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South Africa. Native Affairs Commission

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UNION OF SOUTH AFRICA.

REPORT

of the

Native Affairs Commission

for the

Years 1937-1938.

Published by Authority.

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REPORT OF THE NATIVE AFFAIRS COMMISSION FOR THE YEARS 1937 AND 1938.

TO HIS EXCELLENCY THE RIGHT HONOURABLE SIR PATRICK DUNCAN, A MEMBER OF HIS MAJESTY'S MOST HONOURABLE PRIVY COUNCIL, KNIGHT GRAND CROSS OF THE MOST DISTINGUISHED ORDER OF SAINT MICHAEL AND SAINT GEORGE, ONE OF HIS MAJESTY'S COUNCIL LEARNED IN THE LAW, DOCTOR OF LAWS, GOVERNOR-GENERAL OF THE UNION OF SOUTH AFRICA.

MAY IT PLEASE YOUR EXCELLENCY:

In terms of the Regulations published under Government Notice No. 2004 of 1920, the Native Affairs Commission begs leave to submit its report for the years 1937 and 1938.

Since the last report was published Col. Cdt. W. R. Collins has been appointed Minister for Agriculture and Mr. Tom Naudé, M.P., was appointed in November, 1938, to fill the vacancy caused by his resignation. Mr. A. O. B. Payn was appointed as an additional member in November, 1938, thus bringing the number of Commissioners up to a total of five, as provided for in Act No. 23 of 1920.

The functions, duties and privileges conferred on the Commission are fully set out in its report for 1936. It is, therefore, unnecessary to reiterate them here.

During the period under review most of the time of the Commission was devoted to matters relating to the excision and acquisition of land under the provisions of the Native Trust and Land Act, 1936. Investigations were made in and reports furnished upon the following districts:—

Cape Province:

Lady Grey, Herschel, Elliot, Maclear, Umtata, Tsolo, Port St. Johns, Libode, Butterworth, Komgha, Humansdorp, Vryburg, Kuruman, Graaff-Reinet and Cradock.

Transvaal:

Potgietersrust, Tzaneen, Leydsdorp, Duiwelskloof, Pretoria, Premier Mine, Brits, Hamanskraal, Rustenburg and Vereeniging.

Natal:

Inanda, Camperdown, Pietermaritzburg, Richmond, Ixopo, Bulwer, Himeville, Impendhle, Harding, Port Shepstone, Umzinto, Pinetown, Ladysmith, Newcastle, Helpmekaar.

Orange Free State:

Witzieshoek.

In addition to the many meetings between members of the Commission and the general public throughout the country, forty-one formal meetings were held, at all of which the Secretary for Native Affairs presided. Besides considering questions relating to the general conduct of the administration the following matters, *inter alia*, were dealt with:—

(*a*) Establishment of industries in native areas.

(*b*) Establishment of aerodrome on trust land at Kingwilliamstown.

(*c*) The supply of milk, etc., to native schools.

(*d*) Policy in regard to prospecting in native areas.

(*e*) Native revenue accounts: Estimates of revenue and expenditure in urban areas.

(*f*) The token system on Natal coal mines.

(*g*) Appointment of members of Natives Representative Council.

(*h*) Extension of local council system to certain areas.

(*i*) Refund of cuts to native teachers' salaries made during the depression, 1931-1934.

(*j*) Grants to hospitals and charitable institutions.

(*k*) Estimates of revenue and expenditure of native trust.

(*l*) Squatting on commonages of certain urban areas in the Midlands of the Cape Province.

(*m*) Poverty amongst natives in certain urban areas.

(*n*) Simplification of pass laws.

(*o*) Seaside resorts in native territories.

(*p*) Training centres for chief's sons.

(*q*) Applications by separatist religious bodies for Government recognition and the granting of church and school sites in native areas.

Members of the Commission attended the meeting of the Natives Representative Council. They were also present at the Conference with Municipalities and Urban Local Authorities convened to discuss the provisions of the Native Laws Amendment Act, 1937. The Commission was represented by one of its members at the Annual Sessions of the United Transkeian General Council and Magisterial Conference.

To this formal report several appendices on matters of policy by the appointed members are attached together with the White Paper on land policy and a report by the Controller of Native Settlements.

(Sgd.) H. A. FAGAN, *Chairman*,
Minister of Native Affairs.

,, G. HEATON NICHOLLS,

,, J. MOULD YOUNG,

,, E. A. CONROY,
Members.

(Sgd.) G. DU PREEZ,
Acting Secretary.

Capetown, 8th June, 1939.

APPENDIX "A".

General.

The activities of the Native Affairs Commission during the two years under review have been devoted to the steady furtherance of the national policy of *Trusteeship*, which was defined in the last report of the Native Affairs Commission, as "denoting a solemn duty, accepted by South Africa, to safeguard and advance the interests of the native people as a race, respecting their own evolving culture and institutions, improving their social and economic conditions, adapting their education to their needs and circumstances, providing opportunities for the ability and competence of the native leaders in spheres where their services will be most useful to their fellows, assisting always in the building up of a pride of race which, while having its roots securely fastened in the native reserves will, to its own advantage, co-operate with the Europeans in developing the wealth of the country".

The Commission has been assisted and heartened in its work by the growing awareness amongst the general public of the meaning of this policy, as shown by the increasing disposition to accept the full responsibilities which such a policy entails.

The State itself has, during the past two years, provided large sums of money for the acquisition and development of additional land to the ten million morgen already set aside as native reserves. By the end of the year 1938 commitments amounting to nearly £4,000,000 and involving the acquisition of slightly over one million morgen had been incurred by the Trust.

From General Revenue an additional one-fifth of the Native General Tax has been assigned to the Native Trust Fund, which now receives a total of three-fifths of the Native General Tax, as well as the whole of the local taxes paid by natives.

This increase of revenue enabled the Commission to allocate a larger sum to the Provinces for the restoration of all the cuts made in the native teachers' salaries by the Provinces during the depression period; and it also permitted of some expansion in native education.

The total amount provided by the Union Government and spent by the Provinces for native education amounted in all to £1,780,920 for the two years.

The Commission does not wish it to be inferred from this that it considers sufficient is being spent on native education to meet the circumstances of South Africa; it merely wishes to state facts.

This extra provision for education has been accomplished without any slowing down in the development which is now taking place in the native reserves. The work of soil reclamation, of improvement in stock and crops, and in methods of agriculture, the building of roads, the making of dams and the sinking of boreholes—all the various developmental activities which are carried on under the advice and assistance of the native commissioners throughout the country—have continued to absorb the energies of the expanding agricultural department of the Native Trust. The Transkeian and Ciskeian General Councils, armed with their executive powers to carry on the development of their territories, have shown a marked capacity in the efficient spending of the moneys allotted to them; and the experiences of the Native Council system in the areas where it exists points to the wisdom of its extension wherever it is warranted by development and circumstances.

Coupled with this work of development which is being carried on by the Native Trust in native reserves, must be recorded the improvement which is taking place in native conditions in European areas throughout the country. While the Commission does not wish to lend an air of complacency to the existence of evils which it deplores, nor to suggest that there should be any slackening in the fight against them, it must be acknowledged that there has been a general upward movement all along the line, both in town and country. In all the large municipalities schemes for the improvement of health conditions, for better housing, for the means of recreation and generally for improving the lot of the natives within their boundaries are being adopted.

During the past two years under review six of the large towns of the Union have spent a sum of no less than £1,352,712 on sub-economic housing. Other improvements in these six towns to the native locations have added an additional sum of £317,500.

The searchlight of publicity which is to-day being turned on the municipal slum conditions and the stress which is being laid on the prevalence of certain diseases does not mean that any new or worse conditions have arisen than formerly existed; it means that more interest is being taken in such matters; and that interest is turned into a desire for improvement. Native hospitals are increasing in number and size each year. One hundred and thirty country hospitals and clinics are receiving grants-in-aid from the Native Trust Fund, while sixty-five hospital building grants have been made by the Native Trust. Barriers of native superstition are being swept away before the proved benefits which such institutions offer. In the larger municipalities it is becoming increasingly difficult to meet the claims for medical attention from natives who previously refused to accept such aid. Particularly is this the case with native women, who are now showing a most unexpected and embarrassing preference for treatment at a town hospital by a qualified midwife compared with the traditional treatment which they previously obtained in the kraals. These women frequently arrive at a hospital in such an advanced state as to preclude the possibility of their being turned away. The increasing cost of native hospitalisation is bearing heavily on the revenue of the Provincial Councils which continue to make claims upon the Native Affairs Department for more financial provision. Any further financial aid for native hospitalisation, however, must be provided from some other source than the Native Trust Fund. The whole question of native hospitalisation is receiving the earnest attention of the Commission.

The activities thus generally enumerated are all signs of the stirring conscience of our trusteeship. The truth that the welfare of the European lies in the welfare of the Bantu is being surely realised. The rise of a Social Welfare Department of the State has no doubt done much to focus public attention on these aspects of our national life; for the social welfare movement, still in its infancy, though already making large inroads on the revenue of the country, has gathered up in its course many of the most public-spirited citizens whose influence has been instrumental in urging improvements upon those responsible for municipal government, upon whom lies the chief responsibility for native conditions in the towns. The Universities all have their Native Study Groups. Joint Councils of Europeans and Natives exist in all the large centres. Behind these social welfare bodies lie all the weight of the churches and the influence of the missionary societies. This nation-wide movement and the humanitarianism which inspires it will, if wisely directed, bring to the interpretation of our trusteeship a spirit of Christian charity and understanding which, in the end, will alone make our native policy effective, and thus ensure that harmonious and friendly co-operation between Bantu and European which is its ultimate aim.

Economic Conditions.

The Native Farm Labour Committee has conducted a searching investigation into the economic condition of natives on European farms, and the Commission does not propose to anticipate its report on farm labour.

It may be stated, however, that the wage and working conditions of natives employed generally in European industry have improved. The increasing demand for native labour for the major works of mining and industries, and the growing sophistication of natives regarding the scale of wages offering, is materially affecting the whole labour field. There can be no doubt that the rapid development of our resources, during the past few years, as a result of our gold position, has outstripped our own labour power. The investment of capital in new ventures, requiring at the outset comparatively few workers, is followed by a period when production demands a very large labour increase. This is specially so in South Africa. The sinking of a shaft on a newly exposed ore body—which requires only 100 labourers to-day, may demand 5,000 to-morrow to mine and crush the available ore. This speeding up of production, with the consequent demand for more labour, is a feature of our economic life to-day. Farms, forests, national roads, mines and manufactories, are all expanding and demanding more labour; and the remuneration offered attracts thousands of work seekers from the native territories and from distant states beyond the Union where native economic standards are on a much lower scale. This demand produces a competitive bidding which has influenced native wages everywhere.

This developmental outstripping of the man power of the country is not confined to the Union. The two Rhodesias are exhibiting anxiety on that score. The Governor-General of the Belgian Congo, Mr. Ryckmans, dealt with this growing difficulty in the Congo when opening the Government Council at Leopoldville in 1938 when he spoke of the demand for an economic pause which could be introduced by the prohibition of new undertakings as a protection to existing industries. The Council recommended that the Government should suspend the concession of land in districts where the exploitation of the area already being worked absorbs the whole of the actual labour supply.

It must be obvious that, though the wages of native farm labourers are still stagnant in a few areas, they must ultimately be subject to the same impulses as wages in other forms of industry. The old system of tenant labour is slowly but steadily breaking down—not altogether to the advantage of the native who, under that system, in many cases, maintained his family life and tribal status while increasing his material possessions. The system is being attacked from both the angle of the farmer, who finds the system uneconomic under modern conditions and can no longer afford to give up large portions of his farm to the grazing of native stock; and from the angle of the young natives, who find its restrictions a barrier to their independence from parental control. In its place the system of hiring agricultural labour, which is fed and housed and paid the standard rate of wages prevailing in the district, is gradually developing. Natives are to-day recruited in all the larger towns of the Union to work on farms, most of them, probably, from natives who have deserted from their contracts as tenant labourers; they are drawn for this purpose from the reservoir of idle labour which exists in many of the urban areas. Agricultural wages, therefore, have risen and tend to bear some relation to the wages offering in the towns and on the mines; indeed, in many parts they compare not unfavourably with the wages paid to agricultural labourers over the greater part of Europe.

This change in the economic position of the natives, brought about by the partial break-down of the labour tenant system under which native families lived their tribal life on farms, secured in the use of sufficient land to maintain their stock, has thrown a greater strain on the available native reserves. The old people who are leaving the farms find it difficult to gain accommodation elsewhere; and the ingenuity of the Native Affairs Department is continually exercised to restrain the eviction (until they can be suitably accommodated on native land) of the elders of families whose young men have broken their contracts and deserted their farming work for the more alluring prospects of some distant city.

It is reliably estimated that some 78 per cent. of the lads under eighteen years of age who seek work on the Rand have come from rural districts and have no parents living in the municipal areas. The growth of juvenile delinquency is as much due to this ever-increasing flow of Bantu youth—of both sexes—to the towns, where it is completely free of all paternal, family or tribal control, as it is to the slum conditions with which the Bantu youth soon becomes acquainted. The State cannot remain much longer indifferent to this phenomenon, which is fraught with so many possibilities.

As the major portion of our basic industries obtain their labour from the native reserves and from States beyond the Union, while, on the other hand, the more urban manufacturing industries—together with service and distribution—tend to rely for their labour upon the growing urban native population, there is a good deal of maladjustment. There is a lack of balance both in supply and demand, which neither serves the national economy nor improves the position of the native. The national income is by no means as large as it might be, nor is the general remuneration as high as it would be if the labour force were more productively distributed.

One of the primary factors in our economic life—often overlooked—is that natives employed in the basic industries who come from the reserves receive a wage subsidy from their resources in the native reserves, whilst completely detribalised and urbanised natives, without such resources, are compelled to keep their wives and families on the wages they receive without any such outside assistance. Moreover, natives coming from the reserves, where they have left their families in security, have a source of economic strength which gives them both pride and economic independence which is absent from the lives of the detribalised and urbanised natives. Part of the wages received by the tribal natives is remitted to their families to be used for the improvement of their reserve conditions. This disparity in the economic standards between the wage earner from the reserves and the permanently detribalised and urbanised worker, must become greater as the natural resources of the reserves are developed.

It is a striking fact, frequently observed by the Commission, that the more developed the native area, as in the Transkei, the more the young able-bodied men try to add to the family standard of living by seeking work in European areas and thus supplementing the wealth production in the reserves by the rewards of European industry. Conversely, the more backward the native reserves, the less inclined the natives in them are to seek work in European industries.

The greatest maladjustment occurs when the kraal natives drift into the towns and find themselves submerged in the urban reservoir of idle and superfluous labour. Here, for a space, they are largely lost to productive industry. They fail to obtain what they set out to gain when they left the reserve, i.e., money for their people at home and for the necessary lobolo to found a family. Living very largely on their hospitable relations and fellow-tribesmen their unwanted presence in urban areas as potential workers perpetrates the low standards of those at work without improving their own. Gradually, as they learn the ropes, they merge into the more permanent elements of the urban area and become the casual workers which form so large a part of the urban population which the municipalities consider essential for their labour needs. We are, therefore, left with the picture of depressed native urban areas, where improvement in conditions is retarded by too large a reservoir of idle or casual labour, while the basic industries upon which the wealth of the country depends is starved of Union labour power; and, as a consequence, the borders of the Union have to be thrown open wider and wider to the increasing flow of labour from Central Africa to the Union. Some direction of this urban migration is, therefore, urgently necessary to prevent these maladjustments.

If adjustment is to be attempted by governmental measures it must be done with the full knowledge of its economic implications. Since the economic structure of South Africa is based primarily upon the maintenance and development of mining and agriculture, those industries should have the first call on the labour force. Any retardation in primary production must, under existing circumstances, inevitably lead to a diminution of business and manufacturing activity with a consequent lowering of standards all round. Native labour competition between primary and secondary industries can only be carried on at the expense of the former. The secondary industries are in a better position to compete, since they are aided by the privileged protected position which they enjoy at the expense of the primary industries, and by the fact that they do not export their products. A balanced economy demands that the basic industries of the country should not be undermined by the draining away of their labour to the privileged industries of the towns.

Legislation.

The passing during the year 1937 of the Native Laws Amendment Act completed the trilogy of legislative measures needed to give full effect to the national native policy. The draft of this measure had been considered by the Commission and its adoption recommended for reasons stated in the last annual report. Its passage through Parliament led to a demand by native representative bodies for its postponement on the grounds that its enactment would be a violation of the pledge which had been given in Parliament, during the debate on the Native Representation Act, that no legislation specially affecting the native people would be introduced without reference to the Natives Representative Council for its opinion.

The argument, thus presented, completely ignored the plainly indicated and well-known fact that the Bill was regarded, both by the Government and by the Joint Select Committee of Parliament which considered the legislation, as a vital part of the whole programme of native enactments, of which the Native Representation in Parliament Act, establishing the Natives Representative Council, was a part. Moreover, when the debate took place, the Native Representation in Parliament Act had not become operative, since no member had been elected to Parliament under the Act; nor had the Natives Representative Council come into being.

The Commission, however, in view of the urgent character of the representations made to it, felt bound to consider the possibilities of withholding the measure from final approval by the Senate until after the election of the Natives Representative Council, and accordingly the Commission advised the Government that this should be done.

On this matter the following letter was addressed to the Honourable the Minister of Native Affairs on the 10th May, 1937:—

"The Native Affairs Commission having considered the representations of both Europeans and natives which have reached the Department of Native Affairs from all over the Union in respect to the Native Laws Amendment Bill now before Parliament, begs to submit the following report thereon in terms of section *two* of Act 23 of 1920.

"The Native Laws Amendment Bill forms an integral part of the Native Legislation passed by Parliament almost unanimously last year. It is the last of the trilogy of Bills which were designed to translate into law the principle of trusteeship established by the Natives Representation Act and the Native Trust and Land Act in place of the undefined and contradictory policies hitherto prevailing.

"In principle, the Native Laws Amendment Bill follows the recommendations of the Native Economic Commission by giving power to local authorities—and, finally, to the Government where local authorities fail to exercise such powers—to limit the native urban population to the economic needs of the local area.

"By this limitation it is undoubted that the exercise or ordinary economic laws of supply and demand of native labour will ensure an improvement in the standards of living of the native people living in urban areas with benefit to the whole community.

"This subject formed part of the whole policy of Trusteeship as considered by the Joint Select Committees of Parliament, which were assisted in their deliberations by the Native Affairs Commission, as well as by the principal officials of the Native Affairs Department. The principle of limitation of natives in urban areas was adopted in the draft Bill agreed upon by the Parliamentary Commission which sat in Pretoria in 1932.

"There can be no doubt, as the records prove, that the principle if limitation was intended to be accepted as a fundamental part of the native policy accepted by Parliament last year. Indeed if that principle were not accepted, there would be little use in going on with the purchase and development of additional land for natives, since, if nothing is done to prevent the increasing momentum of drift to the towns, the greater portion of the native population will, within an appreciable lapse of time, have left a number of the native reserves. It will be a long time before rural development can overcome the lure of the city, where the glitter and excitement of the streets open up a new world to the adventurous amongst the untutored natives. Our urban areas form the foci of attraction not only to our own natives, but to the natives far beyond our borders, who are to-day in our towns in their thousands. The exodus of these natives to the Union has begun to affect the tribal life of the people as far remote as Nyasaland to such an extent that the British Government has been driven to take notice of the fact and suggest some curtailment of the liberty of natives to leave the territory.

"The Commission, after due consideration, is of the opinion that the principle of limitation set out in the Native Laws Amendment Bill should be adopted with as little delay as possible.

"There are clauses in the Bill, however, which, while they are all designed to improve the position of the natives in urban areas, do not affect the principle of limitation. These have been introduced into the Bill as the result of expert enquiry by the Young-Barrett Departmental Committee, which held meetings in all the larger centres of the Union and heard evidence from municipalities, from the various churches and mission bodies, from the Joint Councils and other representatives of public opinion as well as from natives themselves. The recommendations of the Young-Barrett Commission, appearing in the Bill, are approved by the major municipalities. With this large consensus of opinion the measure can be recognised as a liberal attempt to improve the existing position for the benefit of the native people.

"The Commission, however, is compelled to take notice of the fact that there exists widespread misunderstanding regarding the nature of the Bill as forming an integral part of the legislation passed last year. It is urged in many quarters throughout the country that some kind of a pledge was given by Parliament last year that

no native legislation of any kind would be passed again without first submitting the measure for the consideration of the Natives Representative Council—shortly to be called into being. While the Commission has not the slightest doubt (from a consideration of all the evidence of the Joint Select Committees) that any inference drawn from the proceedings would not have applied to the principle of limitation in this Bill, the Commission is of opinion that the depth of feeling which this misunderstanding has evoked should not be ignored.

" The Commission, therefore, recommends that after the Bill has been accepted by the House of Assembly, the proceedings on the Bill by the Senate should be postponed until next Session in order to allow the Natives Representative Council to consider the measure during the recess and, if deemed desirable, to make recommendations for any alteration in detail which will not touch the principle of limitation, which could be considered by the Senate.

" This procedure would be in conformity with the provisions contained in section 27 (3) of the Representation of Natives Act, 1936, where the Natives Representative Council is regarded as part of the machinery of Parliament.

" While it would thus be left to the House of Assembly to determine the principle of our Native Policy the Natives Representative Council would have full liberty to consider the methods of its application and the recommendations would then be discussed in the Senate, where all natives throughout the country are represented, and such alterations as are considered necessary could still be inserted in the text before the measure became law ".

When this advice was given the measure had already occupied the attention of the House of Assembly for many days; it had been fully debated: and since the whole native policy was at stake in the passing of the Bill the Government considered that no useful purpose would be served by any further delay. The Bill became law on the 1st January, 1938.

The importance of this measure to meet the urgent needs of the urban areas is now beginning to be appreciated. It definitely brings into the foreground the responsibility which the State has placed upon all local authorities for the natives within their areas of jurisdiction. The fact that full control over natives in urban areas was given to the local authorities under the Acts of 1923 and 1930 appears not to have been generally known, either to the Europeans or natives, with the consequence that there has been a tendency to blame the Central Government and its native policy for all the local evils which have arisen as the result of the failure on the part of the local authorities to exercise these powers.

Thus the power to limit the entry of unnecessary natives into urban areas, provided in the Act of 1930 and which would in itself, if made effective, have prevented many of the evils from arising, had been applied for by only a few municipalities. The Native Laws Amendment Act now lays this plain obligation to restrict entry upon the local authorities wherever there is a redundant native population. It also insists upon many other things, such as the taking of a census to determine the actual labour requirements of the area; it insists upon the proper provision of accommodation by employers for natives employed: it insists upon the supply of kaffir beer in any one of three ways, by homebrewing, by licence or by municipal monopoly, in order to strike at the root of the drink evil.

The law of Africa—broken only in a few States—is total prohibition. It is the State's duty to maintain that law. An exception, however, was made in the case of kaffir beer, which is the national beverage of the people, and Parliament legislated to give proper authority to the local governing bodies to provide this national beverage. Failure on the part of municipalities to carry out the intentions of Parliament has led to the growth of the illicit liquor evil, to repeated conflicts between police and natives, to wholesale arrests and imprisonment, for which the Central Government and the police have been blamed. The new Act sets out to remedy this state of affairs.

To put the Native Laws Amendment Act into practical operation will require, and will continue to require, the utmost co-operation between the municipalities and the Central Government. This co-operation was sought and willingly offered at a great conference between representatives of all the larger municipalities and the Native Affairs Department in Pretoria on the 28th and 29th September, 1937. The conference was opened by General Smuts and conducted by the Secretary for Native Affairs. Its purpose was to discuss the draft regulations which were to be promulgated under the Act. General agreement was reached on all debatable points.

Natives Representative Council.

The Natives Representative Council came into being on the 6th December, 1937, and held its first session in the Pretorius Hall of the Town Hall, Pretoria. The session was opened by General Smuts and addressed also by the Minister of Native Affairs. The Secretary for Native Affairs presided and the five Chief Native Commissioners, who formed part of the Council but had no right to vote, were also present. Members of the Native Affairs Commission attended throughout the session.

The second session was held on the 21st November, 1938, in the same chamber and was opened by the Minister of Native Affairs. Mr. Grobler, the late Minister, also addressed the meeting.

The chief work of the Council was a consideration of the Trust Estimates, amounting in all to a sum of £2,422,351 in 1937 and £2,474,237 in 1938. Details of this expenditure were afforded to the Councillors by officers of the Native Affairs Department who gave full reviews of the activities of their special branch.

Officers of the Provincial Education Departments of the various Provinces attended and addressed the Council on all matters relating to Native Education.

The proceedings throughout were marked by restraint and decorum, many of the debates reaching a high level. The work of the Council should be one of ever-increasing influence and will play a prominent part in shaping the destinies of the native people.

APPENDIX "B".

Purchase of Land by Individual Natives.

The Native Trust and Land Act, sub-section (2) of section *eighteen*, provides that the "Trustee" may, in "accordance with the Regulations or in special cases on such conditions as he may deem fit, grant, sell, lease or otherwise dispose of the land the property of the Trust to Natives". One of the objects of this Clause was to meet the special needs of natives of an advanced and progressive type who had become thoroughly detribalised.

During the course of the Commission's land investigations repeated representations were made with a view to some early delimitation of areas, in various districts, where natives could purchase land from the Trust on freehold tenure; but such a delimitation has not yet been possible. Individual natives who have title to their land, and who have got into difficulties, are being assisted. Bonds have been taken over where necessary, and arrangements for the liquidation of debts have been made; but the urgency of providing additional land for the mass of the native people, whose reserves are becoming eroded or otherwise impoverished through overcrowding and overstocking, has prevented much attention being given to the relatively small class of individuals for whom special consideration is claimed on the ground that they are of an advanced type.

If the mass of the native people is to be regarded as having prior claim to share in the area of land set aside for natives, the provision of freehold land for individual natives must necessarily be limited in amount. We have not yet reached a stage in our native policy when we can definitely divide the native population into those who have a claim to land and those who have not; and we cannot yet determine to what extent the native urban population is permanent and, therefore, to what extent it need not be considered as a potential sharer in the native land; nor have we yet arrived at any clear idea about the division of economic activities which might arise from a considered development of native industries.

The only clear principle which the Commission has been able to enunciate, when addressing the native people in reply to demands of individuals to be allowed to buy land from the Trust, is that the Native Trust exists to serve the interests of the whole of the native people; and that the 7¼ million morgen of land set aside by Parliament for the natives was intended to serve the needs of all the people and not a comparatively small section of advanced natives. If the application to be allowed to purchase farms from the Trust, which have been pressed upon the Commission by European organisations, were acceded to, a very large part of the land which the Trust is permitted to acquire would pass into the hands of a comparatively small group of natives. There are instances where a single native has laid claim to attain the freehold rights to a farm of 2,000 or 3,000 morgen in the heart of released areas set aside to meet the urgent need of a congested reserve. Such claims have been pressed by Europeans who claim to represent the interests of the natives, although the

native concerned is not a member of the tribe which has ancestral claims to the ground, and whose presence is actively objected to by the tribesmen. The broad rule, therefore, which the Commission has followed, is that the communal claims of the mass of the native people must have first consideration; and having regard to the fact, already emphasised, that the whole economic structure of the Union depends upon the maintenance of the reserve subsistence for the families of workers employed in European industry, this rule could not be departed from without grave maladjustment.

Nevertheless, the Commission has taken full cognisance of the fact that something must be done to give effect to the intention of the legislature set out in section *eighteen* sub-section (2) of the Act. There are cases where, without impinging on the rights of tribal ownership, land may be sold, or leased, in small allotments to individual natives who desire to return to rural life. This applies particularly to professional men, and other highly educated natives, as well as to those who have been encouraged in the past to purchase land and who may find themselves dispossessed as the result of the operations of the Act. In the latter case, of course, all native owners, who in the re-adjustment between native and European areas find themselves in difficulties, can be assured of obtaining the same form of tenure on Trust-owned land which they previously enjoyed on their own land.

The progressive development of the native reserves and the exploitation of their natural resources, which must inevitably lead to some division of labour, will bring many opportunities to individuals whose special gifts will be of economic value to the community. At present, development has not proceeded far enough to enable these opportunities to be clearly seen; but it would be a mistake to ignore them, and, on the assumption that the reserves could never offer anything but a subsistence on a lower economic level, proceed to initiate a new capitalistic system among the natives based on the claims of a few individuals to acquire large areas of land.

The Commission has already had occasion to report that native land companies are in existence which, by means of collective finance, have succeeded in acquiring a number of large farms. These have been leased to individual natives who pay a high rent which permits of additional farms being acquired by the native land companies from time to time. The native capitalist has little to learn from the European in the art of exploiting the land hunger of tenants.

With these considerations in mind the Commission will, from time to time, advise that certain farms should be cut up into individual allotments for sale to individual natives to meet the needs of the area in which they are situated.

APPENDIX " C ".

Provision of Land in European Areas for Native Chiefs whose Followers are Employed on European Farms.

In the course of its investigations under the Native Trust and Land Act repeated representations were made to the Commission by native commissioners and others regarding the disruptive effects on tribal unity of the landless state of recognised chiefs who live as servants on European farms.

In Northern Natal, as in other parts of the Union, the development of European farming did not destroy either the conception of tribal laws or the existence of tribal institutions.

Amongst the farm natives, though the rights of ownership have long passed from the tribe, its members cling tenaciously to the soil of their ancestors and while there may be frequent individual changes from farm to farm the tribe as a whole tends to maintain itself as an entity within a recognised tribal area. This entity resents the entrance of individual natives from other tribes as labour tenants or squatters on the land of their ancestors.

The hereditary chiefs with their headmen are the instruments through which the Native Administration works. Without their assistance it would be much more difficult and very much more expensive to maintain the customary law and order and respect for authority which characterises the Bantu rural population, but the authority of the chiefs and respect for tribal institutions is under continual attack in these areas owing to the landless condition of the heads of the tribes. The absence of a proper tribal meeting place for the adjudication of tribal disputes or for participation in the usual tribal ceremonies which are entrusted to the chief militates against the maintenance of that necessary tribal unity and control which it is the policy of the State to foster.

Evidence was given to the Commission of the growing administrative difficulties brought about by the degradation of the chiefs in the eyes of their people by European employers who did not comprehend the status of chieftaindom. The dismissal of a chief from employment and his subsequent wandering round the country in search of work on some other farm within the tribal area not only had its influence upon the attitude of his followers towards him as the head of the tribe, but also led to a resentment amongst them towards European employers in general within the tribal area, so that the thoughtlessness of one European endangered the harmonious relationship between masters and servants throughout the whole district.

There are many ways in which the thoughtlessness of European employers operates to the detriment of racial good feeling and an efficient labour force. The refusal of an employer to allow a chief to receive the visits of his followers or to allow him to sit in judgment of their cases when some particular work is required on the farm; the insistence that a chief shall work under a tribal junior, perhaps as a voorloper under a driver; his employment in some capacity unfitting his dignity as a chief; these and many other incidences may unwittingly give rise to a spirit of hostility towards the Europeans, the cause of which is little suspected but which leads to administrative difficulties throughout the whole area.

In the interests of all concerned, and after much consideration, the Commission recommended that every recognised chief who lived with his followers on a European farm should be provided with a plot of land as a tenant of the State. If possible, the plot should contain the ancestral graves. It should be large enough to enable the chief to run the cattle that he owns on the farm on which he is living and it should contain sufficient arable land to provide subsistence for himself and for his family. Since he is the instrument of native administration the rent paid should be nominal and should be regarded as part of his chief's emoluments. The area thus set aside need not be large; 100 acres or 100 morgen, as the case may be, according to its productive capacity may be sufficient.

The Commission had reason to believe, from the evidence placed before it, that this urgent and necessary measure would be welcomed by the farming community in the area concerned. Most farmers are well aware of the usefulness of chiefs and their potential greater usefulness if their status and dignity could be assured to them by the provision of a proper tribal centre.

There could be little doubt that the chiefs would co-operate in a manner exceeding the expectations of those who are not familiar with the position. It is true to say that but for the recognition already afforded by many farmers of the important functions of the chiefs the administrative position would be very much worse than it is to-day.

The Commission, in advocating this policy, was fully alive to the fact that the Trust could not acquire land for native settlement in European areas without an amendment of the Native Trust and Land Act, but it recommended that plots should be acquired by the Department of Lands when requested to do so by the Native Trust, and that the chief's occupation of these plots should be regularised under section *thirty-four* of the Act.

This urgent recommendation, for some reason of which the Commission is unaware, did not receive the approval of the Minister for Lands, and the matter was referred to the Native Farm Labour Committee for consideration.

APPENDIX " D ".

Establishment of Industries in Native Areas.

The question of the establishment of native industries in native areas, which the Native Economic Commission considered should be encouraged as a part of the programme of reserve development, has received much attention.

It is not in the general interests of the country, nor yet in the interests of native policy, that the latent wealth of the reserves should remain unexploited; and if the policy of territorial separation of the races is to be effected by maintaining the native territories as the home of the native people, then the creation of native industries to absorb the economic energies of a portion of the native population in congested areas is essential.

Taking a long view, the only alternative to the division of economic activities between agriculture and such manufacturing industries as will provide a market for commodities produced from the soil of the reserves, is the certain flooding of all Union markets with native grown primary products. The stimulation of agricultural and pastoral production which is now taking place will render this competition inevitable. As it is, the

improvement of stock in native areas and the increasing popularity of native cattle sales is already having some influence on the urban cattle markets of the Union. This process must grow. Generally, however, there would have to be a very much quickened development of the reserves to make such competition appreciable; but all developmental plans should aim at making native production complementary to that of the European, if the dangers which competition would create against native development are to be avoided.

There is, also, a second consideration which demands the early establishment of native industries.

Under the system of individual tenure in the Transkei, where the land has been surveyed into individual allotments, there exists a landless population. Where communal tenure prevails, a squeezing together can usually be relied upon to make room for an increase of population; but this often results in acute congestion, with its natural corollary and impoverishment of the soil, until the whole community becomes less able to support itself in the reserves. The consequence, in both cases, is the exodus to the towns.

It is not to be denied that a better spread-out of the native population over the whole native area would sensibly relieve the congestion, but such a spread-out is politically and ethically impossible and, if it were, it would destroy at once the whole tribal basis of native society.

In debating these matters the Commission is conscious that it must be guided by practical considerations and its recommendations must fall within the framework of our native policy.

The practical consideration is, as already hinted in our introductory remarks, that the major industries, upon which the whole economic structure of South Africa rests, are run by native labour from the reserves; that the provision of a subsistence for the family of the worker, which is left behind in the reserves, forms a virtual subsidy to the wages which the worker receives in those industries and, without which, those industries (the gold mines, for instance) could not be carried on.

The estimated average value which a family of five receives from its holding in the native reserve is, in favourable seasons, from £30 to £35 per annum. This is as large an amount on the average as is received in the form of wages on the gold mines.

The manufacturing industries, many of which do not feed and house their employees, pay on an average £50 per year, but if the industries which feed and house their employees on the same basis as the mines are deducted from the total, the average wage of the natives employed by the others would be much higher and might correspond to the total of the reserve subsistence together with the actual wages received by the compound natives.

These higher paid natives employed in manufacturing industries are those who are detribalised and who maintain their wives and families near their places of work and thus form a permanent element in our urban population.

From these facts it follows that if the labour of our major industries is to be maintained on its present basis the native workers must be assured of a subsistence for their wives and families in the reserves; and that subsistence, under the increasingly higher standard of to-day, must presuppose some market for their products. It also, of course, demands additional land.

The exodus of a family to the town is a direct loss of workers to the major industries and an additional burden on the permanent native urban population struggling to live.

Equally, it demands an energetic development of the reserves in order that there should be an inducement to the native families to stay in them. We cannot blind ourselves to the fact that, whatever laws may be passed, there will always be a large section of the European community which will want to see the doors of the municipalities thrown wide open to natives of both sexes from reserves.

We are not here referring to farm labour, though the same reasoning applies. Under the tenant farmer system, the native worker gets the major portion of his subsistence from his use of the land, which subsidises his wages. Where reserve natives go to work as monthly labourers on the farms they are in precisely the same position as those working on the mines. They are housed and fed; their wages tend to approximate, for able-bodied men, to the wages paid on the mines, and their families draw their subsistence from the reserves. This is one of the reasons for the gradual decay of the labour tenant farmers' system. As the land becomes increasingly more valuable a farmer finds that he can put it to more profitable use than by using it as a native location from which he often obtains little labour, but which supports whole families who render no economic return. He therefore

prefers to rely on the ordinary farm labour which is housed and fed and paid and works on a monthly ticket. Thus it comes about that everywhere the single native from the reserves, who is housed and fed by his employer, whether he works on the mines or on the farm or in the household of the towns, obtains a fairly uniform average rate of payment throughout the country, the standard of which is determined by the ability of the gold mines to pay.

In order to maintain and strengthen the existing economic structure of South Africa the habit of adding to the family budget by working in our major industries should be encouraged. This can be done by taking care that the families in the reserves are able to improve their economic position and here lies the justification of our native policy, that of territorial separation.

In some conceivable period in the future the gold mines will be worked out. The hundreds of thousands of natives who now find employment in them will still have to maintain their homes in the reserves which, by that time, it is hoped, will have been so developed that an increasing number of them will not need to leave them.

The same considerations apply also to that vast and increasing army of natives who come to us voluntarily from the Territories beyond our borders. Their presence in the Union to-day is on precisely similar terms to that of our reserve natives. In industries their wages are being virtually subsidised by their reserve holdings in their own territories. They are able to raise the standard of living of the families they have left behind by the remission to them of some part of the wages they earn in the Union. When the day comes that they are no longer needed in Union industries they will not be left derelict. Their homes will have been maintained in their own areas and both the Union and the Territories beyond will have benefitted by the economic assistance they have rendered to each other.

Some of these aspects of our economic position were no doubt considered by the Native Economic Commission when it made its recommendations regarding the development of the native reserves and remarked " it may be hoped that as development progresses opportunities will arise for the establishment of purely native industries within the reserves and all possible encouragement and facilities should be given by the Government to that end " (173).

This suggestion was taken up by the United Transkeian Territories General Council, which approached the Government with the request to conduct an enquiry, and, as a consequence, the Board of Trade and Industries made an intensive investigation of the possibilities of establishing native industries in the Transkei and Bechuanaland.

The results of this investigation were published by the Board of Trade in Report No. 219 dated the 20th November, 1936.

The Minister of Commerce and Industries, in instructing the Board of Trade " trusted that such industries could be developed without detriment to existing industries in the Union, which not only serve the demands made upon them, but which also provide employment for a large number of natives ".

This very necessary limitation brought into focus the need for a considerable planning of our industrial life between native and European territories.

It would be of little value to create economic activities in native areas which would undermine those existing in European industries. The result would only lead to hostility and slow down the whole process of native development. The problem, therefore, was to find some industry or industries which could be reserved solely for native enterprise and which could utilise the surplus of native production with benefit to the native people and to the national income of the country without entering into competition with the European industry.

The recommendations of the Board of Trade were as follows:—

(1) that an agricultural and mineral survey of the Native Reserves in the Transkei and Bechuanaland be undertaken;

(2) that the existing provisions for the encouragement of agriculture in the Native Reserves in the Transkei and Bechuanaland be not only continued, but be intensified and supplemented, and provision be made for the establishment of more sources of drinking water for animals in the Native Reserves in Bechuanaland;

(3) that the Government endeavour to induce the resumption of work, preferably on the contract system, on the asbestos deposits in the Kuruman area;

(4) that the United Transkeian Territories General Council consider steps for providing Native woodworkers with credit facilities for the purchase of their requirements of seasoned wood;

(5) that

(*a*) a canning factory for preserving meat primarily for consumption by Natives be established in a central position in the Transkei with funds supplied by the Native Trust;

(*b*) a tannery and boot and shoe factory be established in conjunction with, and on the same basis as, the meat-canning factory;

(6) that one or two small tanneries be established in central places in the Bechuanaland Reserves with funds to be supplied by the Native Trust;

(7) that a pottery kiln be established on the clay deposits near Port St. Johns and the cost thereof defrayed by the Native Trust;

(8) that the Department of Native Affairs appoint an officer, to be designated Director of Native Home Industries, who shall be responsible for the organisation of the production of Native home craft within the Native Reserves in the Transkei and Bechuanaland and for the organisation of the marketing of the articles produced; and

(9) that an amount of at least £3,300, to be supplied by the Native Trust, be utilised annually for the payment of salaries to instructors in spinning and weaving, in the making of wicker and grass baskets and furniture, in the making of carpets and the weaving of mats and other articles from grasses and other materials, and in pottery in the Native Reserves in the Transkei and Bechuanaland, and for the payment of salaries to supervisors to control the production of home craft in these territories, and, finally, for expenses incidental to the marketing of Native handicraft.

In order to ascertain the actual financial implications of one of the suggested industries and the possibilities of commercial success, if any such undertaking were embarked upon, the Commission accepted the expert services of a private company to investigate the meat canning industry. This company had voluntarily offered its services to conduct a survey of the whole position. Its terms of reference were—

(*a*) the available sources of the supply of livestock;

(*b*) the most suitable sites, the type and capacity of factories, and

(*c*) the economic, financial and commercial structure of the proposed industry, and all matters appertaining thereto.

The principal conclusions arrived at by this company's experts may be summarised briefly as follows:—

(1) Without Government support the establishment of a meat canning industry in the Transkeian Territories would not attract private capital.

(2) The establishment of the industry would require a capital investment of from £200,000 to £225,000 if the factory were located at Umtata and an additional amount of £75,000 if it were located at East London and the plant of the Imperial Cold Storage, Limited, acquired.

(3) The cost of production would be so high as to render the local article unsaleable in competition with the imported article.

(4) The number of head of cattle that would be required to be slaughtered annually is 23,000 if they averaged 423 lb. dressed weight. Suitable scrub cattle are available in the Territories. Though it is doubtful whether the requisite quantity of average quality cattle required could be drawn from that source and it would be necessary for the factory to be at liberty to purchase cattle in other markets.

(5) That the industry would not be able to obtain cattle below an average price of 20s. per 100 lb. dressed weight whereas the average economical price which the industry could afford to pay would range from 4s. 5d. per 100 lb. to 14s. 6d. per 100 lb. under varying conditions.

The chief difficulty, as was pointed out by the Board of Trade, is that the natives of the Transkei " are still inclined to attach an exaggerated value to their cattle. To them cattle have a value over and above their economic value. They persist in the retention of their cattle with almost religious tenacity ".

This condition, however, is rapidly changing. The cattle sales of Zululand, where animals are being sold freely by natives at a commercial price which would fit into the economic structure of meat canning may

indicate a change in native outlook elsewhere and open up a prospect for a meat canning industry. To this aspect of the case the Commission is giving its attention.

The other suggested industries have not yet been investigated. These are all, however, on a comparatively small scale.

It is conceivable that meat packing and its attendant industries might come to be a very large factor in reserve economy where the natives have so many million head of stock and it would have the additional advantage of ridding the country of scrub stock of little value, but much education and agricultural development will be needed before such expansion is in sight.

The Commission is faced with the problem of creating some large scale industry. This should be of such a character that whilst being suitable for native areas and whilst securing a wide market for its products, it would not affect European vested interests in European areas.

The Native Economic Commission suggested latex from the Euphorbia; but this has already been found to be unprofitable. Another suggestion was to utilise the fibre from Lala palm (*Phoenix reclinata*) which might become a very considerable industry along the coast. There is no doubt that at one time the Lala palm grew fairly densely all along the east coast. It grows in almost forest conditions in Maputaland to-day, where the natives tap the stem for palm wine. Both the trunk of the palm and the leaves contain a very valuable fibre, which is almost equal in value to sisal hemp. If suitable means of decortication could be found it should be possible to derive a substantial revenue from the miles of palm forests which exist in Northern Zululand.

The Board of Trade remarked that in view of the impending changes in the development of native areas its report could not be regarded as more than a preliminary and partial outline of native development and asked for a comprehensive survey of the agricultural and mineral resources of the reserves. That work still remains to be done, though the developmental measures now being undertaken will furnish much valuable data on the possibilities of future industries. One of these was referred to by the Board of Trade in the following words:—

> " In this respect it may be advisable to consider the production of cotton under a system similar to that practised in the Anglo-Egyptian Sudan, whereby strict supervision is kept over the methods of production, and exploitation of the native planters is prevented by establishing the percentage return of the crop that the planter must receive. The completion of the Vaal-Hartz Irrigation Scheme will also open up, in a portion of the Taungs Reserve, a field of investigation into the best use to which the 7,000 morgen of native land to be brought under irrigation can be put. It will be advisable that the possibilities of cotton-growing be also considered here. In cotton the natives may find a crop which may be very profitably cultivated by them without bringing them into competition with something already produced in excess by European farmers. The production of such a crop may possibly open up a field of industrial development in the Native Territories without coming into conflict with existing industries."

The possibility of creating a cotton spinning industry in the native reserves has long been under consideration. Such an industry would not conflict with any existing industrial interest. The textile industry in the Union is very small. It can never spread beyond the confines of our protected market. A native industry in the reserves, however, employing only natives at the native rate of wage, could produce cheap native trade goods for the whole of Africa in competition with Japan, which to-day holds so much of the whole African market. For its success it would need to be monopolised as a native industry. There would appear to be no great technical difficulties about such an undertaking and there are a number of favourable spots in the reserves where the industry could be established. Expert supervision would be necessary, but an opportunity would be found for the more advanced amongst the native people who have sought and failed to find an opening in the higher ranks of the industrial life in European areas commensurate with their education and ability. It would also provide a useful source of employment for native families in the reserves.

Probably it would be necessary, in the earlier stages, to import the necessary raw material, but the establishment of cotton spinning would give an added impetus to cotton cultivation in the reserves. There exist large tracts along the east coast where cotton is known to be a suitable crop. Attention has already been directed to the need for instructing natives in the Natal and Zululand Reserves to turn their attention to cotton as a money crop and evidence has accumulated regarding its probable success on a wide scale.

Cotton is so peculiarly a peasant crop that practically all the world's cotton is produced under peasant conditions, which permit of the whole family taking some part in its cultivation and in picking the cotton for the short period of the year when it is in flush.

The experience of other African states in the growing of cotton by native families is an indication of what can be done in our own reserves to provide raw material for a cotton manufacturing industry.

APPENDIX " E ".

Token System.

During the year 1938 the Commission investigated and reported upon the " Token System " in operation on the Natal Coal Mines. This system is one under which native workers pledge to a concession storekeeper their wages in advance in exchange for tokens or coupons which are used solely in making purchases at the mine store. These tokens are paper discs in three denominations of threepence, sixpence and a shilling. There are no intermediate values, so that no provision is made for the purchase of articles worth a penny or twopence or fourpence or other denominations which lie between the three tokens.

The system is operated as follows: When a native arrives on the mine and requires credit to purchase a necessity he takes his work ticket to the mine storekeeper who advances the amount required in tokens. On pay-day the storekeeper or his representative is allowed by the mine management to be present at the pay office and after the native has received his pay from the paymaster the storekeeper collects from the native the amount due for the discs supplied on credit.

As far as can be ascertained the token system does not exist in any other industry in Natal. Nor is it in use on any other mine field in the Union. It was introduced on the Natal Coal Mines some twenty-five years ago when conditions were much more primitive than they are to-day. The establishment of concession stores on mines, which were just developing on the veld, and which were situated some distance from any township, may well have been as much in the interests of the Natives as in the interests of the mine owner.

However altruistic may have been the motives which originally led to the establishment of the mine concession stores, the abuses which the token system has since generated led to widespread agitation amongst all manner of people for its abolition.

The Native Economic Commission (1930-32) reported in paragraph 959 as follows:—

> " In the opinion of the Commission the system is pernicious, presenting many of the features of the truck system and should be abolished."

Efforts were made by the Department to limit the evils by the promulgation of Regulations which prohibited traders from issuing their tokens and forbade their presence on mine premises for the purpose of collecting monies from natives. These Regulations were declared invalid by the Natal Division of the Supreme Court.

Thereafter the Minister, after negotiations, agreed to an arrangement whereby (*a*) the amount which a storekeeper might recover from any native employed on the coal mines for credit given under the token system should not exceed 50 per cent. of the wages earned by such native and (*b*) the native should be allowed to exchange tokens obtained on this basis for cash not exceeding 7s. 6d. per month at the store or eating house to enable him to buy beer at the beer hall.

Despite these efforts to induce the mine owners to limit by their own action the evils they had created there has been little change in the situation. The vast volume of evidence, both from natives and disinterested Europeans points to an increase of the evils rather than to any diminution.

While much of the evidence placed before the Commission may be discounted as containing some measure of exaggeration there can be no possible doubt about the almost universal condemnation of the token system by others than those interested in the mines. The whole atmosphere of employment at the mines is tainted with suspicion. Talk of mine officials being in league with the stores is common. Rightly or wrongly the natives, whether on or off the mines, regard the " skillivaans " (tokens) with aversion. They regard them as the means whereby they are subjected to unfair exploitation. This aversion has become so widespread throughout the native reserves of Zululand and Northern Natal that the Chiefs and heads of families dissuade natives from going to the coal mines. The

voluntary flow of labour has almost ceased on a number of the mines and only those natives recruited at a distance, who have no knowledge of the conditions they will have to contend with, can be obtained. The disrepute into which coal mining has fallen as a sphere of employment has far-reaching effects since it challenges the good faith of European employers and storekeepers in general.

Emphasis is lent to the prevailing impression that the token system keeps the native perpetually in debt by an examination of the official returns of the estates of natives who have died on the mines. For the year 1937 three large collieries where the token system is in full operation submitted 61 death notices; only five out of the 61 estates showed any assets and they amounted in all to £6. 7s. 3d. On the other hand certain other companies where the token system was not in full operation submitted 45 death notices showing 21 estates amounting in all to £21. 16s. 3d.

If the experience of those mines which refuse to accept the token system can be accepted, then the argument that the system is a preventative of desertion and attracts labour to the mine is completely disproved. We have it in evidence from official sources that on the mines where the token system is not practised there is little need to recruit. Labour flows in voluntarily, although the working conditions may not be so good. On one such mine with a complement of over 900 natives, there is not a single recruited native. Many of the workers are married men and no such difficulty about the women failing to get their day to day necessaries, which is said to justify the token system, is experienced. The official record of desertions does not show such favourable comparisons between the effectiveness of the token in preventing desertions on token mines as against the complete freedom of the non-token mines, and any slight advantage which accrues to the mine labour force by restricting the movement of the individual and thus preventing his desertion, is completely offset by the flow of voluntary labour, with the consequent saving in recruiting fees, which the non-token mines show to have followed the abolition of the token. These are facts, as exemplified on those mines which have abandoned the system.

The more general disadvantages of the token system to the prosperity of the districts needs to be stressed. When the wages of thousands of labourers are all directed to the tills of a few concession stores, with their attendant beer halls, the trade and development of the district is bound to suffer. All competition is destroyed since the tokens tend to become the currency of the district. Natives not working on the mines can sell their produce to mine natives for tokens only, and these are spent at the mine stores. The small towns which would naturally follow in the wake of mineral development either do not appear or their progress is prevented. The absence of purchasing power prevents local development. There is no local reciprocity in wealth creation. The large corporation of concession stores buys its commodities in bulk and the profits are spent in the large centres. What the profits are, it is impossible for us to ascertain.

The conclusions arrived at by us are—

(*a*) the charges brought against the token system are substantially true;

(*b*) the acknowledged evils of the system far outweigh any alleged economic advantage to the mine owners or any alleged social or convenience benefit to the native workers;

(*c*) the unanimous condemnation of the system by the native workers themselves is sufficient justification for its immediate abolition.

We unhesitatingly recommend that legislation be immediately introduced to achieve the following ends:—

(i) To render illegal the granting of credit by means of token, coupon or credit note to any native employed on any mine or works for the purpose of acquiring goods at a store.

(ii) To prohibit the presence of any storekeeper or his representative at or near the place where natives are being paid on any mine or works.

(iii) To prohibit direct or indirect assistance being given to storekeepers by any person employed by any mine or works in the collecting of debts owing by native employees to a storekeeper.

(iv) To prohibit the sale of kaffir beer for profit on any mine or works and to permit the owners of any mine or works to make and sell beer at cost price to native employees.

(v) To institute effective control over the sale of beer; to prevent the sale of kaffir beer to drunk or disorderly persons; to restrict the sale to native women; to restrict the hours during which kaffir beer may be sold; to provide for the sale of kaffir beer on Sundays and to limit sale on Sundays to four hours in all.

NOTE.—Since this report was written the necessary legislation has been passed by Parliament giving power to the Governor-General to deal with the token system by regulation.

APPENDIX "F".

EXTRACT FROM THE COMMISSION'S REPORT ON EAST GRIQUALAND CONCERNING THE GRIQUAS.

Griqualand East comprises the area of land situated between Pondoland and Natal, lying to the east of Basutoland and formerly known as Nomansland. It is, in fact, an extension of the United Transkeian Territories, and forms a third of the whole, and in considering the native lands of Griqualand East, the claims of the acutely congested districts of the Transkeian territories must not be lost sight of.

Nomansland was occupied in 1861-62 by a section of the Griqua community who trekked from Philipolis under the chieftainship of Adam Kok, whose little independent state, in what is now the Orange Free State, collapsed under the impact of European development. With the loss of land and in the face of growing political complications arising between the Cape and Free State, Adam Kok was advised by Sir George Grey to seek some other territory for his people, and Nomansland was suggested as a suitable place. The Cape Government negotiated with Chief Faku for a cession of the territory over which he was presumed to have jurisdiction, and the Griqua community of 2,000 souls, led by Adam Kok, established themselves in Griqualand East, then practically unoccupied by permanent dwellers.

The Griquas.

The original stock of the Griquas consisted of Hottentots who were pushed northwards from the coastal regions of Malmesbury as the Europeans extended from Table Bay. On to this original stock were superimposed many runaway slaves of mixed blood, who carried with them some degree of self reliance and initiative, the rudiments of civilisation acquired from their masters and the Afrikaans tongue. As the years passed, this community developed a primitive state modelled on European lines, including a Volksraad, a judiciary, burgher rights and European land tenure, in treaty relationship with the Cape Government which guaranteed its independant existence. It is significant that the Griquas were the only African people to adopt such a revolutionary conception of government and society.

The important part which the Griquas have played in the history of South Africa is little noticed, but in considering the situation of their descendants in East Griqualand to-day, a glance at a few of the recorded facts may not be out of place. In the early part of last century, it was a force of well-armed Griquas which defeated the horde of Mantatisi in a pitched battle at Kuruman, and led to its dispersal—one part marching north under Sibethuana to the amazing conquest and permanent occupation of Barotseland and all the adjacent territories, to which they took the Suto language spoken to-day by the Barotse, while the rest fled north-eastward to form the nucleus of the Basuto nation. Thereafter the Griquas occupied all the land from Griquatown to the Caledon River, and founded the town of Philipolis, named after the Missionary Dr. Philip. The eastern section of the Griquas was for long the bulwark of the northern border of the Cape Colony, standing between it and the Matabele who had a wholesome fear of Griqua guns and marksmen. Adam Kok made treaties with Napier, Maitland and Sir Harry Smith which accorded him recognition and protection. The Griqua church was famous in missionary history, and it sheltered Livingstone amongst its many distinguished missionaries. Olive Schreiner and her brother, a Prime Minister of the Cape Colony, were children of an old Griqua Missionary. It was under the guidance of these men that an attempt was made to create amongst an African people a European standard of Government.

It was, no doubt, due also to the influence of European missionaries that the Griquas passed a law prohibiting alienation of Griqua farms to any non-Griqua burgher. The white farmers, pushing north from the Cape, got over the difficulty of obtaining Griqua land in the present Free State by leasing the farms for a term of years. It was inevitable that in meeting the terms of lease and submitting to Griqua rule, a crop of difficulties soon arose. The battle of Boomplaats with its aftermath was largely the result of Griqua troubles, and the resulting treaty between Sir Harry Smith and Adam Kok, under which 43 farms were ceded by the Griquas in return for a sum of money known as the "veertig jaars geld", is still the cause of heartburning in Griqualand East.

In 1854 the British Government withdrew from the Free State without defining the Griqua position, and during the next few years in the prevailing uncertainty and in defiance of their own law, the Griquas began hastily to sell their farms to Europeans. The mutual recriminations which followed as the result of the clash between Griqua and Free State jurisdiction led to strained relations, under the excitement of which both Griquas and Europeans prepared for war. It was at this stage that Sir George Grey, then Governor of the Cape, advised the Griquas under Adam Kok to quit the Free State and trek to Nomansland. The trek, which occupied many months, over the Drakensberg and down to the valleys of East Griqualand, was as heroic as most of our incidents in the early history of South Africa. The Griquas literally blasted a way for their wagons over the precipices of Basutoland, and lost heavily on the journey.

The following were the conditions of settlement determined by the Cape Colonial Office on the 1st August, 1860:—

> Memorandum of the conditions on which His Excellency the High Commissioner thinks it expedient that the Griquas should occupy a certain tract of country lying between British Kaffraria and Natal, and under which conditions, if the Griquas are determined to abandon their present territory, the High Commissioner will raise no objections to their occupying the country alluded to.
>
> A tract of unoccupied country lying on the south-east side of Drakensberg Mountains, between the sources of the Umzimvooboo and the Umzimkooloo Rivers, to be defined after consultation with Adam Kok, by a Commissioner appointed by the High Commissioner, which country the Griquas shall occupy as British subjects.
>
> Captain Adam Kok to receive a commission as Justice of the Peace for such territory, and for the present to administer justice among his own people, under the laws, rules, and regulations now enforced in Griqualand.
>
> It being intended by this arrangement that whilst all the powers Captain Adam Kok possesses for controlling his people and punishing offenders should be maintained, he should, in addition thereto, receive all powers which a Justice of the Peace possesses within the Colony of the Cape of Good Hope.
>
> The Griquas to subdivide amongst themselves the lands they are thus to occupy.
>
> Surveys are to be made of the several farms assigned to the Griquas, as soon as the proprietor of such farms may find it convenient to pay for the cost of the survey.
>
> The High Commissioner is to guarantee possession of each such farm to its occupant against all British subjects as fully and securely as if it were held under grant from the Crown, and to issue titles to this effect as soon as the surveys have been completed.
>
> Quitrents to be paid on the same principle as in British Kaffraria, say about £5 per annum for an ordinary farm in the country to be occupied by the Griquas.
>
> The sums thus raised within the territory occupied by the Griquas to be expended exclusively in defraying the expenses of administration or in the improvement of that tract of country.

From the above it will be seen that the Griquas were left in their new home to organise their Government as a semi-independent state. A contrast between the promising beginning and the somewhat tragic end of the Griqua people demonstrates clearly that progress from the primitive to the civilised can only be accomplished by slow development under expert guidance. The Griquas' advisers were in a hurry. The dash of white blood and the Afrikaans tongue of the Griqua people set them apart from the native population, and they endeavoured to emulate the European long before they had the ability and strength to operate European institutions.

In his emulation of European practice Adam Kok sub-divided the whole area into farms and allotted them in individual ownership to his burghers. The old Griqua law prohibiting the sale to a European had already been broken in their old home, and it quickly passed into oblivion in East Griqualand. Once the alienation of land began, the end of the Griquas was in sight; and when annexation by the Cape Government ultimately took place, in 1874, the same anxiety to dispose of their titles for anything offering filled the Griqua mind.

To-day, the Griqua is not only landless; he is degenerate, intemperate, thriftless, improvident, apeing the Europeans, but, in fact, falling below the standard which has been attained in many cases by the more progressive amongst the native tribes of the district. His poor vitality and lack of stamina renders him easilly susceptible to disease, and, in many cases, owing to poverty, he suffers from malnutrition which borders on starvation. He has earned for himself the unenviable reputation of untrustworthiness; and

while he is an excellent jobber when he is at work, his unreliability is a barrier to his employment. Even the land of the Clydesdale Mission Reserve in the Umzimkulu District, originally surveyed into erven for the Griquas under the guidance of the Church, is, to-day, occupied by progressive Bantu who resent the claim of the Griquas to be given back the land which has passed voluntarily out of their keeping; and, in the town of Kokstad, the Memorial to the memory of Adam Kok looks down upon a progressive modern town in which the Griquas own but a few dilapidated shanties on its outskirts.

The Commission feels that some attempt should be made to give this dwindling people some place in the sun, and enable them to regain their lost self respect and develop their undoubted industrial ability. The State has recognised its trusteeship in regard to the native people and has secured them in the possession of reserved land; but the Griqua has, because of his own poor attempts to conform to civilised rules, lost his inheritance, and failed to obtain any recognition from the State. Had he maintained only a communal ownership of the land, his condition would have been quite different. He has fallen because the first draught of civilisation was too strong for his head. Every humane conclusion points to the need to make a final attempt to settle this people in some place or places which will be advantageous both to them and to the State.

The Commission, therefore, recommends that the farms Hopewell and Stranger's Rest, which abut on the Umzimkulu township, should be purchased for the Griqua people, together with sufficient land in the immediate neighbourhood of Kokstad, preferably on the Mount Ayliff side of the Umzinhlava River. These farms, when acquired, should be regarded as a Griqua farm colony or settlement, and controlled by the Trust in a manner similar to like institutions for indigent whites. Though technically regarded as Europeans, a large proportion of the Griquas to-day would fall under the definition of a native as given in the Native Trust and Land Act; and it would be to their advantage if, in this predominatingly native area, they were dealt with by the Native Affairs Department instead of by some other Department of the Government.

APPENDIX "G".

Application for Government Recognition by Sectarian Bodies.

During the period under review applications for Government recognition were received from no less than 29 different sectarian bodies. Only two of these requests were granted.

As in previous years the reasons advanced for seceding from the parent church were many and various. In several instances the main reasons for breaking away were internal squabbles and a desire to have a church of their own.

In dealing with the applications the Commission adhered to the principle that privileges should only be granted to religious bodies of long standing and enjoying universal recognition, and that before any such body could expect to receive favourable consideration it must adduce convincing proof of its stability and general fitness educationally, financially and in every other way for work amongst the Natives.

APPENDIX H.

Native Urban Areas.

The Natives (Urban Areas) Act of 1923 was designed to place upon local authorities of all cities, towns and villages of the Union the full responsibility for the control and protection of Natives residing within their areas of jurisdiction.

Prior to Union there was no general legal restriction upon the acquisition of land by Natives in the three States of the Transvaal, the Cape and Natal, either in rural or urban areas. There was, however, a limitation in certain areas of the Transvaal proclaimed under the Gold Law. In the Orange Free State the acquisition of land by Natives outside the area of Thaba 'Nchu was prohibited. Elsewhere, there were no legal impediments. At this time, too, the influx of Natives into urban areas had not reached serious proportions, and municipalities had not assumed the responsibility for the welfare of the people living within their borders which they discharge to-day. Under the *laissez-faire* conditions prevailing, industrial workers, whether European or Native, sought their own accommodation where they could find it. In the case of Natives, employers, including the Government and local authorities, provided accommodation for their employees only at their own convenience.

Where land was readily available near a town a location grew by the natural segregation of the Natives themselves. In such cases a hut or a simple house was erected by a Native on land he acquired in leasehold or other tenure, which he rented to others. Asiatics or Europeans found it profitable to build a block of iron hutments—for which Natives were always waiting—without regard to the health or sanitation of the area. In this way the larger towns and their environs, especially on the Witwatersrand, became dotted with small agglomerations of Native dwellings which were leased to any Natives and their families who were able to pay the rent. In such manner the slums of our cities came into being and continued until the evils which they encouraged forced themselves upon the notice of the Press and the public, and compelled legislative action.

In equiring into the position in 1921 the Native Affairs Commission reported that—

> "South African Natives are not by nature town dwellers so that their congregation into towns largely at the instigation of Europeans raises hygienic, economic and social problems of considerable magnitude. The problems have become more acute of recent years by reason of the rapid growth of our industrial cities, in which the provision for the housing and control of Natives engaged in industry, commerce and domestic service has not kept pace with the growth of the Native population, and by the development of the urban Natives themselves, who are requiring and demanding not only considerable improved living conditions, but who, with their wives and children, are becoming permanent dwellers in the cities, and are rapidly adopting the European method of city life. It has become a truism that the Native has not yet made a success of city life, but whatever views one may hold as to the desirability of having Natives as co-dwellers with Europeans in the cities, it must, we hold, be admitted that the Natives are there and that they are likely to remain there, and that it is our duty, both for their sake and for the sake of the Europeans, to improve the conditions under which they live. At the same time it seems only right that it should be understood that the town is an European area in which there is no place for the redundant Native, who neither works nor serves his or her people, but forms the class from which the professional agitators, the slum landlord, the liquor sellers, the prostitutes and other undesirable classes spring. The exclusion of these redundant Natives is in the interest of Europeans and Natives alike."

The answer to these representations was the Natives (Urban Areas) Act of 1923. This Act applies to all urban areas throughout the Union the same principle of residential separation of the races which had been adopted in the rural areas by the Natives Land Act of 1913. It gave legislative effect and enforcement to the natural segregation which was everywhere in operation in the towns wherever the element of exploitation was absent. It placed upon the local authorities the responsibility for setting aside suitable land for Native locations, for Native villages or Native hostels. It gave power to municipalities to compel the Natives to live in the accommodation provided and thus imposed upon the urban authority the responsibility for cleaning up the scattered slum areas. Obligations were also placed on large employers of labour to provide suitable accommodation for their employees and also to ensure their employment under fair conditions and all contracts of service between employer and employees could be registered.

To provide funds for this purpose and be certain that funds so raised should be exclusively spent on Native welfare, each local authority was compelled to establish a Native Revenue Account, into which all municipal rents and prescribed fines obtained from Natives must be paid. Such accounts are required to be submitted for departmental scrutiny prior to approval by the Minister of Native Affairs. Finally, in order to develop and maintain harmonious co-operation between Native dwellers and the municipal authority, Native Advisory Boards were constituted, which were to be consulted on practically all matters appertaining to the local government of Native locations and villages.

The obligations thus imposed upon local authorities for the control of the Native urban population and for the improvement of their living conditions, have been variously accepted. In many towns the press and a strong public spirit have combined to bring about the improvements which followed the passing of the Act. In other cases little or nothing was done. Nor, indeed, when Native policy itself was still undecided, and it was yet uncertain whether territorial separation was to be the principle in future, could much effort be expected. It was in this twilight of purpose that the administration of Native affairs in the urban areas proceeded for some years. The municipalities, as a whole, were slow to accept the responsibility conferred upon them by the Act of 1923. The Municipal Department of Native Affairs was indistinguishable in the Native mind and, often,

even in the mind of the general public, from the Department of Native Affairs of the State. Though the Central Government had divested itself of authority in local government it was blamed for all the evils which arose.

A notable example of the failure of public opinion to allocate blame to the proper quarter is shown in the case of the illicit liquor traffic, and the repeated clashes which this has brought about between Natives and the police. The Act of 1923 recognised the need for providing the Native with his national beverage of kaffir beer, which is both food and drink to him. Authority was given under the Act to municipalities either to create a municipal monopoly for the selling of beer, or to grant permission to Natives to brew beer themselves for domestic consumption. In some of the larger centres of the Union no action whatsoever was taken for a variety of reasons. The failure by the local authority to give effect to the legislative sanctions has largely resulted in the growth of the illicit liquor traffic and its attendant evils with which the police have been called upon to deal.

This and other failures in the carrying out of the purposes of the Act have no doubt been due to the absence of a clear guiding principle in Native municipal government. The acceptance of the principle by the recent legislation "that Natives were in European urban areas in order to minister to the wants of the European" implied that there was a reciprocal obligation placed upon Europeans to see that Native welfare did not suffer by reason of the Natives' presence in European areas. There must be better provision for dealing with the redundant population whose presence militated against the well-being of the Natives themselves by maintaining an idle reservoir of labour. Greater powers of control were conferred upon the municipalities under the Act of 1937 and a full explanation of its purposes was given at a conference between Municipalities and the Native Affairs Department held at Pretoria on the 28th and 29th September, 1937, to discuss the provisions of the Native Laws Amendment Act (No. 46 of 1937).

The two years under review contain a record of achievement. There has been a marked improvement both in Native housing and health conditions in many municipalities. The concentration of public attention on the deplorable conditions of our slums by the Young-Barrett Committee, which solicited evidence in all the large municipalities of the Union in 1935, gave the first impetus to the clearing up process. The Native Affairs Department has appointed Urban Areas Inspectors to co-operate with the municipalities in bringing about improvement. The results of this co-operation are outstanding in the correlation of experience and in the dissemination of knowledge of the evils which follow upon neglect. But probably the most important factor in furthering improved conditions was the provision of adequate funds by the State under the sub-economic housing schemes which provided the financial means for a general forward movement. These forces met with the conjunction of civic pride and the growth of the social welfare movement, which combined to bring about an increasing realisation of the mutuality of interests between European and Native in all towns and cities in matters of health and sanitation.

The main causes of this improvement, therefore, may be stated as follows:—

(1) The policy of the State as set out in Act No. 21 of 1923 as amended.

(2) Co-operation between the Departments of Native Affairs, Public Health, the Provincial Administration and the local authority.

(3) Disclosure of the real conditions in urban areas by the Young-Barrett Commission in 1935.

(4) The improved financial position of the Union which has permitted the allocation of large sums to sub-economic housing.

(5) Continuous personal contact with local authorities through the medium of the Central Government's inspectorate of urban locations.

These various departments have considerably influenced the re-housing problem, especially where the Departments of Public Health and Native Affairs have combined to urge that financial assistance should be forthcoming. This assistance has been provided through the medium of loans under the Housing Act of 1920, whereby funds have been made available at 3½ per cent. on economic housing and ¾ per cent. on sub-economic housing. These schemes have made re-housing a practical proposition for many local authorities.

Port Elizabeth.

A striking example of a new re-housing scheme for Natives is afforded by the clearance of the Korsten slums in Port Elizabeth. Korsten provided for half the Native population. It is an old slum area which grew, no doubt quite naturally, in consonance with the conditions prevailing a century ago. Lying nearly three miles from the centre of the City, the conditions nevertheless became unspeakably vile. Korsten was, and still partially is, a