

Further pertinent points not adequately stressed in the paper are:

- (a) Mines with large assessed losses or large unredeemed balances of capital expenditure do *not* lose these; these do not enter any assistance assessments but remain available for use when the mines again earn taxable incomes in excess of the 'free' margin of 8.838 per cent of Revenue.
- (b) Provided the assistance level does not exceed the 25 per cent of revenue limit, the State will effectively bear 68 per cent of any additional expenditure; i.e. of working cost inflation, capital expenditure, etc. However, the State will now effectively gain 62 per cent of any improvement in mining revenue due to better grades, a higher gold price etc., and the company will only retain 38 per cent.
- (c) The scheme has a very severe built-in discouragement against operating at a loss in excess of that corresponding to the maximum assistance level of 25 per cent of revenue. For every R1 of loss in excess of this level, the mine will effectively lose R1.25 in net cash. Conversely, a mine with a loss in excess of the critical level will gain in net cash R1.25 for every R1 of improvement in revenue until the critical level is reached.

In further clarification of some of these points and of the detailed bases of taxation and assistance assessments, the comprehensive contribution by Mr Wroth will be appreciated by all concerned and will form a most useful reference.

NOTICE

NEW COUNCIL AIMS AT MAINTAINING HIGH ENGINEERING STANDARD IN SOUTH AFRICA

The general standard of engineering in South Africa will, it is believed, reach new heights after the establishment of the S.A. Council for Professional Engineers (SACPE) in February, 1969.

The Council is being created to establish standards for professional engineers in this country and ensure that the quality of engineering is maintained at a high level.

In terms of the Act of Parliament under which the new Council will operate, all consulting engineers will have to be registered if they wish to remain in private practice. While engineers who are not in private practice cannot be compelled to register, it will be in their interests to do so, according to a statement issued by Mr M. R. Gericke, chairman of a Shadow Council which is at present preparing for registration and drafting the requirements for registration.

Registration is seen as an important move towards maintaining the quality of engineering in South Africa. Engineers will be encouraged to strive for professional status by gaining the necessary qualifications and the varied range of experience required by the Council before registration. All work done by registered professional engineers will have to conform to certain minimum standards.

A spokesman for the Council has urged all engineers to ensure that they apply for registration when the Act comes into force in February. The Council is also anxious to gain the co-operation of employers in ensuring that the holders of professional engineering posts will be registered.

Full information regarding registration will be sent to engineers throughout South Africa early this year, and announcements will appear in the press.