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Frankensteyn

1904

Notes on the . . .  
Labour Position in  
the Transvaal. . .

By the

LONDON SECRETARY OF . .  
THE TRANSVAAL CHAMBER  
OF MINES. . . . .

London: . . . . .  
CROWTHER & GOODMAN,  
124, Fenchurch Street, E.C.

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THE BOOK OF THE

TESTAMENT

AND THE

OLD TESTAMENT

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*London Secretary of the Transvaal Chamber of Mines.*

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THE records of the Chamber of Mines, embodied in the Annual Reports of that body, show how, practically from the starting of the gold mining industry, continuous efforts have been made to bring the supply of unskilled labour up to the requirements of the mines, and how also these efforts attained at the best but a qualified success. Nor is this altogether to be wondered at. In South Africa there is a small white, and a comparatively large native population. The skilled work is carried on by the whites, and the raw, unskilled labour is furnished by the natives. The natives, who constitute the bulk of the population, have not, however, like the inhabitants of European countries, been trained during the course of generations to habits of industry. The native had but few wants, and these were readily supplied with very slight effort. Hence, when with the rise of the gold mining industry a large and steadily increasing demand for unskilled labour arose, it was felt that the mines could not depend on labour

coming to them but that they must take steps to fetch it. Accordingly in 1893 the Chamber of Mines established a native Labour Department for the purpose of organising the supply of native labour. In 1896 this gave way to a separate organisation, and in 1900, in view of the heavy task which would be involved in re-establishing the supply on the ante-war basis and in meeting the further demands which would be entailed by the anticipated expansion of the mining industry, this organisation was dissolved and a new one—the present Witwatersrand Native Labour Association—was formed upon a wider financial basis, and with a wider sphere of operations.

From the time of the restarting of work in May, 1901, the Association has strenuously endeavoured to increase the supply. Before the conclusion of peace in May, 1902, its action was necessarily hampered, although all that could be done to draw upon all available sources of supply; but since the peace it has been active in all directions, not only in the old areas of supply but also in the new ones. Agents have been sent to explain the conditions of work and wages, and to induce the natives to enter into agreements of service. Results generally, but particularly in the new areas, have been, however, disappointing, and progress has been arrested. The matter became one of grave concern, and was anxiously considered. It was thought that the reduction in wages which was instituted on the resumption of work was keeping the natives back, accordingly about the beginning of 1903 they were raised to the pre-war level. Still results were unsatisfactory, and in May, 1903, the schedule of pay was abolished, and a higher recruiting scale was fixed, viz. :—50s. for surface and 60s. for underground

boys ; the present average wage being 54s. a month against 47s. before the war, while meantime, as a further attraction, the dietary has been improved at a cost to the mines of an additional 6s. 10d. per month per boy ; the increase being 7s. in wages and 6s. 10d. in cost of food, in all 13s. 10d. per month. That this has failed to secure the desired results is shown by the following figures :—

Total number of natives employed at the mines of the Transvaal—

May, 1903	...	...	62,502
August, 1903	...	...	68,226
December, 1903...	...	...	68,841

so that since August the supply has been practically stationary. This compares, according to evidence given before the Transvaal Labour Commission, with over 111,000 employed on the Witwatersrand in 1899. It must not be assumed, however, that this difference will still come in to work, as Sir Godfrey Lagden is of opinion that the greater part have been absorbed by other employment.

To realise the situation it must be remembered that the Transvaal is not a country of many industries. It has one great industry—Gold mining—and ancillary thereto Coal mining, and the manufacture of explosives. Beyond these the productive activity of the country is practically limited to agriculture. Before gold mining started the country was poor, railways were non-existent, and roads unmetalled. In 1886, the year before work on the Witwatersrand commenced, the

revenue of the South African Republic was £251,165 5s. 6d. ; in 1887 it increased to £794,785 5s. 6d. ; and in 1898 it reached £3,983,560 10s. During this period South Africa advanced in wealth, population and importance, and railways were constructed, and other public works carried out. The South African Republic naturally derived the greatest benefit from the development of the gold mining industry, but it also contributed largely to the prosperity of the British Colonies, the Orange Free State and the Portuguese Province of Mozambique.

Hence, the slow recovery of the industry after the conclusion of peace was, as it still is, a disturbing element for the whole of South Africa. The question was accordingly considered at the conference of representatives of the British Colonies in South Africa held under the presidency of the High Commissioner at Bloemfontein, in March, 1903, and the following resolutions were passed :—

“That this Conference, after considering all available statistics, and hearing the reports of the highest official authorities of the several states, has come to the conclusion that the native population of Africa south of the Zambesi does not comprise a sufficient number of adult males capable of work to satisfy the normal requirements of the several Colonies, and at the same time furnish an adequate supply of labour for the large industrial and mining centres. Under these circumstances it is evident to the Conference that the opening of new sources of labour supply is requisite for all the South African States.”

and again :—

“This Conference is of opinion that the permanent settlement in South Africa of Asiatic races would be injurious, and

should not be permitted, but if the industrial developments positively require the introduction of unskilled labourers under the Government control, by which provision is made to indenture and repatriate them at the termination of their articles, it should be permissible."

Following on this, the Government of the Transvaal in the beginning of July appointed a Commission "To inquire what amount of labour is necessary for the requirements of the agricultural, mining, and other industries of the Transvaal, and to ascertain how far it is possible to obtain an adequate supply of labour to meet such requirements from Central and Southern Africa."

In the majority report of the Commission, signed by ten out of the twelve Commissioners, the requirements are summarised as follows:—

	Estimated No. required.	At work.	Shortage.
Agriculture (a) ...	80,000	27,715	52,285
Mining ...	197,644	68,280	129,364
Other industries (b)	69,684	69,684	{ No data obtainable.
C. S. A. Railways:—			
Open Lines ...	16,000	12,402	3,598
New construction ...	40,000	3,848	36,152
Totals ...	<u>403,328</u>	<u>181,929</u>	<u>221,399</u>

(a) Approximate, based on estimate of cultivable area and labour required per acre.

(b) Number actually at work.



How is this shortage to be made up?

The Chamber of Mines, in its statement to the Commission, gave the total estimated population of the territories within the scope of the Commission's inquiry as 13,597,691, made up as follows:—

SOUTH AFRICA.			SOURCE OF INFORMATION.	
Cape Colony (including British Bechuanaland)	1,652,036		Government,	30/6/03.
Natal ... ..	791,010		Blue Book,	1902.
Orange River Colony ...	129,787		A/s Colonial Secretary,	2/8/03.
Southern Rhodesia ...	563,271		Native Commissioners,	1903.
German South West Africa ... ..	300,000		Telegram from Consul- General.	
Bechuanaland Protec- torate... ..	147,000		Resident Commissioner,	11/8/03.
Swaziland ... ..	60,000		Sir G. Lagden's estimate.	
Basutoland ... ..	262,561		Resident Commissioner,	12/8/03.
Transvaal ... ..	605,666		Sir G. Lagden.	
Portuguese E. Africa, Southern Provinces ...	1,815,180		Calculated on Breyner & Wirth's official figures.	
Total... ..	<u>6,326,511</u>			

CENTRAL AFRICA.	SOURCE OF INFORMATION.
Northern Rhodesia ... 556,000	Major Coryndon and Statesman's Year-book.
British Central Africa, about ... .. 900,000	Statesman's Year-book, 1903.
Uganda Protectorate ... 4,000,000	Statesman's Year-book, 1903.
Portuguese E. Africa, Northern Provinces... 1,815,180	
7,271,180	
Total for South Africa 6,326,511	
Grand total ... <u>13,597,691</u>	

Certain deductions have, however, to be made for those territories in which recruiting is prohibited, these being:—

Total population... ..	13,597,691
Less deductions:—	
Natal ... .. 791,010	
Rhodesia ... .. 1,119,271	
German South West Africa 300,000	
British Central Africa ... 900,000	
Uganda ... .. 4,000,000	
Portuguese East Africa, Northern half ... .. 1,815,180	
	<u>8,925,461</u>
In the areas open for recruiting the the total population is therefore ...	<u>4,672,230</u>

It is estimated that 10 per cent. of the population consists of able-bodied males between the ages of 15 and 40 who would leave their districts for work. This would give 467,463. But, as the natives do not work continuously year after year, but only for fixed periods, the average of which is estimated at six months, this number must be halved, giving 233,611. To this figure must be added 2,000, as although general recruiting is prohibited in German South West Africa and British Central Africa, permission has been given to recruit 1,000 natives in each area. The total available supply is, therefore ... .. 235,611

At present, however, there are employed in the Transvaal 181,929 natives, and adding those similarly engaged in the Cape Colony and Orange River Colony, it is estimated that there remains a reserve of only 10,000 to 20,000 to be drawn upon. Since August the arrivals, however, have been very little more than sufficient to balance the departures, and there is at present, therefore, little apparently to hope for in this direction. But even if the whole 10,000 or 20,000 could be induced to leave their districts but slight headway would be made towards settling the labour question, for it appears that while the shortage in the Transvaal and on the Central South African Railways is ... .. 221,399  
There is a possible reserve supply of ... .. 20,000

Having reached this point as the result of their enquiry the Labour Commission, in the majority report, found :—

“(1.) That the demand for native labour for agriculture in the Transvaal is largely in excess of the present supply, and as the development of the country proceeds this demand will greatly increase.

“(2.) That the demand for native labour for the Transvaal mining industry is in excess of the present supply by about 129,000, and, whilst no complete data of the future requirements of the whole industry are obtainable, it is estimated that the Mines of the Witwatersrand alone will require, within the next five years, an additional supply of 196,000 labourers.

“(3.) That the demand for native labour for other Transvaal industries, including railways, is greatly in excess of the present supply, and will increase concurrently with the advancement of mining and agriculture.

“(4.) That there is no adequate supply of labour in Central and Southern Africa to meet the above requirements.”

This conclusion is clear and definite. The labour demands of South Africa cannot be met from Central and South African sources of supply. Effective recruiting organisation, high pay, liberal diet, and special care for the health and comfort of the natives, have failed to attract them in sufficient numbers simply because they are not available. Being anxious to explore every African source of labour supply, endeavours have been made by the Labour organisation to remove the barriers which close British Central Africa, and other territories north of the Zambesi. These endeavours have not been particularly successful, but there is the less cause for complaint, as the experiments so far made indicate that the natives drawn from those regions are alike unsuitable for sustained labour at the mines, and unable to stand the climate of the Rand.

The evidence given before the Labour Commission by various witnesses, shows that to counteract the shortage of manual labour a number of rock-drills largely in excess of those used before the war have been introduced into the mines, in many

cases reducing the profits of working. This, however, in conjunction with the employment of other labour-saving appliances, has afforded some relief, and has enabled the mines to find more employment for skilled white labour, and to produce a larger output of gold than otherwise would have been possible.

But the most important experiment was that of employing unskilled labour in the mines. The test was a conclusive one, Not only on the Village Main Reef, but on a considerable number of mines white men were engaged as unskilled labourers. At the close of the war, to enable ex-irregulars who desired to do so to remain in the country, the mines offered to employ them, until they could find something better to do, as unskilled labourers at 5s. a day and free board and lodgings. This worked out at rather over 8s. per working day. It was fully recognized that in view of the high wages paid to whites generally at Johannesburg, even men without a trade would not work longer than sheer necessity compelled them to at a wage which left an insufficient margin for putting by savings. This proved to be the case, and yet it was soon apparent that 8s. a day was more than any but the rich mines could afford to pay for unskilled labour. On some of the richer mines 10s. a day was paid with the object of retaining the unskilled white labour, and thus a thorough test of the difference in cost between unskilled white and native labour was provided. Although in England 10s. a day would be naturally regarded as a big wage, it is not so regarded on the Witwatersrand, partly owing to the very high cost of living, partly to the fact that a man who goes to a distant Colony expects to make more than if he stayed at home; at that wage, moreover, a married man could not maintain a home for his family. In any case, in view of the conditions

which exist on the Witwatersrand, the fourteen leading engineers who drew up the statement on the Witwatersrand Gold Mining Industry which was presented to Mr. Chamberlain on the occasion of his visit to Johannesburg, considered that 12s. a day was the lowest wage at which, if it were practicable to employ them, white men should be asked to work. Taking this figure as a hypothetical one for purposes of calculation and comparison they said in their statement:—

“Suppose white labour were insisted on by owners of rich mines, and only whites were employed at a minimum wage of 12s. per day. Granted that the 12s. white man may do twice as much work as the average Kaffir. Even with these favourable assumptions for white men, it is seen that the average cost per ton would be increased 10s. 1d.; that fifty per cent. of the mines would be practically worked without profit; and the remainder would reduce their dividends 44 %.”

“‘The total average profit,’ they said, ‘from all gold produced by the Mines of the Witwatersrand, as shown by dividends declared, is only 10s. 7·4d. per ton.’”

On the Village Main Reef Mine, Mr. Cresswell endeavoured to derive advantage from the greater intelligence of unskilled whites, as compared with natives, and thereby decrease costs, by requiring the skilled white miners, with unskilled whites under them, to take charge of two rock-drills instead of one; and the result was a strike of the skilled white miners.

In the evidence submitted to the Labour Commission by the Chamber of Mines, the results upon the cost of production by the employment of white unskilled labour in the Crown Reef, East Rand Group, George Goch, Lancaster and Geduld Proprietary Mines are given, and it is affirmed that:—

“The figures show that at the present rate of wages paid to whites in this country, or even on the basis of a very considerable reduction therein, it is economically impossible to work the gold mines of the Witwatersrand.”

It is recognised to be neither desirable nor practicable to offer unskilled whites wages which would approximately equalise them with the cost of native labour. In South Africa, as in India, peace is maintained by the prestige of the whites rather than by force, and it is, therefore, necessary that nothing shall be done to lower their status. Probably one of the worst misfortunes that could happen to the Transvaal, would be to deliberately create a class of mean whites there. Yet this would inevitably result from employing Europeans at a bare living wage and so bringing them below the level of the Kaffir. In the course of his reply to a deputation from the White League in June last, Lord Milner made this clear:—

“We are here,” he said, “a minority of Europeans in the midst of a vastly greater aboriginal population, and for their welfare as well as for our own it is essential that we should maintain for ourselves a certain standard of civilisation.”

The system pursued at the mines is to employ well-paid skilled Europeans in conjunction with relatively cheap unskilled labour, which, so far as South African conditions are concerned, is only obtainable from among the coloured races. On this basis it has been found and will be found possible to work the mines at a profit, and, according to all the evidence of any value so far procured, it is not and will not be possible to do so in any other way. It is futile to compare the employment of white unskilled labour in Australia and other countries with the Witwatersrand, as the relative conditions differ

materially. The main differences being in the width and gold contents of the reefs.

Before leaving the question of white labour, it may be pointed out that the experiment of importing navvies from England for work on the railways, which was undertaken with a view to relieving the labour tension, proved a failure, owing to the greatly increased cost of construction which their employment involved—accordingly the men were returned to England.

The position, therefore, is :—

(1.) That there is not enough available unskilled labour in Central and Southern Africa to meet the requirements of the mines.

(2.) That as a question of public policy it is undesirable, and economically it is impossible, to make the shortage good by the employment of unskilled whites.

(3.) That the use of rock-drills and other mechanical labour-saving appliances has been resorted to as far as, at any rate, at present is practicable.

(4.) That in August, 1899, the gold output of the Transvaal reached a value of £1,720,907, while the highest monthly output since attained, *i.e.*, for December, 1903, was £1,215,110.

(5.) That the native labour supply at the mines in 1899 exceeded 111,000, and in December, 1903, was only 68,841, having been practically stationary since August last.

(6.) That while there are now erected 7,145 stamps, over 2,800 of them are standing idle through scarcity of labour.

Native labour and white labour being unavailable, there



remains, as the only alternative—imported Asiatic labour or stagnation. As it is doubtful if the generality of the natives of India are suitable for mine work, and as, in any case, the Indian Government does not allow recruiting of coolies for work in the Transvaal, the issue is further narrowed and the alternative is practically—stagnation or Chinese labour.

Stagnation is, however, an impossible policy. Apart altogether from the interests of Shareholders, it is impossible because it would result in widespread ruin and distress. Since the war the white population of the goldfields has considerably increased, and as instead of the expected expansion there has been a restriction of the mining industry, there are a number of unemployed on the Witwatersrand, and acute distress has already set in. Moreover, the material advances which have been made in the Transvaal have been due to the development of the mining industry, and whether any further advances will be made depends equally on the progress of that industry. But it does not seem to be realised that outside and beyond the field of material interests the Government relies upon the means to be provided by an active and expanding mining industry for the maintenance of a system which is bringing education not only to the population of the towns but to the very doors of the scattered Boer homesteads, and for the building up of those beneficent and civilising influences upon which the making of a nation depends. If, therefore, the unskilled labour which is required for the restoration of the industry to its former level, and for the further progress for which financial provision has been made, is not forthcoming, it will not be merely a matter of dividends being withheld from Shareholders, but of a general

set-back of the country. For the revenue will diminish, the public services will have to be curtailed, the projected railways and irrigation works will have to be suspended indefinitely, and large numbers of people who otherwise would be able to establish homes in the country will have to leave the Transvaal to seek a livelihood elsewhere.

If, however, the importation of Chinese labour be permitted, and sufficient of it can be obtained, the expectations of South African prosperity which were entertained a year or two ago will soon be in process of fulfilment. Every new mine opened will offer a field for the employment of skilled whites,—mechanics, artificers, and others,—the great majority of whom will be British or British Colonials. As happened in California and in the Australian Colonies the mining industry of the Transvaal will, not only during its continuance support a large population, but will furnish the means and afford the *raison d'être* for the extension of agriculture and the establishment of industries which will assure the welfare of the country after the gold ores shall have been worked out.

The importation of Chinese labourers has, indeed, on the ample evidence which has been obtained after exhaustive investigation, been shown to be the only policy open to the Transvaal. It is not intended that they shall supersede the Kaffirs—for it is a matter of political necessity that opportunities to work shall remain open to them—but that they shall supplement the present labour supply to the extent demanded by the requirements of the mines. Nor will Chinese labour take work away from the whites; it will be employed solely on classes of work which under existing conditions in South Africa are not suitable for whites. As already said an adequate supply of relatively cheap unskilled labour will not only allow

but compel the employment of an increased number of whites on the mines.

As Chinese labour is expected to cost at least as much as Kaffir, and may possibly cost slightly more, there will be no inducement to import one more labourer than is actually required. And it is probable that the number of imported labourers will gradually decrease. For as the result of the establishment of orderly Government in South Africa intertribal wars and smellings out, which formerly checked the growth of native population, have been stopped, and as the natives increase in number the pressure on the means of subsistence in the native territories and reserves will become very severe, and this will probably have the effect not only of increasing the supply to the mines, but of inducing the men to work more continuously than they are at present inclined to do.

So far the text of the Labour Immigration Ordinance has not reached England,\* but the cabled summary is sufficient to show that provision has been made for the limitation of work, the segregation and the repatriation of imported Chinese labourers. These steps are in accordance with the view expressed in the resolution, above quoted, of the Bloemfontein Conference, are in agreement with general Transvaal and Colonial opinion, and should meet the objections to the introduction of Chinese which have been raised in various quarters. As to the effect of these restrictions on the Chinese, the conditions under which they will have to work in the Transvaal will be fully explained to them before they are engaged, and it may be assumed that

\* Received since.

unless they are satisfied they will refuse to go. If they are willing to go it will, apart from other reasons, be a matter of enlightened self-interest on the part of the mines to treat them well; but in any case, according to *The Times'* own Pretoria correspondent, the Government is determined to keep the supervision of the Chinese, and the power of determining their treatment, in its own hands.

Natal which, with Zululand, has a native population of over 860,000, has found it necessary to supplement its labour supply by importing Indian coolies, of whom there are now nearly 73,000 in the colony.

Similarly, the Transvaal, after careful investigation and mature consideration of the subject, has come to the conclusion that it must look to China to make good the deficiencies in the supply of unskilled labour. Its conviction of the necessity of importing Chinese labourers is shown by the passing of the Labour Importation Bill by the Transvaal Legislative Council, and by the Petition to the Government advocating such importation having been signed by 45,100 whites, out of a total white adult male population of 80,000, of whom 15,000, being in the Government service, abstained from participation in this expression of public opinion.

The technical aspect of the labour question has not been fully treated, as it would have unduly increased the length of these notes, but full details will be found in:—

- (a) The Engineers' Report presented to Mr. Chamberlain.
- (b) Mr. Robeson's Report on Labour results at the Village Main Reef Gold Mining Co.

- (c) Reports of the Transvaal Labour Commission (Blue-book).
- (d) Evidence given before the Transvaal Labour Commission.

Other authorities which have been depended on for these notes are :—

1. The Annual Reports of the Chamber of Mines.
  2. Report of an interview between His Excellency the High Commissioner and a Deputation of representatives of the White League, at Johannesburg, on the 3rd June, 1903.
  3. The debate on Sir George Farrar's motion in the Transvaal Legislative Council, in December, 1903.
  4. The Summary of the Labour Importation Ordinance as cabled to *The Times*, 7th January, 1904; and
  5. Further correspondence relating to the Affairs of the Transvaal and Orange River Colony. (Blue-book).
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TRANSVAAL CHAMBER OF MINES,  
 LONDON OFFICES—SALISBURY HOUSE, FINSBURY CIRCUS,  
 4th February, 1904.