

RAND MAGNATES

AND

BRITISH LABOUR.

THE LABOUR PROBLEM UNDER THE BOER GOVERNMENT.

THE labour problem existed in the Transvaal many years before the outbreak of war. It was presented to the Boer Government in much the same form as it is presented to the present Government. On the one hand, we find the mine owners combining to enforce a general reduction of the wages paid to the native labourers. On the other hand, and, at the same time, we find them appealing to the Government for assistance by compelling, or "inducing," the natives to work at the reduced wages. Lord Milner has shown considerable sympathy with the demands of the mine owners, but hitherto the Home Government has acted as a restraining force. Hence, at the present time the mine owners are as discontented with British as they were with Boer rule, and the colony is in the throes of an agitation as violent as that which produced the war.

After the Raid, in 1897, the Volksraad, at the instance of the Chamber of Mines, appointed a Commission to inquire into the conditions of the mining industry. The question of the labour supply occupied the chief place in the inquiry. In a letter to the Commission, the Chamber of Mines traced the history of the labour difficulty. According to this statement, and it is the mine owners themselves who make it, a scarcity of native labour was first experienced in 1890. In that year we see them playing their now familiar game. On the one hand, "by the combined action of the industry, under direction of the Chamber, the rate of wages was reduced to 41s. 6d. from 44s. per month." On the other hand, they were appealing to the Government "to render assistance by inducing the natives of the thickly populated native districts to come to the fields."

The measures which the mine owners demanded were the enforcement of stringent pass laws, which would prevent the natives from moving from place to place, the imposition of a heavy hut tax, which would make it impossible for them to live without coming into the mines, and the establishment of locations. These measures were calculated, as Mr. Sidney J. Jennings, General Manager of the Crown Reef Gold Mining Company, said in his evidence, to "enable us to get complete control over our own Kaffir labourers." The Commission reported against "any measure which would be equivalent to forced labour," and the Government failed to give any satisfaction to the mine owners, whose agitation had already produced the Jameson Raid and culminated in the war of 1899.

AFTER THE WAR.

Enormous estimates were formed of the increase of dividends which would result from the reduction of Kaffir wages after the war. Mr. J. H. Hammond, Consulting Engineer of the Consolidated Goldfields, put it as high as £2,413,268. When the mines were started once more on the Rand, one of the first advantages of British rule experienced by the natives was the reduction of their wages by one-half. The result which was to be expected followed. The natives were unwilling to undertake the arduous and often unhealthy labour in the mines now that the only inducement which makes any man work, be he black or white—the wages he earns for his day's work—were reduced by 50 per cent. The same result which attended similar efforts under Boer rule was now manifest under British rule. There was a marked scarcity of native labour at the price offered. Urgent appeals were directed to Lord Milner and the Home Government to remedy this state of matters by providing "inducements" of another nature. But the Home Government had to reckon with what Lord Milner has termed "the Exeter Hall view—that is a sentimental and ignorant view of native questions."

All that the mine owners have been able to get in this direction is the Ordinance of 1902, imposing a capitation tax of £2 on every adult native, with an additional £2 for every wife over one that he may have. The tax is onerous, but it has proved quite inadequate to

force into the labour market a sufficient supply of labour at the wage offered.

THE TRAIL OF THE TRADE UNION SERPENT.

Meantime a development occurred which began to cause the magnates grave anxiety. It was perceived that white labour was "too political." In Mr. Rudd's words: "Could we replace 200,000 native workers by 100,000 unskilled whites, they would simply hold the Government in the hollow of their hands." In the Memorandum on the Mining Industry, which the mine owners presented to Mr. Chamberlain on the occasion of his visit to Johannesburg, in January, 1902, they referred to "that trail of the serpent, the formation of labour unions." The cause for this anxiety is admirably stated in the letter from Mr. Percy Tarbutt, which Mr. Creswell, lately Manager of the Village Main Reef Mine, submitted to the Labour Commission appointed by Lord Milner. Mr. Tarbutt is a director of probably more South African mining companies than any other man. His experience of South Africa dates from 1887, when he went out as engineer to the Consolidated Goldfields, founded by Mr. Cecil Rhodes and Mr. Rudd. He is now himself a director of that company, and intimately associated with firms such as Wernher, Beit, Eckstein, and Neumann. The letter which Mr. Creswell read to the Commission was written from St. Swithin's Lane, in July, 1903.

"DEAR MR. CRESWELL.—With reference to your trial of white labour for surface work on the mines, I have consulted the Consolidated Goldfields people, and one of the members of the board of the Village Main Reef has consulted Messrs. Wernher, Beit and Co., and the feeling seems to be one of fear that, having a large number of white men employed on the Rand in the position of labourers the same troubles will arise as are now prevalent in the Australian colonies, viz., that the combination of the labouring classes will become so strong as to be able to more or less dictate, not only on the question of wages, but also on political questions by the power of their votes when a representative Government is established.—Yours sincerely,

"PERCY TARBUTT."

THE DEMAND FOR CHINESE LABOUR.

This political distrust and dread of white labour was the origin of the demand for Chinese labour. Having resolved that the mines must be worked by Asiatic labour, the mine owners launched themselves upon an organised campaign to coerce opinion in South Africa, and to mislead opinion at home. Petitions were got up, and workmen coerced into signing them. Packed meetings were engineered to pass resolutions. Their control of the press enabled them to establish a censorship almost as strict as that which prevailed during the war. News of events which militated against their project was either entirely suppressed, or reached this country in a garbled form. Public meetings were broken up by roughs hired at 15s. for the "night shift." Their most formidable obstacle was the resistance offered by the white population of the colony itself and of South Africa as a whole. The opposition was a passionate resentment which may be compared to that with which the Cape Colonists in 1849 successfully resisted the landing of convicts on their shores. In Australia, in Canada, and in the Western States of America we see the same violent antipathy to the artificial introduction into the country of a lower standard of civilisation and living. The mine owners were prepared to ignore this opposition. They had an overwhelming majority on the nominated Legislative Council, and they secured an equally overwhelming majority upon the Labour Commission which Lord Milner appointed to inquire into the question of the labour supply for all the industries of the Transvaal. The report of the majority was a foregone conclusion so soon as the composition of the Commission was known. Its most important conclusion was that there was no adequate supply of labour in Central or Southern Africa to meet either present or future requirements. This was directly traversed by the Minority Report. The Legislative Council followed up the Report by adopting a resolution calling upon the Government to submit a "Draft Ordinance, providing for the importation of indentured, unskilled coloured labour." The Draft Ordinance was accordingly submitted, and has passed its second reading. There is the gravest danger that the proposal may be rushed through.

THE ALLEGED LABOUR SHORTAGE.

The contention upon which the mine owners base their demand for Chinese labour is that the present labour supply is totally inadequate, and that the development of the country is being retarded. The present shortage was estimated by the Majority Report as 129,000 native labourers for the mining industry alone, and an additional 196,000 within the next five years. The Minority Report proves that the figures are grossly exaggerated. In February, 1903, Mr. George Albu estimated the shortage at 50,000, and stated that if these could be supplied there would be a "blaze of prosperity" in the Rand. In the Memorandum presented by the mine owners to Mr. Chamberlain at Johannesburg in the previous month, it was stated that "in order to return to the same conditions as obtained before the war, some 52,000 natives more are required." Since February, the supply has been increased by over 20,000. The monthly rate of increase is 3,000, and in the course of a few months the conditions required for Mr. Albu's "blaze of prosperity" will be completed. But this increase has had to be purchased by a partial abandonment of the policy of decreasing Kaffir wages, a course which is not satisfactory to the mine owners.

The present shortage in the labour supply is temporary, and due to artificial and removable causes. It is due to the attempt to enforce serious reductions in wages, and to the ill-treatment and bad feeding and accommodation which prevail in many of the Rand mines. Their rate of mortality is almost double that which prevails in other mines, and four times that which it is among natives working outside the mines. (See return by Sir Godfrey Lagden before the Commission.) In the De Beers mines it is 30 per 1,000 per annum, while on the Rand it is 70 per 1,000. At an election meeting at Cape Town, Dr. Jameson made the significant statement: "The De Beers Company would never employ Chinamen. They had plenty of labour, white and black, because they treated their people well" (*Times*, November 5th, 1903). And Sir Lewis Mitchell, late Chairman of De Beers, speaking at the annual meeting of the company, held at Kimberley, November 16th, 1903, said:—

Some statistics have appeared, showing the mortality in the Rand mines. I find the difference was that the mortality in the

Rand was 70 per 1,000, while ours was 30 per 1,000. We attach a great deal of importance to that. We believe the native question is not one entirely of wages. It is a question of treatment and of care. The natives are but men. They are men, not machines. If we study their interests, I feel sure when we want more labour we can always get it.

CONDITIONS OF SERVITUDE.

The following account of the provisions of the Draft Ordinance is given by "Our Own Correspondent," in the *Times*, of January 7th, 1904:—

The introduction of labourers is to be subject to the following conditions, to be embodied in the contract between the importer and the labourers: In the first place, so long as the labourer remains in the colony he shall be employed only on unskilled labour for the exploitation of minerals; secondly, the labourer shall only serve the person introducing him, or another person to whom, when he has obtained a licence, the first person may lawfully assign his rights; thirdly, on the determination of the contract the labourer shall be returned without delay at the expense of the importer to the country of his origin. No contract shall be for a longer period than three years, nor shall it be renewed for a period which, together with the first period, shall exceed five years.

In order to secure proper control of the labourers, it is to be enacted that every importer must deposit a return showing the number of labourers introduced, and the place or places in which such labourers are employed. No labourer shall be allowed to trade, or acquire, lease, or hold land; every labourer must carry an identification passport renewable every year; the importer must keep a register of all labourers introduced, and the labourers must reside on the premises in which they are employed. No labourer shall leave the premises on which he is employed without a permit signed by an authorised person, and no permit shall be available for more than forty-eight hours. Any inspector or member of the town police or South African Constabulary may demand the

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permit and passport of any person whom he has reason to suspect is a person imported under the ordinance, if he be found absent from the premises on which he is employed, and on the failure of such a person to produce the permit and passport he may arrest him without a warrant. Every importer must enter into a bond for the return of the labourers to the country of their origin, and the Government superintendent shall take all necessary steps for the return of every labourer at the expense of the importer. Finally, stringent penalties are to be enforced for all contraventions of the ordinance.

"It must be admitted," the *Times* remarks in a leading article approving of the Draft, "that the lot of the Chinese labourer does not promise to be a very gay or happy one from our point of view." It is almost impossible to believe that the subject of this ordinance is human beings and not brute beasts. And yet it was drawn up by the representatives of the country which effected the emancipation of the slaves. It is impossible to contemplate such a labour code without a feeling of dismay and humiliation. Call the system by what name we will, it is virtual slavery. These are the conditions of servitude. "Muscular machinery," the *Times* mining correspondent calls these indentured labourers (*Times*, November 11th, 1903). The point of view of the mine-owning capitalist is crystallised in that phrase. He wants "muscular machines," and not free labourers.

MR. CHAMBERLAIN'S PLEDGE.

The *Times* and other advocates of Chinese labour have endeavoured to represent the Report of the Labour Commission and the vote of the Legislative Council as an expression of the opinion of the colony as a whole. Mr. Chamberlain himself has provided in advance the amplest refutation of this very contention. His South African tour gave him some first-hand knowledge of the strength of popular feeling throughout the colony. Speaking in the House of Commons as recently as July 27th, 1903, he said:—

"I am not professing that I am going to take the opinion of the Legislative Council as a final opinion in such a matter; but

there are other means of attaining to a knowledge of the public opinion of the Transvaal upon the subject. I have attained to that knowledge; and I have told the House that, in my opinion, which I do not think any one will contest at the present time, opinion is hostile. It is because I believe that at the present time the opinion of the Transvaal is hostile to the introduction of Asiatic labour that I make no movement whatever in its favour, and should not assent to it if it were proposed. And so long as the opinion of the Transvaal is hostile, the right hon. gentlemen may rest perfectly satisfied that I shall not assent to it; and I shall certainly not be a party to imposing it upon a hostile majority."

In the same speech Mr. Chamberlain stated that he had informed Lord Milner:—

"That before I assented to any introduction of Asiatic labour, whether Chinese or Indian, I must have reasonable proof that it was a policy which the Transvaal, if a self-governing colony, would approve."

That, we agree, is the vital test. There is only one way of applying it, and that is by consulting the people themselves. Let the decision of this "momentous question" be deferred until self-government is granted. If the advocates of the proposal are impatient of delay, let a referendum be taken. It has already been formally demanded by the opponents of the policy. It is a test of the sincerity of the mine owners' contention that public opinion is with them.

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