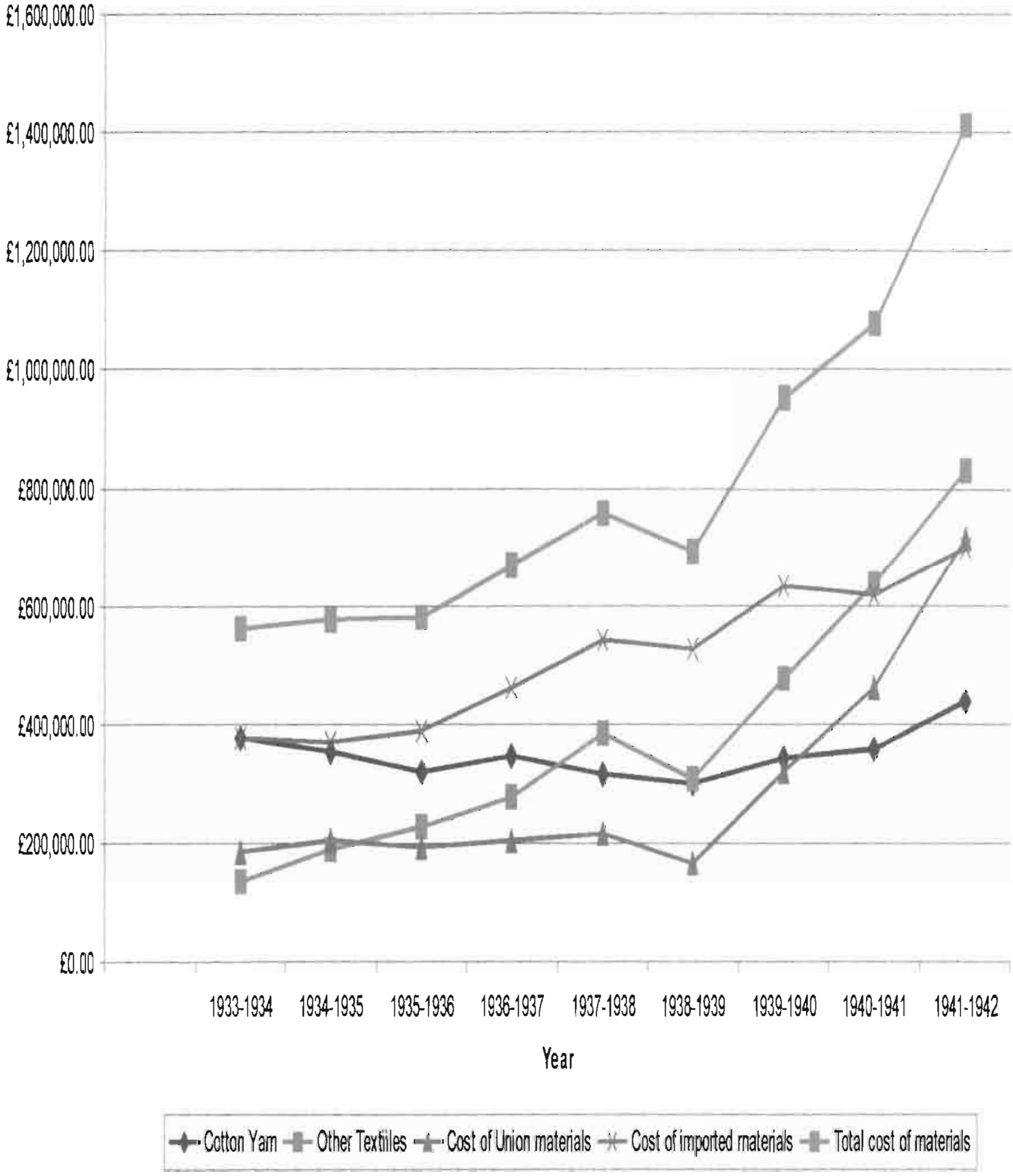
Source: DTI report 290, 1946, table 2, p.7.

The cost of materials referred to in Figure 12 is an assortment of wool, both imported and local, mohair, shoddy, possibly slipes and cotton yarn, as these materials in various combinations are used in the production of blankets, rugs, shawls and kaffir sheeting.

The usage of imported material to satisfy a commercial demand from 1933/34 to 1938/39 was fairly steady and catered for the growth of the industry. The cost of local material was steady but declining from 1933/34 to 1938/39. However in 1939/40 it had climbed considerably and had accelerated by 1941/42 the year in which it marginally surpassed imported material. The percentage of local material used in 1933/34 was 33% of the total cost and remained fairly constant until 1940/41 when it reached 42.5% and in 1941/42 it had reached 50.4%. There is no clear indication as to what constituted "local material" but by a process of elimination the bulk of the utilisation would have been wool, as there were virtually no spinning facilities to produce cotton yarn and garnetting (see glossary) machinery to produce "shoddy".

The value of cotton yarn in the years 1933/34, 34/35, 35/36, more or less equates to the value of imported materials. From 1936/37 to 1941/42 cotton yarn purchases were less than the cost of imported materials, including imports of crossbred wool. There was a shift in the raw materials, between

FIGURE 12. COST OF MATERIALS USED



Source: Extracted from B.T. I. Report 290, 11 September 1946, p7, Table II.

cotton yarn and "other textiles" and the report does not mention the composition of "other textiles" but it is a reasonable assumption that "shoddy" made up a significant amount of this category and possibly "slipes".

This assumption is based on the comments made in the "Summary of Conclusions and Recommendations" in the BTI report, viz :

- p.15 paragraph 6 "rags (for garnating into shoddy) imported into the Union are not always of the desired standard of cleanliness and steps should be taken to remedy this undesirable condition".

- p.16, paragraph 47. The Board recommends that :

- the Department of Public Health, as soon as suitable high-pressure disinfectors, or other efficient means of sterilisation, become available, enforce effective regulations for sterilising rag flock on importation into the Union. (p.16 paragraph 47(2)).

- The importation of slipes for the manufacture of blankets, rugs and shawls be prohibited. (p.16 paragraph 47 (4)).[55]

Prior to World War II (1939/1945), the textile industry was pioneered by individuals, such as the Harris and Mauerberger families, also Frame as well as South African corporate entities. In many cases these individual and family undertakings grew into very large corporate operations, but their roots were at entrepreneurial and family levels. The family influence began to wane after World War II when corporate institutions, spearheaded by the Industrial Development Corporation of South Africa Limited (IDC) a quasi-government body, (see Chapter 5) began to make its financial and political muscle felt in the marketplace, and especially in the textile sector. Other corporate entities also entered the arena but they were not politically driven, as was IDC, the government vehicle for implementing apartheid, but they were certainly attracted to the industry by the generous allowances, support and tax benefits

55 Source: BTI report 290,1946 table 2 p.7.

that were available through government policy. The post World War II corporate investors were strongly motivated by profits whereas the pre-war industrialists had a deeper attachment to their business and to the welfare of their staff, but by no means ignored the profit motive.

In broad brush strokes the pioneers who founded textile undertakings, including some successes and some failures, as is the case in this volatile textile industry, up to the outbreak World War II in 1939, is of great interest. The "textile explosion " that gained momentum from 1947, which was spearheaded by IDC, will be dealt with in Chapter 5 as it made a substantial contribution to the growth of the textile industry, in particular and the South African economy in general.

Before 1948 the industry had a variety of owners, with Jewish entrepreneurs from Lithuania, Holland and Spain. Most of the industry was located on the eastern seaboard of the country (See Map Figure 13) where a substantial blanket market existed in Natal, Ciskei and Transkei. By 1940 the industry provided 3 500 jobs (Chapter 5 Figure 1) The principal items produced were blankets, rugs and sheeting which provided South Africa with 90% of its requirements.[56] Competition between the existing mills in the period prior to 1945 was very fierce as stated by Neville Gotlieb, a great nephew of Woolf Harris, when interviewed in Cape Town in August 1998 and thus confirming his earlier statement: "but you could say that the gang warfare and in-fighting that took place between Lazor Kantor, Maurice Mauerberger, Philip Frame and the Harris Brothers was a story on its own".[57] Gottlieb, also stated that the Harris family decision to sell to Frame, as he was their main competitor and financially the strongest was the correct decision, rather than sell to Mauerberger. This is further borne out by Alexander (Rex) Burnham-King formerly the production director of Baker King Ltd. (Beehive Group), including Saftex, who advised me that his family and the Mauerberger family did all in their power to "keep Frame at bay " but were unsuccessful.

56 S. Shlagman, retired Executive Director of the Textile Federation of South Africa writing in September 1992 issue of the Angora Goat and Mohair journal p.27. Published by the Mohair Wool Growers Association, Jansenville, Eastern Cape.

On viewing the industry up to 1948, it was very volatile and initially dominated by the Harris family. The raw material used was wool and cotton with the woollen article catering for the more affluent members of the population being produced by Harris in his South African Woollen Mills Ltd. The cotton blankets which were purchased by the lower income group were initially produced by Mauerberger and later on by Frame and others. In addition to the locally produced blankets a substantial volume was imported and sold through the very extensive network of wholesalers throughout South Africa. The strength of the local industry lay in the fact that it was situated near its markets and it was capable of producing a product that the market wanted. A weakness lay in the quality produced by local mills when compared with the quality of the imported blanket. From a manufacturing viewpoint the blanket mills had to import the bulk of their raw material as the spinning capacity in South Africa was minimal. Ironically, it was necessary to import wool, notwithstanding South Africa being a major wool producing country. The wool used in blanket manufacturing was of a crossbred variety whereas the local wool was high quality Merino, and consequently more expensive than the imported wool, and more suited for worsted spinning for weaving into cloth, and not blanket manufacturing. The shortage of spinning capacity in the country was a problem and this is highlighted in Chapter 4, dealing with Frame. The opportunity was available for blanket, rug and kaffir sheeting manufacturers to exploit the market, particularly from 1925 when the new duties came into force.

What made this industry important, interesting and even exciting in its formative years was the type of "colourful personalities" who operated in it and especially the Jewish immigrants. The majority of them would be broadly classified as Russian Jews, even though they spoke German, but geographically they were mostly from Lithuania. The exceptions were Frame who was from Memel, which was a German port, prior to World War 1, that

---

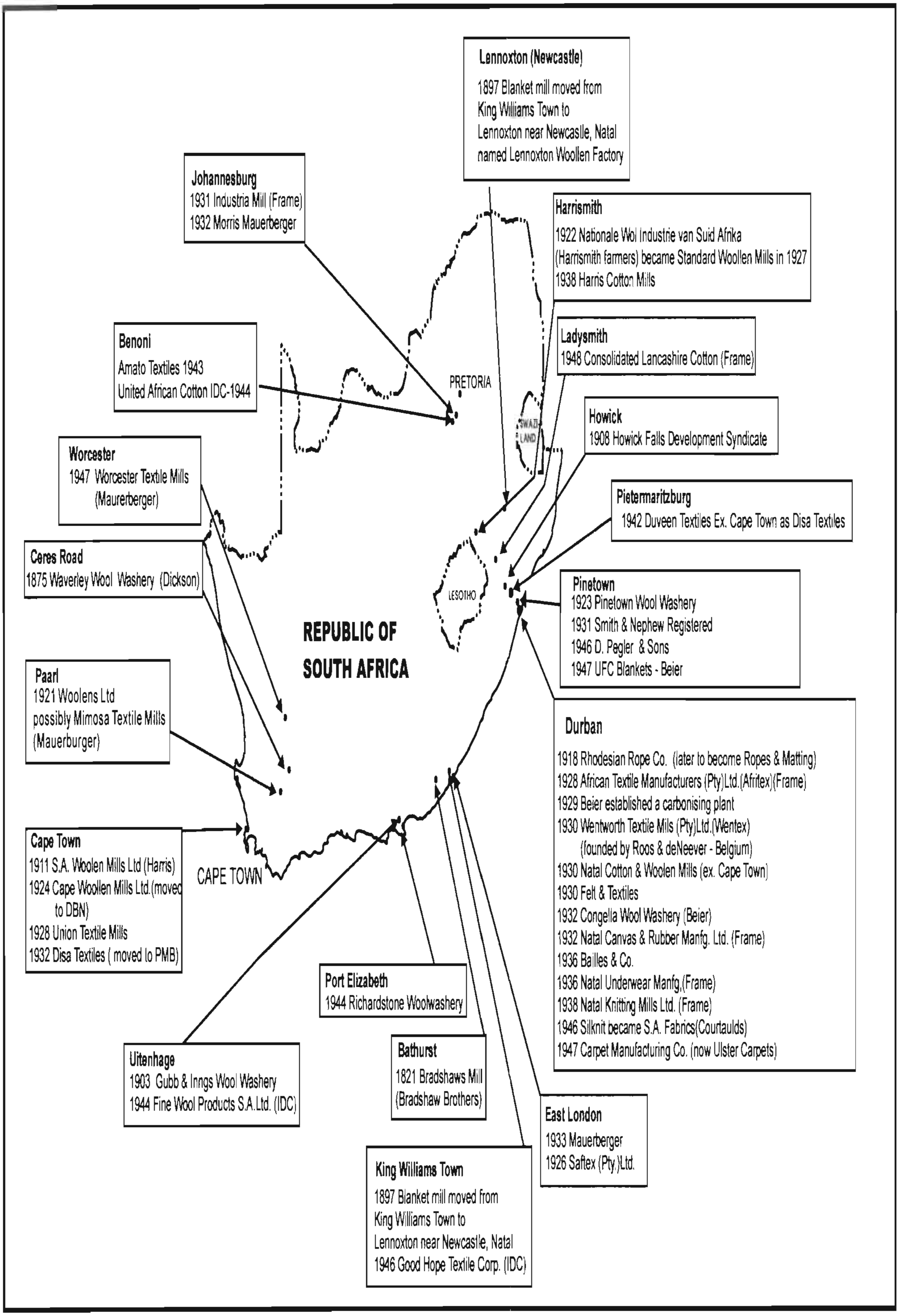
[57] M Kaplan, p.300.

served Lithuania,[58] Duveen from Holland and Amato from Spain. They also spoke Yiddish which contains numerous colourful and descriptive words which are currently in use in the textile industry worldwide, even by non-Jews, to describe people and fabric, such was their influence.

Notwithstanding the fierce competition that existed before 1948, highlighted by Gotlieb, blanket manufacturing, and its allied product, was financially successful for the mill owners as has been mentioned elsewhere.

[58] Bill Freund. Interview July 2000.

FIGURE 13: MILL LOCATIONS AND DATES OF OPENING



CHAPTER 3

PIONEERS OF THE INDUSTRY

This chapter will introduce three very important textile pioneers, all of whom were immigrants and German speaking. What will unfold about Harris and Beier is the family connections that were maintained within the business. Mauerberger also conducted a family orientated business but as four of his five children were daughters they did not get involved in the day-to-day affairs of his companies, whereas his only son did. His companies developed during an era when business affairs were run by the male members of the family and female involvement at management level was a rarity.

3.1 HARRIS FAMILY

As the Harris family was the first family to pioneer what could be referred to as the birth of the textile, and certainly the blanket industry they were indeed key players for many years. They were pacesetters in a very uncompromising and competitive industry where a company is only as good and successful as its last range of products and to grow, it needs to keep ahead of its competitors.

Figure 1: Woolf Harris (Courtesy Mrs Cecilia Raphaely, daughter)

The South African textile industry was small at the turn of the century and even into the early 1920s with most of the mill owners operating in Cape Town and its environs. Being a developing industry the mill owners knew each other and this contact was furthered by their involvement in Jewish affairs as they had their roots in Poland and Lithuania. They married into one anothers' families. For example Lazor Kantor married Janette, one of Maurice Mauerberger's four daughters.

Solomon Harris took his family to England from Lodz (formerly Laske, Kaplan), Poland, the biggest textile centre in the Russian Empire, in about 1880, when his son Woolf was about 22.[1] He was a textile worker as was his father, and the family had been involved in textiles for generations. According to Mrs Celia Raphaely, daughter of Woolf Harris and widow of Fritz Raphaely, there were looms in the home of her father in Lodz. The family went to England and then to South Africa where Solomon opened a trading store at Swartmodder, in what is now Northern Province. In 1881 he sent for his wife and children. When Woolf Harris was engaged in the textile business in London in 1910, he decided to commence manufacturing blankets in South Africa.

It is uncertain as to how he became aware that Waverley Wool and Manufacturing Company (Waverley) was for sale. By purchasing it this enabled him to achieve his ambition of manufacturing blankets in South Africa.[2] This blanket mill was situated on the farm "Waverin" in the Ceres / Wolseley area in the Western Cape and in 1911 he and his brother-in-law Jack Gesundheit moved from Cape Town to "Waverin".[3] (photograph Figures 2 and 3). The plant

Figure 2: The Waverley Wool Washing Establishment at Ceres Road before the First World War. Courtsey Mrs Cecilia Raphaely.

Figure 3: The Waverley Blanket Mill at Ceres Road, about 1913. The newer building on the right was erecte by the Harris brothers. (By courtesy of Mrs Cecilia Raphaely).

1 M. Kaplan, *Jewish Roots in the South African Economy*, p.285.
2 Company archives. SA Woollen Mills Ltd.

was small and old-fashioned and was powered by a 65 hp water turbine driven by water from a stream running through the farm. The staff was "a European foreman and about twenty non-Europeans who lived in little houses on the farm itself, constituting the total labour force".[4] Harris operated this venture for two years when another blanket mill was opened in Woodstock in a rented disused railway shed and both mills were incorporated into The South African Woollen Mills Limited (Figure 4). It was registered on 10th September,1912, as a public company, with a capital of £10 000.[5] The rented property was owned by the South African Railways and Harbours and was known as Craig's Store. This was occupied by the company until 1925 when the plant was re-erected in new premises in Mowbray, which still exists as an office complex, see photograph Figure 5 (Company archives). As the estate of James Gray, which included "Waverley" had to be wound up, Woolf Harris acquired an interest in the business, but did not own it. By 1912 he had erected an addition to the then very small blanket mill on "Waverin". It was only on July 29, 1913, that the estate was finally transferred to the widow Elizabeth Dorothea Gray and this was when Woolf Harris took transfer of the property from her. Woolf Harris and Jack Gesundheit then returned to Cape Town in 1913

Figure 4: The first factory of South African Woollen Mills Ltd at Salt River before flooding caused the Harris brothers to build another at Woodstock.

(By courtesy of Mrs Celia Raphaely)

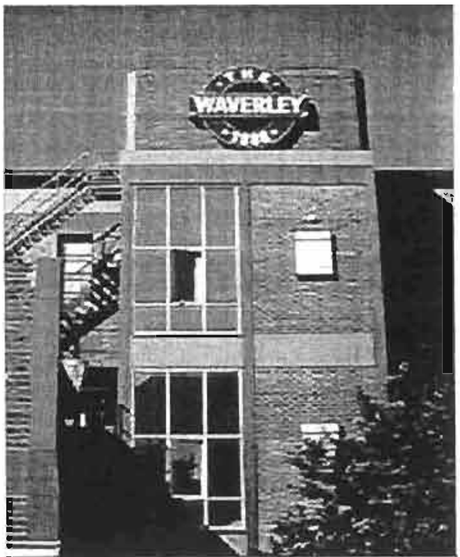


Figure 5: Waverley Mill, Mowbray, Cape Town. 1998

(Photo by the author)

3 Kaplan p.285.

4 Company archives. SA Woollen Mill Ltd.

5 (Company archives) Kaplan gives the date of going public as 1920 p.288, however the information in the company archives must prevail).

when a building had been erected in Beach Road, Woodstock and the Ceres operation was retained as a woolwashery.[6] A Cape winter storm in 1920 or 1921, wiped out the mill near the beach in Salt River and a large piece of farmland on high ground at Woodstock was purchased and a building was erected on it to house a replacement blanket mill.[7] Although the mill had been built some years previously and was in full production, it was only officially opened in 1925 by the Prince of Wales who was visiting South Africa.

The capital structure of the company has had some interesting movements, over a period of years, which illustrates how the group was financed as it developed and diversified . No mention is made as to how Woolf Harris actually raised money to purchase the assets of Waverley Wool Manufacturing Company. However it is suggested that his business venture with his father at Swartmodder was successful enough to enable his father (Solomon) to retire and for him (Woolf) to have sufficient funds to purchase "Waverley", an event which took place in his late 40s.[8] South African Woollen Mills Limited original capital of £10 000 was increased in 1920 to £200,000 when it became a public company.[9] There were 500,000 ordinary shares of 5/-each and 75,000, 7% cumulative preference shares (presumably of £1 each). There is no further recorded movement in the capital structure of the Group, until 23rd November,1927 when the directors were granted "B" shares of 1/-each, but the quantity issued is not mentioned. At the same director's meeting they were awarded a 10% bonus and the capital of the company

---

6 Kaplan p 285.

7 Ibid, p.288. In terms of the geography of Cape Town, Salt River and Woodstock are to all intents and purposes one suburb, as they run into each other. There is a degree of uncertainty regarding the buildings in which the Harris mills were housed over the years in Cape Town. The first building was constructed at Salt River and housed South African Woollen Mills Limited. Production was also taking place in a building known as Craig's Store in Woodstock (referred to above). When the Salt River building was destroyed by a storm in the winter of 1920 or 1921 land was purchased at Kotze Street, Mowbray where a building was erected and the machinery from the previous mills at Salt River and Craig's Store was installed. (Source: David Abrahams, a current employee of the Frame Group, who commenced working for Harris about 1948). Interview in Cape Town, August 1998.

8 Ibid, pp.286/7.

9 Ibid, p.288.

was reduced to £126 500 made up of 500 000 ordinary shares of 5/-each (£125 000) and 30 000 1/- "B" shares (£1 500). No mention is made of the approval of the Supreme Court of South Africa being obtained to reduce the capital of the company, which would have been required in terms of the South African Companies Act 46, of 1926 (as amended). It was also agreed to pay the preference shareholders their £75 000 on Dec 1, 1933. The next time the capital of company was changed was at a meeting of directors held on 3rd September,1936, when it was increased to £156 144 by the issue of 118 576 ordinary shares of 5/-each (£29 644). Just over three months later on 5th November, 1936 the capital was increased to £350 000 by creating 769 424 ordinary shares of 5/- each (£192 356) and 30 000 "B" class 1/-shares. It was decided on December 5, 1948 to form a separate company, Waverley Woolwashery Limited with a capital of £30 000. At a director's meeting on 30th June, 1954 it was recorded that the net profit for the Group was £194 189, the highest in its history. On 1st July, 1958 the capital of the Harris Carpet Manufacturing Company Limited was increased to £175 000.[10]

When the First World War broke out, the company received a large order from the military for blankets. It was unable to provide the finance for the purchase of wool and an appeal was made to the Union Government for assistance and a temporary loan of £5 000 was provided. The capital in 1912 was £10 000 so consequently a loan of 50% of its capital was quite substantial and the loan was guaranteed by the Treasury which enabled the company to purchase raw material to produce the blankets. For the first time in history a South African manufacturer produced blankets from South African wool for the South African defence force.

The Harris group of companies was managed and controlled by the family

10 (Company archives). It will be seen that on February 28, 1956 the capital of the Harris Carpet Company was £500,000 split between convertible notes and debentures. In view of the above statement that the capital was increased to £175,000 it must be assumed that the convertible notes and debentures had been repaid; however there is no record in the companies archives to this effect.

notwithstanding the fact that South African Woollen Mills Limited was registered as a public company. The family control is illustrated in the first meeting of the directors held in Cape Town in 1913 following the flotation of the company on September 10, 1912 with a capital of £10 000. The first year's profit was £557.12.4 which was considered " very satisfactory ".

Mr Woolf Harris - Elected Life Chairman and Managing Director

Mr Solomon Harris - father of Woolf

Mr Jack Gesundheit - brother-in-law of Woolf.

The Harris family comprised Solomon, the father, (died in Cape Town September 17,1950) the sons, Woolf, his wife Rose, sons Henry, Harry and Maurice, and Bella, a daughter born in Hove, England, who married Jack Gesundheit. Woolf's daughter, Hettie, married a medical doctor, Joseph Harte and he subsequently attended Leeds University[11] and qualified as a textile engineer.[12] It would appear that this was about the early 1930s. Dr Harte subsequently played a significant part in the history of the company. Woolf's other daughter Celia married Frederick (Fritz) Raphaely, eventually moving to Harrismith to run the mills in that town. (company archives).

Henry Harris, brother of Woolf, joined the board of directors on 1st February 1915 (died on January 21, 1954),and on January 18, 1917 Harry Harris, (died August 1939) , another brother joined the board and yet another brother Maurice, joined the board at the end of 1917 (died July 6 1950). Mr Joseph Chadwick who was a partner in the "Waverley", Ceres, operation before it was taken over by Woolf Harris was the first works manager of South African Woollen Mills Limited. When he died on July 29 1921, Maurice Harris, a non-executive Director, who previously owned an unsuccessful sock factory, joined the company actively, as works manager. On June 20 1921, Rose, wife of Woolf, was appointed to the Board. (company archives). At the annual general meeting held on 18th August,1936 Mr

11 Leeds University was recognised as a leading University centre for the study of the textile business.

Issy Harris and Dr J Harte were elected to the board of directors, both being family members, Harte by marriage. On 10th April,1945 Mr C. L. Harris and Mr Brasch joined the board. On 15th August, 1951 Mr S.C.E. Harris, grandson of Woolf Harris, joined the company and was appointed a Director on 15th September, 1953. On May 29, 1956 Mr Morris Alleson was elected a director of the company but he resigned on October 1, 1958 and Arthur Dunbar joined the board on June 25, 1957. Frederick (Fritz) Raphaely, son-in-law of Woolf Harris, was appointed a director on July 1, 1958.[13]

The main competition that the South African blanket industry faced was from imported blankets Harris produced pure woollen blankets using a certain amount of South African merino wool. The other blanket manufacturer Mauerberger, produced cheaper blankets made from a mixture of cotton and regenerated fibre known as "shoddy". There was no direct competition between Harris and Mauerberger as they produced blankets in different price ranges and quality for different markets, but there was fierce competition between them for skilled labour which was in short supply.[14]

There is no record as to whether or not the " skilled labour" referred to was white or "coloured". It was usual for the operators in the various departments (warping, weaving and finishing) to be "coloured" with the supervisory and technical staff being white. With qualified staff being difficult to obtain in 1925, Harris was pleased to employ a recently arrived immigrant, a 21 year old textile engineer who had worked in his family business in Lodz, also the home town of the Harris family,

---

12 Kaplan, p.286.

13 Company archives. SA Woollen Mills Ltd. In 1920 The company was ahead of its time in labour relations as it is recorded in the company's records that: "any employee was entitled to take up, each year, employees profit sharing certificates to the extent of 10 % of his annual earnings". (Source: company archives). It is not stated whether or not this profit sharing scheme was only available to the white staff, but the use of the word "any" is significant and can be interpreted to mean all staff, irrespective of colour

14 Kaplan, p.289.

by the name of Phillip Frame[15] who as will be seen was going to make an enormous impact on the South African textile industry.

In about 1922 local Afrikaner farmers started the first mill in Harrismith, Orange Free State to make blankets and called it Nasionale Wol Industrieë van Suid Afrika (Edms) Bpk. This mill came about because the farmers resented the fact that the buying and selling of wool was in the hands of wandering "smouse" (pedlars) who travelled around the countryside buying the farmer's wool clip, which was a profitable business. This venture was a failure as the machinery was not suitable for blanket manufacturing and by 1927 they were facing bankruptcy. The Harrises bought the mill and re-named it The Standard Woollen Mills Ltd which was floated on February 13,1928 (company archives). They proceeded to reorganise the company along the lines upon which they had been successfully operating The South African Woollen Mills Limited in the Cape. Before long they too discovered the shortcomings of the machinery. Total replacement of the machinery would have been costly, but the accidental outbreak of a "big fire" destroyed that part of the mill containing all the unsuitable machines in 1928. From the proceeds of the insurance pay-out the mill was re-equipped and continued to operate fairly profitably until just before World War Two.[16] The blankets produced by Standard Woollen Mills were of the patterned variety similar to those exported from England to Frasers Ltd, who owned a large network of trading stores in South Africa and Basutoland (now Lesotho). These blankets were not competition to Frasers who were the leading wholesalers and were followed by other wholesalers of lesser stature. Standard Woollen Mills were able to produce this type of blanket more cheaply than the imported article, also offering very good quality. Eventually Frasers bought the rights to the famous British blanket with the brand name "Victoria ", named after Queen Victoria and had it made under licence by the Harris Group.[17].The Harrismith operation was managed by Fritz Raphaely, son-in-law of

15 Kaplan, p.290.
16 Norris, pp.52/3.
17 Kaplan, p.297.

Woolf Harris.[18]

At a director's meeting on 9th December,1938 it was decided to erect a "cotton goods factory" to be named Harris Cotton Mills Ltd, in Harrismith. By now the labour force in the group had grown to 1 600 employees, from the original 22 on the farm "Waverin". With a labour force of this size a pension fund scheme was introduced on 3rd March, 1940 and a few years later on 10th April,1945 a sick fund (medical aid scheme) was implemented.

The Harris owned mills were very busy during World War II producing blankets for the war effort.[19] The war years interrupted the transition from one generation to the next in the Harris dynasty, as the younger generation served their country during World War II and therefore started their business careers some five years later than they would normally have done. Consequently they were not as experienced as would have been the case under normal circumstances. This interruption caused the group serious management problems which, along with competition from Philip Frame, resulted in Frame buying out the Harris empire. [20]

On 6th May,1947 it was decided to purchase the property at Ceres and to form a separate company called Waverley Woolwashery Limited with the capital of £30 000. On 3rd May,1949 a decision was taken to build flats for employees, which was in keeping with the Harris philosophy of looking after their staff. There is no record as to where they were built or whether the accommodation was for white or "coloured" staff but as flats were built it would be a reasonable assumption that the accommodation was for their coloured workers, who would have constituted the greater percentage of the workforce.

---

18 Christopher Danzinger, *A Trader's Century : The Fortunes of Frasers*.

19 Mrs Raphaely advised me that there was no problem with workers going on strike at her father's mill during World War II, but there were numerous demonstrations and problems with the pro-Nazi South African Grey Shirts at the Woodstock mill. This was because it was manufacturing blankets for the South African Defence Force and, in addition, her father was a Jew.

The story of the Harris family carries on beyond the termination date (1948) of the thesis in order to leave no loose ends in the Harris story in view of the take over by Philip Frame.

On 1st October, 1955 an agreement was signed with Bigelow-Sanford Carpet Company Inc of Delaware U S A to manufacture woven and tufted carpets under licence, and a new subsidiary company, The Harris Carpet Manufacturing Company Limited was formed with a capital of £500 000, operating in Woodstock.

An Extraordinary General Meeting of Shareholders was held on 28th February,1956 when approval was given for the issuing of :

a) £250 000 in 7.5% registered unsecured convertible notes of £1 each.

b) £250 000 in 6.5% debentures to be secured by the hypothecation under a First Mortgage of the landed property of this company situated in Cape Town and Harrismith. The convertible notes issue was underwritten by Syfrets Trust Company Limited.[21] The carpet company was formed to combat the fierce competition that blankets produced by The South African Woollen Mills Ltd were experiencing from the Frame group, and to further diversify the Group's product range in an endeavour to be less dependent on income from blanket manufacturing.

The Harris family were dealt severe blows by a series of deaths in the family. Maurice Harris died on July 6 ,1950 and his brother Woolf, the founder and driving force behind the Group, died on September 17,1950 and another brother, Henry, died on January 21,1954. Issy Harris, the then current Chairman, died on February 8 1957.[22] When Issy Harris suffered a stroke, Neville Gottlieb, who had just completed his textile degree at Leeds University, and was planning to obtain experience in America was immediately called back to South Africa to join the

---

20 Kaplan p.298.
21 Company archives. SA Woollen Mills Ltd.
22 Ibid.

business.[23] When Issy Harris died, he was succeeded as Chairman by Dr Joe Harte.

Competition in the blanket industry was fierce and relentless and this led to Philip Frame through his Consolidated Textile Mills Group taking over the Harris Group. The blankets produced in the Harris mills were of high quality, made from pure wool, and as such were fairly expensive. On the other hand Frame was producing blankets made from one hundred percent acrylic fibre, which were much cheaper than woollen blankets. They were equally warm and the "feel" was similar to woollen blankets. Frame was not dependent on profits from blanket manufacturing, as he had a wide range of other products, so was able to undercut the price of blankets produced by Harris who at that stage depended on manufacturing traditional woollen blankets to generate profits. The looms used by South African Woollen Mills were not able to be modified to manufacture blankets from acrylic fibre and the management of the South African Woollen Mills Limited, which was basically the Harris family, resisted manufacturing blankets from acrylic fibre. In order to spread their risk and compete with Frame they entered into the agreement referred to previously, with Bigelow-Sanford of America. However, this was not the sole reason for them selling to Frame. The numerous deaths in the Harris family compounded their problem, as they virtually lost their senior management in a relatively short space of time, when measured in terms of business management continuity, which had a negative effect on the business as well as the emotional effect on the family who were very "close" to each other.[24] Negotiations had been taking place between Philip Frame and Dr Joe Harte, the current chairman, of the Harris Group and it is recorded that when Frame and Harte finalised the deal over lunch in a restaurant it was signed on the menu of the restaurant.[25] Frame and Harte had lunch at the Royal Hotel in Harrismith merely to continue their discussions about the possibility of a deal, but they unexpectedly

---

23 Kaplan, p.298.

24 Derrick Issacson, interviewed in Sydney, Australia September 1996.who was the former Marketing Director of the South African Woollen Mills Limited and nephew of Woolf Harris's daughter Mrs Raphaely.

finalised their discussions which resulted in the restaurant's menu being used to record the transaction.[26]

The company formally recorded the transaction in its minutes as follows:

> Agreement signed between Dr J Harte, then Group Chairman, and Philip Frame J P, managing director of Consolidated Textile Mills Investment Corporation Ltd, and Natal Consolidated Industrial Investments Ltd, whereby the latter two companies agree to subscribe in equal proportions for 1 000 000 ordinary 5/-shares in the company, thus giving Mr Frame a 42.1% interest in the Group. This agreement was confirmed by Shareholders at an Extraordinary General Meeting held on the 16th March 1959. At the same time, the B shares were done away with and replaced by Ordinary Shares. The capital of the company thus became 2 400 000 Shares of 5/- each i.e. £600 000 ".

The date on which the agreement was signed is not mentioned in the minute, but it appears that this took place on 2nd February, 1959 and was ratified on 16th March, 1959 as stated in the above minute.[27]

During my interview with Mrs Raphaely, we discussed her father She remarked that she remembers him as a quiet person, devoted to his family, his work and that he was heavily involved in the Cape Town Jewish community, as well as being involved in the affairs of the city of Cape Town. She went on to say that he led a balanced life between his family, his outside interests and his work and he was certainly not a "24 hour seven days a week person" regarding his work. Above all he was not a controversial figure.

There is no disputing that the contribution the Harris family made to the textile industry in South Africa. They commenced production at the beginning of the century with a small labour force of 22 workers and looms, driven by water power finishing up in the 1950s with numerous mills producing a wide range of textile

25 Kaplan, p.300.

26 Interview with Neville Gotlieb 1998 in Cape Town.

products. The brand name "Waverley" still enjoys an excellent reputation (and is now the name of the rugby ground in East London) and for a brand name to still be in existence about a hundred years or so after it first went on the market is a unique achievement. The Harris family were also pioneers in providing their staff with accommodation, a pension fund and medical aid.

There is no doubt that the Harris family was the true pioneer of the South African textile industry. When the group was taken over by Philip Frame in 1959 the Harris dynasty ceased to function in the South African textile environment.

---

[27] Company archives. SA Woollen Mills Ltd.

3.2 MORRIS MAUERBERGER

Figure 6: Morris Mauerberger
Courtesy Mrs Estelle Yach (daughter)

When Morris Mauerberger became involved in the textile industry, in many ways he was carrying on a family tradition. He was a multi-faceted entrepreneur in every sense of the word with interests in a chain of retail clothing stores, vegetable canning, property, international trade finance (known as a "shipper"), building construction and eventually blanket manufacturing, which had to compete against imported products. His was the first mill in South Africa to weave melton and denim (see Glossary) fabric in limited quantities. He also attempted to enter politics in 1936 by standing for one of the four seats allocated to the disenfranchised black population, who could be represented by whites in the Lower House of Parliament. He was one of three candidates, the other two being D B Molteno and J T Thompson and they competed for the Cape Western constituency. Mauerberger is referred to by Edward Roux as "a big businessman, a textile manufacturer".[28] He goes on to state that the policy of economic development expounded by Mauerberger, in order to develop the Bantu was an excellent one, qualified by pointing out that it was strange coming "from a man whose only interest in Africans hitherto had been to sell them blankets". Molteno, who was supported by the communists, pointed out that when they attempted to organise the workers in Mauerberger's factories he had tried to play on the prejudice of the white workers and warned them against joining the union. Mauerberger had the support of some African leaders who appeared on his platform and spoke for him. The result of the voting was that Molteno won the seat "with a small majority", one report stated it was by a mere eight votes.

From the substantial profits generated from his numerous activities he created

---

28 E. Roux, *Time Longer Than Rope, a History of the Black Man's Struggle for Freedom in South Africa*, p.305.

"The Mauerberger Foundation Fund" in 1944, which still continues today, generously donates to Jewish and non-Jewish charitable, educational or religious institutions or causes. Half of the donations go to Israel with the balance being equally distributed in South Africa between Jewish and non-Jewish causes.[29] This brief introduction will illustrate the type of person Morris Mauerberger was... hard-working, successful, benevolent, philanthropic, but aggressive and difficult.

Mosche (Morris) Mauerberger was born on 24 March 1890 in the village of Lodzey (or Lazeia), Lithuania which was then part of Tsarist Russia. His father, Joseph was a retailer selling clothing fabrics and he also dealt in produce. Following the assassination of Tsar Alexander II in 1881, Russian Jews suffered from pogroms which prompted Joseph to leave Lithuania. He moved to England, leaving behind his wife Sarah, and three children all under the age of five. He opened a textile business in the East End of London, supplying fabric to the retailers and slowly gained a foothold. He paid periodic visits to Sarah, and the children, and in a short space of time they returned with him to London, one by one. The eldest son, Israel, was the first of the children to reach London, but not for long, as at the age of 14 his father sent him to the Witwatersrand, to relatives, where he arrived on 30 October 1895. He did not like Johannesburg and in 1899 (which saw the outbreak of the Anglo-Boer War) moved to Cape Town and in 1900 opened up a business as an "Importer of Drapery and Clothing" at 14 Harrington St. in 1902. He formed a partnership with his cousin from Johannesburg, trading as Mauerberger and Smollen, wholesale merchants, from premises in Darling St. Being a devout Jew, he became involved in Jewish affairs in Cape Town and this was the setting down of the Mauerberger roots in Cape Town. [30]

His mother died when Morris and his sister Rachel were young and they were

---

29 In 1997 the fund published a book, a private publication with limited circulation "The Mauerberger Foundation Fund" which can be likened to the Kellogg or Carnegie funds in America. The fund was and is currently completely non-discriminatory (in an interview with his daughter Mrs Estelle Yach the current Chairperson of The Fund August 1998). Morris Mauerberger was very supportive of medical faculties, (especially Ophthalmology) perhaps as he lost an eye at a young age.(p.60).

raised by their grandparents for the next five years in Lodzey. It would appear that Morris went to London when he was about 13/14 years of age as he celebrated his Bar Mitzvah in London, where he lived with his by now naturalised father in Whitechapel. In 1904 Morris joined his father's company" J Mauerberger and Son, Export Merchants" in London who were exporting cloth to his son Israel in Cape Town.

It was about this time that Israel bought out his cousin, Joseph Smollen, for £1 000. He was then joined by Max Schrire, who married his sister Rebecca (Becky) and they operated as wholesalers of imported drapery, hosiery, clothing, fancy goods, boots, shoes, etc. This business was prospering and additional staff was required, which resulted in Morris being sent from London to Cape Town to join his brother and sister.

He arrived in Table Bay as a 15 year-old in 1905 when the Cape was experiencing serious economic conditions following the Anglo / Boer War and proceeded to work for his brother, as a traveller and built up contacts and he continued to work for him for five years. Eventually he started up his own drapery and clothing shop in Hanover Street, District Six, before moving to Claremont, obtaining credit from J.A. Ewing and Co (Shippers) as well as his brother and brother-in-law, who owned Mauerberger and Schrire. All this was achieved by 1907 when he was not quite 18 years of age.[31] It is relevant to draw attention to the very young age of the Mauerberger brothers and in 1913 he was sufficiently well established to go overseas to attend to his own buying. During this visit he met Helen Schein, then 13, whom he eventually married in 1920 in the synagogue in Stepney Green, London. It was during this period that he established a friendship with a 17 year-old by the name of Leon Segal who had recently arrived in Cape Town from Russia, and was travelling for Mauerberger and Schrire one of his suppliers, as was Simon (Sam) Kirsh.

---

30 Ibid, p.4.
31 Ibid, p.7.

This friendship developed into a business association which eventually saw the creation of the large South African retail clothing chain, Ackermans. It was quite evident that Morris Mauerberger worked very hard and was well respected because by 1914 he had entered into a partnership with Isaac Ochberg, an entrepreneur involved in a wide range of activities such as a general merchant, timber merchant, shipowner and financier, and they opened an outfitting business in Claremont. Morris was approached by Gustave (Gus) Ackerman in 1916 to finance him to set up a shop in Plein St., Cape Town. Morris proposed that Ackerman should run his shops and that he would act as Ackerman's "buyer and shipper", and that a commission of 5% on local goods and 10% on imported stock be paid to him for purchases that he financed, and this was agreed to. Resulting from World War I there was a shortage of goods and Morris went overseas to source merchandise, for Ackerman, Segal and Kirsh and at the same time to wind up his father's affairs as he had died on June 16 1916. No mention is made as to how he financed his various business ventures but one must assume it was on credit, and not borrowed money, by way of bank overdraft or loans as in the book on the Mauerberger Foundation, a quote by Abraham Lincoln appears: "You cannot establish security on borrowed money". Or maybe it was to remind him that he should not have borrowed money!

It is evident that there was a very close working relationship in existence between the Eastern European expatriates in the clothing and fabric wholesale /distributing business in Cape Town which was further cemented by the marriage between the Jewish families in Cape Town at that time. The number of retail stores Morris owned were increasing with outlets in Wynberg, Claremont and Salt River, all selling for cash, based on low mark-up, high turnover. It was this formula created by Ackerman, Segal, Kirsh and Mauerberger that sowed the seed for the Ackerman retail group being established throughout South Africa (which still operates today). It was important to find a trading name that could be considered "neutral". Eventually the name Ackerman was chosen as it was suitable in both

English and Afrikaans as Mauerberger was too German (the war had recently finished) and Segal was too Jewish (as was Kirsh). The company, Ackermans Ltd was registered on May 4 1921 with a capital of £14,000 with Morris Mauerberger as Managing Director, and the first Ackermans store opened in Stellenbosch.[32] and by 1937 there were 28 stores throughout South Africa.[33] By now Morris had extensive exposure to the South African retail clothing and allied products market, as well as exposure to the overseas markets, and was obviously financially healthy and this combination enabled him to recognise and exploit the market potential.

The personality of Morris is best summed up in the book "The Mauerberger Foundation Fund": "The stranglehold that Morris exercised over the affairs of Ackermans Ltd, and the explosive temper and difficult personality of the managing director (Mauerberger), were particularly irksome. For these and other reasons, their disagreements became more frequent and acrimonious with the passage of time. As a result, during 1922 the question of buying Mauerberger out (of Ackermans) was discussed, and when the position was put to him plainly by Segal, Ackerman and Kirsh, he surprised them by showing his preparedness to negotiate".[34] Agreement was reached and a restraint of trade was placed on him which resulted in him creating Bergers Limited, in 1924, which operated in centres where there were no Ackermans stores.[35] Competition was created by O K Bazaars which was launched in Johannesburg in 1929 by Sam Cohen and Michael Miller and in 1929 I.W. Schlesinger injected capital into the company which then converted into a public company.[36] Hence the name O K Bazaars (1929) Ltd.

"It is not clear when Morris conceived the idea of entering the manufacturing field but it could have been when he was running his first shop in Claremont, in 1907.[37]

---

32 Ibid, p.14.
33 Ibid, p.16.
34 Ibid, pp.18-19.
35 Bergers was an identical operation to Ackermans. "Bergers" being derived from Mauerberger's name.
36 Ibid, p.25.
37 Ibid, p.7.

when he first met the Roytowski family (who later changed their name to Roy). Morris entered the manufacturing arena by employing Malay tailors and seamstresses to produce garments on a cut make and trim basis (CMT) from fabric he provided them with. He eventually opened a clothing factory (see Glossary) employing about 30 men and women to produce trousers and shirts at 7A Selkirk St for Ackermans. Within three years he was employing a staff of 80 in a bigger factory in Woodstock. He has been recognised as being the pioneer in the concept of producing "house brands", which he created for garments sold by Ackermans.'[38]

There is some discrepancy in claims as to how Morris Mauerberger became involved in the textile industry. The family state that he bought Mimosa Textile Mills in Huguenot, Paarl in the Western Cape whilst Kaplan states that he bought Woollens Ltd, also in Huguenot[39], and both of versions follow. Realistically the family version must prevail.

About 1924 Mauerberger bought the ailing woollen manufacturer Mimosa Textile Mills at Huguenot, Paarl, in the Western Cape. He immediately changed the name and restructured the company by introducing competent technical staff, modernising the machinery and changing the basic product to cotton blankets.[40] By 1930 he was employing a work force of 1,000 people and eventually by 1932 this had increased to 2,000 people.

The other version is that a company by the name of Woollens Ltd opened in Huguenot near Paarl, Western Cape in 1921 which was started by overseas capital and expertise. It was bought by Morris Mauerberger as it had gone into liquidation and he paid £17 500 for it on October 31,1925 and re-named it M Mauerberger Woollen Mills. On November 18 of that year he advised the inspector of factories in the Cape Province that he wanted to produce blankets in cotton and wool, also

---

38 In an interview with his daughter Mrs Estelle Yach, August 1998 in Cape Town and The Mauerberger Foundation Fund book.

39 Kaplan, p.288.

40 *The Mauerberger Foundation Fund*, p.20.

suitings, being imitation melton for school blazers. The blazers were made up in Mauerbergers garment factory in Cape Town which opened about 1926. It is believed that this is the first cotton fabric woven on a viable basis in South Africa on Lancashire looms taken over by Mauerberger when he bought Woollens Ltd. From this it would appear that he was the first vertical integrated clothing manufactured in South Africa. It was during this period that he became friendly with the doyen of Cape Town's commercial world, M H Goldschmidt[41], who financed Mauerbergers imports of yarn from Belgium, Germany and Japan. Mauerberger had accumulated reserves that enabled him to weather the Great Depression and severe drought that the Union experienced in the Thirties and to take advantage of bargain-basement prices of machinery from the northern hemisphere which was being dumped onto the overseas markets.[42]

Mauerberger did not make woollen blankets as it would have been difficult to compete against Harris of South African Woollen Mills Limited and instead he made cheap blankets from low quality yarn, using cotton for the warp and regenerated fibre for the weft (see Glossary), imported from Britain and Europe. From his previous trading experiences Maurberger was a "high volume low price" marketer as this was how Ackermans was developed and eventually Bergers. It would therefore be in keeping with his marketing philosophy that he would not make woollen blankets which would be "expensive" and have to compete with Harris. He decided to rather produce a blanket where there was no local competition and which was "cheap" and aimed at the mass, low income market. In order to attack this market, he improved the Paarl mill and built houses for the workers, but he was losing about £100 per month. He restructured the business and on April 11, 1926 sold it to M Mauerberger Ltd, (this removed the word "woollen" from the title of the company and would also dispose of any confusion as to the type of blanket he produced) but retained the building in his own name and

---

41 Ibid, p.21. which eventually became The Gerber Goldschmidt Group, currently a worldwide trading organisation and at one time a very large International Trade Financiers known as "Shippers".

42 Ibid, p.22.

let it for £50 per month plus payment of rates and taxes.[43] He needed a skilled person to run the business and he waited on the road one evening for Frame to finish work, at South African Woollen Mills and when Frame was on his way home, Mauerberger invited him to have a drink and he offered him a larger salary than Harris was paying, as well as a commission on every blanket over a minimum quantity. Frame informed Maurice Harris about the offer and he advised Frame to take the job, which was in about 1926.[44]

By now Mauerberger was a very prominent member of the Cape Town business community, so much so, that in 1931 he helped Max Sonnenberg launch Woolworths by financing the site from which Woolworths started operating. In 1932 he established "the largest manufacturing concern.....at Johannesburg in recent years", in the fairly new industrial township of Industria where he built a mill, with his own construction and engineering company, directed by his wife's brother-in-law Alexander Fisher at a cost of £100 000. The mill began operating on July 4, 1932 to produce blankets, kaffir sheeting and rugs, also cottonade (see Glossary) for trousering and sheeting. For the next seventeen years, Fisher was to run Mauerberger's enterprises in Johannesburg.[45] It is interesting to note that the label on the blankets produced by Mauerberger, in addition to giving the normal information about the blanket, stated "Moth Proof" -- this was a very clever marketing "gimmick" as blankets produced by Mauerberger were made of rayon, and moths do not eat rayon.[46] Shortly after opening the mill in Industria, Johannesburg to produce blankets and cotton piece goods he opened a blanket mill at Chiselhurst, East London, (in 1933) as it was near to labour as well as a large market for the blankets.

The Mauerberger textile mills were amalgamated with those of Frame when Consolidated Textile Holdings Limited was created in 1935, when he introduced his

---

43 The Commissioner of Inland Revenue endeavoured to claim tax on the profit made on the transaction.

44 Kaplan, p.291.

45 Mrs Yach and *The Mauerberger Foundation Fund* p.22 and a newspaper cutting on p.23.

three mills with Frame introducing two mills, the other founding company was "Wentex". Knowing the temperaments of Mauerberger and Philip Frame it is almost surprising that the association lasted as long as it did. Frame had not introduced all his mills into the Consolidated Textile Mills Group, still personally retaining the footwear factory, the knitting mill and underwear factory. Notwithstanding the fact that Frame had worked for Mauerberger at one stage Frame found it difficult to get on with him as they were both "loners". One day "he (Frame) came home and said I'm quitting, I can't get on with Mauerberger. I don't think he treats the customers well".[47] There was a difference of opinion as to who conceived the formation of Consolidated Textile Mills, both laying claim to the idea. Mauerberger's son Joey says that Frame made it so unpleasant "that my father decided he'd rather sell his interests. And that is why he bought Union Textile Mills in 1951, (five years after Frame bought him out) because he always thought he could compete with Frame with his own small mill. He ran the mill for years and years at a loss, always hoping to compete with Frame and never making a real success of it." It was more of a hobby than anything else. I think that he bought Union Textile Mills in a fit of pique.[48] This business had been previously owned by Lazor Kantor, his son-in-law, who married his daughter Jeanette, but they got divorced.

In 1936 when Mauerberger was walking near the family home in Wynberg he was attacked by a group of Greyshirts (Nazi sympathisers). This resulted in his being treated in the operating theatre of the Victoria hospital which he and his wife had recently donated.[49] Whether or not this attack had any thing to do with his brief flirtation with politics, or because he was a Jew or both, is difficult to say. (Interview with Mrs Estelle Yach).

Eventually in 1946 Mauerberger and Frame dissolved their business arrangements

---

46 Mrs Yach.
47 Mrs Frame: Kaplan pp294/5.
48 Kaplan p.295.
49 *The Mauerberger Foundation Fund*, p.35.

and Frame paid him out. Another mill in the Mauerberger stable was that of Worcester Textiles (Pty) Ltd which manufactured blankets, rugs, sheeting and towels, also weaving clothing. This operation was housed in a building purchased in Worcester for drying fruit, but when the venture proved unworkable it was converted to a mill.[50] He also owned a company Charmore Knitting Mills (Pty) Ltd of which little can be found other than a specimen letterhead.[51] When Mauerberger sold his interest in Consolidated Textile Mills to Frame in 1946, he still retained the mill in Paarl . He purchased second-hand looms from defunct mills in Czechoslovakia and later on, he bought a new Jacquard loom from Belgium, which made it possible to manufacture fabric never previously produced in South Africa.[52]

In 1945 after World War II, through his nephew Arnold Goodman, later Lord Goodman,[53] who was well connected in U K business circles, Mauerberger entered the U K textile market. He took over Walmsley & Sons of Burnley which was a large mill comprising in the region of a thousand looms. Most of the output of the mill was exported to South Africa, especially the shirting which was used to make inexpensive clothing in Mauerberger's factories. He also acquired the large spinning mill, Dale Mill in Burnley where his other mill was situated. These two Mills were eventually sold at a profit in 1952.[54]

During the Frame and Harris fight for supremacy in the blanket industry, Morris Mauerberger had been watching developments and endeavoured to take over South African Woollen Mills Limited, in 1959, but Harris was not interested.[55]

There is no doubt that the contribution Morris Mauerberger made, not only to the South African textile industry but also to others, was meaningful and that his influence outside of South Africa was considerable. He was always on the look out

---

50 Ibid, pp.41/ 42.
51 Ibid, p.42.
52 Ibid, p.30.
53 Ibid, p.29.
54 Ibid, p.30.
55 M Kaplan, p.299.

to start new ventures and he did not confine himself to any one industry or geographical area as will be seen from the variety of undertakings, and their spread that he was involved in. He was also a person who cared for his staff, providing accommodation and medical facilities. His influence still continues through his charitable Trust.

3.3 O T H BEIER & CO (PTY) LTD

Figure 7: O T H Beier
Courtesy Hans Beier (Son)

In 1929 a 21 year old German immigrant, Oskar Theodor Hermann Beier (who became known as "O T H") arrived in Durban on board the S.S. Toledo, with the equivalent of R100 in his pocket, and no job. What sets Beier apart from the other textile pioneers was that he was the first non-Jewish German speaking immigrant to launch what eventually became a textile empire. The young Beier chose South Africa to seek suitable employment as Europe was depression ridden, and he had growing concerns at the political rumblings taking place in Germany. Beier saved up for his boat fare while studying commerce and economics at Dresden Hochschule. Gertrud Gunther was a classmate and they eventually married in South Africa in 1935 when Beier received his naturalisation papers.

His family in Germany objected to his move to South Africa and his father K O Beier sent him a telegram instructing him to return to Germany immediately - he ignored it and pressed on looking for a job. Notwithstanding him ignoring his father's request to return to Germany they developed a business relationship which went from strength to strength. O T H built up a vast, diversified and successful family business, based on wool. Being a private company it was not necessary to publish balance sheets and other information about the company for public consumption and consequently the company maintained a low profile about its affairs, only making public statements as and when it was believed to be relevant.

In a publication in 1979 to celebrate the Group's 50th anniversary, the Foreword is by the Hon. Owen Horwood, the then Minister of Finance (1974-1984). What is interesting is the fact that Beier enjoyed a good relationship with Horwood and through him with the government of the day. Before entering politics Professor Horwood was also chairman of the Natal Region of Nedbank where Beier banked.

A friend and business colleague Walter Reiman said about Beier, in the Company publication celebrating the 50 years of its existence: "he is a man of tremendous drive and energy, the true industrialist. A frugal man who spends money wisely, he is shrewd, very shrewd".

In addition to his knowledge of commerce and economics Beier was well versed in every aspect of wool trading and wool processing, and against this background he set about assessing the quality of the local wools and market potential. Within about two months after his arrival in Durban he shipped his first three bales of wool to his father, an established wool merchant trading as Karl Oskar Wollhandlung in Lengenfeld/Vogtland, Saxony. The company ceased operating at the outbreak of World War II.[56]

He obtained regular employment as an assistant wool buyer in a wool trading and scouring (see glossary) concern owned by S A Nathanson, trading as Umgeni Wool Scouring, situated on the northern bank of the Ungeni River, Durban. He was promoted to manager of the company's wool scouring plant. Storm and Company had erected a new scouring plant, at Rainnie Road, Maydon Wharf that was not profitable and they offered Beier the position of manager, in 1931, as there was a lack of technical expertise in South Africa, which he had. He accepted the challenge and shortly thereafter exports commenced to George Gilon in Verviers, Belgium, Sommer Freres in Muzon, France and Ermoli in Monza, Italy. Ermoli acted as his agent in Europe selling to the market in general but the bulk of his exports were to his father in Germany. Grease and scoured wool was also exported to the London wool exchange.[57] Very soon he took over the total responsibility for the purchasing and merchandising of grease (see Glossary) and scoured wool. He was already building up his international connections.

During this period Beier also processed his own wool bought out of his meagre

---

56 Hans Beier, son.

57 Ibid.

savings and erected a shed, in 1932, made from corrugated iron in Rainnie Road at the cost of £1200 in which to store his wool. In 1933 he concluded an agreement to take over the scouring plant from Storm and Company, which he paid for over a period of five years. This coincided with the world economy recovering and exports improved and Beier was launched on his career. This was a remarkable achievement when it is remembered that Beier landed in Durban in 1929, a strange country, with very little capital and by 1936 he was the owner of a scouring plant which he had paid for in full. In 1934 François Sommer, who owned a large felt mill in Mouzon, in France, asked Beier to carbonise (see Glossary) wool for his factory, and when Sommer visited Durban, the result was the installation at Rainnie Rd of a second-hand carbonising plant, the first in South Africa.

The outbreak of the Second World War in 1939 brought misfortune to Beier. The British Wool Commission, as it was then known, refused to sell any wool to him, as in their eyes he was a German, notwithstanding the fact that he was a naturalised South African. He was compelled to either sell his plant or lease it to the recently formed Industrial Development Corporation of South Africa Limited (I D C). Beier decided to lease the plant and thereby escaped internment by agreeing to manage it for I D C, as scoured wool was urgently required for the Allied war effort. The plant was returned to him at the termination of the war. His brother, Oskar, who had joined him in the early thirties was less fortunate and he was interned for six years at Baviaanspoort, near Pretoria. From 1940 Beier invested every penny he had in wool skins. The skins were sold and the wool, known as slipes (see glossary) was baled and stored as he had anticipated that there would be a shortage of wool at the conclusion of the war. The process of removing wool from the skins of dead animals is known as fellmongering (see Glossary) which necessitated him opening up a plant in Jacobs, Durban to carry out this process. During this period he was supported by his wife and only when his two sons, Hans and Gunther, entered the business was he able to devote more time to his other love, the family farm, "Vogtland Stud Farm" at Alverston, in the Valley of 1000 Hills, between Durban and Pietermaritzburg, which he purchased in 1942.[58]

Beier recognised the vast potential for industrial development in South Africa and embarked upon a policy of diversification and expansion in the wool industry. His foresight in storing sliped wool to cater for a demand after the war finished paid off as he commenced selling his huge stock from 1946, which laid the financial foundation for the development of the Group. As the core business of the Group's activities was " raw wool based" slipper manufacturing from felt imported from Sommer in France was commenced and the company was called Maydon Slipper Factory, which later changed its name to Maydon Footwear, which moved into a three story building erected in Maydon Wharf in 1950, which also housed the head office of the developing Beier Group. This venture was successful and in 1948 a second-hand carbonising plant was imported, from Sommer and was installed in Maydon Wharf next to plant purchased from Storm and Company to enable the company to produce its own felt, as this was cheaper than importing. As waste is generated in the process of felt manufacturing, blanket looms were installed in 1949 to utilise this waste.

Although this thesis terminates in 1948 it is relevant to add a few more paragraphs in order to illustrate the growth of the group in the post World War II period as it was a major player in the industry, rather than cut it off when blanket manufacturing was commenced in 1949.

The company was growing and in 1952 ten acres of industrial land was purchased at Pinetown and during 1954 three new factories were in the process of construction at Pinetown. The old abattoir was purchased in East London in 1954 in order to sort grease wool and growth was such that in 1956 a scouring plant from Durban was installed in the building.[59] The Maydon Footwear Factory, yet again changed its name and became Beier Footwear to enhance its group identity,

58 "Beier Group 1929-1979". Company Publication.

which eventually produced 15 000 pairs of footwear per day (a large production). The blanket mill was moved to Pinetown in 1955 and in 1957 it was expanded with the introduction of new equipment. The demand for slipper padding was such that a new jute needling line was installed from the United States of America.[60]

So far the group has been operating in what could be termed their traditional areas, namely wool and products allied to wool, but in 1959 they entered the plastic field by manufacturing vinyl covering at Pinetown. Fellmongery activities which had started in 1940,at Jacobs, Durban had developed to such an extent that by 1960 it required a larger fellmongery to be opened in Pinetown, which necessitated the moving of the Jacobs plant.

From 1961 the group expanded extensively. They moved into carpeting and plastics, by way of P V C spreading for the automotive industry. The footwear operation was expanded and wool combing was introduced with wool carbonising capacity being increased. Leather was processed for selling to the garment industry and synthetic material was produced to be sold to the footwear industry. The group's footwear production was increased even further when an operation was opened in Butterworth in the Transkei and in the same complex wool scouring and carbonising took place. Specialised industrial textile products were manufactured under a partnership agreement with Albany International Corporation of America. New wool stores were erected at Rainnie Road.

The group's massive and rapid expansion was carried out with a relatively small active Board of Directors, totalling only five people. The group was now represented worldwide as well as having its own offices in the major overseas centres, with five production plants in South Africa which were supported by engineering, human resources, international trading and computer divisions

---

59 Hans Beier.
60 Company Publication "Beier Group 1929-1979".

situated at the head office in Pinetown.

OTH Beier died on February 12,1998 at the age of 90 in Durban.[61] The Trustees of the Günter Beier Family Trust applied to the High Court of South Africa, Durban and Coast Local Division for an urgent winding-up of Beier Wool (Propriety) Limited on 12th, January 1999.

The Company had carried on business as a wool processor and merchant of wool and related products for many years, at Isipingo immediately south of Durban. The application for winding up was made as the Company found itself in serious financial difficulty and as such could no longer finance its business operations. The company was not insolvent as its assets amounted to R148 212 000 exceeding its liabilities of R141 625 000. The application was made as the company had to immediately purchase raw material in the form of wool for the forthcoming season for R2 000 000 which it did not have, nor could it obtain from its various bankers.

In the joint liquidators' report to creditors the reasons for the failure of the company were, high interest rates, the Asian economic collapse and the declining world wool markets. The liquidators' provisional report dated 29th April 1999 indicated that a dividend of approximately 56 cents in the Rand would be paid to creditors.

---

61 In the 1950's a young industrial chemist by the name of Graham Wolf worked for the Beier group in the laboratory. He was endeavouring to find a use for lanoline, of which there were large quantities, as it is a by-product of wool processing. It was a difficult product to dispose off, or to find a use for, because of its obnoxious odour. Eventually Wolf found a solution and the outcome was the introduction to South Africa and the world of the famous beauty preparation "Oil of Olay", which Wolf eventually produced in his own factory in Durban. After successfully marketing the product worldwide he sold the Company and the formula to Procter and Gamble the international American pharmaceutical company. (I got this information from Graham Wolf as I sold him the perfume that masked the smell of lanoline).

CHAPTER 4

PHILIP FRAME

Figure 1: Philip Frame J.P.
Courtesy: Frame Textile Corp. Ltd.

As Frame became a colossus in the South African textile industry and a very significant force in world textiles, reputed to be the largest purchaser of spun rayon in the world, it is relevant to give a brief overview of his early years in Lithuania because by the time he left there in 1925, at the age of 21 to come to South Africa, his character would have been shaped. He was born in Memel, now Klaipeda, on the river Nieman, Lithuania on March 4, 1904 and died of a heart attack in Durban on January 18, 1979. He came from a family involved for more than a hundred years in the textile industry in Eastern Europe.

At that time Memel was an extension of East Prussia with a German ethnic population and the immediate hinterland was Lithuania with the frontier right on the edge of the town which was the most northerly port town in Germany, on the Baltic Sea, and this made it an unusual place. Furthermore a lot of traditional Jews crossed the border, making it unusual for a Jewish community in Germany. The Jewish population, even in East Prussia, were middle-class but were somewhat removed from their Jewish traditions. Well before Frame's birth in 1904 German Jews enjoyed complete civil rights where no doubt the ghetto traditions would have been strong for many in Memel, which was a different situation than in Lithuania or the rest of Germany. The German connection, and especially his education in Dresden, which is mentioned later, would have figured prominently in Frame's education, as Saxony had long been the centre of the German textile industry. What is interesting about Frame is that he mixed freely in South Africa, with all sections of the population, which was particularly noticeable with his close association with the Afrikaans community, and he did not confine himself to only associating with the Jewish community and in fact he launched his first blanket mill in partnership with Balladon and later on Gundelfinger was the first chairman of Consolidated Textile Mills Group. This could well have been because of his upbringing and the fact that Memel was not a traditional Jewish environment.[1]

Shortly after the First World War, young Frame was sent to Zittau, a journey of some 400 miles possibly via Warsaw, to serve his apprenticeship in the textile industry. In an interview with Philip Adiv, a nephew of Frame, currently a director in the Frame Group, he informed me that, "Frame was given a hard time, as he was an apprentice and a Jew". He then went to the Textile University of Dresden, Germany some 50 miles from Zittau, to study for a degree in textile engineering and on qualifying in 1922 he worked in the family business, a blanket mill in Lodz,[2] Poland about 250 miles from Dresden. Notwithstanding this information it is more than likely that Frame graduated from a technical high school as opposed to a "University". By the time Frame was born Lodz was already a very large city and was the greatest textile centre in the Russian Empire. Being brought up in a textile environment Frame would have been aware that the textile industry in Germany and Russia enjoyed state protection which could have influenced him in deciding to remain in South Africa once the Pact government announced the high duties on imported blankets.[3]

Mention has been made already of the difficult and rigorous lives the South African textile pioneers experienced in the land of their birth, and this includes Philip Frame who was widely known as, "P F". It is necessary to look at the various component parts that went to make up his Group of Companies. There was his origin, his personality, the mills he founded, the takeover of competitors that he engineered, how he set a marketing strategy based on market surveys, his tight control of the financial affairs of the group and his influence on the textile industry of South Africa

---

1 Interview with Bill Freund July 2000.

2 This was the home town of the Harris family of South African Woollen Mills Ltd, also of Lazor Kantor of Union Textiles, both of whom had mills in Cape Town.

3 Interview with Bill FreundJuly 2000.

and his comfortable relationship with the National Party government, from 1948.

Frame arrived in South Africa in 1925 where his father's brother, Hymie Frame, lived in Vryheid, Natal, and owned a grain mill.[4] He is reputed to also have owned a tannery and was "in textiles in a very small way".[5] From Vryheid Philip Frame went to Cape Town, with a letter of introduction from his uncle, and had a meeting with Mr Maurice Harris of South African Woollen Mills Ltd. who gave him a job. The manner in which Frame got his job is interesting and it illustrates, at that early age, 21, how resourceful he was. Maurice Harris told him on a Friday he could have a job if he could erect a loom that had been dismantled, by Monday morning. Although Frame was a textile engineer, he was not familiar with the loom in question, but he took on the challenge. He went into the weaving shed and bet one of the mechanics £5 (R 10) (all the money he had) that he could not have the loom erected and operating by Monday morning. On the Monday morning Harris saw the loom was running and as promised, gave Frame the job at South African Woollen Mills Ltd, which he would one day own.[6]

Frame's ability soon became known and he was offered a job by Morris (Morrie) Mauerberger, a large player in the blanket industry in his mill at Huguenot, Paarl, which he accepted.[7] He negotiated a commission on each blanket produced, thereby backing his own ability. During 1927 Frame, then 23, contracted scarlet fever and went to Vryheid to recuperate. He never returned to Mauerberger's mill in Paarl.

Frame had always wanted to start his own textile mill. "But it was probably what he had learned of the supply of labour in that province (Natal, whilst staying with his uncle in Vryheid) that finally drew him there and, once settled, he could see for himself that the reasons which had drawn him thence were the right ones for a

4 Mendel Kaplan, *Jewish Roots in the South African Economy*, 1986, p.290.
5 Private Papers by the late Mrs Norris. Her husband, C K Norris, was a director of the Frame Group and subsequently her son Johnny Norris. (Norris p.8).
6 Kaplan p.290.

young man who wanted to start his own factory. Still he did not make a move towards starting on his own. He was only in his early twenties and had little money, and no doubt wanted to see exactly how the government intended to implement their declared policy of encouraging local industry.[8] Meanwhile he had carefully studied the conditions in Natal as they would pertain to the enterprise which he had in mind."[9]

Even Frame's wife, Bertha, probably the most favourably biased, considered him to be a "loner", a view shared by Joey Mauerberger, the son of Maurice Mauerberger. Frame was a very complex man. Statements by him and comments about him, the way he was viewed and the manner in which he conducted his business will give a good indication as to the complexity of this man, who was a colossus in the South African textile industry. Comments are from influential leaders in the clothing and textile industry as well as those inside and outside the Group, such as Ruby Back, a former President of the National Clothing Federation and the co-owner of the large shirt manufacturer I L Back Limited, Cape Town. Inside the Group was Selwyn Lurie, a Director, also Neville Gottlieb, (a grand-nephew of Woolf Harris) who at one stage was outside the Group when he was Managing Director of South African Woollen Mills Ltd, but ultimately came inside the Group when Frame took over the Harris Group.[10]

Bertha Frame did not consider her husband's public image was bad (after all she was his wife!) -- pointing out the many honours which were heaped upon him. It is perfectly true that his achievements commanded respect and recognition -- they

---

7 Ibid, p.291.

8 The newly elected National Party / Labour Party "Pact" government.

9 The blanket trade has always been a good one in which to commence for a young trader in this country (South Africa), requiring as it does the minimum of capital and marketing organisations. Ernest Barlow founder of the firm which eventually proliferated to form the giant Barlow Rand Ltd, made a good deal of money in the early years of the century, also in Durban, by selling the blankets he had imported from his brother's mill in Lancashire. (Norris p.10).

10 The person who probably knew him best of all, was his wife, Bertha and she is quoted by Kaplan on p.292 as stating that should anyone ask his age she was to say that he was 4/5 years older that he was. At the time he was about 26 years of age.

could not have done otherwise. She pointed out with justification that in his time he employed 30,500 people, in 1978,[11] fifty years after the first mill was opened, and that their wages were not lower than those of any other factories. He employed workers from all over the world, from Greece, Belgium, Israel, Scotland, England, Ireland, Germany and numerous other countries.[12]

Although he commanded respect, he was not a popular man.[13] At one stage it was seriously proposed that New Germany should change its name to honour Frame for all he had done for the area, but a high level of protest was heard and Frame declined the honour. However the industrial area was named Philip Frame Park, just as the industrial area in Harrismith was called Philip Frame Industrial Township[14] and he had a street named after him in Chiselhurst, East London. Much has been made on the fact that Frame donated a fire station and engines to the borough of New Germany but in fact his insurance company wanted to charge a prohibitive premium, because there was no fire station near his New Germany and Pinetown mills. It was cheaper for him to provide the necessary building and equipment, than pay the higher premiums over the years that lay ahead. This was obviously to the benefit of residents of the area, but even this was not done purely out of the kindness of his heart.

"Philip Frame was more respected in his lifetime than loved, although possibly he created more jobs -- and distributed more wealth -- than those who paid higher wages to fewer workers. In some circles he became an unpopular embodiment of the roughest edges of capitalism".[15] "Mr Frame's whole life was one of expansion. He was an entrepreneur of the old school -- forceful, dynamic, shrewd. When I joined in the Fifties we had seven thousand employees. At the peak, there were around 30,000. Expensive trappings didn't mean anything to him. His whole

---

11 The Frame Group Publication, 1928-1978, p.7. "Frame 50"
12 Kaplan p.302.
13 Ibid, p.304.
14 Ibid, p.301.
15 Alec Hogg p.35, 1988, publication unknown.

purpose in life was to create industry. He gave a lot to this country."[16] In addition to his foresight in producing textile articles he also was instrumental in founding the National Textile Manufacturers Association and was elected the first chairman at the inaugural meeting on July 23, 1946. Eventually this body became the National Industrial Council for the Textile Industry.[17] He was very supportive of his family and bought a block of flats in Israel for his elderly parents to live in. By choice his brother lived on a kibbutz in Israel but he brought other relatives to South Africa and gave them work.[18]

Ruby Back stated, "Philip Frame was a tremendous entrepreneur. I take off my hat to him because he had the courage to do what many people didn't. But he was a "loner". As you know loners do certain things which they'd never do if they had someone to talk to. Someone would say "don't do this -- because there will be repercussions. He was a dominant person. He didn't really allow anyone to take part in his business. Even when he built up his colossus he had to do everything himself. He wouldn't take any complaints -- take it or leave it type of business. He put rules and regulations down. At times these were virtually impossible to maintain ".[19] On one occasion Back met Frame, whom he did not like, by chance in London, (they only remained business acquaintances), and Frame invited him to his flat in Grosvenor House for tea. Back asked," Philip, why are you such a lonely bastard?". "I don't know, " Frame replied. Back pursued the matter. "You are lonely, aren't you?". "I'm terribly lonely", Philip Frame admitted.[20]

Selwyn Lurie, one of the three joint managing directors of the Group in 1986 who with Sidney Peimer and Archie Berman collectively ran the Group after Frame's death, was a close confidant of Philip Frame as far as business was concerned. They used to meet at 8.00 a.m. every day for discussions. "He was a great guy to

16 Sid Pemmer, Frame's technical director and one of the three joint managing directors of the group after Frame death talking to Alec Hogg p.37, 1988, publication unknown.
17 Kaplan p.304.
18 Ibid, p.305.
19 Ibid, p.302.
20 Ibid, p.304

work for." he said. "Tremendously stimulating to work with." Lurie considered that Frame had great foresight. He said he had not encountered another brain like Philip Frame's in South Africa. In Lurie's view Frame was both loved and hated by employees-- an ambivalent relationship. "He was a tough chap -- all right, if you were on the same side. For Frame business was a creative way of life. Everything else took a back seat. He lived it 24 hours a day".[21] "Quite a contrast to Woolf Harris of South African Woollen Mills Ltd who was one of the great men of the Jewish community of South Africa," said Neville Gottlieb. "Yet he (Harris) was humble and gentle. As far as his business was concerned, he wasn't a 12 hour man".[22] Bertha Frame made much the same comment, about her husband. "He worked. He loved it. Business to him was something that was creative." She believes that he did not set out to build an enormous organisation. "It just happened. He never said to me I want this but he did say to me "I want to make that". That, she feels, was his drive; the concept of manufacture and the challenge of making something different.[23]

Neville Gottlieb, who had a great respect for Philip Frame as an industrialist, said "he had the skill to recognise new markets many years before this sort of thing was taught at business schools", and commented on his ability to garner information. He had many opportunities to talk with Frame after work when he visited Cape Town, often in the study of the Gottlieb home in Claremont. It was invariably about business (and not only the textile and garment industries), because he was not given to small talk. "Philip Frame played bridge--a challenge for the evening which he quite enjoyed", Gottlieb said," but his main topic for discussion was business -- including other people's business -- and politics". [24]

---

[21] Ibid, pp.302/303.
[22] Ibid, p.286
[23] Ibid, p.303.
[24] Ibid, p.303.

Frame was a staunch supporter of the Nationalist Party.[25] Frame was highly regarded by the government and he served on the Prime Minister's Economic Advisory Council from its inception in 1960 until 1976 when he resigned. There are unconfirmed reports that he made substantial donations to the National Party.[26] Dr Nico Diederichs, former Minister of Finance (1967-1974) and later to become the State President (19th April, 1975 to 21st August 1978), was particularly fond of Frame and he and his wife would often make informal visits to the Frames.

When he was recovering from scarlet fever in Vryheid, he met Baptist John Balladon, reputed to be a wealthy local store-owner who was impressed with Frame's schemes and decided to back him. Balladon was the grandfather of John Baptist Balladon who is the current (2000) Chairman of Glodina Textile Industries Ltd (brand name "Glodina" also known as "Dano Textiles") at Hammarsdale, Natal. In his discussions with Balladon, when they were planning their entry into the blanket industry, he was in an advantageous position having worked for both Harris and Mauerberger and was therefore familiar with the blankets each mill produced, expensive woollen blankets by Harris, and inexpensive cotton blankets by Mauerberger, as well as the markets and customers into which they sold. He was also familiar with the looms used to produce these blankets and this knowledge would have greatly assisted him and Balladon in purchasing the looms they required for their new venture. He would also have had first-hand information regarding the protection the Pact (National Party/ Labour Party in 1925) government duty gave to the developing South African industry, through the Board of Trade and Industry. Frame realised that there was tremendous potential to develop a textile industry and based this view on the historical aspect of a developing country requiring mass employment and the providing of clothing for the population.[27]

---

25 Alex Hogg p.41 of an article entitled "The Frame That Philip Built" -- (the magazine and date in which it appeared is unknown.

26 Anonymous Source.

27 Thirty Years Within the Frame Group 1928 –1958, a company publication "Frame 30".

The Board of Trade and Industries was a very important government department during the Pact Government's term of office (as well as subsequent Governments), towards the end of 1924 - in its very first year of tenure the Board was formally requested by the Minister of Finance, N J Hertzog, to recast and revise the customs tariff for consideration during the 1925 session of parliament. The Board went about its task with great thoroughness, as well they might, for the existing tariffs were based on rates instead of commodities, and this was found to be, "impractical, and cumbersome". In due course, the Board decided to do away with most of the old system and to recommend a classification of customs tariffs on a "generic" basis. This would herald an era of greater "convenience" in the assessment of tariffs and "the systematic treatment of tariff matters". In fact, the Board decided upon the classification of various customs tariffs on the basis of "affinity of origin" as well as "origin and content". There were to be 15 classes of goods, and class IV was to include "fibres, yarns, textiles and apparel". One factor which influenced the Board, and possibly the entire Pact government, to revise the tariff system was the fact that, through stern necessity, it had compelled a few enterprising spirits to commence manufacturing various goods during the Great War when the country's isolation from European markets and interference with shipping had cut off its usual sources of supply for some years. Many of these had disappeared once peace returned. A "majority" of these manufacturing enterprises had survived, but it was still a small and struggling majority, and it was felt that unless they were given some form of official protection they would go under. It was also a period, during the twenties, when overseas firms, for the first time in the country's history, were beginning to establish branch factories out here. Among the stated purposes of the new tariff which were bound to appeal to any intending local entrepreneur like Frame were that it should not only be a "device for yielding substantial revenue", but that it should be utilised "for development of local industries in a substantial manner by means of:

1. - (affording) reasonable protection for existing industry that showed prospects for successful development on economic lines which would provide

employment for the country's growing population

2. - (affording) admission free, or at low duties, of requisites and raw materials, not produced in the country for all industries, both primary and secondary, (and)

3. - the protection of local industries against dumping.[28]

In 1925 the "Pact" government introduced a duty structure, that gave the local blanket mills a substantial measure of protection from the imported article. This duty calculation was of a complex nature but the result was that it ranged from about 200% to 310%, depending on the composition of the blanket.[29] This duty was critical to Frame's decision to start a blanket factory and he would have remembered the support the textile industry was given by the Russian and German governments doing the period he lived in Europe.

The result of Balladon's financial support was that Frame and Balladon, who became a director in Frames Group, and was old enough to be his father, went to Germany and bought machinery and raw material to enable Frame to start his mill in Ordinance Road, Durban which commenced production in 1928.[30] His family in Vryheid also assisted and Johannes van Leen, also a textile engineer who worked with Frame in the Cape, went with them to Germany to assist in buying the machinery.[31] He worked for Frame for over 38 years.[32] The name of the original company, which purchased the machinery and raw material was Balladon and

28 Norris pp.10/12.
A lifelong " unwritten gentleman's agreement" developed between Frame and the Balladon family. They agreed that they would not produced competing products and it was only many years later that Frame commenced to produce terry towelling fabric on which "Dano" had built its name and reputation and the only product of any significance in which they competed against each other . (An interview with Manuel Luiz, former Managing Director of Glodina Textile Industries Ltd.)

29 Katzen p.49.

30 Kaplan, p.291.

31 Norris, p.12.

32 Frame 30.

Frame, but this name was never used for trading purposes. The company that traded was African Textile Manufacturers (Pty) Ltd. (Afritex). The mill in Ordnance Road moved after about twelve months to Brickhill Road, where Frame had erected a building of some 11 890 square metres.[33] "The Ordnance Road mill was hardly large enough to be designated a "factory". It contained 24 looms which young Mr Frame tuned himself and taught his newly-recruited workers, mainly Indians, to operate. The factory produced mainly cotton blankets, white with either red or black stripes and woven from cotton waste and using yarns imported from Germany and Italy and later Belgium. The best-quality blankets, which were sold under the trademark "Superform", retailed at about 5/-(50c) each, and Mr Frame was his own travelling salesman, leaving the little mill only to take samples of his products to show to prospective buyers. That was the beginning of the Frame Group".[34] He was 24 when he started his own mill, which was no mean feat. African Textiles remained in Brickhill Road, only moving in 1961 to other locations. Some of its blanket- weaving looms went to Consolidated Textile Mills buildings also the Wentex Mill at Jacobs and the sheeting looms were sent down to East London. Finally, another Afritex Mill, partly equipped with looms from the original, was established in Warrington Road Mobeni.[35] This complex comprised of buildings that were purchased, from various owners by Frame, as well as a vacant piece of land purchased from the Durban Corporation, on which a mill was erected.[36]

Though the occupation of the Hime Road, Jacobs headquarters dates from only 1951, Mr Frame and some of the other directors had been working in other offices on the site from 1933 onwards, and it is generally felt that, if poetic justice had any place in industry, it is fitting that he eventually established himself in the Jacobs area. One of the advantages of choosing Jacobs was the fact that the Congella

---

33 Norris, p.13.
34 Ibid, p.2.
35 Ibid, p.15.
36 Mervyn Pollitt Group Secretary, Interview 1999, Frame Textile Corporation Ltd.

power station which was taken over by Escom in 1928, was close at hand.[37]

Frame deviated from producing woven articles and in 1932, under the name of Natal Canvas Rubber Manufacturers Ltd. he opened a factory that produced 8 000 pairs, per day, of canvas shoes (takkies) and rubber boots which were made for mine workers and the company went public in 1944. Noting the large amount of underwear that was imported, he formed Natal Underwear Manufacturers Ltd, producing men's, women's and children's underwear, in 1936. As knitted fabric was used he established Natal Knitting Mills Limited in about 1938 to provide Natal Underwear with the fabric - after Mauerberger he was the second company to operate vertically. When Consolidated Textile Mills Limited Group was established these companies remained outside the Group. This was important as it gave Frame an "escape hatch" if required.

By the end of 1932 Frame, now 28 years old and the owner of two factories, (Afritex, Durban and the Industria Mill at Langlaagte, Johannesburg) began to experience another mild trading slump - milder by far than the first,[38] it is true, but enough to induce him to seek means of improving his position. This time, since he was a man of some substance, and since others in the country's small textile industry were feeling the same draught, he could afford to amalgamate. There was no longer any danger of him being swamped if he entered a consortium. There were three partners in the new combine, and all were interested in "consolidating" as well as combining their interests, so their choice of a name needs no explanation. Mauerberger, who owned a mill and woolwashery in Huguenot (near Paarl, Western Cape) and another mill in East London, was probably the most substantially wealthy in his own right, with Frame second. The third and smallest member of the consortium was Wentworth Textile Mills Ltd (Wentex) owned by Geerinckx and Dhal of Belgium. Frame erected another mill next to the Wentex Mill in Jacobs.[39]

37 Ibid, p.17.

38 It has not been possible to locate any information about the " first" slump.

39 Ibid, p.20. The Wentex mill was not built by Frame but by what is loosely referred to as the

This move represented a significant shift in the blanket industry as up to the creation of CTM in 1934 all the blanket mills operated in direct competition with each other. By the bringing together of Frame, Maurberger and Wentex it created a virtual monopoly in one fell swoop, which would have generated a vastly increased purchasing power of raw material and no doubt brought about production and marketing rationalisation.

The founders of Consolidated Textile Mills Ltd (CTM) were, Frame, Morris Mauerberger, Geerinckz, Dahl, Alexander Fisher, (Mauerberger's brother-in -law) and Carl Gundelfinger who represented Elephant Trading[40] owned by the Fox and Leon families, the holding company of O K Bazaars, owned by the Cohen and Miller families. The first chairman of Consolidated was Mr Carl Gundelfinger, a prominent Durban businessman and former City councillor. The company was incorporated with starting capital of £500 000 in 1935, and Gundelfinger remained its Chairman for the next seven years - a time of considerable expansion for Frame who, by the end of it, had considerably increased his own holdings.[41] Philip Frame has said that, "until 1939, he controlled it (CTM), with Balladon". In 1940 however, Mauerberger succeeded Gundelfinger as Chairman but was replaced two years later by E. Dahl, who in turn was succeeded, later that year, by Frame himself.[42]

As mentioned Frame had moved from his office from the mill in Brickhill Road and operated from an office in Jacobs, where there was a small cluster of mills on the site of the original "Wentex" mill, and on that adjoining which would enable him to put into effect some of the ideas he had in mind for some time. No spinning or dyeing was carried out and yarn was still imported from Germany, Italy and

"Belgium's" which in fact was a company owned by Geerinckx and Dahl. Katzen (pp 49/50) refers to the founders of Wentex being Roos, Geerinekz and de Naver, which would appear to be incorrect as Geerinckx and Dhal were the first directors of Consolidated Textile Mills Ltd. The spelling is different finishing with an "x" in one case and a "z" in another. (Author's comment)

40 Kaplan, p.294.

41 Norris, pp.20/21.

42 Ibid, p.2.

Belgium. By now blankets - still the principal product of his mills - cost 3/6d (21c) (for one approximately 3,75m by 2,75m,and the best quality in cotton cost between 7/ 6d (75c) and 10/- (ZAR 1) and at this stage no woollen blankets were manufactured. It was not until 1936 that dyeing commenced and for a long time it was all done by hand block printing. Eventually five vats were acquired, the dyes were mixed by hand by operatives under the supervision of the foreman, and the dyed blankets were dried in the sun.[43]

From the outbreak of World War II in 1939 there is very little information available for the wartime period, possibly for security reasons, but mention is made that the Frame companies did well, producing millions of blankets, canvas shoes and underwear for the Armed Forces and civilians.[44] At the commencement of World War II, Phillip Frame wrote that "our mills were mostly dependent on the supply of various types of yarn from overseas. Yarn is the basic commodity of textiles and although the Union had ample wool, and cotton could be obtained from other parts of Africa, our organisation had at that time very little spinning machinery to produce its yarn requirements".[45] This was the catalyst that caused Frame to look for a partner to spin yarn (after the war ended) and he located Lancashire Cotton Corporation, in Manchester, England. They jointly formed Consolidated Lancashire Cotton Corporation Ltd., which was sited in Ladysmith Natal, in a large wartime munitions factory, and spinning commenced in 1948. It was Frame's intention, before World War II, to open a mill in the then Rhodesia to produce blankets . This had to be delayed and only in 1945 was he able to do so.[46]

The management style adopted by Frame was very autocratic and all his employees, even the most senior executives, were subservient to his whims. This was common knowledge in the textile and clothing industry: "Frame was a brilliant manipulator. His management style was simple -- divide and rule; keep making all

---

43 Ibid, p.22.
44 Kaplan p.295.
45 Ibid, pp.295/6.
46 Ibid, p.296.

the important decisions yourself; don't let anyone, from the shareholders through to those running the factories, know what is really happening. The corporate structure which he developed was brilliant in both concept and design. The dozens of companies within the group had interlocking shareholdings, but with the stake always kept below 50%, nothing was ever consolidated. For instance, there were hundreds of employees who did nothing but tend to inter-company invoicing".[47]

In 1945 Frame bought out his partners in C T M as Mauerberger and Frame found it difficult to get along with each other as they were both "loners" which resulted in Frame nearly leaving the group, according to Mrs Bertha Frame. She persuaded her husband not to quit, basing it on the fact that he had technical knowledge which Mauerberger did not have. Both Frame and Mauerberger laid claim to being the one who suggested the formation of Consolidated Textile Mills but it was Frame who finally owned it.[48]

In building his empire Frame had to bring together the factors of production, land, labour and capital. By now Frame had been operating some seventeen years and would have gained enormous experience during the war years, and he would have seen the opportunities for the development of the textile industry after the war. The land aspect of his developing Consolidated Textile Mills Group, in terms of where he had sited his various mills, was well under control. In view of his strong conviction regarding decentralisation he would have been well aware of the pitfalls regarding controlling mills scattered throughout South Africa, from his head office in Durban, but he would equally well have been aware of the benefits of decentralisation. Being a strong advocate of decentralisation he would have been prepared to tolerate any irritation that would arise from time to time. It is relevant to mention that a decentralisation policy is one aspect of business that Maurberger and Frame had in common. In the years that lay ahead Frame's belief in decentralisation fitted like a glove with the policy of "border industries", which was

47 Mervyn King (Chairman of Frame Group after Frames' death) who had the utmost respect for Frame's intellectual capacity, interviewed by Alec Hogg p.36,1988 Unknown Publication.

48 Kaplan p.295.

the cornerstone of the Nationalist Party Government.

The attitude adopted by Frame regarding matters related to his labour policies was one of ongoing criticism.

"When he was alive, Philip Frame was not the most popular of men. The story went that he built his textile empire on the classic sweatshop lines paying his black labour starvation wages and rarely having a civil word for trade unionists, or shareholders. Some say it was Frame's autocratic and abrasive approach, abysmal lack of finesse in labour matters that led to the Durban strike of 1973. The continuing dissent that flowed from that unrest culminated in the formation of the first modern back trade unions."

"Outside his company he was not a much liked man by those in the garment and textile industry, nor did he pay well, sticking to the legal minimums -- free housing was one of the attractions offered to some of his skilled immigrant staff. However he did engender loyalty and admiration as was evidenced by the fact that nearly 1000 out of a total labour force of 22,000, in 1968 had more than 25 years' service; seven of whom started working for him when he opened his first factory in 1928. He found it difficult to delegate authority and when he did, only to his most trusted executives, he maintained a tight rein upon them.[49] No public relations executive was appointed and Selwyn Lurie admitted that Frame's public image was bad.[50] Frame was criticised by the Jewish community for his lack of generosity compared with his income; yet his widow maintains that he always headed the list of gifts for Jewish charities.[51]

A publication compiled by the National Union of Textile Workers, entitled "Frame -- The Struggle For Recognition" claims: "No state policy could have suited Frame

---

49 Ibid, p.302.
50 Ibid, p.303-305.
51 Ibid, p.304.

better than the special situation which developed after 1948. Labour laws were draconian. Breach of contract was a crime. Few employers might have taken this law literally, but Frame was amongst them. In 1950, for example, mill managers in Ladysmith initiated charges under this Act against four workers who were absent one Monday. They were charged with the crime of being absent without a satisfactory excuse, convicted and were sentenced to one month's hard labour. Over 1000 workers struck in protest, but were driven back to work by the police and their leaders run out of town." Philip Frame's attitude towards employee bodies is almost obligatory reference among trade unionists. It took several years after his funeral before the group granted formal acknowledgement to black unions.[52]

The business was enormously labour-intensive; wages were low but job security was high. Large store was placed on ownership of assets. The extensive properties[53] were kept unencumbered by bonds, no rentals were paid and debt never appeared in the balance sheet."[54]

Not even the Frame family escaped his domineering attitude. As he grew older he groomed his son -in- law Max Ulfane to take his place and appointed him joint Managing Director with himself, as he always considered it to be a family business, even though it was a public company. In 1974 Ulfane, his wife Joy and children decided to live in England and Frame was furious. This was the direct result of the way Frame handled the strike at his mill in 1973. He changed his will, made in 1967, and when Ulfane returned to South Africa in 1978 Frame did not alter it. This caused dissension within the family and his other married daughter, Hazel, her husband and family also emigrated. Tensions were noticeable between Frame and his wife.[55] After his death his will was challenged in the law courts over a lengthy period of time. It is relevant to mention this, notwithstanding the fact that it is outside of the time span of the thesis. Selwyn Lurie stated that after Frame's

---

52 Alec Hogg, *The Frame that Philip built*, p.37.

53 In 1978 the building owned by the group measured 15 000 000 square feet (1 400 000 square metres). The Frame Group 1928-1978.

54 *Financial Mail* 25 May 1990, p.26.

death wages of all black employees had been increased considerably, for example a pension fund for blacks had been started and the standard of aptitude had been raised with training programmes.[56]

Frame had a phobia about having to borrow money and paying shareholders dividends. He never lost an opportunity to justify this policy. It is not difficult to understand his attitude when some of his comments over the years are taken into account. As Frame had very little money when he started "Afritex" in 1928 and Balladon was reputed to be a "wealthy store-owner" it was a classic ingredients of a partnership arrangement - Frame with the knowledge and expertise and Balladon with the money. "Just as the first Afritex Mill came into full operation, Wall Street crashed, and the waves of this financial debacle, though they took some time to reach this country, were felt by this young organisation as much as by any other. Founded on borrowed capital, Afritex did not have time to accumulate reserves. For a time it seemed that nearly all profits recorded would be absorbed by loan repayments - and in fact there were times when the likelihood of loan repayments overtaking profits altogether seemed imminent."[57] Frame never forgot this period, and it coloured his thinking on the advisability of loans for the rest of his life. For him, the real depression set in only after "the crash of 1931", and following that he had "the biggest struggle of my life". It taught him a lesson, he said "no more debt".[58] Ever since then, he continued "I have tried to create resources within the organisation itself, and not depend on borrowed capital."[59] It is assumed that Frame was in debt to Balladon as nowhere is a mention made that he borrowed from a bank, and there was one reference that he borrowed from his family in Vryheid.

Having learnt from the hardship of borrowing money he set out to be self-

---

55 Ibid, p.306.
56 Kaplan p.304.
57 Norris p.18.
58 *Management*, a business magazine, March 1973.
59 Norris p.18/19.

financing. This was achieved on two fronts. First of all he did not borrow and secondly he paid minimum dividends to his shareholders. He was able to defend his dividend policy and it is hard to dispute the truth and wisdom of what he said, as will be shown. It is well-known that he was not particularly tactful to outside shareholders. He considered his financial policy conservative and yet progressive. He was aware of the criticism of this policy from shareholders and the financial journalists in the newspaper and business magazines. "Shareholders in the Group held him in low esteem because of his tightfisted policy which rarely saw dividends of any significance being paid. Obsessed with the need to finance expansion from internal funds, and buying the raw materials abroad when prices where favourable, he customarily raked off a major portion of profits for reserves."[60] Frame's view was that no one forced the shareholders to purchase shares in his companies, and if they did not like what he was doing, they could always sell their shares.[61]

His policy was to maintain and increase the group's reserve thereby having resources at his disposal to meet all eventualities. He gave a wide ranging overview as to why he had to husband financial resources, as it affected his group which manufactured consumer goods, being blankets, footwear and underwear for the general public. This required that the products were priced correctly and were of an acceptable quality. To achieve this objective the elements of production namely, manufacturing premises, plant, machinery and technical developments must be up-to-date and be run by staff with the highest technical qualifications. It was vital to keep abreast of new technical developments in the field of raw materials, especially synthetics as well as machinery. In the case of the buildings these were air-conditioned as well as the humidity being controlled, not only for better production and quality but also for the comfort of the workers. As the plant and machinery was of a technical nature it was necessary to bring technical personnel to South Africa from overseas which necessitated providing them with company houses which cost from £3 000 to £4000 each to build [62], from the early

60 *Financial Mail*, February 17, 1984, p.32.
61 Kaplan p.303.
62 *Thirty Years Within The Frame Group 1928-1958*, A Company Publication.

1950s.

As the group was first and foremost a blanket manufacturing company, operating in a "cut throat" price environment, it was essential that raw material was purchased at the lowest price. The raw material content of a blanket is in the region of 45% of the ex-factory invoice price, depending on the material used which can be rayon or wool or synthetic fibre, usually acrylic and mixtures thereof. The greater proportion of the raw material purchased was wool, rayon, cotton and acrylic fibre. In the case of wool and cotton these were seasonal items and as such prices and availability varied depending on the climatic conditions and the world demand, as well as fashion trends. Payment had to be made prior to shipment and when the raw material arrived in South Africa it could be quite some time before it was processed into a consumer product which in turn was sold to Frame's customers on credit terms ranging from 90 days to 120 days. Added to this was the fact that the manufacturing units were operating 24 hours a day, and the cost of research and development as well as expansion had to be financed. Frame conducted tours off inspection of all his manufacturing units and he had a fetish that they had to operate non-stop, so much so that idle machines were switched on, during his inspection, purely to satisfy this quirk in Frame's make up.[63]

When Frame did require money for expansion he went to shareholders, rather than a bank, for it, and what is more he got the funding required. His broad allocation of profits was on a basis of one third for income tax, twenty five per cent for machinery replacement, renewing and modemising the plants. The balance was allocated to paying shareholders their dividends and creating reserves for unexpected eventualities and further expansion. He further compounded his argument as to why this was a successful policy by citing its wide scale use in the United Kingdom, USA and Europe.

Neville Gottlieb, who was Managing Director of South African Woollen Mills

[63] Management 1973, p.37, no date available.

Limited, when it was in both the Harris and Frame camps, is quoted by Kaplan on page 298 as saying "with hindsight, it is possible to criticise Woolf Harris' policy of high dividends, particularly just after World War II but none could have foreseen those deaths (in the Harris family) occurring one after the other and, at this time, few had any idea of the extent to which the synthetic fibres, introduced during the war, would develop --not even Henry Harris". In the light of Frame's statement about paying high dividends, and Neville Gottlieb's comments on Harris's high dividends one can infer that Frame was criticial of Harris's dividend policy.[64]

Frame decided to carry out his own investigation of the textile industry from 1911, onwards, and when Henry Coelen joined the group in 1953 one of the first jobs he was given was to head up this investigation. Frame ruled the Group with a "firm fist" according to Henry Coelen.[65] His investigation revealed that up until 1928 the blankets manufactured by the local industry had been restricted to woollen types by Harris and cotton types by Mauerberger now also produced by Frame and B.J. Balladon. In 1928, resulting from tariff protection introduced in 1925, the local production of cotton blankets and kaffir sheeting, an allied product, gathered momentum which saw mills being established in Huguenot (Paarl), Durban, East London (2), Johannesburg (2). One of the mills in East London was opened by Mauerberger, and the other was opened by the Burnham-King family who owned Baker King Ltd. This mill was called Saftex (Pty) Ltd and established on December 10 1926. It imported yarn which was woven into kaffir sheeting, and eventually produced Lancashire (see Glossary) type blankets from 1932, in conjunction with

---

64 Kaplan on p.300 refers to "the early gang warfare, and in-fighting that took place between Lazor Kantor, Morrie Mauerberger, Philip Frame and the Harris Brothers was a story on its own".

65 Coelen, Phd, B.Comm., C.A., F.S.C.C. in an interview with him in 1998 when he was 84 years of age. He was in the War Supplies Division of the South African Government, headed by van der Bijl (who became the first chairman of I D C) during the war and through this connection Coelen joined I D C after the war He then returned to the auditing profession from where he eventually joined Frame in 1953 in an administrative capacity and was appointed the Chief Executive of the Frame Group on November 20 1956. He resigned from Frame in 1965 to become Managing Director of Gelvanor Textiles situated at Hammarsdale, Natal which was a weaving Mills started by Grosvenor Holdings Limited of South Africa and Gelderman en Zonnen of Holland.

Highams Ltd, of Accrington, England who provided technical know-how. This investigation was confirming what the BTI had already established, but Frame was not a person who readily accepted what was presented to him.

Between 1932 and 1935, notwithstanding the fact that South African production had expanded, the importation of textile products increased considerably. The overseas mills, in most cases old established concerns geared to mass production methods and with lower overhead costs, had the edge into the growing market, while competition between the local mills had created problems which hampered their natural development. Up to 1935, there had been little diversification of production in the local textile industry and activities of producers had been broadly confined to woollen and cotton blankets, shawls, rugs and kaffir sheeting. Competition among producing mills, multiplication of overhead costs as well as other financial factors brought about the possibilities of amalgamations and the embarkation into new fields of textile activities.

In Coelen's investigation, he also looked at the pre-war and post-war years as well as the impact of imported fabric. He highlighted the heavy capitalisation required to enter the textile industry and that this could account for the fact that South Africa had developed industrially in other directions, as 90% of its immediate pre-war requirements of cotton textiles were imported, principally from the United Kingdom and Japan. There was no doubt that the shortage experienced during the war years emphasised the country's dependence on imported textiles and that the remedy to overcome this problem lay in the development of a local industry. Against this background it is not surprising that the industry grew in the immediate post-war period although difficulties were experienced in obtaining machinery and materials. Until 1949, about 90% of the country's cotton textiles requirements were being imported mostly from the United Kingdom and United States of America. Based on Coelen's investigation, as well as Frame's own knowledge of the industry, his closeness to the government, the market potential and the general state of the economy Frame was able aggressively to expand his textile empire.

There are no obvious reasons, or records, as to why the previous mill owners, Harris, Mauerberger or the owner of Woollens (which Mauerberger eventually bought), Kantor, Davidowitz, Daitz or Duveen located their mills where they did. It was possibly because they lived in Cape Town because the blanket market, which was predominantly tribal dress, was well removed from Cape Town, with the nearest market being in the Port Elizabeth / East London areas being some 400 / 600 miles to the east.

The position with Frame was quite different as stated in his chairman's statement of 1958 to the Annual General Meeting of the company.[66] "My choice of Durban was governed by its proximity to the Transvaal, Free State and large Native areas, this being as close as possible to the largest markets for its products". It also showed "the non-European population in the country was becoming Westernised in its habits, manner of clothing and general outlook". He was ahead of his time in siting his mills. This first mill was sited in Durban based on its proximity to these markets for its products. "Moreover I considered this town with its growing harbour facilities and vast hinterland, as being been geographically the most important area in the Union (of South Africa) in which to establish and develop (an) industrial enterprise". Added to all of the above was the fact that his own textile background was that of blanket manufacture from his apprenticeship at Zittau and his experience in the family business. Frame was not a person to stand around . Learning from his 1930 market survey, he established that there was an increasing demand for canvas shoes (takkies). What is relevant from the survey is not merely that there was a demand, but that there was an increasing demand thereby giving potential market growth well into the future. These items were being imported from Japan and eastern countries at the rate of 5 000 000 pairs per annum. Frame decided to open Natal Canvas Rubber Manufacturers Ltd in 1932 to produce "takkies" at the rate of 8 000 pairs per day. The brand name used was "Runacan". Assuming that the number of working days in a year totalled 235, without overtime,

66 Frame 30, p.9.

this would have meant that 1 872 000 pairs were produced annually.

In 1931 Frame opened a blanket mill at Langlaagte, Johannesburg known as the Industria Mill. This was in keeping with his belief in decentralisation. He was a firm believer in this policy and never missed an opportunity of promoting it. He justified the policy on the grounds of the geographical spread, an increasing population and the fact that his mills were able to serve their local community and surrounding areas as well as creating employment and boosting the local economy. It also enabled deliveries to be quicker and cheaper when compared to railing from a central point, such as Durban, to destinations spread throughout South Africa, as the South African Railways and Harbours had a complete monopoly on all forms of rail and road transport. Deliveries to the remote regions of the country were normally by a combination of rail, to the nearest rail head, and then by Road Motor Transport (R M T) to the final destination. Should it be that goods destined for a remote area, for example in the Transkei, had been sent from Durban by rail it would have taken about 7/10 days to reach the rail head and about another 2/3 days to reach the country trading store by road. By having a mill in East London goods could be loaded on the R M T bus and trailer in the City and be at their destination in no more than 3 days and at much lower cost. On the other hand it will never be known for certain if a central mill would not have been more economical when all the "economies of scale" were factored in. It can be argued that a central point of manufacture would have been more economical than warehouses in the main centres carrying the basic and fast moving items, bearing in mind that the blanket industry is seasonal. This remains a real problem for South African winter goods manufacturers because of the relatively short winter and in the Frame half year report ended December 31, 1998 appearing in the *Mercury* (Durban) on February 12, 1999, the following is stated : "The situation has been exacerbated over the past six months by an unusually warm winter which dampened the sales of winter goods".

Frame decentralised and successfully so. In reading the account of the growth of the Group and how it was achieved, sight must not be lost of the fact that Frame did not build all the mills and wool washeries referred to in company publications, as it endeavours to convey. Frame certainly owned them but this ownership was achieved by taking over existing operations, which commenced when he formed Consolidated Textile Mills Ltd, in 1935 which was known to the trade as C T M. As Frame grew his business empire, so his personal influence on the whole of the South African textile industry increased and he was fearless in this quest for domination and a total monopoly; he was very combative and very competitive and so the love / hate image came about.

The contribution Philip Frame made to the South African textile and clothing industries as well as the economy of the country was indeed substantial. He came from what could be termed a "humble" background but obviously he had an outstanding mind, with great vision, added to which he had a textile qualification to back his judgement. To arrive in a foreign land, so vastly different from his up-bringing in every way, ranging from pogroms, to religion, to the oppression of Jews, living conditions and the climatic conditions, snow and cold to sun and warmth and religious freedom, must have been an exhilarating experience for a relatively young man. He had to adapt to his new conditions and find employment and generally start a new life. It is from his introduction to Harris, to working for Maurberger that he was able to get a "feel" of the South African blanket manufacturing industry and its market, not only as a textile engineer but also from his experience in the family blanket business. Obviously he had no money in the sense of the amount of money required to establish a textile mill, even a small one. With the financial support of Balladon, coupled with his schemes and determination to succeed, he was able to build his first mill. Still being young he must have had difficulties in persuading businessmen, older than himself, that his schemes and plans were sound and viable. Having convinced them of this, he then had to put the proposals into practice and justify to his partners that they were workable and profitable. As he gained in confidence and became more financially secure he was able to drive forward at an ever increasing pace, building what by now was becoming an empire. It would be reasonable to assume that in his early years he was not as "bloody minded" and dictatorial as he became with the passing of time. He never appeared to rest and had a relentless urge to produce new products and generally grow his business. In today's terminology he would be classified as a very "focused" person, being someone not easily side-tracked or put off what he intended to do, by other people's opinion. As he became more confident and knowledgeable about the country and its markets he expanded his business interests and eventually employed in the region of 30,500 people and at one stage was the largest blanket manufacturer in the Southern Hemisphere, and, some reports stated, the largest in the world. Whether he was or was not is not at issue as he was certainly one of the largest. His ability to control his "Empire" was never brought into question and after his death it was possible to see his ability as the Group had to be run and controlled by a management team of three people.

CHAPTER 5

TWO VITAL INGREDIENTS : LABOUR AND THE STATE.

Labour

This chapter will examine two important components in the South African textile industry up to 1948, which were the fledgling textile trade union movement and the constituted Industrial Development Corporation of South Africa Limited (IDC) which came into being in 1940.

A trade union is defined as: "an association of employees formed to improve their income and working conditions by collective bargaining".[1] This definition would have not been unduly difficult to put into practice in a normal democratic society. However in South Africa such a position did not exist until 1994. Another factor in the South African equation was that of colour as referred to in the Introduction to this thesis. Notwithstanding what could be considered "common cause" being better conditions of employment, it was difficult to form a trade union in the textile industry.

A look at the beginning of the trade union movement in South Africa is relevant in order to do a scene set. The seeds of the trade union movement were sown by the arrival in South Africa of skilled labour from Britain, Australia and America to work in the gold and diamond mining industries, from the mid 1800s with unskilled labour being drawn from the local black population. The unions which these skilled workers formed were resented by mine management.[2] With the opening of the diamond and gold mines there was a shortage of skilled labour which resulted in there being no need for collective bargaining in order to secure satisfactory working conditions. The view was expressed "It may, therefore, be assumed that earlier unions, being off shoots of overseas organisations, were formed primarily for reason of prestige and sentiment".[3]

Numerous trade unions were established throughout South Africa catering for

---

1 Collins Concise English Dictionary third edition, p.1429.

2 Padayachee et al, *Indian Workers and Trade Unions in Durban 1930-1950*, p.2.

their own particular trade or profession. At the turn of the century the fledgling textile industry in the form of blanket manufacturing was developing but an industry in the true sense of the word had not yet emerged so unions developed slowly in this sector. The textile industry was spreading geographically throughout South Africa and was not concentrated in any one area, whereas if this had been the case it is conceivable that textile workers would have formed their union much sooner than they did. It was from these mills that the textile trade union movement would have to recruit its membership and by 1933 the total number of employees amounted to 2 358 and by 1941 the figure was 3 711. Even if every textile worker had joined the union, and this would have been unlikely, it can be seen that the total strength would not have been very large. The geographical diversification of the mills are illustrated on the map, Chapter 2, Figure 13 which would have made it difficult to have a union of any great strength in one particular area.

The total membership of all trade unions made up of all race groups for the period 1933 to 1941 appears in Table 1 below, and when the total workforce employed in the textile industry for the same period is compared with the total membership of all trade unions, it can be seen that textile trade unions were an exceptionally small percentage of the total.

Table 1 : Number of employees in the blanket industry compared with total of all trade union members (for registered and unregistered unions) covering the period 1933 to 1941 inclusive, for all race groups, on a national basis

Year	Total membership of trade unions	Number of Blanket Industry Employees	Percentage of Total
1933	106 350	2 358	2.22
1934	126 346	2 602	2.06
1935	150 543	2 611	1.73
1936	189 003	2 930	1.55
1937	223 537	3 082	1.38
1938	253 651	3 105	1.22
1939	264 446	3 194	1.21
1940	272 487	3 523	1.29
1941	289 130	3 711	1.28

Note 1: The total membership of trade unions, p.111, appendix B, H G Ringrose, *Trade Unions in Natal*.
Note 2. Number of employees in the blanket industry, BTI Report 290, p.7, Table 1.
Note 3: Even if every employee in the blanket industry had joined the textile trade union, which

[3] H.G. Ringrose, *Trade Unions in Natal*, p.4

is unlikely, this table illustrates the small membership compared with the total membership of all trade unions confirming the relative weakness of the textile trade unions in its formative years.

The trade union position in South Africa was not only affected by the relationship between workers and management, but an added element was the racial factor where the white worker was protected at all times and in turn the racial aspect was broken down further into Black, Indian and Coloured categories. Over one hundred years ago in 1893 the industrial colour bar was already operating, having been introduced by the Transvaal Volksraad to protect the European workers, laws that would operate at the expense of the indentured Chinese labour as well as Black labour.[4] In 1922 the general strike on the Rand took place with loss of life, with the government ending it by force. In short the government was historically anti- trade unions.

About 1900 it was reported that the textile workers in Cape Town were working a sixty hour week, 7.30 a.m. to 8.30 p.m. with a 1 hour break and were paid 19/- per week. For "normal hours" (which has not been defined) the pay was11/- per week[5] and the working conditions were very difficult. By 1933 the starting wage was £1 for a 48 hour week.[6] The weakness of the textile union was illustrated when a dispute took place and the Labour Department ruled that: "we should be paid arrears wages which involved hundreds of pounds. I alone was due over £100. We went to the directors with a very strong deputation but the bosses would only give us a total of £100". This was accepted as the union was not then strong enough fight for more but eventually £156 was obtained and shared by nine workers, a long way short of £100 each.[7] A schedule was published by the Textile Workers' Union covering the period 1930 to 1959 reflecting the wage increases the union negotiated for its members, in various geographical areas as well as various products manufactured in the textile industry. Even though this thesis terminates in 1948, the total period of the schedule from 1930 to 1960 (Table 2) is stated.

---

4 P.L. Wickens, *Economic History of South Africa*, p.26 ed. F.L. Coleman.

5 25 Proud Years – The Story of the Textile Workers' Union (September 1959), p.5. The style of presentation in this publication is one of a trade union canvasser speaking to prospective members outside mill premises during the workers' lunch and tea breaks.

6 Ibid, p.6.

TABLE 2

THE STORY IN FIGURES

YOUR WEEKLY WAGES INCLUDING COST OF LIVING ALLOWANCES OVER THE YEARS

This Chart tells the story of the gains won by Textile Workers since 1930. Wages have been doubled and trebled, thanks to the fight of the workers led by the Union.

1960 depends on YOU.

Date	Blanket	Sheeting	Canvas	Flock	Worsted	Cotton	Knitting	Jute	Wool Trade	Carpet	Area	Comment	Price Index
1930	11/- - 19/-										Cape Town		
Jan 1933	20/- - 30/-					20/- - 30/-					S.A.	Wage determination 46	91.4
Dec 1934							22/6				Johannesburg	Strike won 7/6 increase	94.1
May 1935											Johannesburg	Strike CTM 2 months	94.5
Dec 1935							7/6 – 25/-				Johannesburg	25/- after 6 years	93.7
Jan 1937	24/- - 45/-										S.A.	Wage determination 55	
1938	32/6											Carding machine operators	101.9
Feb 1940	5%										Cape Town	Negotiated war bonus	105.0
Oct 1940	5%										Durban	Negotiated increase	105.0
Apr 1941	10%										S.A.	Negotiated increase	
Apr 1941				5/- - 12/6									113.5
Jan 1942	2/6										Durban	Negotiated for raisers	
Apr 1944				22/6– 42/6							S.A.	Wage Board	129.1
Sep 1944				30/- - 84/6							S.A.	Wage determination 121	128.1
Nov 1946									30/-		S.A.	Average wage	134.8
Sep 1947	44/8 - 78/7												140.9
Nov 148			27/-								Standerton		151.3
Nov 1948									30/- - 51/6		S.A.	Wage determination 150	
Jun 1949						28/-					Ladysmith		153.3
Jun 1949				5/-								Negotiated increase sorters	
Jun 1949							4/6					Negotiated increase	
Nov 1949						32/6					Ladysmith	4/6 won after strike	154.9
Nov 1950										36/- - 92/9	Cape Town	After strike "Maroc"	165.2
Dec 1950	55/2 – 70/-		32/- - 38/9		43/8 – 63/-	44/6 – 57/-					S.A.	Average	
Jan 1951	57/6 – 95/-										S.A.	Negotiated national agreement	165.6
Aug 1951	61/- -102/-			49/6 – 87/-							S.A.	Negotiated national agreement	
Nov 1951						45/9– 53/6					Paarl		
May 1952						23/-					Ladysmith	African wage	
May 1952						45/-					Ladysmith	European wage	
Feb 1952										56/- -110/-	Cape Town		
Mar 1953		£2500									Amato	Back pay won for workers	189.2
Jun 1953						50/3– 55/3					Cape Town	Negotiated at C.B.	
Mar 1955	68/5-114/-	54/- -87/6		51/- - 93/-							S.A.	National Agreement	
Jan 1957					46/9– 58/3						Uitenhage	Strike settlement	
Jul 1957								5% - 10%			Cape Town	Won by negotiations	211.1
Aug 1957	68/5-114/-	54/- -87/6	54/- -72/3	51/- -93/-	51/9-67/3		80/- -40/-	55/9 – 80/-	34/8– 60/9		S.A.	Average	215.2
Aug 1957				5%							S.A.	Increase for older workers	
Oct 1958					51/9– 69/1						Cape	Negotiated	
Jan 1958					2/6 – 7/6						P.E.	Negotiated increase	211.5
Jan 1958						51/3-55/3					Paarl	Negotiated	
Jan 1959						61/2-71/3				63/4-115/-	Cape Town	Negotiated increases	
Jan 1959								40/- - 80/-			Johannesburg		
1960	?	?	?	?	?	?	?	?	?	?	S.A.	Depends on you joining the Union	

There was tension within the trade union movement which made it difficult for a united front to be formed and some trade unions had a colour bar in their constitution. Wickins stated: "Coloured and Indian workers entering growth industries such as textiles and food processing in large numbers, were too numerous to be excluded from unions that wished to exercise negotiating strength." Mention must be made that Africans were prohibited from joining registered trade unions.[8]

The trade union movement would have found it difficult to become established in a meaningful manner in the textile industry as "Owing to the type of labour employed, and the newness of the industry textile labour has hitherto been highly unstable, as reflected in the high turnover and absentee rate of most factories generally. The difference between factories, however, is also great, and those factories situated in areas where housing and transport facilities are satisfactory showing by far the lowest turnover absentee rates".[9] The amount of female labour was low as they were not allowed to be employed on double shifts. Adding to the problem of forming a textile trade union, was the fact that the total number of employees was relatively small in the blanket industry.[10] Once again the geographical spread of the mills throughout South Africa worked against establishing a powerful union in any one area.

In the first instance it was necessary for the trade union to have a constitution to set out the objects, procedures, controls, management and all aspects relevant to the running of the body. This was not as simple as it would appear because the government, through the Department of Labour, had drafted a model constitution for trade unions.[11]

This immediately removed the "free and fair" elements in drafting a constitution which implied control of some description by the government. An added complication was the racial aspect of the trade unions in that membership was divided into white, coloured and Indian as Blacks were prohibited to have a

8 Wickins, p.30.
9 BTI report 323,1950, paragraph 333 p.110.
10 See Table 1 on employment figures.

trade union. It is against this background that the attempt to form a textile trade union movement will be examined.

In 1932 an attempt was made to establish a textile trade union in Durban under the leadership of J. (Jimmy) C. Bolton. This was not successful as it was conceived that Bolton was mostly concerned with the White workers which brought about divisions amongst potential members. Another attempt was made in Johannesburg on 13 December 1934 with a Mr Wolmarans as Chairman. Issy Woolfson was Secretary and Basil Kiel the organiser. The majority of the union members comprised of workers from Mauerberger's mill at Industria and when he turned down their demand for a pay increase on May 6, 1935 (Jubilee Day) they went on strike which lasted for two months.[12] It was a difficult time as "scabs" (also known as a blackleg)[13] wouldn't stand with their colleagues and preferred to be driven to work in police vans. Out of the striking work force 196 were arrested, for striking illegally but they were discharged by the court. The result of the strike was that the Mauerberger mill management was forced to recognise the union. This enabled the union to become a national body as the Johannesburg strikers were supported by the Durban workers, who were prepared to come out on strike, but Bolton dissuaded them and eventually Durban became a branch in August 1935 with the workers at the mill in Harrismith following in December of the same year.[14] There was fertile ground for the trade union movement to grow in view of the low wages paid to the workers and the perception of enormous profits made by the mill owners.

It was usual for textile mills to employ white workers in the technical areas of management such as the spinning master, weaving master as well as the dye house and finishing manager and in senior administrative positions in the mill office. The semi-skilled and unskilled work was carried out by the non-European workers. There is no mention that formal training was provided to the "hourly paid" workforce, but obviously training of some description must have

---

11 Padayachee et al p.61, appendix E, p.202.

12 25 Proud Years pp.3/4.

13 A derogatory word for a person who refuses to support a trade union's actions, especially strikes: Collins Concise English Dictionary third edition p.1198.

14 25 Proud Years p.5.

been provided. What was significant was that in the Board of Trade and Industries report number 290 of 1946 on the South African Blanket Manufacturing Industry in its, Conclusions and Recommendations, on page 16 paragraph 47 (5) it recommended that the National Organisation of Blanket Manufacturers, in consultation with the competent state department, and representatives of employees, "examine the possibility of providing facilities for youths of European descent to serve an apprenticeship in the textile industry, and to receive instructions at institutions for technical training". In the BTI report on the textile manufacturing industry number 323 of 1950 it stated that it is was of the opinion that "provision should be made for textile industrial training at native schools situated in areas near large textile factories".[15] The motivation was to create a more stable labour force which should bring about higher productivity.

It was only after 1932, as the economy was recovering, that there were sufficient workers in the textile industry to give the formation of a union a reasonable chance to succeed. The fact that the first attempt failed was more of a racial "perception" by members as opposed to having sufficient members to make it succeed. The potential union also faced major hurdles, one being the attitude of the government and the other being the racial division of its members, with an underlying feeling of distrust. Although not specifically mentioned the textile mills owners would not have been falling over backwards to see a union established. Notwithstanding these obstacles the textile workers did establish their union which grew in size and stature and eventually had tremendous clout, not only in the working arena but also in the political arena.

The first year for which statistics were available in relation to the blanket manufacturing industry was from 1933/34 and these continued until 1941/42.[16] The workforce employed and the salaries earned are now commented on and illustrated in graphs.

The total number of employees (Figure 1 in this chapter) increased steadily to

---

15 BTI Report 323, p.74.

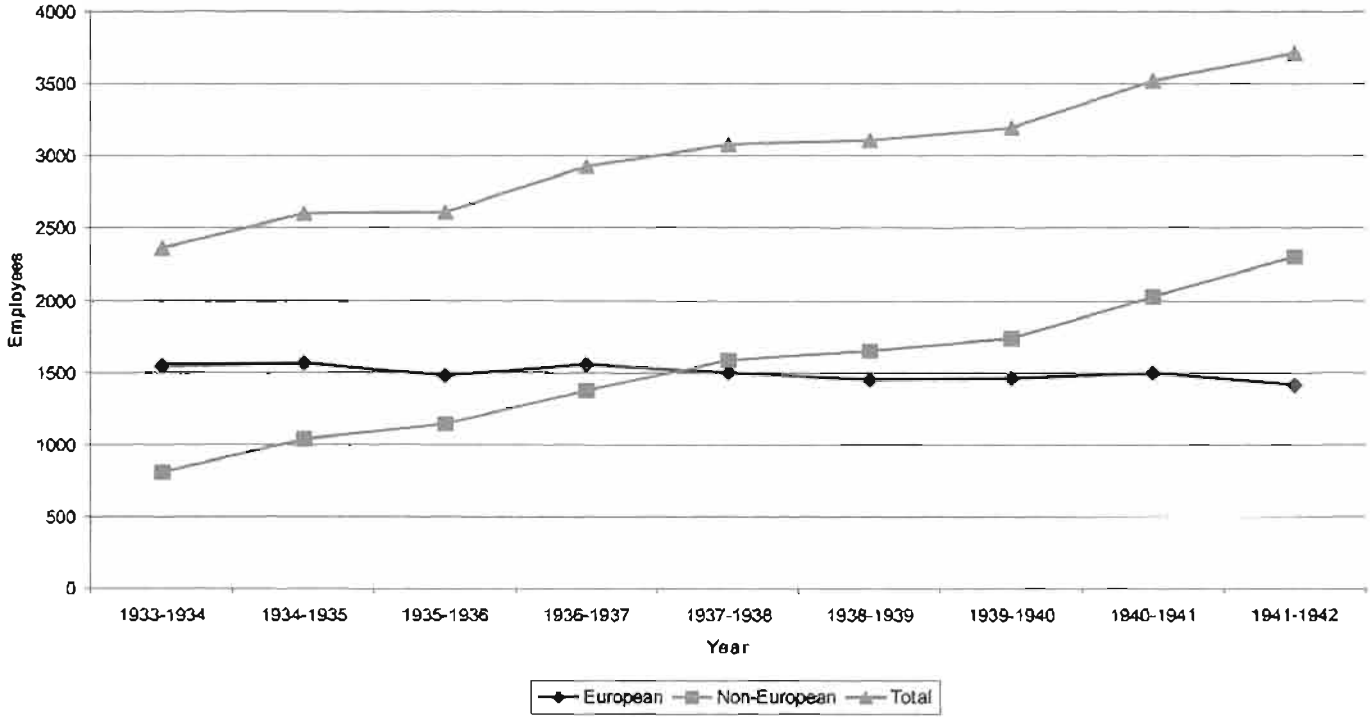
16 BTI report 290, 11th September 1946 p.7.

3 711 over the nine-year period 1933/34 to 1941/42 inclusive and by 1941/42 it had increased by 1 353 being a 36.46% growth from the base year of 1933/34 when the total figure was 2 358. What is interesting is that the level of European employees over the same period reduced by 135. In 1933/34 there were 1548 and by 1941/42 the figure was 1413. The number of non-European employees in 1933/34 was 810 and by 1941/42 it had increased by 1488 (64.75%) reaching a total of 2 298. The European and non-European employees more or less reached parity in 1937/38, when the European workforce was 92 more than the non-Europeans, thereafter the non-European work force increased. The non-European employees in 1941/42 represented 62% of the total workforce whereas in 1933/34 they represented only 34% and the European employees were then 66%.

The turnaround in the racial mix of employees had an impact on the salaries and wages (Figure 2). The total wage bill in 1933/34 was £214 710 made up of £164 485 for Europeans at an average of £106.26 per annum and the non-European total was £50 225 averaging £62 per annum. By 1941/42 the position was £274 977 for Europeans which averaged £194.62 with the non-European wage bill being £235 833 averaging £102.63. This represented a 83% increase for Europeans and 64% increase for the non-European. It can therefore be seen that notwithstanding the larger number of non- European employees in 1941/42 the industrial average of £102.63 was still below the European average of £106 in 1933/34 and well below the average of £194.62 in 1941/42. The difference in total earnings between the European and non-European was substantial, with the European earning 76.61% more in 1933/34 and 53.83% more by 1941/42. In real terms, in 1941/42, 1413 Europeans earned £274 977 and 2 298 non-Europeans £235 833.

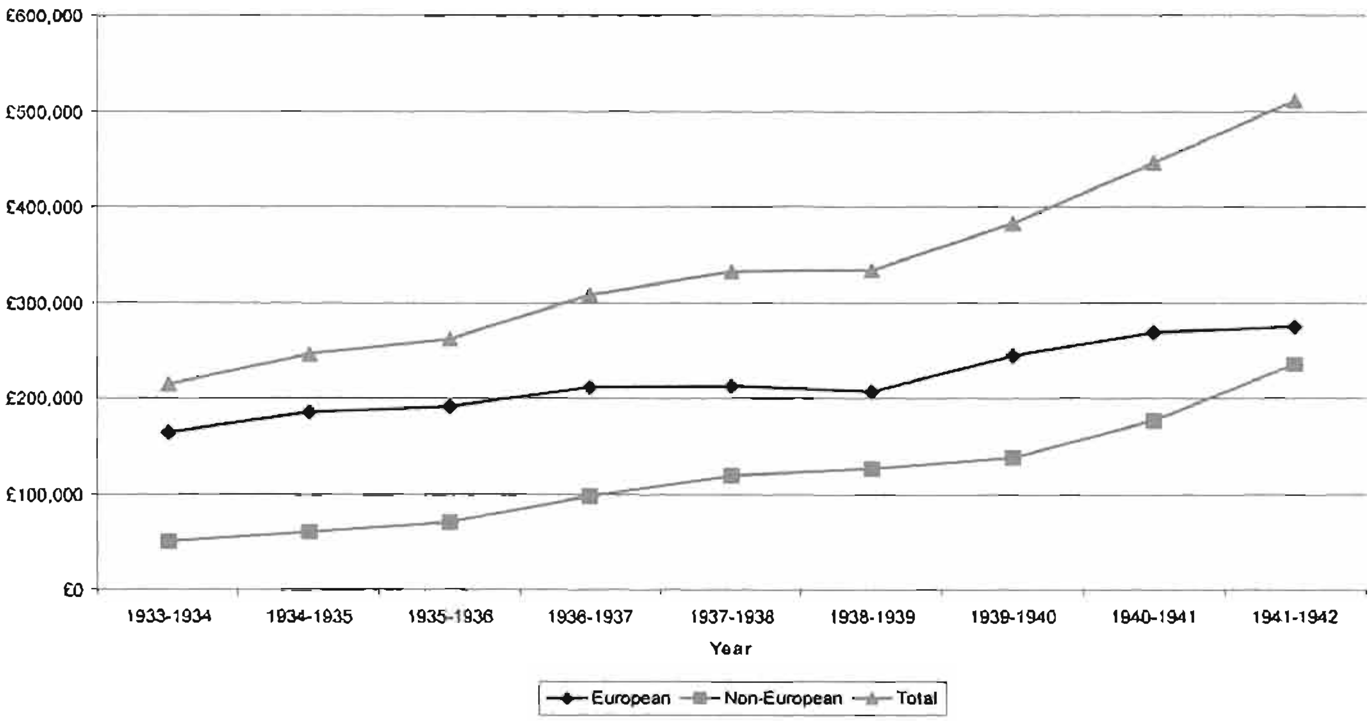
From Figures 1 and 2 it can be seen how the wages and the labour force, between European and non-European workers as well as the discrepancy with directors salaries, listed below, and the weekly paid staff changed over the years.

FIGURE 1. NUMBER OF EMPLOYEES



Source: Extracted from B.T.I. Report 290, September 1946, p7, Table I

FIGURE 2. SALARIES AND WAGES



Source: Extracted from B.T.I. Report 290, September 1946, p7, Table I

The income of directors is not included in the above salaries. The figures which follow illustrates five directors' earnings for the five year period 1937/1944 inclusive and relates to one company, described as "Director's managerial remuneration and fees". No mention has been made in the report regarding fringe benefits such as transport, travelling, entertainment or membership of clubs etc.

The income is for a June year end.

1937	£31 032.8.0	1938	£31 088.5.4	1939	£29 736.0. 8
1940	£31 096.7.11	1941	£31 242.18.10	1942	£29 551.8.10
1943	£27 414.8.5	1944	£29 269.18.0.		

Source: BTI Report 290, 11 September 1946, p.14, Table VIII.

These figures would bear out the comment : "considering the returns yielded there can be no doubt that investment in the blanket manufacturing industry has been extremely profitable ".[17]

The textile trade union's impact on the textile industry up to the outbreak of World War II in 1939, as well as its impact during the war years was relatively low-key. Its high water mark would have been the "Jubilee Day" strike at Mauerberger's mill in Johannesburg in May 1935. As the union was only started in 1932 this high-profile strike would have been an achievement in mobilising the workforce. From a union perspective they would obviously have been very pleased with what they had achieved.

Rapid economic growth took place during World War II and especially in industrial production. "The gross value of manufacturing output rose by 141% during the period 1940-1946. The impact of this increase is illustrated in the census figures, "in 1936, 51% of the economically the active African population

[17] BTI report 290 paragraph 44 Table VIII p.14.

were classified as peasants; by 1946 this had fallen to 17%, declining to 8% in 1951.[18]

It was in the post World War II period that the textile trade union gathered momentum, resulting from the economic growth of South Africa, of which the textile industry was a very important element. As the industry developed so the union gathered momentum becoming very powerful, not only in striving to improve the working conditions and pay for its members, but also becoming ferocious and strident in the political arena.

Jon Lewis analysed the racial and gender mix and the total number employed in the textile industry, for the period 1938/9 through to 1954/5. The growth in the industry is illustrated by a total employee strength of 4 692 in 1938/9 and by 1954/5 it had reached a figure of 32 945 being almost an eight fold increase, which by any yardstick is substantial. What was particularly noticeable was the high percentage of European females working in a predominantly male dominated industry.[19]

The diversification of unions that existed was also very noticeable. There were in excess of 40 different trades unions including Woman's Workers Union, and by the very nature of the South African scenario there were racial divisions, and in turn the political spectrum was represented, from extremely left-wing to right-wing, to which must be added the different languages and cultures. With such a melange the permutations were limitless. It is understandable that Jon Lewis in the closing sentence of his book states "Rather the roots of sectionalism are to be found in the division of labour and the general way work is organised, and it is this which has placed strict limits on the trade union strategy and organisation".[20]

---

18 Rob Davies, Dan O'Meara and Sipho Dlamini, *The Struggle for South Africa*, volume 1, pp.16-17.

19 Jon Lewis, *Industrialisation and Trade Union Organisation in South Africa, 1924-55, The Rise and Fall of the South African Trades and Labour Council*, pp.152-153.

Role of the State

As the economy of South Africa was developing in the early 1900s, and especially the industrial sector, it was recognised that a structure of some description was necessary to coordinate an economic plan .This hiatus in the economy was recognised by Alexander Aiken, a leading Johannesburg accountant and in the September 1917 issue of the government sponsored publication *South African Journal of Industries*, he wrote an article entitled "Company for the Development of Industries". This was a new company he helped to form, of which he was the current Managing Director and in it he pointed out that an industrial census showed that output of £17 200 000 in 1911 had risen to £49 500 000 in 1917. This increase (almost three fold in six years, which included the early stages of World War I) impressed Aiken which caused him to highlight the lack of capital handicapping the progress of manufacturing. Aiken also recognised that there was much technical knowledge among individuals scattered throughout South Africa, but it was not being used, partly because it was not organised and partly because no one knew where it could be found. It can be said with a reasonable degree of conviction that this was the seed that was planted, which eventually saw the birth of the Industrial Development Corporation of South Africa Limited (IDC) in 1940. Its formative years were during World War II, and its impact on the South African economy as a whole and specifically the textile sector, became evident from 1947.It is still a major role player in the economy of South Africa.

It is significant and almost coincidental, following Aiken's article, that in August 1919, the Minister of Mines and Industries, the Hon. F.S. Malan, announced that the government was considering granting financial assistance to local industries, which would involve the formation of a large financial corporation and that discussions were taking place with the National Bank of South Africa Limited (eventually it became Barclays Bank DC&O and now the First National Bank-FNB). Earlier that year the National Bank increased its capital from £3 million to £4 million and part of the money was earmarked for the new concern, the National Industrial Corporation of Africa Limited, in which the bank

---

[20] Ibid, p.181.

would participate, which would be used to finance new industries and to foster the development of existing industries on a medium or long term basis. The General Manager of the National Bank, E.C. Reynolds, wrote an article in a later publication of the *South African Journal of Industries*, in 1919, entitled, "Financial Resources of South Africa Available for Industrial Expansion." Reynolds pointed out that the financial requirements of industry had to compete against investment in mining and commerce. He went on to motivate his viewpoint and how the Corporation could assist, which in fact was virtually word for word what The Industrial Development Corporation of South Africa Limited (IDC) subsequently implemented. He proposed government involvement and stated "I would suggest shipbuilding and repairs (*Dorbyl*), an arms and ammunition factory (*Armscor*), materials for clothing the Forces *(Good HopeTextile / Fine Wool Products)*, an air-machine factory *(Atlas Aircraft Corporation)*, timber (*Masonite*) and iron (*Iscor*) production. *(The italics are the author's highlighting the accuracy of suggestions by Reynolds)*. The National Industrial Corporation was caught up in the post World War 1 recession and ceased to operate: however it did show the need of facilities for financing South African industries and the possibility of doing so successfully.[21] For such an ambitious venture to succeed the assistance of the State was vital to its success, which was forthcoming, as will be illustrated. It is questionable if the financial resources of a non-government enterprise would have been adequate for such an undertaking and furthermore it is doubtful if private enterprise would have been willing to finance losses during the development stage, as they would have been looking for returns on their investment. Even more important would have been the necessity of private enterprise working in harness with the government as private enterprise would in effect be financing the government's economic strategy. This would have been an impossible combination. With the intervention of the Great Depression and the Gold Standard problem nothing further took place during the interwar years.

Even if a decision had been made to implement the plan any time during the 1930s, the government would have had to provide the funds to launch the post-

---

21 E. Rosenthal, *Industrial Development Corporation of South Africa Ltd., 1940-1960: The Story of the First Twenty Years*, 1960.

war economic plan as well as providing the corporate structure. It is doubtful if in fact it had the necessary finance and manpower to do so, and even if it had, there is no way of knowing whether it would have proceeded or not.

It is important to look at the embryo stage of the IDC. David Kaplan states that it was set up in general to encourage industrial development with an emphasis on heavy industry and raw material processing in particular. It was not intended to stimulate industry directly.[22] "The IDC was thus, from the start, designed to encourage foreign participation in secondary industry and it was this aspect that was welcomed by the Federated Chamber of Industries (FC I).[23] Dr. H.J. van Eck advanced the view that South Africa should have a large unit that could supply the whole market, as it could not enjoy the luxury of competition. This resulted in IDC providing the entire capital of a wool factory (Fine Wool Products of South Africa Limited, at Uitenhage) in 1945.[24] What was startling about this venture was that the capital was £650 000 and the available market was only £250 000. Perhaps this is a practical illustration of the fixation IDC had, in their formative years, about their objectives and how they were going to achieve them.

Eventually the Corporation was founded during World War II when the Prime Minister was General J C Smuts. When World War II was gathering momentum, R.B. Stuttaford ,minister of Commerce and Industries introduced, into the House of Assembly in 1940, the Industrial Development Bill. It had been drafted by A.C, McColm the manager of Iscor and the Johannesburg attorney B.H. Friel. The envisaged body was to be known as the Industrial Development Corporation of South Africa, Limited (IDC). The Industrial Development Act No 22 of 1940 (The Act) (as amended) was assented to on May 15, 1940 and signed, in English, by the Governor-General (Sir Patrick Duncan) of the Union of South Africa. So birth was given to a body that would make far-reaching, and meaningful contributions in many industries and in diverse economic fields to the growth of South Africa. The Corporation's first

22 David Kaplan, Class Conflict, Capital Accumulation and the State: An Historical Analysis of the State in 20th Century South Africa, p.400.

23 Ibid, p.401.

loan was in 1941 for £1500 (R3000) to Mrs M.J.S. Greyvensteyn of the village Molteno, Cape Midlands, where she manufactured "Ouma Rusks". From this small beginning the Simba-Quix group developed. The IDC did finance small home industries through to enormous industrial undertakings.[25]

It is necessary to consider the role the newly formed IDC played in the advancement of the textile industry, against the background of the seeds that were sown that brought about the Corporation. Having traced the industry from its humble beginning at the turn-of-the-century through to the outbreak of World War II, and it being a profitable area of investment, all of which took place without any meaningful assistance from the State, in the way of direct financial support, tax holidays, transport concessions and other benefits the position changed dramatically in the post World War II era with the advent of IDC. [26]

The textile industry was developing as will be seen from previous chapters, but somewhat slowly and what development there was had to be financed out of the resources available to the existing mill owners and likewise new entrants into the industry were faced with the same problem.

It is important to look at the management team that was going to drive and direct IDC, this powerful new state undertaking which could have far-reaching economic consequences for South Africa. The obvious choice as Chairman was Dr. H.J. van der Bijl (born at Pretoria, November 1887 and died on December 2, 1948) who was the current Chairman of the Electricity Supply Commission (Escom). It had been set up in 1923 and he had made such a success of it that plans were afoot for further stimulation of economic activity by means of state-controlled bodies planned on similar lines. He was a protege of General Smuts who knew him as the families were friends. He got his appointment not just because of the professional accomplishments and the family connections to Smuts but also because he was the only Afrikaner

---

24 Ibid, p.402.

25 A.P. Cartwright, *Industrial Development Corporation of South Africa Ltd: 1940-1970* p.14.

applicant among the number of exceptionally well-qualified candidates for the job.[27] Dr van der Bijl had returned from America in 1920, "loaded with distinctions in the fields of science and technology and he had served as Industrial Adviser to the Union Government" from 1920.[28]

On October 1, 1940 IDC opened its doors for business and van der Bijl's staff comprised of a Managing Director, Dr H.J.van Eck, (born in Kimberley 27 April 1902 and died in Johannesburg on February 18, 1970) a chemical engineer, with experience gained in Germany, United Kingdom and Iscor where he was Joint Works Manager and was later to become Chairman of IDC, a Secretary, a Senior Administration Officer, one clerk and two typists. The suite of offices was in Escom House, Rissik Street, Johannesburg. As IDC opened during the early stages of World War II, van der Bijl was also appointed the Director-General of War Supply and Dr van Eck appointed Chairman of the Industrial and Agriculture Requirements Commission. The initial capital of the Corporation was £2 million and it had to present its annual report to Parliament and it was only responsible to the Cabinet. On April 14, 1928 the Nationalist government under Hertzog, had formed the South African Iron and Steel Corporation (Iscor) with van der Bijl as Chairman to manufacture steel and create jobs for whites and to improve the country's economic growth. The markets which Escom and Iscor, these two State inspired operations, were endeavouring to cater for were difficult to break into as their competitors were highly established foreign firms. This forced the two State undertakings to enter into partnerships with local private companies in order to survive, and from this they learnt a lesson in survival and especially in the area of labour control. These two undertakings endeavoured to use low wages paid to black workers as a means of keeping down costs. During the war years frequent strikes by the black workforce and high staff turnover caused numerous problems.[29] When van der Bijl got involved in textiles he found this to be an entirely different

---

26 Dr Ian Halliday, retired Director of IDC, in an interview, stated that the Corporation was the engine that "pulled South Africa into the industrial age" and played a major part in developing the post World War II economy.

27 N. Clark, *Manufacturing Apartheid*, p.49.

28 E. Rosenthal, p.8.

29 N. Clark, The Limits of Industrialisation Under Apartheid. In: P. Bonner et al, *Apartheid's Genesis*, p.66.

industry and consequently markets, from Escom and Iscor, as did his successors.

It is perhaps relevant to mention that the National Party government of 1948 did not invent Apartheid. What they did was to take the existing policy of segregation, develop it, expand it and put it into the country's legislation and make it the official Government policy. The State, under the control of the National Party had all the ingredients at their disposal namely, IDC, the people to run it, finance and the ability to legislate, in order to press on with their plans for industrialisation, which would give them control over the non-white population of the country.

An important factor in the Corporation's overall strategy, was that of "Decentralisation". The philosophy is a classic example of "the carrot and the stick" approach which industrialists, based on the profit motive, eagerly embraced. The wide range of incentives, at varying levels, came into force shortly after the National Party came to power. These varied from area to area and were given to industrialists to operate in decentralised areas. They certainly were attractive, with the most attractive incentives being granted in the least appealing areas. Various titles were given to Decentralisation, such as "Border Area Development", "Homelands", "Bantustans", but the purpose was the implementation of the government's Apartheid policy.

This was not an entirely impractical undertaking and it would probably be difficult to argue against the economic merit of "taking factories to the workers" as opposed to "the workers coming to the factories", as with the mill villages in the United Kingdom and Northern Ireland in the 1700s and 1800s and later. The first two textile undertakings the IDC got involved with were Fine Wool Products of South Africa Limited at Uitenhage, in the Eastern Cape, established in 1944 and The Good Hope Textile Corporation Ltd at King Williams Town, established in 1946, in what was then known as the Border area. However, the underlying reason for the policy, namely Apartheid, was unacceptable in the eyes of the world as it was a policy of perpetuating white political power in South Africa. By "taking factories to the workers" it provided work for the reservoir of labour that was available in the area where a mill was sited. This minimised the migration of the rural inhabitants to the urban areas, which did not have the infrastructure to accommodate the anticipated influx, and at the same time created industrial undertakings where previously none existed, and which without government assistance were unlikely to come into existence. It is against this background that IDC's approach to economic development and the implementation of the governments policy should be viewed. On the other hand government support, encouragement and economic incentives are of immeasurable benefits, and in fact would be vital to the success of industry and a developing country, as long as they are provided without any racial or political baggage.

It is appropriate to quote from relevant sections of the Act in order to fully understand the mandate the management of IDC were entrusted with.

The preamble to the Act, on page 2, states:

"To constitute a corporation the object of which shall be to promote the establishment of new industries and industrial undertakings and the development of existing industries and industrial undertakings, and to provide for other incidental matters."

The objects of the Corporation are not particularly lengthy, and as they are far-reaching, they are set out in full as follows:

> 3. The objects of the Corporation shall be:
>
> (a) with the approval of the State President to establish and conduct any industrial undertaking; and
>
> (b) to facilitate, promote, guide and assist in the financing of;
>
> (I) new industries and industrial undertakings; and
>
> (II) schemes for the expansion, better organization and modernization of and the more efficient carrying out of operations in existing industries and industrial undertakings, to the end that the economic requirements of the Republic may be met and industrial development within the Republic may be planned, expedited and conducted on sound business principles. (IDC Act p.2).

An additional objects clause was added, on page 3,as follows:

> Additional objects of corporation in respect of areas designated by the

Minister.

(The Minister of Industries, Commerce and Tourism who at the time was Mr. R. Stuttaford).

3bis Notwithstanding anything to the contrary in this Act or any other law contained the corporation may in any area designated for that purpose by the Minister, provided that such area shall have a community council established under section 2 of the Community Councils Act, 1977 (Act No 125 of 1977), establish or acquire and carry on any business or service undertaking.

The government at all times intended to keep a tight rein on IDC as is illustrated by the following extracts from the Act, relevant to the directors, read in conjunction with the objects clause:

6 (3) The State President shall have the right to appoint not more than five directors and the private shareholders shall have the right to elect not more than four directors (page 6) (*this meant that the government appointees will always be in control*).

6 (4) The State President shall choose all directors appointed by him for their ability and experience in business or administration, and their suitability otherwise for appointment as directors (page 6) (*"their suitability otherwise" can be interpreted as government supporters)*.

6 (5) The State President shall appoint one of the directors appointed by him to be the chairman of the board (page 6) *(this really means that through the State President the Cabinet are pulling the strings)*

8 No person shall be appointed, nominated or elected or remain a director or alternate director who is a senator or member of the House of Assembly or a provincial councillor. (Page 6) (*This gives the appearance of being democratic but in reality IDC was a puppet of the government)*.

11. (3) All appointments (if any) as managing director shall be made by the board, subject to the approval of the Minister. (Page 7) *(Once again nothing can happen without the approval of a Minister of State, which In turn means a Cabinet decision)*.

Note 1. The Act was amended on numerous occasions over the years.

Note 2. *The original act was signed in English by the Governor General, Sir Patrick Duncan.*

Note 3. *When South Africa became a Republic on May 31, 1961 the Governor General was re-placed by a State President.*

From 1948 when Dr D.F. Malan of the National Party became Prime Minister changes took place in the IDC directorate. A B. McDonald retired for health reasons, and was replaced by Dr M.S Louw of Sanlam. He was considered a leading figure in the growing ranks of Afrikaner financiers. Messers C.E. James and J.D.F. Briggs retired on the termination of their current term of office. They were replaced by J.M. van Tonder, a Cape businessman and A.J. Bosman, previously the Commercial Consular of the Union in Berlin and later Under-Secretary of Commerce and Industries. Over the next few years more Afrikaners and /or Nationalist supporters joined the board, namely: E.O'C. Maggs (ex S A Reserve bank), Karel Schoeman , a Transvaal farmer, C.L.F. Borckenhagen the first director of the Department of Imports and Exports, Dr F.J. de Villiers industrial adviser to the Department of Commerce and Industry and Dr A.J. Visser an industrialist and prominent member of the Afrikaans Handelsinstituut.[30] By having what could be considered "tame directors", certainly in terms of the government industrial policy, the implementation of apartheid through IDC would not be questioned or slowed down.This is further illustrated by O' Meara when he highlights the manner in which the IDC was used as such a vehicle, when he states "to strengthen Afrikaner participation in the industrial progress of the country"; he adds yet another dimension with IDC being used, "as a bulwark against the Anglo American Corporation".[31] These changes to the management structure of IDC illustrates the mind set of the government.

The extracts from the Act crisply indicate the control the government of the day had over all aspects of the directorate of the IDC .In essence it controlled the Corporation. "Despite the fact that the Industrial Development Corporation was incorporated under its own Act of Parliament (the Industrial Development Act No 22 of 1940) it was registered as an ordinary company.[32] In this way the government of the day and the directors served notice that the Corporation would be an independent body without special privileges. It was, for example, to be subject to taxation just like any other company." In view of the rigorous

30 Rosenthal, p.14.
31 O'Meara, *Forty Lost Years: The Apartheid State and the Politics of the National Party, 1948-1994*, p.79.

control the government had over the directorate of IDC, as set out above, it would be interesting to establish how Cartwright arrived at his conclusion that it would be an "independent body".

Despite progress, the Corporation was attacked in the opposition press and in Parliament on the grounds that it was not accounting fully for taxpayer's money nor disclosing the full details of the assistance provided. The IDC contended that such disclosure would have been a breach of confidence and, in order to overcome this impasse and still honour its confidentiality, Dr van Eck met with the leading members of the various Chambers of Commerce in South Africa. This started after a highly successful meeting he had with the Johannesburg Chamber of Commerce and the Witwatersrand Commercial Exchange to answer questions put to him about IDC.[33] In view of the action taken by Dr van Eck it would be a reasonable assumption that the criticism hit a raw nerve, otherwise IDC would not have set out to justify its actions by holding meetings.[34]

It is against this background that this section will bridge the period prior to World War II, when mostly family money and entrepreneurial skills drove the textile industry, and the post-war period when corporate and governmental investment, through IDC expanded the industry, with a certain amount of family involvement, which was usually confined to the Border Industrial Areas, where State assistance was available. When the pioneers of the South African textile industry, certainly up to the late 1930s, decided to start their mills it was because they had faith in their ability to be successful in their chosen business venture. They received very little, if any, concessions from any local, provincial or national authorities. This is illustrated by the siting of the "Wentex" mill at

---

32 A.P. Cartwright, *IDC 1940/1970*.p 6.

33 Rosenthal, p.13.

34 During World War II a newspaper, the "Springbok" was published for the South African armed forces. In issue No 49 dated September 24,1942, the Director General of War Supplies, Dr H.J. van der Bijl was reported as stating at Vereeniging "South Africa would find its salvation only in industrial development and that any government that did not encouraged and support industrial growth would not survive". He was also currently the chairman of the Board of IDC, from October 1, 1940 to November 30, 1944, so consequently his Vereeniging speech was highly significant.
When van der Bijl retired, van Eck who took over from him and he instigated a report, in 1944, to be prepared on "Decentralisation of Industrial Undertakings in South Africa" (Rosenthal, ibid, p.13).

Wentworth Estate, Durban, in the 1930s which was the direct result of the South African Railways and Harbours authorities, government controlled, refusing to give any form of freight concession for raw material to be railed to Estcourt, Natal, where it had initially been decided to open a mill, from the port of Durban. Estcourt was an ideal place to site the mill as it was on the main railway line from Durban to Johannesburg, where a large market existed, and it also had an abundance of water from the Bushmans River Furthermore it was close to Basutoland (Lesotho) and Zululand where a market for blankets existed. This sets the scene for the textile industry explosion that took place from the late 1940s/early 1950s and well beyond, spearheaded by IDC.

As can be seen from chapter 2 the South African textile industry which mostly manufactured blankets really commenced in 1912, when Woolf Harris took over Waverley Mill and out of that small operation he created South African Woollen Mills Limited. The industry was granted customs duty protection by the Nationalist-Labour "Pact" government of 1924 as a secondary industry was developing. During the Second World War from 1939 to 1945, it is recorded that the industry prospered, but no meaningful facts and figures are available. However in an IDC publication titled "1940/1970" on page 58 the following statement is made, "from 1942 to 1945 some six million army blankets were made from the wool treated by the IDC 's wool division".

After the war the family enterprises with the exceptions of Philip Frame and Beier, were overtaken by the corporate investor and the real driving force in South African industry was IDC who were the investment arm of their political master, the National Party who became the government in 1948 with Dr D.F. Malan as the Prime Minister. Through the IDC the government was able to implement its Bantustan and Decentralisation policies.

"During the period of the war, (World War II) conditions were not favourable for industrial expansion in the Union".[35] However substantial planning was being undertaken by IDC. Following the conclusion of the war the components to

---

35 IDC 7th Annual General Meeting.3 December,1946, p.3.

establish a textile industry were now in place, namely: (1) a clothing industry, which had been in existence for nearly 40 years (2) a comprehensive report No 323, carried out by the Board of Trade and Industries published on Dec 29, 1950, into the textile industry. (3) On the utilisation, on page 435 of "The Economics of the Wholesale Clothing Industry" the following is stated "In the early stages of the clothing industry's development there was an absence of any local manufacture of textile piece goods, all of which had to be imported from the leading textile manufacturers overseas" (4) The IDC were charged by the government with developing the economy with an emphasis on the textile industry. (5) After the National Party became the government in 1948 they were able to implement their apartheid policy, through IDC.

Early in its existence the corporation's directors supported the decentralising of industry, and would try wherever possible to start up operations in rural areas where it could draw on black labour. "This policy of decentralisation became an integral part of the IDC philosophy. It has been applied wherever possible. "Now the South African Government does everything in its power to encourage decentralisation and to establish what are known as "border industries" on the outskirts of the Bantu homelands".[36]

In 1939 the value of imported textiles was R39 000 000 and by 1946 it was R117 000 000.[37] Recognising the gap in the market for establishing a textile industry IDC were able to provide the financial assistance to industrialists and by erecting mills there was job creation, thereby dramatically reducing the migration of labour to the urban areas, as well as improving the balance of payments. This in effect was the beginning of the decentralisation policy of the Nationalist Government -- apartheid in action in the textile industry.

The IDC got involved in the blanket industry in 1941, during the war. At that time the British Wool Commission had large stocks of grease wool that had to be processed to prevent its deterioration. It financed the purchaser of a company called Pinetown Woolwashery (Pty.) Ltd as well as arranging for OTH

---

36 Cartwright, p.18. I D C 1940 /1970.
37 Ibid, p.57.

Beier (Pty) Ltd at Congella Durban to scour the grease wool. From 1942 to 1945 six million army blankets were made from wool treated by IDC's wool division. From this wartime experience IDC obviously learnt a lot about the wool industry which prompted it to develop the worsted industry, by creating Fine Wool Products. When Japan entered the war this created a shortage of cotton for the warp yarn in blanket manufacturing. To overcome this problem the IDC and the War Supplies Directorate decided to import a cotton spinning and doubling plant to provide the necessary yarn. Sight should not be lost of the fact that Dr. H.J. van der Bijl "wore two hats" as Chairman of IDC and the Director-General of War Supplies. The plant arrived only when the war was over, too late to be used for the purpose it was purchased. The problem was solved by founding a company called United African Cotton Industries, in which IDC had no financial interest and a mill was set up close to the black township in Benoni.[38]

The first serious venture by IDC into the textile world was Fine Wool Products of South Africa Limited founded in January 1945, with a capital of R1.3 million. The mill was situated on the Zwartkops River at Uitenhage, some 18 miles inland from Port Elizabeth, the major wool centre in South Africa. Uitenhage had a good labour supply as well as an abundance of good quality water from the river which is essential for any textile mill. The mill was adjacent to Gubb and Inggs, a wool scouring, carbonising and wool combing (see Glossary) company (established in 1866, (company records) also requiring a good supply of high-quality water) which obtained its technical knowledge from Aire Wools Ltd of Bradford, Yorkshire. Experience had been gained by IDC for this venture through their wartime wool scouring undertakings and at the same time acquired the technique of wool processing (referred to above) which would enable the Corporation to pave the way for establishing a worsted wool industry.[39] During 1946 Felt and Textiles of South Africa Limited together with Fine Wool Products of South Africa jointly acquired all the shares of Gubb and Inggs Ltd.[40] Independent of this venture IDC also invested in Felt and Textiles of

---

38 Ibid, p.60.
39 Ibid, p.58.
40 IDC Minutes, p.3.General Meeting of Shareholders 3rd December, 1946.

South Africa, Ltd,[41] which was founded in the 1930s by an Australian, R Faulks, who was in the wool processing industry. The South African operation became a subsidiary of the Australian company of the same name. The IDC/ Feltex relationship had far-reaching consequences in the South African textile industry.

With IDC having identified the textile industry as a growth area they were approached by Calico Printers Association (CPA) of Manchester, England in 1945 about a joint venture and negotiations were successfully concluded. They were an ideal partner having had the experience of establishing enterprises in Egypt, India, China, Indonesia and Australia.[42] Having had experience with unskilled and no doubt poorly educated labour, with the possible exception of Australia, they would have had a good appreciation of what they were likely to experience in South Africa. They formed a company, with equal shareholding, The Good Hope Textile Corporation (Pty) Ltd, to process raw cotton into cotton fabric, which was registered on July 13, 1946, with a £1 000 000 (R 2 000 000) capital. IDC "planned a fully integrated textile factory and, after discussion with the Government departments concerned, chose a site on the outskirts of King Williams Town as the ideal area and it would draw its operatives from the neighbouring Bantu areas.[43] Next to the mill a township called Zwelitsha (meaning "a new era", in Xhosa) was established. The IDC learnt a lot about running textile mills in Uitenhage and King Williams Town. The establishing of the cotton mill in King Williams Town was important to the cotton growing industry and IDC argued, "that as this industry (textile) developed, so would South African cotton growing come into its own" as the cotton growing industry was in "a state of collapse"[44] and "Only one ginning plant survived (the collapse)". By 1946 IDC were pressing ahead with all speed in opening a textile mill at King Williams Town and reported that "Orders for the plant had been placed and the erecting of a mill would commence shortly. Much thought and time have been devoted to the important and interesting experiment of establishing an industry in a Native Reserve which will have the effect of enhancing the productivity of many natives in this area who in turn will pass on

---

41 Cartwright, p.58.
42 E. Rosenthal. p.21.
43 Cartwright, pp 60/61.

the benefit of increased purchasing power to those engaged in agricultural pursuits".[45]

It is a in little known fact that IDC originally intended to establish a worsted mill at King Williams Town in view of it being a wool growing area. After investigation it was decided that by establishing a cotton mill a greater number of the black inhabitants could be employed, than would have been the case if a worsted mill had been established. The outcome was that the worsted mill, Fine Wool Products of South Africa Limited planned for King Williams Town was established at Uitenhage, with Good Hope Textiles (now known as Da Gama Textiles) being established at King Williams Town in its stead.

The electricity and water consumption projections of the mill's requirements were considerably in excess of the capacity of the existing municipal utilities. The outcome was protracted negotiations with the Department of Water Affairs, which eventually resulted in the Rooikrantz Dam being built to provide adequate water as well as the electricity capacity of the town being increased. Negotiations were at the highest level and involved the Minister of Native Affairs, as the mill was to be sited on Native Trust Land, and the Minister of Water Affairs. The "red tape" involved between the government departments, the respective Ministers, IDC, the mill management and the King William's Town municipality was frustrating in the extreme and it was almost a miracle that everything got finalised.[46]

A progress report was given at the Ordinary General Meeting of shareholders on 2nd December 1947. The Chairman advised the meeting that the worsted factory of Fine Wool Products had developed satisfactorily and that a portion of the plant was operating to capacity and the trading results thus far were encouraging and arrangements have been made for considerable additional plant to be acquired. At the same meeting, it was also reported that a start had

---

44 Ibid, p. 61

45 IDC Minutes, December 3, 1946, p.3.
The Corporation's work in the stimulation of industrial activities was similar to those established in 1944 in Argentina, Canada, Southern Rhodesia and Great Britain.

46 Interview with D Radu, August, 1998, East London.

been made on the Good Hope Textile Corporation (Pty) Ltd building at King Williams Town and that much of the initial plant had been received and furthermore it was anticipated the factory would be operating during the first half of 1948.

Fine Wool Products' nominal capital of £650,000 was later increased to £1 million. The mill used South African wool to produce worsted tops, fingering and hosiery yarn, worsted flannel and serge, and furthermore tops found a ready market overseas.[47] It produced a range of hand knitting wool under the brand name "Veldspun" which was sold to the wholesale trade as well as to retail outlets, through Clark Distributing Company who had sales offices throughout South Africa. The prime target market was the wholesalers, farmers' co-operatives and retailers in the Karoo area. It was sold on the basis of price, quality and delivery and on an emotional and patriotic basis that it would be supporting a South Africa-made knitting wool, which originally started its life on a sheep owned by "a farmer who probably purchases his requirements from you". Fierce competition came from "Beehive" brand knitting wool produced by Patons and Baldwin of the UK which was well entrenched in the South African market. The hand knitting wool produced by Fine Wool Products was successful, but they found it difficult to sell their industrial knitting yarn and worsted fabric. This was because the sales were handled by their own in-house sales team who were not experienced in selling to the manufacturing industry -- their attitude was that "because we make you must buy it" which was a heritage from the Escom / Iscor manner of conducting business, being a bureaucratic approach. All attempts to convince Fine Wool Products to use a professional marketing organisation were strongly resisted and when they eventually decided to relinquish their own selling and hand it over to an outside sales force they had lost a substantial part of the market. It was necessary for them to turn to importing loomstate (griege) suiting fabric from Japan in a mixture of 65% polyester / 35% viscose, which they processed in their finishing department. This was a successful venture because they were being guided in the marketing strategy by people who operated at the "coal

---

47 IDC General Meeting, 7 December, 1948, p.3.

face" in the clothing industry. They then had a problem because the spinning and weaving departments in the mill were under-utilised and to overcome this polyester / viscose yarn was imported from which the fabric was woven. However they still had a problem in the preparation and spinning departments which were still under utilised, but at least the weaving and finishing departments were fully operational with benefits to profitability and the cash flow.[48]

As far as the Corporation's cotton textile venture at King William's Town was concerned,it was reported on as follows: "...... When completed,(it) will probably be one of the most modern vertically integrated mills in the world". "This venture is unique in that it is linked with the wider idea of providing industrial employment for the landless Natives in the Reserves, which will contribute to their rehabilitation (from being a poverty stricken rural community). As such this scheme may be regarded as an important social experiment which, it is hoped, will increase the productivity and purchasing power of a low income group. The buildings for the initial mill are completed, the machinery installed and training of operatives has commenced ".[49]

In December 1949 it was reported that problems existed at the "Good Hope Textiles mill in King Williams Town regarding the inadequate supply of water and electric power available, when operating at full capacity, and this problem has to be solved".[50] It was also reported that "good progress is being made with training of native mill operatives".[51] The IDC were very upbeat about their training programme and announced: "Our available labour resources in both coloured and native labour, and their employment in activities suited to their ability and temperament, have featured largely in our policy and have resulted in the pioneering of textile establishments such as the Good Hope Textile

48 Author's personal knowledge.
Clark, *Manufacturing Apartheid*, on p.139 stated "the textile industry demanded an extensive marketing organisation to distribute IDC products to consumers through various merchants scattered throughout the country". She continues: By 1953, Fine Wool, accepting that its own sales organisation "was not entirely suitable to the class of customer with which it had to deal....",

49 IDC General Meeting, December 7, 1948, p.3.

50 This confirms Radu's statement in my Interview.

51 IDC Annual General Meeting, December 6, 1949, p.3.

Corporation, on Native Trust Land in the Ciskei and Fine Wool Products at Uitenhage. Preliminary investigation pointed towards the probable suitability of native and coloured labour for a textile industry producing good quality materials, but this remained to be proved, and it is with much pleasure and gratification that I can now report to you that our endeavours in this respect are meeting with marked success".[52] This positive statement was in marked contrast to the statement made by Good Hope's Managing Director, Robert Cowan, when evidence was presented to the Board of Trade and Industry by the company on 27 April 1950, only a few months before the December 1950 meeting, when he said "Good Hope suffered from an enormous turnover rate - over 100 per cent - causing, in Cowan's words' a considerable amount of "wastage" in the training and production. Indeed, "the company had spent over one year training the first shift of weavers at the plant, more than twice as long as it should have taken to do so, due to that complete turnover of the workforce."[53]

As far as the "bad debt" track record of investments made by IDC was concerned they had a very good record but as is inevitable in the financing of any business undertaking there are bound to be failures. Generally speaking IDC were successful in selecting the enterprises they supported from the viewpoint of the small number of companies in question that went into Judicial Management or liquidation.

An exception was the Amato Group, manufacturing a wide range of products, including textiles, which was founded by the Amato family in 1943 who had originally established themselves in the Belgian Congo. In 1958 a major short-term creditor demanded payment, which the group was unable to do. The Corporation in conjunction with other main creditors mounted a rescue

52 IDC Annual General Meeting, December 5, 1950.

53 Bonner, P et al, *Apartheid Genesis*, pp.79-80. It is interesting to note that the IDC minutes were dated eight months after Robert Cowan's submission to the BTI. It is possible to make numerous suppositions as to why there was such a contradiction. In practical terms it would not have been possible for such a quantum leap in the training cycle to have taken place in such a short space of time. Furthermore, the information for the December annual report to IDC Head Office in Johannesburg would have had to be available by at least the middle of October 1950 for incorporation in the report. It

operation to reorganise the group. Even with the injection of new money the short term creditors could not be kept at bay and on May 9, 1958 an application was made by IDC and other creditors to liquidate the group and place certain companies in the group under judicial management. The Judicial Managers worked out a reconstruction scheme which enabled the group to commence its journey back to financial health. "The Corporation lost the full amount of the unsecured portion of its investment which amounted to £1,100,000. Four other investments totalling £56,000, a relatively modest sum, in the Corporation's overall investments portfolio was written off".[54]

After the termination of World War II manufacturing experienced phenomenal growth. For the first time in the country's history the manufacturing sector was ahead of the agricultural and mining sectors. Manufacturing, primarily in the metal products sector of industry, overtook agriculture in 1930 and mining in 1943.[55] The manufacturing sector continued to grow after the war and the country's balance of payment problems reached crisis proportions in fiscal years, 1948/49, 1953/1954, 1957/1958.[56] The crisis was averted by a currency devaluation and restriction of imports.

Nattrass crisply illustrates and summarises the industrial expansion: "Between 1919 and 1976, the number of establishments operating in the manufacturing sector more than quadrupled. In addition, the average size of the establishment also increased substantially and a typical operation in 1976 employed nearly four times as many men as its 1919 counterpart, had five times the capital investment and produced an output that was 14 times greater".[57]

The IDC established its two textile plants in the post World War II boom era. Whilst having control, or certainly a large degree of control , over all the elements necessary to establish textile mills the one element they did not have control over was that of labour. The Textile Workers Union was gathering

---

would appear that there was a lack of communication between the mill in King William's Town and the IDC Head Office in Johannesburg.

54 E. Rosenthal, pp.27-28.

55 N Clark, p.133.

56 Ibid, p.134.

strength and they objected to IDC's rural-labour policy and prior to World War II the union had been endeavouring to negotiate a National wage agreement. The union and competing mills insisted that Good Hope and Fine Wools should enter into the national agreement to bring about standardised wages for the industry. This would have defeated the IDC controlled companies reason for establishing these mills where they did. The outcome was that IDC, for the next seven years fought all pressures to raise wages.

Other textile mills entered the market with products that competed with Good Hope and Fine Wool and, fearing that this would pressurise them having to increase wages, IDC met with the Department of Labour and the Wage Board and the outcome was that the two mills were exempt from the provisions of both the Wage Act and the Industrial Conciliation Act.[58] Suffice to say that notwithstanding the fact that IDC had the ear of the government, they could not control the workforce in either of their mills which resulted in strikes and stoppages almost being a way of life which continued and intensified after 1948, as the trade union movement gained strength and support, in the fight for better working conditions and wage structure.

In summarising the activities of the IDC it can be said that it did contribute enormously to the economic growth of South Africa and specifically the textile industry, because without its financial muscle and political clout it is doubtful if the mills that were founded could have orignated from their owners resources. In 1970 the mills under its control provided in excess of 60% of the Republic's textile requirement and it had a total commitment of R64 million in the textile industry, giving employment to 75,000 workers, of whom at least 65,000 were African.[59]

As a government sponsored agency, it brought to the attention of the government genuine problems industrialists experienced without the government being under the impression that the industrialists "had an axe to

---

57 J. Nattrass, p.158.
58 N. Clark, p.140.
59 A P Cartwright, IDC, p.62.

grind". As the new millennium commences, and with a democratically elected government in place, for its second term of office, it is important that IDC now functions at arms length from the government so as to remove the perception that previously existed that it is the Government "dressed up" as a provider of finance for industrial undertakings.

This thesis terminates in 1948 and in order to portray a picture of IDC's importance and involvement in the economy of the country, up to that time and beyond, the value of and number of business propositions accepted by IDC, since the period 1940 through to 1970 in all economic sectors, not only textiles, shows an almost vertical "take-off" from 1960. This vividly demonstrates the contribution the Corporation made to the growth of the country and is illustrated in Figure 3.[60]

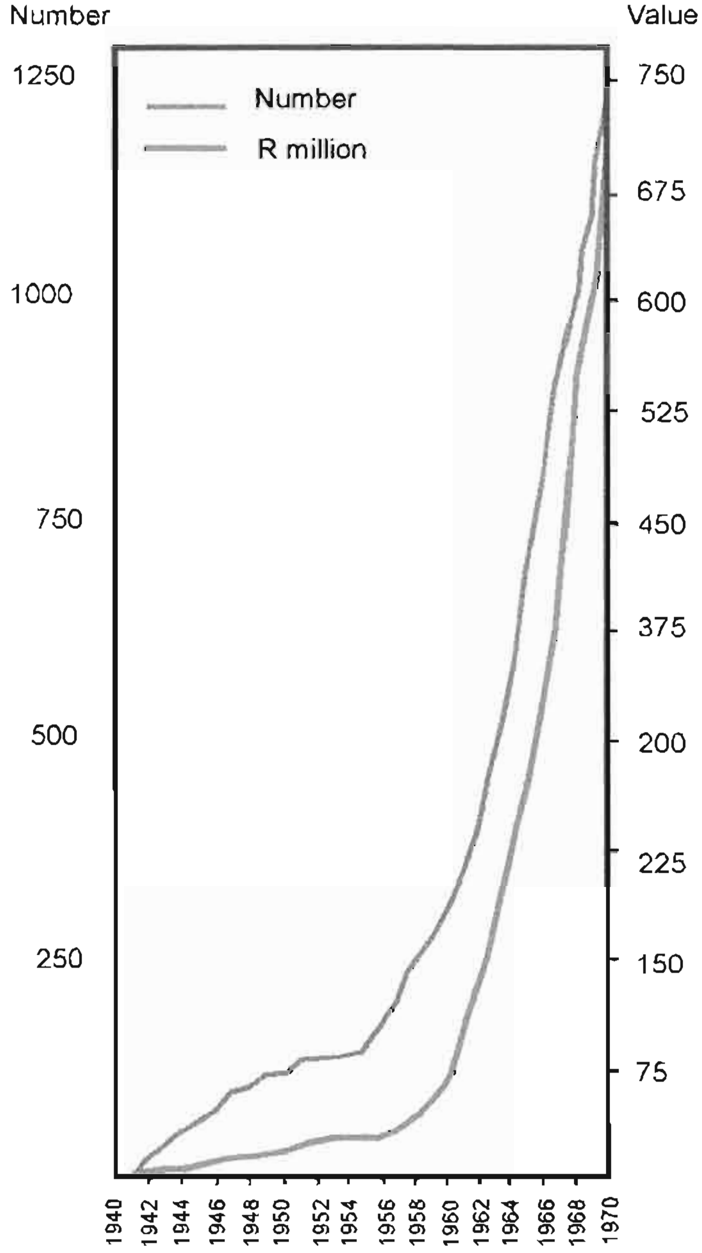
It had long been recognised that the textile industry provided employment to other industries such as transport, packaging, chemicals, etc. It was only when the IDC conducted a survey that it was established that 2.5 jobs were generated in related industries.[61]

---

60 Ibid, p.63.

61 *Textile Statistics and Economic Review 1994/1995* p.6, Textile Federation (publisher) Johannesburg 1995.

FIGURE 3: VALUE AND NUMBER OF PROPOSITIONS ACCEPTED BY IDC SINCE 1940



Source: IDC 1940/1970 by A .P.Cartwright

CHAPTER 6

CONCLUSION

It is now necessary to summarise the contribution the textile industry made to South African prior to1948 and how it became the base from which a very substantial industry evolved thereafter. In 1911 when Woolf Harris founded South African Woollen Mills Ltd, by injecting his Waverley Wool Manufacturing Company into it, it is possible to pinpoint the commencement of a textile industry, albeit through the medium of blanket manufacturing, but one mill certainly does not constitute an industry.

The initial competition for South African blanket mills came from articles imported from England and Belgium which were distributed through a very comprehensive network of wholesale merchants who were scattered throughout South Africa, some of whom had the branches in what could be classified as, "very remote areas", in order to supply the even more remote outlying trading stores.

The basic skills and technical knowledge would not have been readily available in South Africa in the early 1900s, and these skills were brought into the country by immigrants from Europe such as Harris, Mauerberger, Davidowitz, Kantor , Frame, Beier and others. It is significant that businesses owned by these families could be classified as "family businesses" as has been illustrated on page 90 (Harris). With the passing of time it was still necessary to "import technical skills".[1] At this early stage in the developing blanket / textile industry the imposition of customs duties had not yet arisen, and the support and assistance of the State had not yet come into force, but both eventually did arise as will be shown.

As South African Woollen Mills Ltd. was developing, specialising in producing pure wool blankets its competition was from items imported by the wholesale

---

[1] p 134 of this thesis.

merchants. It was not until 1921 when Mauerberger entered the market with his blanket company in Huguenot that a second mill commenced operating. However, it would be stretching the imagination to consider two blanket mills as "an industry". This position would change in the next few years with the advent of Nasionale Wol Industrieë van Suid Afrika (Edms) Bpk. in Harrismith established in 1922, Cape Woollen Mills Ltd established in Cape Town in 1924, Saftex (Pty) Ltd opened in East London in 1926. Philip Frame arrived on the scene in 1928 opening African Textile Mills Ltd in Durban and in Cape Town in the same year Union Textile Mills was formed, with OTH Beier forming the Beier Group in Durban in 1929. With the advent of these new companies over this period of time it was evident that a "textile industry" existed and in fact grew.[2]

It will be seen[3] that in 1933 South African manufactured products amounted to £1 009 719, being 79.9% of the total consumption of £1 264 132, with the value of imported products as a percentage of the total consumption being 20.1% which amounted to £254 413. By 1941 imports had reduced to 9.9% (£310 128) of total consumption. In the Board of Trade report number 290[4] the Board expressed a view that "by 1933 the blanket manufacturing industry had become well established.........". It is significant that the terminology "blanket industry" was used and not "textile industry". Imports were declining from 1929 when they were below £1 000 000 running at £815 709 and declining [5] It was not until 1938 that "textiles" other than blankets, were manufactured in South Africa and Harris Cotton Mills situated in Harrismith, carried this out, which had decided to manufacture "cotton goods". However the amount of cotton goods that were produced in South Africa between 1938 and the end of the war in 1945 would appear to have been insignificant, whereas blanket production was increased substantially to cater for the war effort.

---

2 See Annexure 2, p.189 for statistical evidence.
3 Figure 9, p.73.
4 Para. 27, p.5.
5 Figure 7, p.71.

It would be reasonable to assume that the government recognised the existence of the textile industry, albeit in the form of blanket manufacturing, in 1925 when legislation was introduced implementing a new duty structure on the importation of blankets, rugs and shawls and kaffir sheeting. The end result of the new duty was an increase ranging from about 200% to 310% on the lighter cotton blankets, which was meaningful protection for South African manufacturers. It can be seen[6] when and where new mills came into existence and existing companies opened additional mills to benefit from the increased customs tariffs. The impact of this duty, on all types of blankets, rugs and kaffir sheeting, specifically from 1933 through to 1941 inclusive is illustrated[7] which reflects the value of imported items, where the graph is virtually flat, and locally produced items reflect a steady increase. The BTI made a very frank statement regarding the new duties, viz :

> "All these duties were designed to keep the imported woollen blankets out of the Union and penalise the imported cotton blankets to such an extent that the production and use of woollen blankets in the country would be encouraged."[8]

The result of this new duty to the fledgling industry, and to the economy of country in terms of the balance of payments would have been beneficial. However, what manufacturing and administrative inefficiencies were covered up is yet another matter which is difficult to answer, and certainly to quantify, and perhaps raises more questions than provides answers. The industry was well protected by the duties on imports and this resulted in a self-satisfied attitude. This attitude prevailed in the industry well after World War II. [9]

There is little doubt that correctly structured customs tariffs are beneficial to developing a domestic industry , and this was evident in the post 1948 South African textile industry, but hotly disputed by the South African clothing industry. The industry received no direct assistance from the State in its formative years.

---

6 Annexure 2, p.189.
7 Figure 9, p.73.
8 BTI report 290 1946, p.11, para. 33.
9 Ibid, p. 5, para. 16.

This is evidenced by the application of Wentworth Textile Mills (Wentex) for a reduced rail tariff, which was refused,[10] on imported yarn being transported by the railways from Durban to Estcourt, where they had decided to establish a mill. This resulted in the mill being established in Durban. The lack of government support was in marked contrast to the policy of the Industrial Development Corporation of South Africa Limited in the post World War II era.

Limitations

Probably one of the most serious limitations experienced by the industry was the age of its weaving looms. Resulting from the increased duty referred to above potential manufacturers rushed in to establishing mills. In some cases these were sited in the wrong areas and had to be moved, but in order to start production as quickly as possible, second-hand machinery, which was available for immediate delivery, was installed. This had a backlash on the industry as a whole since replacement machinery was not available from 1939. This meant that some of the machinery in operation was at least 40 years old (by 1946) with a large proportion at least 30 years old with the resulting inefficient and slow production.[11] The mills that made up the industry could have been likened to the smaller mills overseas. A major difference between the South African and overseas mills was that the overseas mills were structured in a more horizontal configuration, whereas the South African mills were more vertical, attending to the whole manufacturing process, with the exception of spinning of yarn ,on their premises, which was mostly imported. It was not until the post World War II period that spinning became a critical element in the South African textile industry and the comment by Philip Frame that

> "our mills were mostly dependent on the supply of various types of yarn from overseas. Yarn is the basic commodity of textiles and although the Union had ample wool, and cotton could be obtained from other parts of Africa, our

---

10 p.55 of this thesis.
11 BTI report 290, 1946 p.4 para. 16.

organization had at that time very little spinning machinery to produce its yarn requirements" [12]

was not only applicable to his Group but to all the mills that made up the industry. The investigation by the BTI published in 1946 highlighted that in the inter-war years ".......... neither a system of costing nor of stock control was in operation in many of the mills.[13]

The report carried on in a critical vein pointing out that the failure to keep proper records and the continuance of unsatisfactory business methods in the textile industry was made possible by the security of high tariff protection against overseas competition. It also pointed out there was a shortage of plant registers which resulted in a lack of information being available about the industry. Research by individual mills and the industry as a whole was not undertaken. The research that was carried out, was by the State Laboratory at Onderstepoort from where information was available to the mills in the industry by requesting it This was contrasted with the American and British textile mills where research was encouraged and fostered officially.[14]

Raw Material

As already mentioned a further limitation the industry was faced with was the lack of meaningful spinning capacity, either within their own mills or from local spinning mills and this necessitated the importation of yarn. The result of having to import raw material would have required a large amount of working capital being committed to stock holding. To add to the problem would have been the fact that importing of cotton yarn, being an agricultural crop, and therefore seasonal in nature, could have been influenced by climatic conditions, (such as droughts or pests) over which the grower had no control, and these conditions could have

12 p.128 of this thesis.
13 BTI report 290, p.5, para.17.
14 Ibid, para. 18.

adversely affected the supply position and price. It was critical for mills to maintain an adequate supply of cotton yarn to prevent them running out of raw material, with the resulting problems of not being able to weave. Different types of yarn were required for the three major products groups being produced, namely kaffir sheeting, cotton blankets and woollen blankets. Although kaffir sheeting was produced from cotton yarn, it was a different quality and yarn count from that used to weave cotton blankets. Certain blankets were made from cotton waste or torn rags which had to be imported. There was concern that the rags did not conform to an acceptable hygienic standard and that this could constitute a threat to public health. The same concerned existed about imported blankets made from the same type of raw material, as these items did not undergo any testing regarding the cleanliness of the raw material from which they were produced. [15]

Labour

Taking into account that the mills operating in the early days of the industry were situated in the Western Cape, being Cape Town and Paarl, the majority of the labour force was made up of "Cape Malays / Coloureds" workers on the factory floor, with whites being employed in administrative and supervisory capacities. As the industry geographically expanded Indian labour was employed in Durban.[16] It can be seen[17] that the wages paid from 1932 to1948 varied from one geographical area to another, as well as varying for different job functions.

The industry was not attractive to European workers[18], and there was a gradual decline in numbers between 1933/34 and 1941/42, whereas the non-European workforce increased over the same period. The reluctance for the European youths to work in the industry was because they were not required to serve an apprenticeship, and there was no training facilities outside of the mill environment,

---

15 BTI report 290, 1946 p.15 paras. 6 and 7.
16 p.125 of this thesis.
17 Table 2, p.144 of this thesis.
18 Figure 1, p.149.

and they could not cultivate a feeling of working in the industry as a permanent occupation. By providing facilities to serve an apprenticeship the industry would benefit.[19] Continuing in para 31 the Board found "....... that labour in South African mills suffers in comparison with labour in overseas mills." This was attributed to numerous factors covering such aspects as, lack of proper training, no way of determining the proportion of labour cost to machine cost in each production department. It was found that in most mills such information was not obtainable as no records were maintained of machine efficiencies and that the machinery in the industry was "very old." From the foregoing it is evident that labour, a vital aspect of production was treated shabbily.[20]

It was not until following World War II that a State initiated attempt was made to create a textile, as distinct from a blanket, industry. The prime examples were Fine Wool Products of South Africa Limited who established a mill in Uitenhage, utilising Coloured labour, producing worsted suitings, industrial knitting yarn as well as fingering yarn, commonly known as "knitting wool" which was purchased by the housewife to knit garments for her family. The other mill that was established was The Good Hope Textile Corporation (Pty) Ltd. at Zwelitsha, a few kilometres outside of King Williams Town. This was a very substantial undertaking and produced cotton fabric both plain and printed. The purpose of this mill was to provide employment for the substantial black unemployed community in the area.

From the information appearing in annexure 2, it will be seen that the industry was mostly producing cotton blankets. The consumer for such items was the lower income group and with a substantial quantity being used by "natives as wearing apparel, although the use of clothes is increasing in popularity".[21] Local mills were producing "light weight" cotton blankets behind the protective wall of the recent duty structure. However when it came to the "heavier" blankets , substantial quantities were still imported. This was a problem because ".......Union

---

19 BTI report 290 p.10 para. 30.

20 Ibid. p.11 para. 31.

manufacturers have not yet, in all respects, reached the standard attained by overseas producers".[22]

Distribution and Marketing

There was fierce competition between the mills and furthermore there was no price agreement in operation. The mills relied heavily on the wholesale merchants to distribute their production and feed back to them information from their customers as to design, colour and type of blanket that was required. The larger mills did not generally grant long credit terms to the wholesale, but the merchants were able to obtain long credit terms from the smaller mills, which they were forced to grant in order to get business. Furthermore the smaller mills were forced to pay the railage to their customer's place of business and this was a meaningful percentage of the cost of a blanket. It was brought to the Board's attention during its investigation that a lower rail tariff should be considered. However the Board did not express an opinion on this approach , as it failed to see how a reduction in rail tariff would benefit a mill in Cape Town vis-a-vis competitors in East London or Durban.[23] Efforts were made to obtain a reduced tariff from the South African Railways and Harbour authority but without success. Also during the Board's investigations the possibility of the industry entering the export market was briefly considered. This did not proceed as it was believed that the industry should be rationalised, in order to reduce costs, and prices which would stimulate sales.[24]

Financial structure of the industry

Taking into account that during the inter-war years, when the industry was establishing itself that there was no financial support from the State , such as was available from IDC, post World War II, the mill owners had to provide their own

21 Ibid, p.11, para. 33.
22 Ibid, p.11 para. 34.
23 Ibid, p.12 para. 36.
24 Ibid, p.12 para. 37.

finance. As the early mill owners were family businesses the funding would have had to be from family resources and /or associates, or through banks or some other type of financial institution, such as confirming houses, who would only provide working capital for raw material. Banks were more interested in mining and agricultural activities, and not secondary industry, so consequently it would have been difficult to obtain capital from them, not only to start the business but to finance its growth.

It is against this background that the financing of the mills that made up the industry must be viewed. Elsewhere in this thesis it has been seen how Harris, Mauerberger, Frame, Beier and Saftex obtained funding to commence their mills. When these mill are consolidated into the total capital invested in the industry it will be seen that information is really only available from 1937 through to 1944.[25] Because the investigation on the part of the BTI was important, extensive, and far-reaching the financial information obtained is set out below. The information the BTI investigation obtained from the mills, comprising the industry, many of whom were private companies and were not required to publish reports in terms of the Companies Act of 1926 or the rules of the Johannesburg Stock Exchange should be treated with a degree of scepticism. The scepticism surrounding the figures is relevant, as the information collected from private companies will have resulted from balance sheets[26] that were structured to suit their own ends and especially in regard to profit, for income tax purposes.

When the area of profit is investigated and how it is measured a fluctuating set of figures emerge and these are listed:

25 BTI report, 290 pp 13/14 para. 43.

26 A view that prevails worldwide in the textile and clothing industry is that a company produces three balance sheets, one being for the income tax authorities (the worst), the other on which the business is sold (the best) and the third one for the owners, reflecting the true position.

Profits expressed in terms of total costs

1937	1938	1939	1940
14.1% to 36.6%	7.4% to 27.9%	10.8% to 30.8%	9.4% to 41.8%

1941	1942	1943	1944
7.5% to 40.0%	8.6% to 41.5%	7.6% to 24.1%	9.4% to 35.9%

The report states: expressed as a percentage of costs, profits have not on the whole, shown marked increases and have, in some cases, actually decreased. When comparing however, with share capital invested in mill assets another picture is presented, which now follows.

Table 1 : Total capital invested and profits earned in Industry

Share Capital £		Shareholders' Capital invested in Textile Mill Assets £		Profits £		Profits as Percentage of Capital invested in Textile Mills %	
1937	1944	1937	1944	1937	1944	1937	1944
989 307	1 158 003	1 352 490	1 498 691	234 222	625 535	17.3	41.7

Source: BTI Report 290, Table VII, p.13.

In comparison with total profits expressed as a percentage of total capital, in the textile industry, the percentage of individual companies calculated on the same basis ranged from:

1937	1938	1939	1940
10.6% to 26.8%	8.0% to 20.0%	13.7% to 49.1%	22.8% to 36.0%

1941	1942	1943	1944
18.4% to 77.3%	16.7% to 59.6%	14.8% to 49.7%	23.0% to 65.5%

The Board then investigated profits earned in individual undertakings (mills) expressed as a percentage of share or partners' capital.

1937	1938	1939	1940
16.7% to79.6%	9.3% to 107.2%	11.8% to 158.9%	29.1% to 169.2%
1941	**1942**	**1943**	**1944**
28.8% to 278.0%	18.4% to 289.7%	15.9% to 232.5%	29.2% to 70.8%

The industry as a whole had made provision for ample reserves and in some instances the reserves exceeded the Share Capital and in one instance the General Reserves increased from £29 861 in 1937 to £100 000 in 1940 and was still at this figure in 1944. Taxation paid by the industry increased from apparently £23 022 in 1937 to £326 060 in 1944. Dividends paid and transfers to partners capital accounts amount to £176 025 in 1937 and £321 070 in 1944. The remuneration of directors in one company for the period 1937/1944 has already been referred to on chapter 5.

The Board comments: "considering the returns yielded there can be no doubt that investment in the blanket manufacturing industry has been extremely profitable."[27] With the passage of time from the date of the report, 1946, until today, 2000, some 50 years later the descendants of those early pioneers live well which confirms the comments by the Board. This could be viewed as the down-side of a family business as money was withdrawn from it to invest, or otherwise the used, for the benefit of the family instead of being retained in the company. Reference is made in chapter 3 pages 88/89 to the movement in the funding of the Harris family companies, also dividends that were paid. It is possible that if the money had been retained in the Group, the family may have been able to retain ownership and not having to sell out to Frame. This outlook is in sharp contrast with Philip Frame who

27 BTI report 290 p.15 para. 46 (16).

retained profits, building up his reserves which enabled him to build the empire he did.

The information contained in report 290 has been used extensively because the financial information on the industry, during the inter war years would not have been available, as numerous of the mills were private concerns, so consequently the Boards information is particularly pertinent. The Board's report commented on the numerous methods by which it analysed the figures however with the ease that companies could change their capital structure, to suit their requirements, could cast doubt on the figures contained in the report and but one example was the reduction in capital of South African Woollen Mills Ltd to £126 500.[28] The fact that this reduction took place in 1927 and the Boards figures covers the period 1937 to 1944 illustrates how capital was changed by the company. It will be seen that preference shareholders were paid in December 1933, and in 1936 capital was increased on no less than two occasions. The comments are made to highlight the increasing and reducing of capital and furthermore the Board makes no reference to how Preference Shares were treated in their calculation.

The one financial figure that was conspicuous by its absence was that of sales, from both an industrial perspective and individual mills. If this figure had been used and the net profit, expressed as a percentage of sales had been stated then there would have been very definitely a measure of consistency.

The Textile/Blanket industry was indeed one of cut throat competition, old machinery, hiding behind a high protective duty barrier with very sloppy administration and no research and development. Furthermore the quality of certain of the products were suspect and the workforce in general was not particularly well looked after, with the possible exception of Mauerberger. By the very nature of the industry, and the competition, the mill owners were very aggressive as it was an uncompromising area in which to conduct business and

---

28 p.89 of this thesis.

was certainly not for a person with a faint heart, or lacking in finance, or the ability to raise it. It was a very dynamic industry and financially rewarding for those who succeeded.

The foundation laid by the early pioneers created a meaningful, if flawed, base from which a true textile industry, of which blanket manufacturing was still an important element, emerged after World War II and contributing greatly to the growth of the South African economy.

This thesis has looked at a variety of factors critical to the early development of the textile industry. The existing scholarly literature however focuses on one: tariffs and state intervention.

The State carried out a very thorough investigation of the blanket industry: just after World War II. The findings of the BTI investigation are contained in Report 290 which was released in Pretoria on September 11, 1946. The fact that it is a mere 16 pages in length is deceptive because it contains a wealth of information and covered the industry in great depth exposing its weaknesses. Should the mills that made up the industry have taken the report to heart they would have been able to improve their whole operation. It can be said that the government investigation would have saved individual mills a substantial amount of money, because what the government did would be very expensive if the mills had called in business consultants to carry out the same investigation. Consequently the government did the industry a service, free of charge, but at the taxpayer's expense, and released a very constructive report.

The quantum leap in the textile industry resulting from the introduction of a revised duty structure in 1925 has been illustrated. The imposition of protective duties is always a very controversial issue, with the arguments raging from groups in favour of the duty, and against it, during the investigation stage. After a duty has been promulgated the rumblings continue. Protection has dominated analysis of this industry in the scholarly literature thus far. It is pointed out by Lumby that during the period 1924/5 and 1928/9 expansion took place in the paper and printing industry (43%), wood products and furniture (40%) also in the food and beverages section of the economy (37%). However the expansion in the textile and clothing industries was the greatest (70%) based on the net value of output. Commenting on this Lumby pointed out that "all these industries received the greatest tariff assistance". It is not unreasonable to assume that the protection resulting from the tariff was at least partially responsible for the increase, even though it was not possible to prove conclusively that this was a case.[29]

In his PhD thesis David Kaplan examines the tariff protection for secondary industry.[30] He illustrates the strides made by industry during World War 1 and the post-war period when in 1915/16 there were 3998 factories and by 1919/20 there were 6890 factories.[31] Competition from imports caused a severe slump which resulted in production consequently profit levels declining, which resulted in industrialists increasing their demands for protection.[32] There was considerable argument between the government and interested parties regarding how to bring a tariff into existence and eventually in 1924 General Smuts declared "Manufacturing industries will be promoted through an enlarged and more effective Board of Trade and Industries, a Ministerial Department especially created for this purpose, and financial assistance to young industries in all proper cases".[33] When the Pact government came to power General Hertzog, the new Prime Minister, put in place his party's election manifesto "...... a definite policy of protection for industry".[34]

In his assessment of tariff protection for secondary industry Kaplan comments that the reaction of the academic economists of the day was "generally one of unmitigated hostility". Furthermore "such measures (protection) where detrimental

29 In Coleman, p.207.
30 In Kaplan, chapter IV, p.177.
31 Ibid, p.180.
32 Ibid, p.181.
33 Ibid, p.183.
34 Ibid, p.183.

and that development proceeded in spite of such measures".[35] In his own view, "....... quite clearly these measures of "interference" (tariff protection) were absolutely integral to the development of these "sectors" (which includes secondary industry).[36]

The result of protecting the blanket industry in 1925 had immediate positive effects, but longer term it was beneficial to South Africa as it could be claimed that it became the "training ground" for a very dynamic textile industry following World War II. From 1948 the textile industry showed phenomenal growth. This growth was not only in the number of new mills that were commissioned but the enormous expansion that took place to existing mills. This development introduced a wide range of textile products never before produced in South Africa.

But in some respects heavy protection was an Achilles Heel. In the contemporary period, the uncompetitive nature of this important industry developed behind tariff barriers has led to crisis when protection has been largely removed. One example is the closing of Mooi River Textiles which contributed economically to the fortunes of the village of Mooi River, in the Natal Midlands. This is very similar to what happened in the post World War II era to the mills in the linen belt in Northern Ireland, the cotton industry in Lancashire as well as the woollen industry in Yorkshire. The reliance by the towns and villages, in which these mills were situated, was enormous and their closure impacted adversely on the regions, leaving derelict mills in towns and villages, scattered throughout the landscape.

Looking at these limited examples both locally and overseas, the question arises "Quo Vadis the textile industry in South Africa in the third millennium " ?

---

35 Ibid, p.177.
36 Ibid, p.177.

BIBLIOGRAPHY

PRIMARY MATERIAL

(i) Private Unpublished

25 Proud Years: The Story of the Textile Workers' Union. n.d.

Beier Group, Company publication on 50th anniversary 1929 – 1979, n.d.

Frame Group publication: *Thirty Years Within The Frame Group 1928-1958.* (Frame 30 years), n.d.

Frame Group publication: *Frame Group 40th year 1968* (Frame 40 years), n.d.

Frame Group publication: *The Frame Group 1928-1978* (Frame 50 years), n.d.

Gubb and Inggs Uitenhage, 1980, Company Publication.

Hogg, A. 1988. "The Frame that Philip Built" Management March 1973, publication about Frame. p.37.

Miscellaneous records of South African Woollen Mills Ltd, unpublished Company Archives.

South African Commerce and Manufacturers' Record, July 1915.

"The Story of Cotton" a Cotton Board Publication. (undated, educational material).

van Eck, H.J. 1961. "The Growth of Industry in South Africa Since 1911", *The Certificated Engineer*.

(ii) Official Publications

Agricultural and Pastoral Statistics of New Zealand, 1861-1954.

Board of Trade and Industries: Report 282. Investigation into the Manufacturing Industries in South Africa, 1945.

Board of Trade and Industries: Report 290. The South African Blanket Manufacturing Industry September 11, 1946.

Board of Trade and Industries: Report 303. The Clothing Industry and Felt Hat Industry

Board of Trade and Industries: Report 319. The Cotton Wool Industry.

Board of Trade and Industries: Report 323. The Textile Manufacturing Industry December 29, 1950.

Department of Foreign Affairs and Information, July 1981.

Industrial Development Act No.22 of 1940 (as amended) (The IDC Act).

Industrial Development Corporation Ltd: Annual General Meetings minutes (referred to as AGM. minutes): Seventh Ordinary General Meeting 3.12.1946.

Industrial Development Corporation Ltd: Annual General Meetings minutes (referred to as AGM. minutes): Ninth Ordinary General Meeting 7.12.1948.

Industrial Development Corporation Ltd: Annual General Meetings minutes (referred to as AGM. minutes): Tenth Ordinary General Meeting 6.12.1949.

Industrial Development Corporation Ltd: Annual General Meetings minutes (referred to as AGM. minutes): Eleventh Ordinary General Meeting 5.12.1950.

Rosenthal, E. *Industrial Development Corporation of South Africa Ltd, 1940-1960. The Story of the First Twenty Years.* Johannesburg: IDC.

South African statistics, 1976, Agricultural Historical Summary.

Textile Statistics and Economic Review 1994/1995. 1995. Johannesburg: Textile Federation.

The Policy of Protection in Regard to Textiles and Clothing, 1983. (Known as "Steinkamp Report").

(iii) Interviews/Personal Contacts.

Abrahams, David,
Frame's Cape Town office, August 1998.

Adderley, Claire: Curator Howick Museum, September 2000.

Adiv Philip, Frame's nephew.
Pinetown July 1998

Bailes, Hilda, daughter-in-law of founder of Bailes.

June 1999.

Balladon, John, Chairman, Glodina Textiles Industries Ltd.
February 1995.

Beier, Hans, son of O T H Beier.
Pinetown , 30 June 1999.

Bloch, Stanley, former Managing Director, M. Bloch and Company distributors of kaffir sheeting.
Durban, January 2000.

Burnham-King, Rex, former Manufacturing Director of all manufacturing operations owned by Baker King Ltd.
East London, 5 August 1998.

Cape Wools, Ona Viljeon (formerly South African Wool Board).
Port Elizabeth, 1995.

Classens, Helena, economist, Textile Federation of South Africa.
Johannesburg, 18 September 2000.

Coelen, Henry, appointed a Director in 1954 and Chief Executive Officer Frame Group from 1956 to1965.
Durban, July 1998.

Daitz, Mervyn, nephew of Victor Daitz of Natal Cotton and Woollen Mills Limited.
Durban, July 1998.

de Sas Kropiwnicki, Mrs Alexandra (known as Mrs de Sas) the head librarian East London Museum.
East London, 5 August 1998.

Duveen, Paul, grandson of Henry Duveen, the founder of Duveen Textiles Pietermaritzburg, which started as Disa Textiles in Elsie Rivier, Cape Town, and moved to Pietermaritzburg.
Cape Town, 13 August 1998.

de Vos, Corne. Boeremakelaars (Ko-op) Bpk. (BKB), (about South African Wool Industry).
Durban, .June 1999.

Elliot, Alisdair, Technology Natal , Department of Textile Technology, Durban.
February 1998.

Emanuel, Luiz, retired C E O Glodina Textiles Industries Ltd.

Durban, January 1998.

Felt and Textiles Ltd, C E O Mr Bowden.
Durban, July 1999.

Freund, Professor William (Bill), Natal University
Durban Campus, July 2000.

Friedlander, Mrs Phyllis, daughter of David Davidowitz who was Lazor Kantor's partner.
Cape Town, 6 August 1998.

Gottlieb, Neville , grand-nephew of Woolf Harris.
Cape Town, 7August 1998.

Halliday, I, retired Director of IDC.
Durban, July 1999.

Holland, Mrs Maureen, curator Howick Museum about failed Howick blanket factory.
Howick, 4 May 1998.

Issacson, Derek, former Sales Director of South African Woollen Mills Ltd, related to Woolf Harris .
Sydney Australia, 16 October 1996.

Pollitt, Mervyn, company secretary, Frame Textile Corporation Ltd.
New Germany, July 1999.

Radue, Dennis, former Chairman of Kings William's Town Municipality electricity and water committee.
East London, 4 August 1998.

Raphaely, Mrs Cecilia, daughter of Woolf Harris .
Cape Town, 7August 1998.

Russell, Doreen of Newcastle .
August 1999.

Yach, Mrs Estelle, daughter of Morris Mauerberger.
Cape Town, 7August 1998.

SECONDARY MATERIAL

(i) Newspapers and Magazines

"Bergtex" supplement to S.A. Industry and Trade, January 1951 publication.

Financial Mail, 17.2.1984. Life after Philip, p.32.

Financial Mail, 25. 5.1990. Sweating Through the Afterlife.

Management, March, 1973, p.37.

Natal Witness, Pietermaritzburg, early 1900s.

The Annals of Westville (1974).

The Daily News, Wednesday June 25 1969.

The Natal Mercury Business Section, February 12, 1999.

(ii) On the Web

Cotton South Africa (formerly Cotton Board), 2000. http://www.cottonsa.org.za

(iii) Books and Book Chapters

Bonner, P. and Lambert, R. 1987. Batons and Bare Heads: The Strike at Amato Textiles, February 1958. In: Marks, S. & Trapido, S. (eds), *The Politics of Race, Class and Nationalism in Twentieth-Century South Africa*. London: Longman.

Bonner, P. et al, 1993. *Apartheid's Genesis 1935 –1962*. Johannesburg: Ravan Press.

Cartwright, A.P. *Industrial Development Corporation of South Africa Ltd. 1940-1970*.

Clark, N L. 1994. *Manufacturing Apartheid*. New Haven and London: Yale University Press.

Clark, N.L. 1993. The Limits of Industrialisation Under Apartheid. In: Bonner, P. et al (eds), *Apartheid's Genesis 1935 –1962*. Johannesburg: Ravan Press.

Coleman, F.L. (ed.) 1983. *Economic History of South Africa*. Pretoria: HAUM

Educational Publishers.

Collins Concise English Dictionary, 1992. *Third Edition.* Glasgow: Harper Collins Publishers.

Danzinger, C. 1979. *A Trader's Century : The Fortunes of Frasers*. Cape Town: Purnell.

Davies, R., O'Meara, D. & Dlamini, S. *The Struggle for South Africa*. 1985. Volume One. London: Zed Books Ltd.

de Kiewiet, C.W. 1942. *A History of South Africa Social & Economic*. London; Oxford University Press.

de Kock, G. 1954. *A History of the South African Reserve Bank 1920-52*. Pretoria: J.L. van Schaik Ltd.

Freund, W.M. 1989. The Social Character of Secondary Industry in South Africa 1915-1945. In: A. Mabin (ed.) *Organisation and Economic Change*, vol 5 Johannesburg: Ravan Press.

Gershater, C. 1955. In: Saron and Hotz (eds), *The Jews in South Africa*. Cape Town: Oxford University Press.

Hanekom et al. 1970. *An Illustrated World History of the Sheep and Wool Industry*. Pretoria: South African Wool Board.

Hockly, H.E. 1948. *The Story of the British Settlers of 1820 in South Africa*, Cape Town: Juta.

Houghton, D.H. & Dagut, J. 1972. *Source Material on the South African Economy 1860-1970: Volume One: 1860-1899*. Cape Town: Oxford University Press.

Houghton, D.H. & Dagut, J. 1972. *Source Material on the South African Economy 1860-1970: Volume Two: 1899-1919*. Cape Town: Oxford University Press.

Houghton, D.H. & Dagut, J. 1973. *Source Material on the South African Economy 1860-1970: Volume Three: 1920-1970*. Cape Town: Oxford University Press.

Kaplan, D.E. 1977. *Class Conflict, Capital Accumulation and the State: An Historical Analysis of the State in 20th Century South Africa*. PhD thesis, University of Sussex.

Kaplan, M. 1986. *Jewish Roots in the South African Economy.* Cape Town: Struik.

Katzen, M.F. 1961. The Growth and Structure of Industry in Greater Durban. In: *Natal Town and Regional Planning Commission.* Pietermaritzburg.

Kemp, T. 1978. *Historical Patterns of Industrialisation.* London: Longman.

Lewis, J. 1984. *Industralisation and Trade Union Organisation in South Africa, 1924-55.* Cambridge: Cambridge University Press.

Lumby, A.B. 1983. Industrial Development Prior to the Second World War. In: F.L. Coleman (ed.), *Economic History of South Africa.* Pretoria: HAUM Educational Publishers.

Lumby, A.B. 1983. The Development of Secondary Industry: The Second World War and After. In: F L Coleman (ed.), *Economic History of South Africa.* Pretoria: HAUM Educational Publishers.

Mabin, A. 1982. *Studies in the Social and Economic History of the Witwatersrand 1886-1914*, I New Babylon, Longmast, Harlow, UK.

Mabin, A. (ed.). 1989. *Organisation and Economic Change, South African Studies,* Volume 5. Johannesburg: Ravan Press.

Mager, A.K. 1999. *Gender and the Making of a Bantustan, A Social History of the Transkei 1945-1959.* Cape Town: David Philip Publishers (Pty) Ltd.

Mauerberger, M. 1997. *The Mauerberger Foundation Fund.* Cape Town: The Mauerberger Foundation Fund.

Nattrass, J. 1988. *South African Economy, Its Growth and Change.* Cape Town: Oxford University Press.

O'Meara, D. 1996. *Forty Lost Years: The Apartheid State and the Politics of the National Party, 1948-1994.* Randburg: Ravan Press.

Padayachee, V et al, 1985. *Indian Workers and Trade Unions in Durban 1930-1950.* Report No.20, University of Durban-Westville.

Ringrose, H.G. 1951. *Trade Unions in Natal.* National Regional Survey, Vol.4. Cape Town: Oxford University Press.

Roux, E. 1948. *Time Longer Than Rope, A History of the Black Man's Struggle for Freedom in South Africa.* London: Victor Gollancz.

Russell, G. 1900. *History of Old Durban.* Durban: P. Davis.

The "Mercury" Dictionary of Textile Terms. n.d. Manchester: Textile Mercury Ltd., (estimated to be pre World War II)

Webb, A.C.M. Mining in South Africa. In: F.L. Coleman (ed.), *Economic History of South Africa.* Pretoria: HAUM Educational Publishers.

Wickins, P.L. Land and Labour In: F.L. Coleman (ed.), *Economic History of South Africa.* Pretoria: HAUM Educational Publishers.

(iv) Articles

Arkin, Marcus June 1956. The Jewish Share in South African Economic Development (A Review Article), *The South African Journal of Economics*, reprinted from vol 24, No 2.

Berg River Textile Mills (Bergtex), January 1951 supplement in South African Industry.

Bergtheil, M.L. July 1981. Regional Representative of the Department of Foreign Affairs and Information, Pietermaritzburg.

Bradlow, E. The Anatomy of an Immigrant Community: Cape Town Jewry from the Turn of the Century to the Passing of the Quota Act. *South African Historical Journal* Nos 30-31, 1994, pp.103-127.

Cartwright, A.P. IDC 1940-1970. Johannesburg, The Industrial Development Corporation of South Africa Limited, 1971.

Shlagman, S. A Review of the South African Textile Industry, *The Angora Goat and Mohair Journal,* September,1990.

van Onselen, C. 1976. *Randlords and Rotgut 1886-1903. History Workshop, A Journal of Socialist Historians* No.2.

(v) Unpublished Papers and Theses

Freund, W.M. 1985. The Social Character of Secondary Industry in South Africa 1915-1945, seminar paper.

Howick Falls Development Syndicate, Natal Witness, Pietermaritzburg, early 1900s.

Kaplan, D. 1977. Class Conflict, Capital Accumulation and the State: An Historical

Analysis of the State in 20th Century South Africa. PhD Thesis University of Sussex, England.

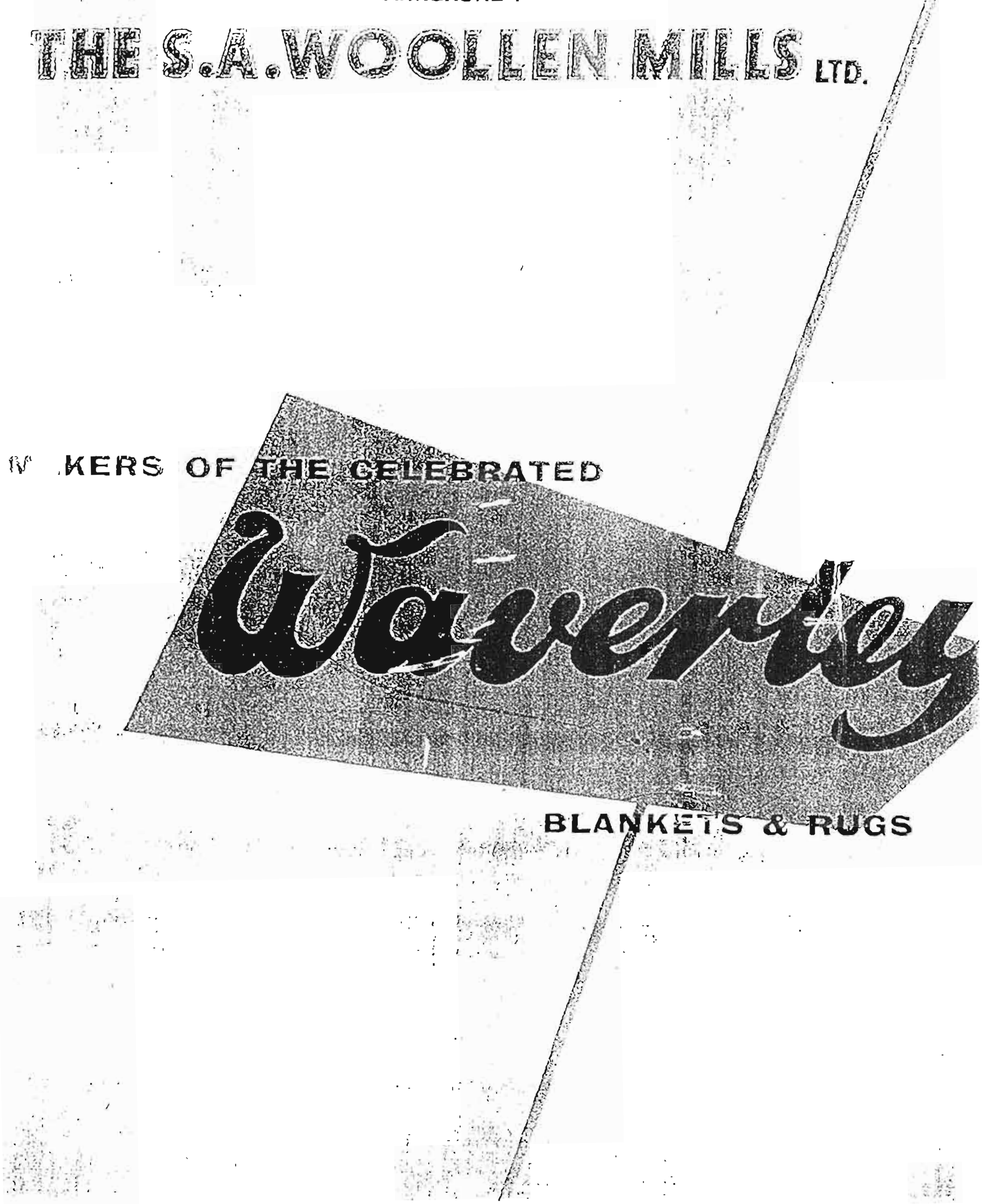
Katzen, M.F. 1961. The Growth and Structure of Industry in Greater Durban 1924/5 to 1953/54. PhD thesis, University of Natal, Pietermaritzburg.

Marce, J. 1944. Towards an Industrial Strategy for the South African Textile Industry, PhD thesis, Department of Sociology, University of Cape Town.

Norris, Unpublished paper by the late Mrs Norris, wife of C K Norris, a director of the Frame Group, and Johnny Norris.

Rosenthal, E. *Amato, 1960. Industrial Development Corporation South Africa Limited, 1940-1960 "The Story of the First Twenty Years".*

ANNEXURE 1


THE S.A. WOOLLEN MILLS LTD.
KERS OF THE CELEBRATED
Waverley
BLANKETS & RUGS

THE SOUTH AFRICAN WOOLLEN MILLS LIMITED

WAVERLEY MILLS

PRICE LIST - JANUARY 1957

DOMESTIC BLANKETS

	Packing	Approx. Size	PRICE EACH Whipped Ends	PRICE EACH Ribbon Bound Ends
WAVERLEY "MAJESTIC" (Boxed)				
100% Pure Wool Blanket.	12	60" x 80"	75/-	79/-
Colours: Pastel Assorted. Boudoir Blue, Beige, Apple Green, Shell Pink.	12	70" x 90"	98/6	103/-
Mothproofed. Packed in a Special Waverley Majestic Presentation Box.				
WAVERLEY PASTEL				
100% Pure Wool Blanket	24 or 12	60" x 80"	55/-	59/-
Colours: Pastel Assorted. Boudoir Blue.	24 or 12	70" x 90"	72/-	76/-
Beige, Apple Green, Shell Pink.	24 or 12	80" x 90"	82/6	87/-
Cellophane Wrapped	24 or 12	80" x 100"	90/6	95/-
	12	90" x 100"	102/-	107/-
	12	90" x 108"	110/-	115/-
WAVERLEY WHITE				
100% Pure Wool Blanket.	24 or 12	60" x 80"	55/-	
Blue Striped Border or Plain White.	24 or 12	70" x 90"	72/-	
Cellophane Wrapped.	24 or 12	80" x 90"	82/6	
	24 or 12	80" x 100"	90/6	
WAVERLEY SCARLET				
100% Pure Wool Blanket.	25	60" x 80"	55/-	
Black Stripe Border.	25	60" x 90"	62/-	
	25	70" x 90"	72/-	
"WINDMILL" PASTEL AND FANCY				
55% Wool plus other Fibres.	20	60" x 80"	52/6	56/6
Assorted Pastel Colours, Blue, Pink, Green, Beige, and Marl Colours Blue, Green, Gold and Turquoise.	20	70" x 90"	69/-	73/-
Individually Wrapped				

DOMESTIC BLANKETS—Continued

	Packing	Approx. Size	PRICE EACH Whipped Ends
AMOND", "STRIPE", "BLOK" AND IMINO" FANCY BLANKETS			
ssorted Designs and Colourings. ndividually Wrapped.	16	60" x 80"	42/3
UG" PASTEL			
olours: Pastel Assorted. Blue, Beige,	24 or 12	60" x 80"	21/6
reen, Pink.	24 or 12	70" x 90"	28/3
ellophane Wrapped.	24 or 12	80" x 90"	32/3
VERLEY GREY BLANKET			
)0% Pure Wool Blanket.	25	60" x 80"	30/-
	25	70" x 90"	39/6
	25	80" x 90"	45/-
RN"			
)% Wool plus other Fibres Blanket. olours: Blue, Green and Brown. dividually Wrapped.	24	60" x 80"	22/6

JUVENILE AND BABY BLANKETS

	Packing	Approx. Size	PRICE EACH Whipped All Round	Ribbon Bound All Round
/ERLEY JUVENILE				
0% Pure Wool Blanket. iin Pastel Colours: llophane Wrapped.	24	54" x 60"	38/-	
'ERLEY COTS				
0% Pure Wool Blanket.	24	30" x 40"	14/6	
stel Colours Blue and Pink.	24	35" x 45"	19/-	
llophane Wrapped.	24	36" x 50"	21/6	
'ERLEY COTS				
0% Pure Wool Blanket.	12	30" x 40"	17/-	21/6
stell Colours Blue and Pink.	12	35" x 45"	21/6	26/-
cked in a Special Waverley Presentation x.	12	36" x 50"	24/-	29/-

WRAPS

	Packing	Approx. Size	Price Each
VERLEY WRAP" % Wool, 50% Mohair. Assorted Designs and Colourings.	25	46" x 72"	45/-

NATIVE BLANKETS

	Packing	Approx. Size	Price Each
WAVERLEY MATTROSS			
100% Pure Wool Blanket.	25	68″ x 70″	51/-
Navy or Army Stripe.	25	72″ x 74″	59/6
Raw Ends.	25	76″ x 78″	68/-
	25	78″ x 82″	76/6
	25	80″ x 86″	85/-
	25	84″ x 88″	93/6
	25	86″ x 92″	102/-
MBALO MATTROSS			
50% Wool plus other Fibres.	25	68″ x 70″	41/3
Navy or Army Stripe.	25	72″ x 74″	48/-
Stitched Ends 2 Rows.	25	76″ x 78″	55/-
	25	78″ x 82″	62/-
	25	80″ x 86″	69/-
	25	84″ x 88″	75/6
	25	86″ x 92″	82/6
CAPE WITNEY			
83% Wool plus 17% Cotton.	25	76″ x 84″	62/3
Whipped Ends.	25	78″ x 92″	70/-
	25	80″ x 100″	78/-
	25	84″ x 104″	85/6

TRAVELLING RUGS

	Packing	Approx. Size	Price Each
WAVERLEY "ARISTOCRAT"			
100% Wool Reversible Travelling Rug.	25	60″ x 66″ Excluding Fringe	80/-
Assorted Designs and Colourings.			
WAVERLEY "GLENCONNOR"			
100% Wool Travelling Rug.	20	60″ x 80″ Including Fringe	55/-
Assorted Designs and Colourings.	20	70″ x 90″	73/6
Showerproofed.			
WAVERLEY "ARCADIA"			
100% Wool Reversible Travelling Rug.	25	60″ x 66″ Excluding Fringe	55/-
Assorted Designs and Colourings.			
WAVERLEY RUGS			
100% Wool Travelling Rug.	25	60″ x 66″ Excluding Fringe	50/-
Assorted Designs and Colourings.	25	60″ x 72″	54/-
	25	70″ x 80″	67/-
"BONNIE"			
64% Wool plus other Fibres Travelling Rug.	25	60″ x 66″ Excluding Fringe	37/6
Assorted Designs and Colourings.			
"RAINBOW"			
A Reversible Rug in Assorted Designs and	20	60″ x 80″ Including Fringe	33/-
Colourings.	20	70″ x 90″	42/6
Mothproof.			
"INHLE"			
A Heavy Weight Rug in Attractive Designs	20	60″ x 80″ Including Fringe	27/-
and Colourings.	20	70″ x 90″	36/-
Mothproof.	20	80″ x 90″	40/6

GENERAL

TTERING

INITIALS can be embroidered into blankets for Hotels, Hospitals, Schools or other Institutions at a nominal charge of 4d. per letter.

ICES

Prices quoted on this Price List are for delivery Free On Rail our Factory, Observatory Station

LIVERY

Delivery dates offered by Mill mean delivery to the SOUTH AFRICAN RAILWAYS.

RMS

60 Days Draft against Statement or 2½ per cent. Cash Discount for payment within seven days of receipt of Monthly Statement.

LL CLAUSE

Prices reflected on this Price List are subject to the following Fall Clause:—

"In the event of a fall in price, credit will be passed on all goods invoiced one month prior to such fall in price."

CEPTANCE OF ORDERS

All orders are subject to acceptance by Head Office. The Factory accepts no responsibility for delay or non-delivery caused by strikes, lockouts, riots, truck shortages, rail embargoes, force majeure, or other causes beyond its control.

QUOTATIONS FOR SIZES NOT SHOWN WILL BE GIVEN ON REQUEST.

"WAVERLEY" SERVICE

TRANSVAAL:

Messrs. E. Brasch & Son, 502/3 Ottawa House, 94 President Street (P.O. Box 6484), Johannesburg.

O.F.S.:

Mr. G. Davidson, Auto House, Zastron Street (P.O. Box 850), Bloemfontein.

NATAL:

Messrs. Southwood & Co. (Pty.) Ltd., First Floor, E.X.L. Buildings, 12 Hooper Lane (Payne's Passage) (P.O. Box 41), Durban — Head Office.

Messrs. Southwood & Co. (Pty.) Ltd., McAuslin's Buildings, 180 Longmarket Street (P.O. Box 224), Pietermaritzburg.

CAPE PROVINCE:

Mr. A. Venier, S.A. Woollen Mills Ltd., Kotzee Road, Mowbray, C.P.

Messrs. Bergman & Philip, Fryer's Buildings, 106-108 Main Street (P.O. Box 4), Port Elizabeth.

Mr. B. Bowman, 3rd Floor, Strelson House, 44 Union Street (P.O. Box 847), East London.

BASUTOLAND:

Messrs. Whitakers Agencies, Kingsway (P.O. Box 61), Maseru.

SOUTHERN RHODESIA:

Messrs. D. A. Blumberg (Pvt.) Ltd., Windsor House, Ninth Avenue (P.O. Box 409), Bulawayo, S.R.

Messrs. D. A. Blumberg (Pvt.) Ltd., 103 Emekay House, 21 Forbes Avenue, Salisbury, S.R.

NORTHERN RHODESIA:

Messrs. Ndola Agencies Ltd., Booth's Building, Cecil Avenue (P.O. Box 128), Ndola, N.R.

SOUTH WEST AFRICA:

Messrs. Brener & Gamsu, P.O. Box 73, Windhoek.

ANNEXURE 2: CHRONOLOGICAL ORDER OF TEXT MILLS OPENED OR FAILED TO OPEN IN SOUTH AFRICA UP TO 1948

Year founded	Company Name	Founder(s)	Location	Products Manufactured
1821	Bradshaws Mill	Samuel and Richard Bradshaw – brothers (1820 British Settlers) Isaac Wiggall	Bathurst in Eastern Cape	blankets and kersey cloth – ceased operating after Sixth Frontier War in 1834
1875	Waverley Wool Washing Establishment was liquidated by bank	William Wallace Dickson	On the farm "Waverin" Ceres/Wolseley Region, Western Cape	wool washing and blanket manufacturing
1890	The original name is unknown went into liquidation	Original promoters are unknown	Kingwilliamstown – Border area of the Eastern Cape later moved to Lennoxtown, Newcastle, Natal. Another version is that it started operating in Grahamstown, Eastern Cape before moving to Lennoxton which was a British garrison settlement. It then became known as Lennoxton Woollen Mills.	blankets
1897	Waverley Wool Washing Establishment	Bought out of liquidation by James Gray and changed its name to Waverley Wool Manufacturing Company	Still operating on farm Waverin in Ceres/Wolseley region	blankets – brand name "Waverley"
1903	Gubb and Inggs	Gubb family and Inggs family – they had been operating independently since 1866	Uitenhage, Eastern Cape	Wool washery
1908	Howick Falls Development Syndicate	Howick businessmen – Chairman of the syndicate was Mr John Bell	Howick, Natal	blankets – the Company did not commence operating
1911	South African Woollen Mills Ltd. bought by Frame, March 1959	Woolf Harris – bought Waverley Wool Manufacturing Company in Ceres from Gray's widow	Cape Town	blankets (Philip Frame worked for Harris)

Year founded	Company Name	Founder	Location	Products Manufactured
1918	Rhodesian Rope Company – the forerunner of Ropes & Matting (South Africa) Ltd	Unknown	Jacobs, Durban	ropes and cordage
1921	Woollens Ltd – another name was possibly Mimosa Textile Mills (according to family records)	Morris Mauerberger – bought mill out of liquidation – Philip Frame worked for him	Hugenot, Paarl, Western Cape	blankets
1922	Nasionale Wol Industrieë van Suid Afrika (Edms) Bpk	Bought by Harris 1927. Afrikaans farmers	Harrismith, Orange Free State	blankets
1923	Pinetown Woolwasherby bought by Frame in 1955	Unknown	Pinetown, Natal	scouring and washing of wool
1924	Cape Woollen Mills Ltd – later moved to Durban	Diatz family and Hippo Quarries	Cape Town	blankets
1925	M Mauerberger Woollen Mills Change of name of Woollens Ltd/Mimosa Textiles			
1926	Saftex (Pty) Ltd	Baker King Ltd (Wholesale Merchants)	East London	blankets and kaffir sheeting
1927	The Standard Woollen Mills Ltd bought by Frame in 1959	Harris Family – bought Nasionale Wol Industrieë van Suid Afrika as it was about to go into liquidation	Harrismith, Orange Free State	blankets
1928	African Textile Mills Ltd (Afritex)	Philip Frame and John Balladon (the grandfather of the current Chairman of Glodina Industries Ltd (Dano Textiles) Hammarsdale, Natal	Durban	blankets
1928	Union Textile Mills bought by Morris Mauerberger 1951	David Davidowitz and Lazor Kantor (Kantor was Morris Mauerberger's son-in-law)	Cape Town	blankets
1929	O T H Beier Group	O T H Beier	Durban	wool based products – felt for slippers - and wool washing
1930	Felt and Textiles	Roy Faulks	Durban	felt manufacturing

Year founded	Company Name	Founder	Location	Products Manufactured
1930	Natal Woollen and Cotton Mills Ltd. Relocation of Cape Woollen Mills from Cape Town	Daitz Family and Hippo Quarries	Durban	blankets
1930	Wentworth Textile Mills Ltd. became part of Consolidated Textile Mills Ltd "Wentex"	Geerinckx and Dahl – a Belgian textile manufacturer	Wentworth (part of which was later re-named Jacobs) an industrial suburb south of Durban	blankets
1931	Frame opens a mill at Langlaagte	Philip Frame	Johannesburg	blankets
1931	Smith and Nephew Ltd	UK parent –registered company in South Africa	Pinetown, Natal	production of surgical dressings and Elastoplast commenced in 1953
1932	Disa Textiles – later relocated in Pietermaritzburg as Duveen and Sons Textiles (Pty) in 1942	Henry Duveen	Elsie River, Cape Town	tribal blankets and rugs
1932	Mauerberger opened a mill at Industria…became part of Consolidated Textile Mills Ltd	Morris Mauerberger	Johannesburg	blankets
1932	Natal Canvas and Rubber Manufacturers Ltd	Philip Frame	Durban	canvas shoes (takkies) and Wellington boots
1933	Congella Woolwashery (Pty) Ltd	O T H Beier and Company (Pty) Ltd	Congella, Durban	scouring and woolwashery
1933	Morris Mauerberger opened a mill at Chiselhurst	Morris Mauerberger	East London	blankets
1934	O T H Beier Group	O T H Beier	Congella, Durban	carbonising plant installed

Year founded	Company Name	Founder	Location	Products Manufactured
1934	Consolidated Textile Mills Ltd formed	Philip Frame, Morris Mauerberger, Alexander Fischer (Mauerberger's brother-in-law), L Geerinckx and E Dhal of Wentworth Textile Mills Ltd with the Chairman being Karl Gundelfinger representing Elephant Trading	Durban	blankets constituted the bulk of the production
1936	Bailes & Co	Bailes Family	Durban	twines, cordage and bags
1936	Natal Underwear Manufacturers Ltd (not in CTM Group)	Philip Frame	Durban	underwear
1938	Natal Knitting Mills Ltd (not in CTM Group)	Philip Frame	Durban	knittings of fabrics for the making up industry
1938	Harris Cotton Mills bought by Frame, March 1959	Harris Family	Harrismith, Orange Free State	cotton goods manufacturer
1940	O T H Beier (Pty) Ltd	O T H Beier	Jacobs, Durban	fellmongery opened
1942	Duveen and Sons Textiles (Pty) Ltd bought by Glodina Holdings Ltd (Dano Textiles) in 1971	Henry Duveen	Pietermaritzburg (relocated from Cape Town)	towels, sheeting and dish swabs
1942	Industrial Development Corporation formed (IDC)	South African Government	Johannesburg	to promote Industrial Development – especially textiles
1943	United African Cotton	IDC	Benoni, Transvaal	spinning mills
1943	Amato Textile Mills (Pty) Ltd	Reuben Amato	Benoni	jute orange pockets and grain bags. Two mills opened in 1948 and by 1950 a further five. Company went into judicial management.
1944	Richardsons Woolwashery ...bought by Frame 1955	Richardson Family	Port Elizabeth	woolwashing

Year founded	Company Name	Founder	Location	Products Manufactured
1944	Felt and Textiles of South Africa Ltd...a new holding company	IDC and Felt and Textiles	Durban	South African Slippers (Pty) Ltd. Felt Industries Ltd were taken over to manufacture woollen felts, hair and vegetable fibre felts, paddings and waddings. Also in the restructuring three new companies were formed namely: John Grant (Africa) Ltd to manufacture cotton wool and surgical dressings, Union Wools Ltd. to scour and carbonise wool, James Seymour (Africa) Ltd to comb wool and export South African tops
1945	Walmsley & Sons, also Dale Mill	Morris Mauerberger – his nephew was Arnold Goodman, later Lord Goodman	Burnley, Lancashire, England	spinning and weaving
1945	Fine Wools Product of South Africa Ltd.	IDC	Uitenhage, Eastern Cape	worsted manufacturer of industrial knitting yarn, fingering yarn (brand name Veldspun), plain and designed suiting fabrics
1946	The Good Hope Textile Corporation (Pty) Ltd	IDC and Calico Printers Association, Manchester, England	King Williams Town (a residential area called Zwelitsha was built to house the staff)	woven cotton fabric
1946	Silknit (Pty) Ltd...taken over in 1952 British Celanese/Courtalds and changed its name to South African Fabrics Ltd.	George Epstein	Rossburgh, Durban	knitters of fabric

Year founded	Company Name	Founder	Location	Products Manufactured
1946	Felt and Textiles of South Africa Ltd and Fine Wool Products of South Africa Ltd exchanged shares resulting in Fine Wools taking over F & T's wool combing plant and the plant that was intended for Union Wools Ltd was taken over by Gubb and Inggs Woolwashery Ltd			
1946	D Pegler and Sons (Pty) Ltd	Don Pegler and Paul Blakie	Pinetown, Natal	mutton cloth, wicks, dish swabs and canvas
1947	Worcester Textiles (Pty) Ltd	Morris Mauerberger	Worcester, Western Cape	blankets, rugs, sheeting and towels
1947	Carpet Manufacturing Co (South Africa) Ltd now Ulster Carpets Northern Ireland	Felt and Textiles and Carpet Manufacturing Co, Kidderminster, England	Reunion, Durban	axminster and wilton broadloom carpeting and rugs
1947	Maydon Slipper Factory	O T H Beier	Congella. Durban	felt slippers
1948	Consolidated Lancashire Cotton Corporation	Philip Frame and Lancashire Cotton Corporation	Ladysmith, Natal	cotton spinning mill
1948	O T H Beier (Pty) Ltd	O T H Beier	Durban	felt manufacturing
1949	U F C Blankets	O T H Beier	Congella. Durban	blankets manufactured from waste (shoddy) from felt mill

GLOSSARY

Bale Blankets were previously sold in bale lots and depending on the size, double bed or single bed, and the resulting weight the quantity in a bale ranged from 14 to 20 blankets. Hessian was the original packing used but cardboard cartons are currently used. More expensive blankets are packed in individual cardboard boxes. (Waverley blanket mill, East London).

Belgian Type Blanket. A fairly large white or coloured, loosely woven cotton blanket Source: (p.2, paragraph 5,B T I report 290, 1946).

Blanket Thomas Blanket, of Bristol, first produced these in the reign of Edward III. (p.58).

Botany Wool All fine Australian wools are better known in Great Britain as Botany wools, and the term is used extensively in the United States. The name is taken from the harbour called Botany Bay, (where Sydney International Airport is situated) which is located on the eastern coast, in the State of New South Wales. The district adjacent to this bay is noted for the production of fine wools. General term for all classes of fine wool. They are sorted according to counts they will spin, without any other names (p.69).

Brushing A process which gives a slight nap to the fabric. The effect is to produce a soft wooly handle (p.81).

Canvas There are many fabrics termed canvas, some examples being: Cloths for Embroidering, Java Canvas, A Canvas, Sail Canvas, A Dress Canvas, Canvas Duck, Panama Canvas, Penelope Canvas, Prelate Canvas, Asticot Canvas, Astoli Canvas. (p.98).

Carbonisation A process used in the woollen trade for removing burrs and vegetable matter from wools, and also to destroy all vegetable matter in rags containing mixed fibre. (p.100).

Carded Yarns Yarns made of cotton that has passed through the carding machine and not combed. This yarn is used for the ordinary qualities of cotton fabrics, and thus forms the bulk of cotton yarns. It is more fibrous and spongy than combed yarn which in every way is better in quality than carded. (p101).

Calendering The finishing of cloth by means of heated rollers, the cloth being under pressure between the rollers or bowls. (p.92).

Combed Cotton Yarn The best qualities of cotton yarns are combed. The operation of combing removes the short fibres and impurities not removed by carding, and gives a yarn that is stronger, cleaner, smoother and more lustrous than a carded yarn. Ordinary combing gives about 15 per cent of waste, super combing gives about 18 to 19 per cent and double combing 24 to 25 per cent. (p.133).

Combing This term is used literally and denotes the combing of fibrous materials in sliver form by mechanically actuated combs, or by hand-operated combs. In general, the objects in combing are two, namely (1) to obtain the maximum parallelisation of the fibres, and (2) to remove impurities and undesired short fibres. (p.134).

Cottonade A coarse, heavy cotton fabric, manufactured as an imitation of Cassumere (a closely woven wool cloth) for men's wear, made with 64ends, 68 picks, 16's warp, 12's weft, or very super quality yarns, twill weave. Dyed yarns are always used. Sometimes made in stripes and checks when the ground is all colour with darker colours for effect. (p.146).

Crossbred Wools This term is applied to wool obtained from sheep of mixed breed. The bulk of the wools of commerce are crossbred. They are produced In New Zealand, Australia and South America, and nearly all are the progeny of English Lincoln, Leicster or Romney sheep. (p.160).

Denim A coarse twill cloth, 3 x 1 weave, woven from coloured warp yarns, usually blue or brown, and made into overalls for workmen. (p.172).

Dyeing Process of applying colour to yarns or fabrics. (p.195).

Factory A factory is where plant is housed and a process of assembling components for the manufacture of goods takes place, such as in a clothing factory.

Fellmongering The process of pulling the wool from sheep pelts. The pelts are sold to tanners in the lime or pickled state. (p.211).

Finishing All fabrics are passed through the final operation of "finishing" which varies according to the fabric and the purpose it is intended for (p.215).

Garnetting The term applied to the process of recovering wool fibres from mixed rags, clippings, etc. The rags are treated in chemical solutions which destroy all vegetable fibres, but leave the wool unhurt. This is put through a machine with Garnett saw-tooth wire, which opens out the fibres (p.237).

Grease/Greasy Wool Wool as it comes from the living sheep with grease still in it. (p.247).

Kaffir Sheeting Note: This cloth is now called 'double-thick', disposing of its racialistic name.
A heavy cotton fabric made from coarse low-grade cotton yarns and used by the natives in South Africa for clothing. The short length pieces have fancy coloured headings and are usually shipped in the loom state. There are few ends and picks per inch, and 8's to 16's yarns are used in a 2 & 2 twill weave. (p.291).

Karakul A breed of sheep native to Bokhara in Central Asia. Important owing to the valuable fur produced on the lambs skins. The name "Karakul" is taken from the village of Kara Kul (black lake) in Eastern Bokhara. (p.294).

Kersey (Carsey) Cloth A woollen cloth made originally at Kersey in Suffolk, whence its name. Kerseys made in Suffolk and Essex are mentioned in Edward III's time. There were various kinds: ordinary, sorting, Devonshire (called washers or wash whites) check (called 'dozens') and Kerseys (called 'straits'), all mentioned in the reigns of Henry VIII and Edward VI, varying according to the texture, in length, breadth and weight of the piece, which was strictly regulated by statutes. Stow says the making of Devonshire Kerseys began about 1505. Some Kerseys were very fine and used for superior clothing, such as the modern Kerseymere, so named from factory on the mere in Kersey. Lengths were from 18 yards to 20 yards and the weight averaged 15/16 oz per yard. (p.297).

Lancashire/ Manchester Type Blanket	A small white, light, closely woven, cotton blanket. (Source: page 2, paragraph 5, B T J report 290, 1946).
Looms	The machine used for weaving fabrics by interweaving a set of warp threads with the weft which is usually inserted one pick at a time. (p.324).
Loomstate	(also known as "griege goods", pronounced grey). Fabrics in the state they are removed from the loom, before any finishing or after treatment. (p.325).
Melton	A heavy smooth cloth, made in all wool, or from cotton warp and wool weft. The cloth is raised and cropped and very heavily milled. (p.342).
Mercerising	Cotton yarn or fabric to which luster is added by treating it under tension with caustic soda. (p.342).
Merino	The Merino sheep originated in Spain. It gives the finest of all wools up to 80's counts, which is very soft and white. Merino cloth was first produced in 1804 at Rheims and known as Shale. (p.343).
Mill	The word mill is used when it refers to machinery which processes material by performing a continuous or repetitive operation such as spinning of yarn, weaving or finishing of fabric.
Mungo	See Shoddy (p.357).
Mutton Cloth	See stockinette.
Noils	The short fibers abstracted when combing wool. These are spun again and generally dyed. This type of wool is of a low quality. (p.367).
Printing	Broadly speaking there are six styles of fabric printing, viz: direct printing, dyed styles, discharge printing, resisted printing, block printing and screen printing. (p.410).
Regenerated Wool	Same as Mungo or shoddy. (p.422).

Rugs or Shawls **(Blankets)** Fabrics of two-fold cotton warp and woollen weft, in length from 60 inch x 64 inch to 68 inch x 76 inch. All qualities are produced in both fine and coarse wools and the surface is raised (brushed).

Sanforising A method of treating fabrics during finishing, giving a shrink-resistant finish. (p.438).

Scoured Wool Absolutely clean wool no grease, soil, suint or any foreign matter (p.449).

Shoddy Fibre manufactured by shredding woollen yarns and rags. The yarns are the wastes, ends and tangled pieces from spinning mills. The rags include new pieces from the cutting tables of clothiers, tailors, etc, old and worn scraps of suits, coats, sweaters, hosiery, dress goods, etc. These materials are treated in machines that tear the fibres apart until the material is reduced to the loose wool state. It is then passed through the carding, drawing and spinning process. Often it is mixed with new wool or with cotton. A very large trade is done in Yorkshire in converting rags into yarn. Cheap suitings and coatings are made from the yarns. (p.459).

Slipe Wool Wool obtained from the skins of slaughter sheep by treatment with lime (Fellmongering). It is a very inferior quality of wool and is usually used in cheap products such as carpets, blanket, felts, rugs and woollen suitings etc. (p.469).

Spindle A finely tapered length of steel fitted with a whorl by which it is rotated and which is used in spinning for imparting twist to the thread, the twisted thread being wound either on the bare spindle or on a paper tube or wooden bobbin. (p.475).

Stentering A process of drying fabrics at full width. (p.478).

Stockinette (also referred to as Mutton Cloth). This term is applied to knitted fabric of a plain character often produced on multi--feeder circular latch needle machines. (p.479)

Suint Excretions from the sweat glands deposited in wool. (p.482).

Virgin Wool (also referred to as Pure Wool). New and unused wool which has not been reclaimed from any spun, woven, knitted or felted article or other product. (p.513).

Warp The lengthways threads of a cloth. (p.515).

Weft This series of threads that pass from selvedge to selvedge of the fabric and are known as picks. (p.517).

Wool Washing The process of cleansing raw wool by a washing process conducted in a large machine generally with four bowls. (p.521).

Woollen Fabrics An extremely varied class of textures comprising ladies' dress materials, suitings, overcoatings, shawls, machinery felts etc., in which all classes of wool not used for worsted spinning are utilised, along with all classes of wool wastes, re-used wools, cotton and other materials mixed, blended and twisted into yarns too varied in character to enumerate. Special treatments of the cloth in finishing such as milling, felting, raising, etc., make woollens in their various classes among the most generally useful of outer clothing textures. (p.522).

Worsted Wool yarns of superior quality and appearance spun from the better qualities of wools, and by a much more elaborate preparation for spinning than woollen yarns receive. The aim is to assemble or rearrange the constituent fibers of the yarns as near parallel as possible, and remove by combing all the short fibres that would otherwise spoil the regularity, smoothness and luster which is characteristic of worsted yarns. The broad definition that -- worsted yarns are combed and woollen yarns are not -- still holds good. There are four methods in common use for spinning worsted yarn, i.e., cap spinning, mule, flyer and ring spinning, each having special characteristics that make it more suitable than the other for spinning certain types and counts. (p.522).

Yarn A continous strand of twisted fibres, whether animal, mineral, vegetable or synthetic, for use in weaving and knitting (p.524).

Source (Unless otherwise stated). The 'Mercury' dictionary of Textile Terms, with illustrations, compiled by the staff of 'Textile Mercury', published by Textile Mercury Limited, 41 Spring Gardens, Manchester 2, England. Undated – estimated to have been published between 1939 and 1945.