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SOUTH AFRICA.

AN ADDRESS

DELIVERED BY

SIR DONALD CURRIE, K.C.M.G., M.P.,

TO THE

FELLOWS OF THE ROYAL COLONIAL INSTITUTE

AT THEIR

MEETING IN LONDON ON TUESDAY, THE 10TH APRIL, 1888.



THE RIGHT HONOURABLE LORD BRASSEY, K.C.B., IN THE CHAIR.

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ADDRESS

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FELLOWS OF THE ROYAL COLONIAL
INSTITUTE, 10TH-APRIL, 1888.

THE RIGHT HONOURABLE LORD BRASSEY IN THE CHAIR.

SOUTH AFRICA.

BY SIR DONALD CURRIE, K.C.M.G., M.P.

I confess it was with some hesitation that I agreed to deliver an address upon South Africa. The political circumstances of the time render the task a difficult one. In addition to the Imperial interests concerned, there are questions now under discussion between the different States and Colonies of South Africa which involve delicate issues; and there are commercial and other rivalries which are, to say the least, embarrassing. At the same time it may be expected that there should be a readiness to meet the public desire for information, and for the production of such data as may be of practical value to those who have other than merely political considerations in

relation to South Africa. In fulfilling the task allotted to me, I can only hope to be favoured with the same patient attention as was extended to me when on the 7th June, 1877, I set before the Fellows of the Royal Colonial Institute "Thoughts upon the present and future of South Africa and Central and Eastern Africa."

For about sixteen years past I have been more or less intimately associated with the material interests and policy of that part of the world, and yet my first visit only took place a few months since. I had no personal knowledge of South African territory when we met together eleven years ago, but on referring to your records I find it was possible for me to appreciate at that time, to some extent, the resources of the country, the characteristics of the people, and their possible future.

I left London with my daughters for Cape Town in the middle of October last, to find on arrival there a hearty welcome. After a stay of a week I proceeded by rail to Kimberley, a distance of about 647 miles, where we visited the Diamond Mines, and the Waterworks, and other objects of interest in the neighbourhood. After careful enquiry as to the means of locomotion through what people here think are the wilds of South Africa, I became the possessor of three travelling carriages and sixteen horses, with stores and all necessaries for a long land

journey, and started for the capital of the Orange Free State. You may travel very rapidly in South Africa by the post-cart, but must do so by night and by day, and this is not what I consider travelling for pleasure: we journeyed at our leisure. The distance accomplished each day was about 30 miles. In the course of a few days we reached Bloemfontein, receiving great kindness from my old friend, President Sir John Brand. Thence we journeyed to Potchefström, the scene of the famous siege of the British troops during the Transvaal war. From Potchefström we proceeded to Pretoria, where we enjoyed the hospitality of His Honor President Paul Kruger; and while there I visited Johannesburg, the chief town of the gold districts of Witwatersrandt. From Pretoria we drove to Heidelberg, through the Transvaal to Standerton (a town which was also beleaguered during the war, but did not surrender), thence to Coldstream, at the extreme northern limit of Natal. Early in the morning after our arrival, we drove to Majuba, and reached the summit, afterwards we visited the scene of the struggle at Laing's Nek, and thence made our way to Ladysmith, the northern terminus of the Natal Railway system, where I disposed of the carriages and horses.

Through the kindness of His Excellency the Governor of Natal, and the Railway authorities,

we reached Pietermaritzburg in great comfort ; whence after spending a few days we left by the train for Durban. Having enjoyed a pleasant rest we embarked on board of the steamer *Venice*, and steamed to St. John's River, thence to East London, where I met the Premier of the Cape Colony. After spending some time there we were conveyed by railway to King-Williams Town. From that town we drove to Grahamstown, and visited the Exhibition of Colonial Products. Thence we drove to Lovedale, an establishment for the education and practical training of the natives, under the able administration of the Rev. Dr. Stewart. We then took the train to Port Elizabeth, the commercial capital of the Eastern Province, where we enjoyed a few days' stay. Leaving Port Elizabeth we steamed to Mossel Bay, and then visited the Knysna with its primeval Forest. From the Knysna we steered for Cape Town, glad to partake once more of the hospitality of our friends there.

I am sure you will allow me to repeat here the warm acknowledgments which I had so frequently to express for the extremely kind way in which we were welcomed, everywhere throughout the Free State, the Transvaal, Natal, and the Cape Colony. In all, we travelled about a thousand miles by road, not to speak of journeyings by train or steamer ; and I can recom-

mend anyone who wishes to have fresh bracing air at a range of 4,000 to 6,000 feet above the level of the sea, to take a trip to South Africa, and, either in an ox-waggon or in a spring cart, to see the country and experience what it is to have a good appetite.

The question we discussed before this Institute in 1877 was, what combination of circumstances and systematic arrangement of means, development of resources, and motive power, would press South Africa forward in civilisation and prosperity, taking into account the obstacles which had hindered its progress.

My first object to-night must be to review the circumstances of that time as marking an epoch in South African history, in order to estimate the forces which had been brought into play previous to 1877, and which operate still in the social and political relationships of the country. This review will guide us to an avowal of errors in policy which have marked the past history of that part of the world; and we may be able to estimate the present, and the future, of the Cape, Natal, the Orange Free State, the Transvaal, and the native territories as far north as the Zambesi.

The white population of South Africa is largely composed of the descendants of the Dutch residents, who held Cape Town and the neighbouring districts, under the flag of the Netherlands, and

then under ours, until the emancipation of the slaves was decreed by the British Parliament. At that time large numbers of the population, dissatisfied both with our policy and with the way in which that policy was carried out, left the Cape Colony and removed beyond the Orange River and to Natal. These countries were in the possession of native tribes; but finally, after much conflict and hardship the Emigrants obtained a solid footing north of the Orange River and the Vaal. Later on, after serious complications had arisen with the natives, and especially with Moshesh, the ruler of Basutoland, British authority was withdrawn from beyond the Orange River; not without protest on the part of the loyal population, who had no desire to separate their fortunes from the Mother Country. Two independent States were then created; the former under what was known as the Orange River Free State, the latter under the title of the South African Republic, or the Transvaal.

What were the relations of these two Republics to the Cape Colony and to Natal eleven years ago, and what are they now? A few years previously (*i.e.*, 1872) the Cape Colonists had received from the Imperial Parliament power to manage their own affairs under responsible government. But no arrangement was then made for the proper transfer of authority over the natives in British Basutoland, nor for the settlement of the

claims of the Orange Free State in regard to an adequate rebate of customs duties or the right to conveyance of their imports in bond through the ports of the Cape Colony. In regard to the Transvaal this customs question may be discussed upon international grounds; but in the case of the Orange Free State a specific assurance had been given by the Imperial Commissioner, Sir George Russel Clerk, which led the people of that State to expect that privileges of a liberal character would be granted to them in connection with import duties to which it was admitted they were entitled in consideration of the peculiar position of the Free State and its distance from the seaports.

Another element of controversy arose at that time. The discovery of diamonds upon the North-Western frontier of the Cape Colony gave an impulse to colonial prosperity and enterprise; and a large population soon took possession of lands on the frontier under British sanction and authority. This occupation of the Diamond Fields provoked much ill-feeling on the part of the population of the Orange Free State, the Government of that Republic claiming that the lands referred to were actually within its territory. For five years the controversy continued between the President of the Free State and the Imperial Government, with no small risk to the cordial relation of the two countries. Fortunately, however, in 1876 the

negotiations were brought to a satisfactory conclusion under an agreement between Lord Carnarvon and President Brand, then on a visit to England upon the invitation of our Government. There have been many complications in South Africa since that time, and some of them disastrous for England; but there would have been added an element of serious danger and of undoubted embarrassment for British influence in South Africa, if the Imperial Government had not at that time adopted the advice tendered to them, and made arrangements for the final settlement of the Diamond Field question.

President Burgers, of the Transvaal, had visited this country shortly before President Brand arrived in London. He was favourable to the claims of the Orange Free State, and it was his desire to link that State and the Transvaal together by material as well as political ties. The transfer of the Concession granted by the Portuguese Government for a railway from Delagoa Bay was secured to the Transvaal, and President Burgers' efforts were directed towards such an arrangement with the Free State as would associate the two Republics in that enterprise. President Brand, however, did not wholly approve the policy referred to: he agreed with the Imperial Government to favour Railway communication with the Cape and Natal; and this policy has been maintained by the Orange Free

State ever since, as I shall shew when dealing with the Railway question.

The years following the visits of Presidents Burgers and Brand to this country were marked by troubles throughout South Africa, in no small degree the result of a knowledge on the part of the natives that there were serious controversies between the various sections of the white population. The Transvaal made war upon Secocoeni; Kreli and Sandilli broke out into revolt in the Cape Colony; Cetewayo made his preparations for war; the Transvaal was annexed by England; war with Cetewayo followed; the Cape Government sought to disarm the Basutos; Imperial authority had to be restored over the Basutos; the Transvaal asserted its claims to, and gained, independence. Finally, South Africa's affairs settled down from complete exhaustion; the record being one of disaster and calamity in our Imperial history.

To these political troubles there succeeded a period of commercial depression similar to that which has prevailed during the last three years in Europe. It has been said that over-trading produced the depressed condition of business in South Africa; but I think the result was chiefly owing to sympathy with other commercial centres, and to the drought and bad seasons, which reduced the price of wool and agricultural produce so low as to bring them under the cost of production. Ostrich feathers also fell in value; the want of employment

compelled the population to seek openings elsewhere ; and even in the Transvaal, with its promises of golden harvests, the financial position became at one time so serious that men's minds were disturbed with the enquiry whether an alteration of the political position might not become necessary.

All this has now changed. Just as in 1872 the Cape Colony took a start from the discovery of diamonds, so South Africa has again made a leap forward through the acknowledged possession within its boundaries of untold wealth in gold ; and you may form an estimate of the effect upon Colonial Trade, when I mention that the total value of exports from the Cape Colony in 1887 amounted to £7,719,335, an increase of £744,639 over the previous year ; the imports showed an increase of £1,241,567 in 1887 over the imports of 1886 ; and the Customs duties collected in 1887 exceeded the amount received in 1886 by £96,711. In like manner the Colony of Natal made progress ; the total exports which in 1886 amounted to £960,290, reached, in the first nine months of 1887 the figure of £741,948, while the imports in 1886, which showed a value of £1,331,115, had increased during the same period in 1887 to £1,653,841. The revenue of the Cape Railways was considerably increased, and in Natal it had nearly doubled, amounting to £257,877 in 1887, as compared with £149,999 in 1886.

This improvement in the trade of South

Africa may be owing to a considerable extent to the increased production of gold; for while in 1887 the value of the precious metal exported reached a total of £223,487 only £69,543 represents the value exported in 1885—that is to say, the gold export increased threefold in two years. If we compare this increased export with what it was some years ago, the progress in gold mining enterprise will be better understood. In 1871 the value of gold exported was only £670; in 1875 £39,432; in 1884, £69,000; in 1886, £134,769; and in 1887, as I have stated, the value was nearly a quarter of a million sterling. But this progress is more marked within the last few months owing to the increased number of stamps at work; for in January of *this year* the export of gold from the Cape and Natal reached the large amount of £57,562, and in February it had increased to £70,325, equal to an annual export of over three-quarters of a million sterling. The gold output for the first three months of 1888 was nearly equal to the output in the whole of 1887. If, then, we take into account the gold retained for use in the country we may assume that the production has already reached a total value of about a million sterling per annum.

Now you will naturally enquire which are the best auriferous districts, and in what way is gold mining carried on in South Africa; and you will also ask

is there in the future a possibility of an increased production? I venture to think that there is practically no limit to the production of gold in South Africa, and for a few minutes I shall direct your attention to the districts where success has attended gold mining operations. I hold in my hand a small nugget of gold which the late President Burgers, of the Transvaal, gave to me in 1875 when he visited me in London. He brought with him a larger lump of solid gold, worth about £600, which I exhibited at the *Conversazione* of this Institute; but at that time few people could be induced to believe that large supplies of the precious metal existed in South Africa. These specimens of gold were brought from Pilgrims Rest, and they indicated alluvial deposits; but in that district, although a large amount of capital was invested, the success has not been so marked as was expected. The question for the miners was to discover the source of the alluvial deposits, and in what quarter to find the quartz reefs. Ultimately rich gold reefs were discovered at no great distance in the district now known as the De Kaap Gold Fields, of which Barberton is the centre, situated some 3,000 feet above the sea level. This part of the world was practically uninhabited; few white men visited it; but now the population of Barberton amounts to about three thousand, and the capital invested there in gold mining cannot be less than nearly a million sterling of paid up capital.

It is within this region that the famous Sheba Mine is situated. It is practically a mountain mass, offering very little indication of visible gold, but so richly does the precious metal permeate the rock that its fortunate claim holders, who had the utmost difficulty at first in paying their way as working miners, have now for their property a marketable value of over three-quarters of a million sterling. Of course it would be absurd to say that all the district round Barberton is as rich as the Sheba Reef, but the district is so far developed as to give proof of abundant wealth, and we may be well assured that further mining operations will reveal additional treasures.

But another discovery in the Transvaal has produced a rival to Barberton. North of the Klip River, some 30 miles south-west of Pretoria, there were discovered about two and a half years ago veins or reefs of conglomerate known as Banket, which have been found to contain remarkably rich deposits of gold. The Government of the Transvaal proclaimed it as a public gold field on the 18th July, 1886; and when I visited Johannesburg, its centre of activity, I was astonished to see the wealth that lay ready to the hand of the miner. It was in alluvial washings, or in reefs of quartz that gold mining prospectors had always found their rewards, and no small incredulity was felt when the Witwatersrandt conglomerate was first spoken of in terms of confident expectation. It

was said to be a mere fancy of enthusiastic men ; but the population of Johannesburg is now not much under 5,000 ; and I saw dwelling-houses, stores, churches, banks, and well laid-out streets and squares, where, 6,000 feet above the sea, only 18 months before, the flocks of the farmer found pasture, and the large game, which are not yet extinct in the northern district of the Transvaal, roamed at will. There are nearly 1,000 head of stamps at work in the gold diggings of the district ; and it is estimated that the total production of gold in Witwatersrandt for last month was about £70,000.

As indicating to you the value to the Transvaal Exchequer of mining licenses as a source of revenue, I need only state that the amount received for the year ending 31st March, 1885, was only £1,359 ; by 31st March, 1886, it had advanced to £5,706 ; and at 31st March, 1887, to £45,380 ; while the receipts for the six months ending 30th September, 1887, show an estimated total of £70,000 a year. The total revenue of the Transvaal has increased by leaps and bounds during the last three or four years. For the year ending 31st March, 1885, it was £161,595 ; at 31st March, 1886, £177,876 ; by 31st March, 1887, it amounted to £380,433 ; while for the six months ending September 30th, 1887, it was at the rate of over £600,000 per annum. All this is owing to the gold discoveries
 Away to the north of Pretoria, in the border

district inhabited partly by Kaffirs, who claim some kind of independence of the Transvaal Government, there are known to exist exceedingly rich deposits of gold. I speak of the district of Zoutpansberg; but there is also a large store of mineral wealth upon the lands situated on the western frontier of the Transvaal. The Malmani Gold Fields, not yet developed, give rich promise; while at Heidelberg, in the same Republic, near the Natal frontier, as well as at Potchefstrom in the direction of Kimberley, there are operations now in progress which will repay the enterprise of the capitalist, and of such as are actively engaged in gold mining.

It is not in the Transvaal only that gold has been found in great abundance. Gold miners have had considerable success in Zululand and Natal as well; while even in the Cape Colony there are prospects of considerable value. I landed at the beautiful port of the Knysna, situated between Port Elizabeth and Cape Town, and visited the forest of the district within whose boundaries also auriferous ground has been discovered, in the shape of alluvial deposits with reefs of gold-bearing quartz. The prospects for South Africa are therefore very promising; and I daresay the possible discovery of gold treasures may enchant the imagination of many of my hearers, indisposed though they may be to adventures and risks. Hence I may repeat what I said in South Africa, how necessary it is to

bear in mind that gold mining is an industry, and that assiduous labour, with scientific skill, are necessary as well as enterprise. It has been laid to the charge of those who are connected with gold mining that some properties have been given to the public burdened with too much promotion money or payment to vendors; but it will be a satisfaction to you here to know, as it is highly creditable to those who have at heart the interests of Johannesburg, that a mining board has been established there, which undertakes to supply information to the public and to intending investors with respect to the intrinsic value of the properties declared to be gold bearing, and offered for sale to public companies.

The future of the gold mining industry is of course a question for estimate and prophecy; but as regards diamonds the production and export may be calculated by reference to the output of the two great diamond mines of the Cape Colony. viz., the Kimberley Mine and De Beer's. The value of the diamonds produced in 1887 from the Kimberley Mine was £1,410,207. 12s.; De Beers, £1,022,878. 6s.; Du Toitspan, £987,283. 17s.; Bulfontein, £612,962. 18s.; equal to a total of over four millions sterling. Diamonds were first found in the Kimberley district in the year 1870, while in the following year De Beers may be said to have been discovered. Four years previously a trader bought from a

farmer in the Hopetown District a stone, the value of which was not important in his estimation; it had been picked up by a Bushman near the Orange River; it weighed $21\frac{3}{4}$ carats and was declared to be worth £500. In 1869 a Hottentot sold to a farmer for £400 a stone which weighed $83\frac{1}{2}$ carats; it was re-sold at Capetown for £10,000, this is the famous "Star of South Africa," which weighed $46\frac{1}{2}$ carats after being cut. It is not to be wondered at that news of all this in 1871 produced a rush to the diamond field. Early in the same year another mine, but not of such extent, was discovered about two miles from Kimberley, and work commenced upon the farms of Dutoitspan and Bultfontein, now well known mines. I visited the whole of the diamond mines during the time I was at Kimberley, and certainly the visit was one of extreme interest, for they form one of the wonders of the world. Upon the discovery of the diamonds the land was divided into claims under Government control, and ultimately these claims became to a greater or less extent the property of Companies. In the Kimberley Mine there were the Central Company, the Standard Company, the French Company, and others, while in the De Beers mine the claims came also into the hands of Companies. The different holdings in each of these mines are now so united that they practically form only two separate mines, the Central Com-

pany holding until very lately nearly the whole of the Kimberley Mine, while the De Beers Mine had been united under one control. Very lately, however, the De Beers Mine has obtained the main portion of the interest in the Kimberley Mine; and it is generally believed that both mines will sooner or later be amalgamated. The diamonds in these mines are found in a blue clayey rock, the surface outcrop of which is of comparatively small extent. The rock dips almost vertically, and is hemmed in by what is termed the "reef" of harder rocks.

The area of the Kimberley Mine enclosed at the surface within the reef was about 11 acres in extent. The enclosing rocks converged inwards at a dip of one in three, so that as the depth increased the section of the diamond-bearing rock increased. The rock also becomes harder about 270 feet from the surface. A point, however, has been reached at which the enclosing rocks again open out, and the blue rock widens. The popular theory of the formation of diamonds is that there has been at some stage of the world's history, an outburst of heat and force from below, resulting in the conversion of carbon into the crystalline form which we call diamonds. This Kimberley Mine is now being worked at a depth of 500 feet, and underground working has been established from the bottom of the shafts, extending in depth another 150 feet, tunnels stretching into the

diamondiferous blue ground. This blue ground is taken to the surface, and conveyed by the tramways to the extensive fields round the mine, in which, to the extent of hundreds of thousands of tons, it is spread out exposed to the air for some months, for the purpose of disintegration; after the action of the sun and weather has decomposed the blue, the material is brought to the mine from the fields, and the earth is washed. Each morning's washing in the Kimberley Mine produced, when I was at Kimberley, between £3,000 and £4,000 in value of diamonds. The yield of diamonds from the Kimberley Mine from 1871 to the end of 1885 amounted in value to about £20,000,000 sterling, and the output in 1887 was over £1,400,000 sterling.

In the De Beer's Mine as in the Kimberley Mine there is a variety in the relative richness of the ground, but the claims are rich and extensive. The gross amount of diamonds, produced in that mine between 1871 and 1885 inclusive, reached a value of about £9,000,000 sterling, and the production in 1887 was over a million sterling. In the De Beers Mine there has not been so large an excavation of diamondiferous ground or removal of main and floating reef as in the Kimberley Mine, where the output of reef and ground must have been 20 millions of tons. The working of these mines underground by shafts and tunnels, as in coal mines, is being pursued with great skill

and vigour; but it is admitted that open working of the mines, if the superincumbent reef could be removed, would entail less expense and consequently assure to the proprietors a larger revenue. The annual expenditure in labour, &c., is not much under two millions sterling in connection with the different diamond mines, while the output has a net value of somewhere about four millions sterling.

There are river diamond diggings on the banks of the Vaal. The gems, which are highly esteemed for their colour and value, are found in the rich gravel below heavy boulders, or in the few inches of red sand which are spread over the rocks, or in alluvial soil among the gravel mixed with red sand, loam and boulders, washed into the crevices of the rocks by the action of water. Some authorities consider that they were formed where they lie, others believe that their source is in the Drakensberg Mountains, or in the soil forming the banks of the river. In the three years ending August, 1885, the river diggings produced diamonds valued at about £130,000; and we may estimate that the total yield from the Vaal River up to this date is over two millions sterling. Some four years ago in the time of drought part of the river was diverted, and diamonds to the value of £300,000 taken out of the bed. Occasionally a digger strikes a portion of the old river bed, silted up with

lime and gravel, where he finds rich deposits. The largest diamond found in the Vaal River was worth about £6,000, while the value of the largest diamond which has been found in the Kimberley Mine was £60,000. There are about 2,300 natives employed at various river diggings with about 250 whites as overseers; in the Kimberley Mines there is a grand total of about 1,500 white men and 12,000 Kaffirs. The total value of diamonds produced in 1867 was £500; in 1870, £153,000; in 1872, £600,000; in 1878, £2,150,000; in 1886, £3,261,000; and in 1887, the value reached £4,033,332. In addition to the mines and river workings to which I have referred, there are very important diamond mines in the Orange Free State. The Jagersfontein Mine is especially rich in the quality of the stones found there; and the unworked deposits of the extensive property and mines known as Koffifontein and Klipfontein in the same Republic have yet to be developed.

The Copper Mines of South Africa are very valuable, and in Namaqualand these have had specially active development, through the operations of the well-known Cape Copper Company and of the Namaqua Company. The ores found in Namaqualand are of excellent quality, giving an average of about 25 to 32 per cent. of copper. The export of copper ore in 1867 was 4,300 tons;

in 1870, 7,200 tons; in 1878, 12,500 tons; in 1882, 19,669 tons; in 1886, 28,429 tons; and in the nine months of 1887, 22,458 tons.

I may also mention the coal and other mineral resources of the country, the silver, lead, and other precious and useful metals. I would specially refer to the enormous coal production which is assured for the future, so important a factor in the material resources and prosperity of a country. I saw in the river beds, and on all sides, abundance of excellent coal; and, within 30 or 40 miles of the Witwatersrand gold district, coal was being excavated and transmitted in considerable quantities for the use of the mines at a cost, delivered, of about 30s. per ton. At Kimberley the cost of coal which is imported from Great Britain is not much under £8 per ton. The coal resources of Natal are especially valuable. I visited Newcastle and the neighbouring district, the mines of which are spread over a very great extent of country, and will before very long, upon the completion of the railway to Newcastle, prove to the sugar industry of Natal, and to the Mercantile Marine of Durban, a useful means for the supply of excellent coal.

The question of how far it is possible to promote the growth and export of grain is receiving attention from the farmers of the Cape Colony, and it was with the greatest interest I

observed that for the first time in 12 years steamers were being offered grain for conveyance to England. I am satisfied that when the Border Line of Railway is completed, which it is to be hoped will be established across the Eastern Province in connection with the Midland Line of Railway, the farmers of the Eastern portion of the Cape Colony will be able to supply their agricultural produce in abundance, but they at present require an outlet and the means for conveyance of grain and cattle towards the mining districts, to Kimberley, and to the seaports.

I would venture to make a few remarks upon the possibilities of the future in regard to the cultivation of the vine, and the prospects of those who seek to develop the manufacture and export of wine and brandy. There is no part of the world where the wine industry has a better chance of success than in South Africa. The climate is favourable, the soil in certain districts is all that can be desired, the vines are of suitable quality, and the fruit is delightfully luscious and abundant. It has been stated by some wine experts that Cape wines are not suited to the English market. Now, every variety of grape has its distinct character, and of necessity the wine-grower should select and manipulate the grapes according to the character of the wine to be produced. There is, I may say, every variety of grape to be found, such as is found in Burgundy,

or upon the Rhine, the Moselle, or in the districts of Charente. I suppose there must be a reason for past ill-success in the manufacture of Cape wine; but we may take encouragement from what the Cape Government have done in seeking to obtain a better cultivation of the grape and its manufacture into wine, at the Government farm of Constantia. The growth and manufacture of wine requires capital; it is necessary for the wine to have time to mature; and this is specially necessary in the case of brandy. I venture to think that brandy can be made at the Cape as well as in the district of Cognac; and that arrangements which are now in progress for the promotion of the wine industry in the Cape Colony, will lead to the employment of capital upon an extensive scale for the growth of the vine and the manufacture of wine under careful and practical supervision. It was a great pleasure to me to visit the old town of Stellenbosch, within the borders of which the Huguenot families who emigrated from France took up their first residence. This fine old town is the centre of the wine-growing district, distant thirty-six miles from Cape Town. The first emigrants to that part in 1669 consisted of French Protestants—some two hundred persons—men, women, and children. There were the sons of Admiral Duquesne, De Villiers, Dupret, Duplessis, among them; and their descendants now form a large proportion of the indigenious white

population of South Africa; and to this day they retain the high characteristics of their fathers. These emigrants brought with them the vines of France; and among the farms you will find the names known in their native land—Lamotte, Rhone, Languedoc, and La Rochelle. In that warm climate I do not know how these settlers were able to bear some of the singular rules of the Dutch Government of that day, as, for example, in regard to umbrellas, when it was laid down as law that no one less in rank than a junior merchant, or the wives or daughters of such as had been members of the Council, should venture to use umbrellas; or, as to carriages, it being a law of that time that every person without exception was to stop his carriage and get out of it when he saw the Governor approach. The good Huguenots must have found it very strange to discover at the Cape these very modest but annoying indications of the spirit which they hoped they had left behind them. Notwithstanding all the obstacles thrown in their way, the vine-growers of that district have maintained their love of the vine, and their natural capacity for its cultivation and manufacture into wine. I was astonished to see the exhibition of fruit at Stellenbosch on the day of the annual show, and it was very evident the population were prepared to uphold the credit of the district in the products historically associated with Stellenbosch.

The production of wool is one of the most important of the industries of South Africa, and it is satisfactory to observe that the efforts of the farmers are being directed with increased energy to an improvement in the manipulation and quality of the wool, while Parliament has devoted attention to legislation calculated to promote this improvement in quality. For a considerable time past, the prices for wool have remained at a very low figure, but lately the farmers have been encouraged by an increase in the price, and there is reasonable ground for the hope that there is a better prospect in store for the wool trade. The increase in the export of wool from South Africa is not so great as might have been expected, and by no means equal to the increase of exports from such countries as Australia.

Ostrich farming is another of the staple industries of South Africa, but prices have fallen, and they are not so remunerative the last year or two as they were. Ostrich farming is an important part of the trade of the colonies. In 1865 the total weight of feathers exported was 17,522 pounds. The annual value of feathers exported from Natal is about £12,000, while from the Cape the export in 1886 reached 288,568 pounds, of the value of over half a million; in 1884 the quantity exported was about the same, but the value in that year was nearly a million sterling.

The establishment of railway communication has been of inestimable value to the agricultural and commercial interest of the Cape Colony and Natal; and there is yet to be a larger extension of the existing 1,400 miles of iron road in the Cape Colony, and of the $216\frac{3}{4}$ miles already open for traffic in Natal. The railway is of importance also to the mining interests; and it has for the Republics, as for the colonists, a high political significance and interest. Hence the importance of directing intelligently the routes by which railway communications are to be established, avoiding the errors which in South Africa, as in England, have been committed in the form of lines without strategical or commercial and practical value. It is absurd to have two or three lines of railway in competition with each other, and all for what may be termed a moderate traffic. Now, the great question under discussion in South Africa at the present moment is how and where to establish the routes to the interior. In the Transvaal, President Kruger, following his predecessor, President Burgers, aims at securing a control of the traffic of the Transvaal by way of Delagoa Bay. On the other hand, very spirited efforts are being made in Natal to secure a fair proportion of the trade from Durban to Ladysmith, and through Harrismith, into the Free State, or by way of Newcastle and Coldstream to the Transvaal; while in the Cape

Colony, Port Elizabeth and Cape Town seek to secure their share of the benefits to be derived from the trade with the Orange Free State and the Transvaal. I have taken the liberty to state in South Africa that care should be exercised not to overdo the work of railway extension, and that it may be quite possible to find in the future that the trade to the interior is not sufficiently advanced to warrant too extensive a railway system throughout South Africa. In the estimation of President Kruger, as representing a powerful section of the community in the Transvaal, Delagoa Bay offers the more attractive route for Transvaal interests, there being a fear on the part of those who favour this route that some day or other England may seek to re-establish authority over the Transvaal, and that it is as well to have an alternative route and so be independent. The suspicion, however, that England desires to annex the Transvaal is fast disappearing from the minds of the population; and an intelligent estimate of what is involved in seeking to establish a monopoly of Transvaal communication by the Delagoa Bay route discovers this significant fact,—that, supposing the monopoly of trade with the Transvaal to be secured to Delagoa Bay, there is assured to the Dutch Company, which has the concession for the Transvaal Railway, the advantage of entire immunity from

taxation upon goods imported into the Transvaal by their line. In other words, that route will enjoy freedom from Transvaal duties, whereas goods imported by way of the Cape, Natal or the Orange Free State are to be liable to duty. This, I pointed out to President Kruger, when in Pretoria, means that in given circumstances the revenue of the Republic from taxation upon imports may disappear, the result being a possible additional taxation of the digger population.

It is not difficult to see that there is involved in this an internal political danger for the Transvaal. But there is a further and very serious result to be feared, namely, the antagonism which would arise between the Transvaal and the Orange Free State. There would also be the danger of the rupture of commercial relations between the Cape and Natal on the one hand, and the Transvaal on the other, followed by political results which I am convinced would prove very detrimental to Transvaal interests. Beyond the question of taxation and revenue, or the bearing of the course referred to upon the convention between this country and the Transvaal there are powers under the Concession which allow to the Dutch Concessionaires the means of dealing preferentially with those who may use the Delagoa Bay route, in regard to the mileage rates and classes of goods.

At a conference between President Kruger and President Brand, held at Bloemfontein shortly before my visit the offer was made to the Free State of an annual payment by the Government of the Transvaal of £20,000 for 10 years, provided the Free State would practically limit its railway system to a connection with the Transvaal lines and the Delagoa Bay route. But President Brand, supported by his people, declined this proposal. It was in view of these efforts on the part of the Government of the Transvaal, that the Governments of the Orange Free State, the Cape Colony and Natal, decided to hold a conference at Cape Town; and in the newspapers you will have observed that a satisfactory result has followed the deliberations of the delegates. The decision arrived at is to establish equal tariff rates in the Cape, Natal and Orange Free State, with such a guaranteed rebate to the Orange Free State upon the Customs charges, on goods in transit as may place them on somewhat like a par with goods conveyed through Portuguese territory under the treaty between the Governments of Lisbon and to the Transvaal. A similar advantage is offered to the Transvaal. It may therefore be taken for granted that provided the Parliament of the Cape, the Council of Natal, and the Volksraad of the Orange Free State adopt the proposals referred to, there will follow the immediate establishment of through railway communication

in connection with the present lines of the Cape Colony, and of Natal, the former by way of Colesberg and the latter through Ladysmith, in the direction of Harrismith, towards Newcastle and Coldstream on the northern border of Natal, and thence to the Transvaal. It is possible also that before long the railway system of the Cape Colony will extend from Kimberley to Potchefstroom in the Transvaal, thence to Pretoria and Johannesburg; and indeed we may anticipate that from Kimberley another railway line will be extended northwards towards the Malmani goldfields, and to Betchuanaland.

The Delagoa Bay Railway, under a concession granted by the Government of Portugal, is now completed to within a few miles of the Portuguese frontier, but no progress has yet been made in laying the Transvaal Railway, intended to join the existing line at the frontier. It appears to be an open question how the Transvaal Railway is to be laid down, and whether Barberton is to enjoy the advantages of direct railway communication. Barberton is surrounded by mountains, through which it is difficult for a railway to pass, and it is understood that the railway will run from the Portuguese frontier away to the north of Barberton, thence by Nelspruit, and not touch at Barberton. At present the Barberton traffic is carried by way of Natal, and the Cape Ports; but if the Delagoa Bay line were completed and

linked with the Transvaal section, there can be no doubt a large share of the Barberton trade would seek that route, and that it would ultimately secure a large proportion of the business to the eastern districts of the Transvaal. It appears to me that as regards Johannesburg, and even Pretoria, and the region lying to the north-east of Pretoria, as well as the Potchefstroom district, the Cape Colony and Natal are sure to enjoy a very important share of the traffic by way of the Orange Free State.

In considering this question of railway extension, I cannot help offering the remark that if the sea-coast ports, and, indeed, the Governments of the Cape and Natal were less in rivalry, there would be an easier solution of the railway question. The good people of Natal, with a determination and vigour which do them honour, hold with a tenacity peculiarly British to the claims of their own colony. They claim a special position in relation to the trade with the interior; but I venture to think that it would be better for all concerned, including the interests of this country, if the Cape and Natal could see their way to a union of interests, and indeed a complete union of Government. The intervening country—Pondoland—could then be dealt with, and there would stretch from Cape Town to the Portuguese frontier — if we except Amatongaland, a country, however, which is under our influence—

a territory under a single Government, enjoying the management of its own affairs under the Crown; and although it is not an opinion which is received with favour by those who desire to have responsible Government for Natal, I cannot but express the conviction that the interests of that enterprising colony would in the long run benefit, as I believe the Cape Colony also would benefit, by a junction of their forces, and by united political action. Certainly this would be in the direction of that union of South Africa which we may hope for in the future, and the influence of our compatriots would not suffer through the increased strength which co-operation and identity of action between the Cape and Natal would secure.

Both these colonies, as well as the Imperial interests, have run serious risks in the last few years from the efforts of foreign powers on the Western and South Eastern Coasts to obtain political influence and territory. If the Cape and Natal had been united, or, in other words, if there had been a stronger colonial influence, and one more in harmony with the sympathies of the Republics, a more definite position could have been taken up by the Colonial Governments in relation to the pretensions of Germany at Angra Pequena. Our Government showed very little foresight as to the intentions of Germany to annex Damaraland, and the coastline from Cape

Frio northwards. I introduced a deputation to Lord Derby, in 1884 when his Lordship was seriously warned of what might possibly happen in that district; his Lordship, however, gave us to understand that Germany was not a colonising power, and that Great Britain would consider it an unfriendly act if Germany should annex the territory referred to; Germany, nevertheless, did annex the South West Coast of South Africa very shortly afterwards, and Lord Derby said no more. While the Cape Colony was thus to no small extent impaired in its position in that quarter, Natal narrowly escaped feeling a similar influence on its border; for the German Government would have secured St. Lucia Bay and the coast line between Natal and the possessions of Portugal, had not the British Government telegraphed instructions to despatch a gunboat from Cape Town with orders to hoist the British flag at St. Lucia Bay. It would be easy for me to give particulars of the pressure which had to be put upon the late Government to secure this result.

I have spoken of Pondoland as practically under British influence. This country stretches from the north-eastern frontier of the Cape Colony to the Natal frontier, and with a sea coast line of about 120 miles. The entrance to St. John's River, the port of Pondoland, is held by the Cape Colony, whose Government is represented by Customs officials and by a detachment of the Cape Mounted

Rifles. I was much impressed with the magnificent scenery along the whole coast of Pondoland, and particularly the entrance to the St. John's River. It reminded me of Skye. The territory abounds in minerals, the grazing is excellent, and the population have hitherto shewn considerable self restraint. From all that is known, and notwithstanding the disputes as to the succession to the highest position of authority amongst the Pondos, there is not, I have been told, so much disinclination to a close and intimate association with the Colonies as might be expected. I have heard that the Pondo authorities favour a union with Natal, rather than with the Cape; but this point of interest would disappear under such a union between the Cape and Natal as I have indicated. It was often remarked in South Africa, and, indeed, in England a short time ago, that the German Government had in view the annexation of Pondoland; and when I was in Natal it was stated that representatives of Berlin influences, either official or non-official, were seeking to bring about close relationships between Germany and the Pondo chiefs. You can easily imagine what issues would be raised by the introduction of foreign authority in Pondoland, separating as it would the Cape from Natal.

I cannot but refer both from a British and a Colonial point of view to Amatongaland and to

Swazieland. In the case of the former, a territory stretching from the northern part of Zululand to the Portuguese frontier at Delagoa Bay, it must be admitted that the interest of our country should be predominant, and that the exercise of authority there by a foreign power would only embarrass us in our relations with the Transvaal and with Swazieland, and compromise to a serious extent the influence we may justly claim to possess amongst these native races, and with the Matabele king, whose lands border the Portuguese possessions and stretch towards the Zambesi. The population of Swazieland have a special claim upon our Government and the people of this country. When President Burgers, eleven or twelve years ago, attacked Secocoeni, he sought the assistance of the Swazi tribes and endeavoured to obtain from them the route through Swazieland to the sea coast, aiming also at the possession of St. Lucia Bay and the control of Amatongaland. The Transvaal burghers were unsuccessful in their attack upon Secocoeni. Subsequently, after the annexation of the Transvaal, Lord Wolseley, with the help of the Swazis, destroyed Secocoeni's power, a task which was accomplished with the declared purpose of strengthening the position of the Transvaal population. At the time of the Zulu War, the Swazis offered to us their assistance, which was declined, but their hostile attitude to a certain extent

embarrassed Cetewayo; and when the retrocession of the Transvaal took place, our Government stipulated that the independence of Swazieland should be guaranteed.

I admit that Swazieland, through our own action, is practically shut in from communication with us, except through Amatongaland. Nevertheless, is it possible for us to renounce our interest in the Swazies, and thereby declare to them—in repetition of a policy we have too often pursued—that we have really no regard for our previous obligations? And if so, will there not be an increase of that doubt and misgiving which prevails in the native mind, and which already has extended itself to the capital of Lobengulo, the king of the Matabeles, and indeed with varying intensity throughout the coloured populations of South Africa? There is nothing more marked in South Africa than the belief that no dependence is to be placed upon British assurances, or the continuity or definiteness of our Imperial policy. Our treatment of the Zulus must ever remain a disgrace to our statesmanship; and the repeated efforts which I have made in concert with others for years past to secure for that brave people a fair measure of consideration, have resulted only in this—starvation amongst them, civil war, and the subjection of a large part of their very best territory now to foreign authority. There is in the case of Swazieland a

serious commercial question to be considered, but with a political significance attaching to it, namely, the discovery in that country of a large extent of auriferous land, and the fact that the principal persons engaged in gold mining enterprise there, under concessions from the King, are from England and the Colonies. I was told in Natal that the white population would not submit to the annexation of the country by the foreign element which seeks possession, and it is for our Imperial and Colonial Governments to take care that no provocation arises which can possibly endanger peaceful relations with the Transvaal.

I venture also to point out another danger, and that is the possibility of such an extension of foreign power to the west of the Transvaal as may, in conjunction with a similar influence from the East Coast, bar the routes for our commerce towards the north in the direction of the Zambesi: a result which it is not in the interest of the Orange Free State, nor of the Transvaal to encourage.

Our position in South Africa naturally depends upon the friendship of the population, and upon our providing suitable defences upon the sea coast. On this subject of Coast defences the noble Lord who occupies the Chair has recently given us the results of his observations in various parts of the Queen's wide dominions. It is of paramount importance to the Empire that our posi-

tion should be strong at the Cape; for in any war in which we may be engaged, the Suez Canal need not be depended upon as a route for warships, nor, indeed, for troops. The Cape will be the only reliable route if military action should at any time become necessary in India or the East; and, as regards the Australian Colonies and our possessions in the East, it is by way of the Cape that our ironclads or warships will have to operate. Our Government has done well to push forward the fortifications at Simon's Bay, and the defences of Cape Town. I am not disposed to think that it is wise, as has been proposed by some authorities, to give up Simon's Bay, for, in the event of war, Table Bay might be crowded with shipping seeking shelter, and there might be a difficulty in anchoring or manœuvring men of war there, or of employing it as our only naval base. The naval operations necessary would involve the employment of large naval forces, and the dockyard of Simon's Bay, under the protection of the forts, would prove of inestimable value. There need be no fear of the conquest of South Africa by a foreign power—the people of that portion of the Continent are quite able to defend themselves; I rejoice to think that in the growing goodwill between the populations of the Republics and of the Cape and Natal there is a guarantee of increased strength. And here I may repeat a suggestion

which I made some time ago to the authorities, that it would be greatly to the advantage of this country to establish, at the Cape and in Natal, stations where our young troops could become acclimatised for, say, a couple of years on their way to India. There is sufficient land obtainable at a small cost for drill, and for a purpose which is little encouraged in our army, but which is all important in time of war—that is, shooting and manœuvring. Similarly, the time expired troops returning homewards could rest in these districts, and be transferred to England after becoming acclimatised in a colder climate than India. Their transfer home could be arranged at any time of the year, which would be more favourable to their health than the present arrangements by the Suez Canal route. I hold that it would be of great value to the young soldiers to mix with the old soldiers who have seen foreign service, and the Cape and Natal would themselves gain benefit, for possibly many of the time-expired soldiers could settle down upon the frontier of the Cape, on lands devoted to the purpose, and prove a suitable frontier force in case of need. The presence of some thousands of seasoned men stationed in the Cape and Natal would secure a reserve for immediate employment in an emergency, whether in India, Australia, in Africa, or nearer home.

This Imperial interest has for the Colonies a

certain advantage, but the permanent interest of Great Britain among the populations of South Africa is to secure their goodwill and ready assistance. It has been said that it is a dream to speak of the union of South Africa, but I am not of that opinion. The union of South Africa is nearer, in my humble judgment, than people imagine; but that desirable result will only be hindered if we entertain the feelings and carry out the policy which has characterised our dealings in the past towards the population of South Africa. There is no continuity in British policy in South Africa—in fact, one looks in vain for a policy at all in the chequered history of that country. It was with sad thoughts of what might have been accomplished by friendly and timely action on the part of the Government of this country that I looked at Majuba on my way to Natal. The records of those who had died, spoke only to my mind of valuable lives thrown away through incapacity and mismanagement; and I may say I have both political parties in this country in view in making these observations. It may be asked, Is there any hope that the inhabitants of the Republics will ever be united in cordial and hearty association with the Colonists and the people of this country? Yes, I am under the conviction that the tendencies of the time are favourable to this happy result; and that in the future—with England's protection upon the sea coast, the populations of the Transvaal,

the Free State, the Cape, and Natal will become more and more closely attached to each other, enjoying the management of their own affairs, and forming together a prosperous and united South Africa, in practical harmony with the people of the British Isles, and our Colonial Empire.