



PERPUSTAKAAN UNIVERSITI MALAYA

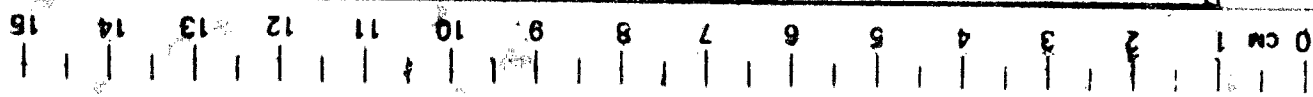
PERKHIDMATAN REPROGRAFI

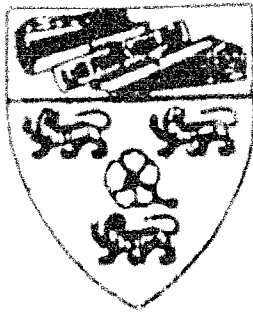
UNIVERSITY OF MALAYA LIBRARY

REPROGRAPHIC SERVICE

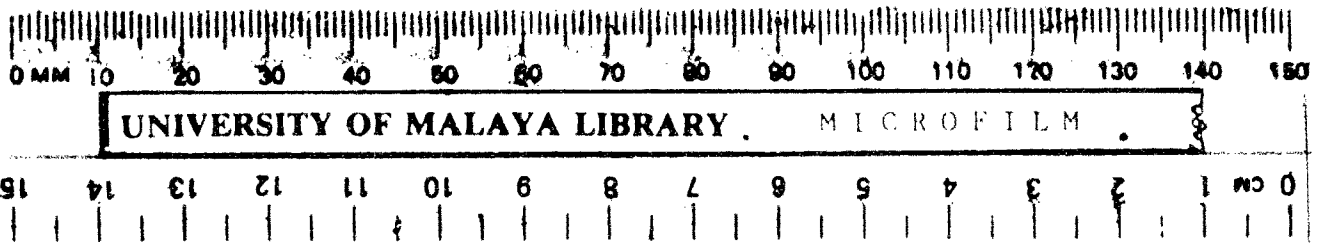


UNIVERSITY OF MALAYA LIBRARY . MICROFILM





MULA



UNIVERSITY OF MALAYA
LIBRARY
KUALA LUMPUR
1959

A004466402

A STUDY OF THE SOURCES AND NATURE OF CREDIT
IN CHINESE TIN MINING IN MALAYA



Dimitrofiskan pada 13 MAY 1993
No. Mikrofilis 1125B
Jumlah Mikrofilis 1

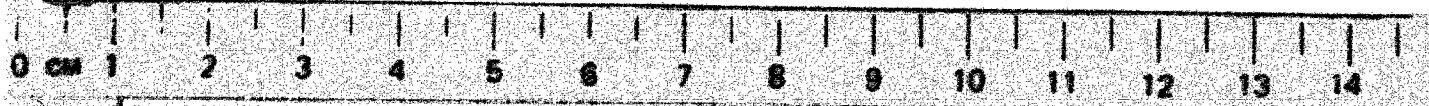
by

Tan Teong Hean

[App 14]

282888

A Graduation Exercise presented to
the University of Malaya in
part fulfilment towards the
Degree of Bachelor of Arts
with Honours in Economics



PREFACE

The topic for this exercise was suggested by Mr. Yip Yat Hoong of the Department of Economics, University of Malaya.

The purpose of this study is to give a survey of the sources and nature of credit supply of the Chinese tin miners in this country from the earliest days to the present period. This is done in five chapters. Chapter I examines the early Chinese tin mining operations and the early sources of credit supply. Chapter II traces the changes in the early system of loan supply. In Chapter III, the capital requirements of Chinese mines today are examined. It is hoped that this chapter will provide the background in understanding the importance of credit in the Chinese tin industry today. Chapter IV examines the credit facilities and sources of supply available to the Chinese tin miners today. Chapter V is the conclusion.

This paper is limited only to a study of the Chinese tin industry. It excludes the European miners an important part of the tin industry in this country.

Material for this paper was obtained chiefly through interviews with the people connected with the industry and also through selected references in the Department of Mines library in Kuala Lumpur.

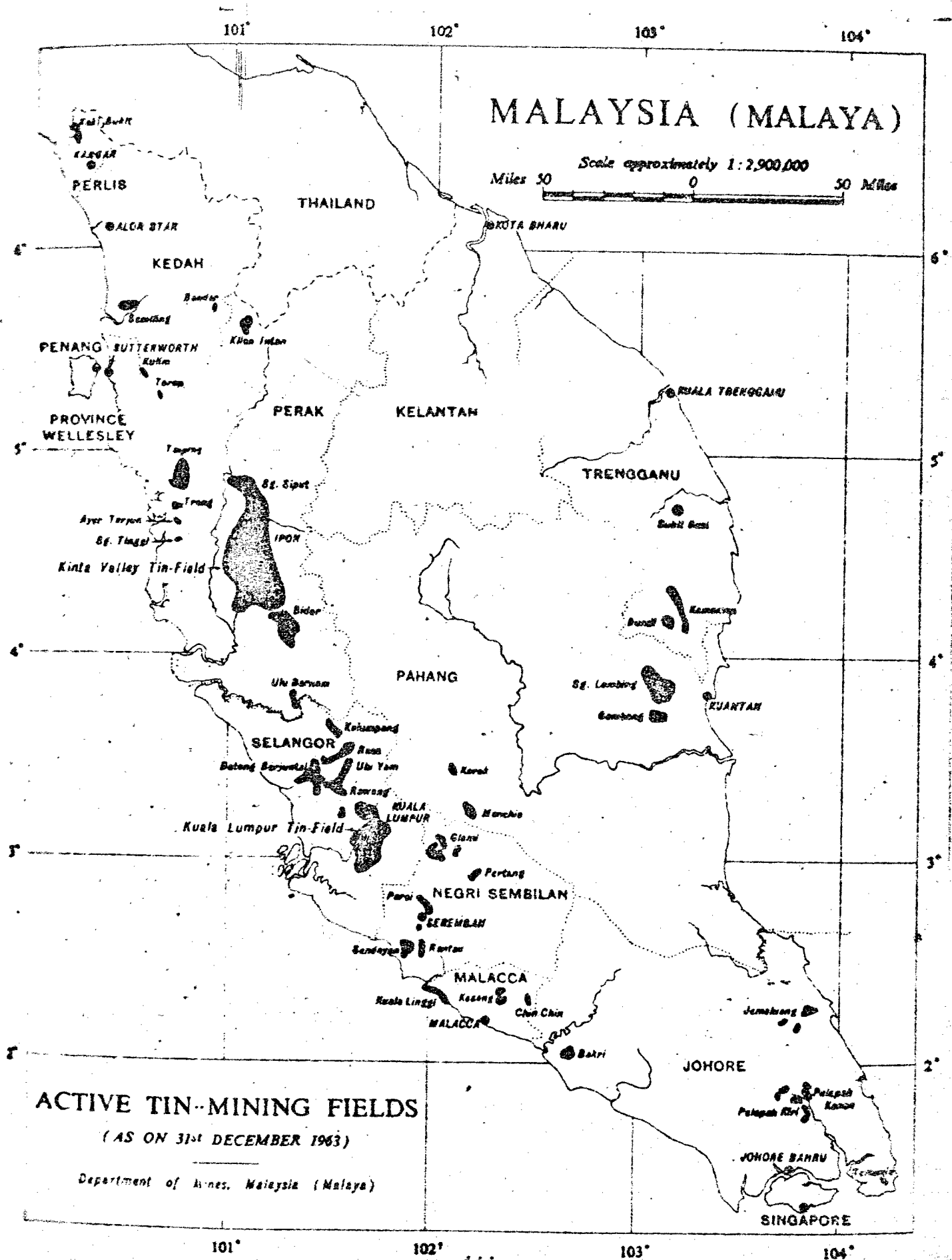
The writer wishes to record his gratitude to all those who have contributed in one way or another towards the writing of this paper. In particular, the writer is indebted to the President of the Selangor, Negri Sembilan and Pahang Mining Association, Mr. S.K. Tan for his co-operation, Mr. S.K. Wong of Senky Mining Corporation and Inche Mohammed Salleh, Chief Inspector of Mines, Malaysia for their help.

Last but by no means least, the writer wishes to express his thanks to the supervisor of this paper, Mr. Yip Yat Hoong without whose help and guidance the writing of this Exercise would not have been possible.

Tan Teong Hean

24th July, 1965.

ACTIVE TIN-MINING FIELDS IN MALAYA



ACTIVE TIN-MINING FIELDS
(AS ON 31st DECEMBER 1963)
Department of Mines, Malaysia (Malaya)

TABLE OF CONTENTS

	Page
PREFACE	iii
MAP	iii
LIST OF TABLES	vi
LIST OF DIAGRAMS	vii
 Chapter	
I. EARLY CHINESE TIN OPERATIONS IN MALAYA . .	1
(i) Nature and forms of mining	1
(ii) Early sources of credit and credit arrangements	3
(iii) The Role of the Advancer	4
(iv) Terms of Credit Supply	4
(v) Early Capital Arrangements	6
(vi) General Features of the Credit System	7
 II. TECHNICAL DEVELOPMENTS IN THE CHINESE TIN INDUSTRY AND ITS EFFECTS ON CREDIT SUPPLY .	 9
(i) Evolution from Labour to Mechanical Operations	9
(ii) Breakdown of the early system of loan advancement and changes in the sources of credit supply	16
(iii) Changes in the Organizational Structure of the Mine	18
 III THE CHINESE TIN INDUSTRY TODAY	 20
(i) Main Methods of Operation	20
(ii) Relative Importance of Different Mining Methods	21
(iii) Capital Requirements of Gravel Pump Mines	25
(iv) Cost and Expenditure in Gravel Pump Mines	26
(v) Factors influencing the Size of the Initial Capital outlay in Gravel Pumping	28

IV.	CHINESE FINANCIAL ARRANGEMENTS AND CREDIT SOURCES	32
	(i) Chinese Financial Arrangements	
	(a) Sole Proprietorships	32
	(b) The 'Kongsi'	33
	(c) Limited Liability Companies	33
	(d) The 'Pok Chow'	34
	(ii) Credit Sources of Chinese Miners	36
	(a) Smelting Agencies	36
	(b) The Distributors of Diesel and Industrial Fuels	37
	(c) Timber Merchants	38
	(d) Local Engineering Works and Foundry Shops	38
	(e) Import Agencies	39
	(f) Specialist Mines and Plantation Suppliers	40
	(g) Tin Ore Dealers	40
	(iii) Bank Credit	44
V.	CONCLUSION	47
	APPENDIX: A	49
	B	50
	C	51

LIST OF TABLES

Table	Page
I.	Price of Tin and Monthly Wage Rates of Workers in Chinese Gravel Pump Mines. 1947 - 1963 11
II.	Employment by Race and Mining Methods 15
III.	Tin Production by Producers and Methods 22
IV.	Tin Mines by Methods 1929 - 1963 24
V.	Capital Requirements and Use in Gravel Pump Mines 25
VI.	Costs of Operations in An 8" Gravel Pump Mine driven by Diesel Engine 27
VII.	Classification of Loans and Advancers of Commercial Banks 1964 46

LIST OF DIAGRAMS

Diagram		Page
I.	Graph I : Labour Employed per ton in Concentrates produced Annually 1919 - 1955	13
II.	Graph II: Machinery Employed per ton i of tin in Concnetrates produced Annually 1919 - 1955	14
III.	The Tien Ping Foo Mining Shaft	49
IV.	The Chin Chia	50