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FATHER JOSEPH KERAUTRET, representing the Catholic African Union,
called and examined:

CHAIRMAN: Which Order do you belong to? - St. Paul's Catholic Native Mission. I am here on behalf of the Catholic African Union and, with me, is Mr. Leopold Ralph Benedict Mapumulo.

I take it you want to make a statement in regard to the activities of the C. A. U.? - I have a summary here of our activities. The Durban Branch of the C. A. U. was founded at St. Paul's Native Mission, Greyville, in October 1929, to co-ordinate the work of different organisations which had been in existence for some time previously. These organisations which the Durban Branch embraces, are the Welfare Association, the Catholic Thrift Club, the Greyville Savings Bank, the Teachers' Association and the Labour Bureau.

The Welfare Association encourages the principle of "Love thy neighbour" in the broader sense. It is well known that Natives are naturally loyal to their own kind, but strictly within family or tribal limits. The Welfare Association fosters a more generous and far-reaching spirit among
the Natives of all classes. Regular visits are paid to hospitals and patients in private residence and each member has to visit Addington Hospital twice a month.

The Catholic Thrift Club is an organisation whose objects are to encourage thrift and saving among the Native people. It has about 80 members who are shareholders and at present runs a Native tea room in Umgeni Road. As this is a business concern which is fraught with considerable danger, seeing that it is run entirely by Natives, it is a good school for training in self-reliance, prudence, and the shouldering of responsibility.

The Greyville Savings Bank is a natural offshoot of the Thrift Club. I/myself responsible for the funds and organisation and each member is bound to deposit at least five shillings a month continuously for twelve months. A monthly subscription is paid to defray minor expenses and interest at five percent is allowed on all accounts. The total amount of capital to date is about £350. Monthly lectures are delivered to the members on economy.

I may state that, with the exception of receiving and banking the monies of the savings bank, there is little need for me to take a band in the workings of the C. A. U., except in an advisory capacity. The Natives have been given a trust and are proving themselves splendidly worthy of it. The C. A. U. is also trying to create recreation facilities by supplying our Natives with weekly bioscope shows and concerts. In conclusion, I may state that the C. A. U. is doing good work among our Native population.

CHAIRMAN: You expressed the view that the Umgeni Road tea room is fraught with considerable danger, as it is run entirely by Natives. Can you define more exactly what you mean? - Yes,
the Natives are not yet fully trained to run a business and
I think they have still to learn quite a lot. This little
business which they run there is certainly full of danger
considering that they have not yet the training which they
need to run a business on proper lines, for instance, the
keeping of books and so on.

MR. LUCAS: How long has this been in existence?—
It has been going on for five years.

And is it working successfully?—To a certain extent.
It is giving a certain amount of results, but there have been
times when things have been very bad owing to their lack of
training.

And is this tearoom exclusively for the supply of
tea and minerals and such things?—Yes.

And for Natives only?—Yes.

CHAIRMAN: On what grounds is your Union opposed to
home brewing?—That is only for the towns, we do not refer
to the country at all, and we are opposed to it because of
the difficulties which have been going on all these years
and the habits which the Natives have in the brewing of their
own beer. If they would brew it on the proper lines,
there would be no objection. Native beer requires three
or four days before it is fit to drink, but now, when they
brew it with the idea of having it ready in a day and a half,
it means that they have to put in other things. We are
afraid that, if the Natives were given the right to brew
the beer in town, they would not do it on proper lines.

You mean, that they would put in things to increase
the alcoholic contents?—Yes.

But if you allow licensed dealers, as you suggest,
the same thing can be done as soon as the Native gets the drink into his home? - The licensed dealer would mean that you could have men appointed to supervise the work.

I am thinking of a stage when the beer had been sold by the licensed dealer to the Native and when it actually goes into the Native's home. Is it not a fact that the Native can then add all sorts of concoctions to it to strengthen it, to give it a bigger kick? - If the Native has the right to go to the Native bars and get his beer there, I am quite agreeable.

Your idea is that there should be consumption on the premises? - Yes.

But is it not rather unreasonable, then, that you should object to the present beer halls where at least there can be control by the Municipal officials. When you have small places run by Natives you lack that control? - Yes, but I think the Natives should be given the right to sell their own beer as the Europeans have the right to sell their own liquor.

MR. MOSTERT: But not every European is allowed to make beer. Your argument is not logical. The European who has license has to provide the manufactured article and then to sell it? - Yes. Europeans may obtain a license to run a bar.

But they do not manufacture the stuff there? - No. And you want to manufacture it and sell it at the same time? - No, we have said here that the Municipality, the Corporation, should supervise the manufacture of the beer and then the Natives should be able to obtain a license to sell that beer.

MR. LUCAS: You say no self-respecting Native would patronise the present beer hall? - That is what the Natives say,
that is their opinion. An educated Native will never go to these places to drink beer. That is their opinion.

CHAIRMAN: Now, in this main statement of yours, you express gratification of the fact that there are no slum areas in Durban? - Yes, that is so.

But is not that rather patting Durban on the back when it does not deserve it? You have no slum areas here, because you simply push your population out that serves you in Durban, but you make no provision for them and you get most unholy slum areas just outside Durban. Do you know that? - Yes, I say that.

DR. ROBERTS: And in Durban, too, you have slum areas. You take Pine Street, for instance? - Yes, that is so.

CHAIRMAN: It seems to me that the position which you take up here is that Durban is all right, but it is Durban's Natives who are creating the slums just outside Durban. Do you not agree with me? - But that is what we say. All these Natives working in Durban have no housing here and they have to go outside.

If you take the artificial boundaries of the Borough it may be true that you have no slums here, but it is your Natives here who are the slum dwellers outside. Is that not due to the fact that inadequate provision is made for the Natives here? - Yes.

Durban has just shifted its old responsibility over the border? - Yes, I agree with you there.

DR. ROBERTS: You say there are no slums in Durban, but there are all along Pine Street a number of slum places - at least they smell that way? - Yes, I agree with you. It is not only Pine Street, there are a few streets.

I have seen them, but last time I was here you yourself did not acknowledge that? - There are a few streets which are
not too clean, take May Street, for instance.

And Pine Street?—Yes, but very few Natives are living in these streets. There are some other people living there.

Still, they go there and stay the night?—Yes.

MR. LUCAS: On page 2 of your statement, you speak about the bad effect of the women having to go out to work and neglecting their families and you say evidence will be given on that point. Do you want to add anything to that?—Yes; we know of women who come to Durban here to work because the husbands cannot maintain the homes and the children, so they have to come here to work and we know some of these women who are working in Durban today.

The point you were making here was the bad results of that happening, the bad results which that produced for the children?—Yes.

Was it your intention to add something about that?—No, it was our intention to have Native women come here to give evidence, but we could not manage to get any, we had not that time.

Now, your solution for the overcrowding in the towns and for the influx into the towns is the improvement of the conditions of the Natives outside in the Territories?—Yes, they should be taught to work their soil.

Can you make any suggestions, as to the way of police investigations, in regard to whether taxes have been paid—how that could be done better than it is done today. Have you any scheme that you could suggest?—There is a general complaint that, when Natives have to pay their taxes, they are kept waiting such a long time.
No, that is another point. This is the point about condemning the harsh way in which Natives are stopped by the police and dealt with? - Yes, that is an objection. A Native is stopped and, supposing he has not got his pass on him, then very often he is taken by the police to the police station or to the gaol and it happens that he is one or two days there until he is able to produce his pass.

DR. ROBERTS: What would you do in that case. Do you think that a policeman should take him to his house to see his pass there? - He could take a man's name and make enquiries. Motor drivers are stopped on the roads and they are asked to produce their licenses and, if they have not got them, enquiries are made in regard to their licenses, and I think Natives could be dealt with in the same way.

It would be better for the policeman to take him to his house? - Yes, and find out straight away whether he has his pass.

CHAIRMAN: I notice that this statement of yours is signed by S. Matobila, as Chairman. Is he here? - He was supposed to be here this morning, but he is not. He has not put in an appearance, but the Secretary is here.

You make a point about Native women and passes. Is there much difficulty today in Durban in connection with Native women and passes? - I reckon there are many difficulties, but there has been a rumour that Native women would have to carry a pass and that this would come into action immediately. We have made certain suggestions on that.

You are just anticipating? - Yes, in case they should have to carry a pass.

Dealing with hospitals. Is this description correct of the hospital accommodation which the Natives get? - Yes, I
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think it is correct.

And the charges mentioned there, are they correct?—Yes I think so; the charges are correct.

5/- per day; is there no free treatment?—Yes, there is free treatment for those who cannot pay but, for those who have some money, the charges are there.

MR. MOSTERT: Tell me the percentage of Natives who go to hospital—the percentage who pay and the percentage who do not pay?—I do not know, but there are a good number who do not pay.

Would you not say that most of them do not pay? Would you say that 5% of them pay?—I am not prepared to make a definite statement, but a good many do not pay. I cannot give you any figures on that.

DR. ROBERTS: Have those who come on different days or at different hours—those who do not pay have to come at different hours from those who do pay?—No; the patients who are in the hospital remain there.

But I am referring to the outpatients?—They are charged 1/- the first time when they come to see the doctor.

So, in that respect, there is no free treatment?—Well, if they have no money, then they get free treatment.

MAJOR ANDERSON: But are not the employers liable for the hospital fees of their employees?—Yes, the employers are, but I am more referring to those who are unemployed.

The bulk of them are employed and the employers are liable?—Yes, the employer has to pay for his employee. I want to say that I am not here criticising the treatment they get. In my statement, I am just putting in a comparison of the wages which the Natives get and the fees which they have
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to pay. Supposing a native works and he has to pay but
cannot meet the charges ---

MR. LUCAS: The employer is only liable where the
employee lives on the employer's premises, but otherwise the
employee has to pay his own expenses?—I see.

MAJOR ANDERSON: Are the natives generally aware of the
fact that the employers are liable?—Oh, yes they know it.

MR. LUCAS: How long have you been in Durban?—3 years.

This, on the last page of your statement, about inter-
racial relations, is that the accepted belief of your Natives,
— the attitude of the Natives towards the Whites today you
say is one of intense suspicion and distrust. You say that
whereas in the past the White man was regarded as a leader,
he is now regarded as an enemy?—That is the general opinion
of the Natives.

And, as far as you have been able to see, do you think
that that is a fact?—Yes, we have had a great deal of
trouble here in the last three years, and this statement is
true at the present time, owing to the trouble which we have
had in Durban.

DR. ROBERTS: Not owing to the conditions which caused
these troubles. You see, there is a difference in the troubles
and the conditions which brought about these troubles?—This
has been the result, the state of mind of the Natives is the
result of the troubles which have taken place in Durban in
the last three years.

That is the way you put it?—I think so.

You would not say that it is a result of the conditions
which brought about those troubles?—Well, of course, you
have the cause and the effect.

Which is the cause?—The effect was the troubles
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which actually took place and the causes were the disturbances which were going on previously. You will not have any effect without any cause.

Yes, I think it is of importance, whether the cause of what you say there is what happened at the time you are thinking of, or what brought about these happenings?—These troubles were in preparation for quite a number of years.

That is just the point. They are older than three years?—Yes. This state of mind is visible and it has been tangible now during the last three years.

But it had never been visible before that?—Well, I have only been here for three years.

Then perhaps it would be better for you not to make a dogmatic statement on it?—(No answer):

MRS MABEL PALMER, M.A., Lecturer in Economics, Natal University Durban,

recalled and further examined:

CHAIRMAN: You have put in a statement containing a number of suggestions. This statement is the one on which I intended examining you on Saturday, but I did not do so when you made it clear that it did not express the unanimous views of the Joint Council. I propose putting some questions to you now?—My suggestions are as follow:

1) That tribalism is not a racial characteristic, but a stage of social development.

2) That tribalism is closely associated with the absence of money and immediate dependence on the land for subsistence by each tribal group.

3) That the chief's power depends mainly on his control
of the land and power to deprive an offending individual of his plot of land.

4) That tribalism must, in time, disappear, when money with its accompaniments - wage-earning and buying from stores - is introduced.

5) That whatever were the virtues of Native tribes unaffected by modern civilisation, those tribes cannot live in a country run on money and profit-making lines, and retain their old social organization.

6) That attempts to maintain or reintroduce tribalism cannot, in the end, succeed and, in the meantime, give rise to many grievances and difficulties, for example:-

(a) Continuance of inadequate agricultural methods in restricted and crowded tribal areas, with resultant short supplies of food.

(b) Difficulty of improving this without the introduction of individual land tenure. (N.B. The Russian experiment in collectivist farms is the only case where agricultural technique has been improved without individual land tenure. The success of the Russian experiment is, to say the least, not assured and could in any case hardly be copied in South Africa. Therefore, we may safely say that there will be no substantial improvement of agricultural methods until individual land tenures are introduced - but these will still further undermine the chief’s power.)

(c) Difficult position of Natives under Native law in relation to private property, e.g., Native women who save money, widows of exempted men (not themselves exempted), Natives other than kraal-heads.

(d) Difficult position of educated Natives on returning to kraal life.
(e) That every effort should be made to establish at any early date a Native peasantry cultivating on individual tenure and selling at least a portion of their produce.

7) That the peculiar South and East African system of recruiting for cheap labour in the reserves has curious economic reactions,

(a) That Native wages are only pocketmoney wages, not full family maintenance wages,

(b) That the economic difficulties of Natives who try to live on these low wages are very considerable. Also -

(c) That the existence and competition of numbers of pocket money workers depress all Native wages,

(d) That these conditions give rise to wife-desertions, illegitimacy and immoralities of the worst kind,

(e) That every effort should be made to establish a permanent Native labour force, depending entirely on wages and to restrict recruiting to seasonal industries and temporary industries, such as some forms of mining.

(N.B. It is not desired to deny that Native reserves and Native labour recruiting have their value as temporary experiments. They act as a bridge from the old communal subsistence economy of the tribe to modern competitive money economy. They allow the Native community to adopt itself to the new conditions gradually, and secure that it is not deprived entirely of social self-respect by too sudden and complete immersion in the strange stream of European civilisation. But tribal conditions cannot last when permeated by the universal social solvent - money.)

(f) That were a Native wage-earning class established, the custom of using men as house-servants would gradually disappear;
respectable Native girls, the daughters of Native families living in the neighbourhood, would be available and would be preferred to "boys" in domestic service.

3) (a) That the custom of subsidising Native housing and so of letting houses and barrack accommodation at sub-economic rates, also tends to depress wages, to stereotype the character of the accommodation offered and to keep rents low for other accommodation in the same neighbourhood and so in the end to depress and not to raise the standard of Native housing.

(b) That housing by employers will tend to have the same results, and also to increase the workers' dependence on the employer.

(N.B. Native workers have to be housed. As far as possible they should pay for their houses out of their own wages; it is undesirable that employers should be relieved of part of the cost of their labour by public funds. At the same time, to insist that wages ought to cover full housing costs would be a counsel of perfection; the class of unskilled labourers never does meet the full cost of its own houses, unless it lives in slums (and even they are usually second-hand houses). But the Bloemfontein system, whereby the Natives build their own houses, under supervision, involves a very little subsidy, allows independence to the Native, together with a communal life in his own township, with his own kind, and is much to be preferred to the unwholesome Durban system of expensive, heavily-subsidised barrack accommodation, practically for make Natives only.)

9) That it is not desirable to waste time and money on teaching to Natives out-of-date industries, such as spinning,
or weaving, but that it would be worth while to develop among the Native peasantry subsidiary artistic crafts, the making of articles which would find a market by reason of their design or decoration. But that the problems of training and marketing would be considerable.

10) Finally, that all these problems of the introduction of the Native to money and exchange economy in place of his traditional subsistence economy raise so many and such complicated questions, (e.g., land tenure, agricultural credit, agricultural education, co-operative marketing, Native wage determinations, right of Natives to insurance, pensions and participation in trade union activities, encouragement of the right Native crafts, Native housing, etc., etc., that, as soon as possible a special division or department of a South African University, working in the closest touch with ethnology on the one hand, and ordinary economics on the other, should be instituted to conduct research to train Native administrators and educators, and to act as a clearing-house of information on Native developments throughout Africa.

CHAIRMAN: In your statement, you make the assertion that the chief's power depends mainly on his control of the land and his power to deprive an offending individual of his plot of land. Do you not think that, with regard to the South African Native, the power is very strong in the element of sacredness being attached to it? That will be strong, of course, as long as it is believed, but will it continue to be believed by men who come into the towns and get away from the direct influence of the chief, and is it not, in many ways, just a sort of camouflage for the chief's direct economic power. I do not believe altogether
in the economic determination —— but probably there is a good deal in it.

Admitted that the chief's power in regard to land is an important thing. The point is that there is another power which is in existence? — Yes, that is so.

Whether it will continue, is a different matter. The reason why I want to get at this point is this. With regard to land, I think you will agree that European ideas of wealth should not be infiltrated through the chief or against the chief, if necessary, if progress is to be made by the Natives? — Yes, but it should be made very slowly. To attempt to apply European methods to land holding immediately is extraordinarily dangerous and I do not think that the Natives themselves even realise how dangerous. Still, changing the wealth, the idea of wealth from one point of view to another will have to come about with very great care and circumspection.

And it will inevitably break down somewhat the power of the chief? — Yes, that undoubtedly is so.

On the other hand, there are a number of other questions to be considered. To put the matter on a moral plane like that of marriage, things round about the institution of marriage and the sanctions applying to it, do you not think there is a possibility of making very considerable use of the sacredotal element in the chieftainship? — I do not know enough about it to be sure of it. It is the economic relations that I am most interested in.

I shall pass to another point. I indicated to you on Saturday that I would like to have your views on the point of how the various groups that broke off from the main bodies of tribal Natives could be sufficient distinguished so as to
allow of discriminate treatment?—Yes, I have considered that question. It certainly is very involved—

Can you offer any suggestions on that?—I put my suggestions forward with a considerable amount of hesitation, but do you not think that we want a more scientific and a more deliberate use of exemption, that a Native who is no longer living permanently under tribal conditions— I am not referring to the Native who is only temporarily away from his tribal conditions, but the man who is no longer permanently living under tribal conditions—should it not be fairly easy for these Natives to be transferred to some measure of the European system at least as regards private property rights. My idea is that they should at least be given private property rights on a European basis.

In other words, you must necessarily accept the idea that Natives in time should approximate more to the European norm than to the Native norm?—As far as economics go—but if you will pardon me, it extends beyond that.

Yes, but I am speaking purely of the economic sphere. To me, the difficulty is the practical difficulty of applying some test which will put those people into that class which has to be differentially treated. Can you suggest any test?—Yes. The test which I always feel would be desirable is the economic test. You see, all these Natives in practice depend upon money wages. Do they possess property—do they save anything? Most of the people regard that as rather a low sort of test and they would rather have a character test. To me, it seems that the question is, has the Native any desire to transfer himself to a money economy as opposed to the subsistence economy of his tribe.
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But now, actually in practice, the movement is going on both ways. He breaks away for a while from the subsistence economy and goes into the money economy? - Yes.

What sort of permanent standard do you look for? - Well, I should say this, that if a Native has been away, say, for two years from his tribe, supporting a wife and family in a town, under European conditions, if he comes back to his tribe - he goes back to his old conditions? -

I think he brings in his wife and family and he cuts himself off from his tribe. If he brings his wife and family to the town, he does cut himself away from tribal conditions? - That would seem to me some sort of test. The Joint Council discussed this question in relation to the question of exemption and I think you have their views on that. We suggest a number of concurrent conditions in the statement which we put before you.

In a thing like this, one wants to prevent a reform, which is introduced to meet existing conditions, being suddenly swamped by other people rushing in to get the same conditions? - Well, you must of course then tighten the conditions. I thought that some of these conditions were a little too low.

You mean some of those exemption conditions which were indicated? - My own personal opinion was that they were a little too low but, of course, our Native members want them to be put as low as possible.

And that will have the result of swamping any scheme like that? - Yes, it might. I do not think that the number of exempted Natives in Natal, where a low exemption has been applied on a strictly legal basis and where the system has been working for a few generations,---- you have the opinion among
Natives and among missionaries, not that there are too many exempted Natives, but too few and that there are still people who are forced to remain under the tribal system. The position is slightly different from what I have in mind. Those exemptions from Native law show preference for another type of law and, if we are wise, we should get on without the law in this regard and allow these people the economic privileges which they are looking for and, in that way, you might have a much bigger rush for these exemptions. If you laid down a difference between tribal and non-tribal Natives in regard to wages, there would be a much bigger ratio.

Is it really possible to differentiate between in wage rates between tribal and non-tribal Natives? I do not think it is, unless you tax the employer for all the tribal Natives and whom he pays that he employs by recruiting methods, at a lower rate of wages than the fully paid non-tribal Natives, whom he pays at a higher rate of wages owing to the fact that they are non-tribal.

The effect would be that the detribalised Natives would get the full amount of wages, and the difference between the full amount of wages of the detribalised Natives and the tribalised Natives would go to the Government. Surely that would be very unpopular? I think so, but it would be a fair method.

MR. LUCAS: Are there any other economic privileges which you say go with exemption? I do not suggest any but I said that, at least to begin with, we might give the exempted Natives European property rights, so that they could control their own property, enter into contract, and so on. Personally, I would also be in favour of giving them a certain number of social rights.
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DR. ROBERTS: Such as? Well, I should say the right to ride on tramcars. That, I know, would be extremely unpopular.

Only in certain towns? I have no objection to sitting next to a clean Native woman, but I do object to sitting next to a dirty person.

That is only in certain towns where they have those delicate nostrils? I think so.

CHAIRMAN: The analysis of the present position comes down to this, that your detribalised Natives gets all the pressure of some millions of other tribal Natives thrown on to him. That pressure is not felt by the tribal Natives, as things are today, but is it possible to introduce any method to reduce that pressure on the detribalised Native, by treating him, say, as a separate class? I think that any economic differentiation is enormously difficult unless it is very carefully worked out, Dr. Holloway. The effect of restricting the Conciliation Act to non-pass-bearing Natives only, as I understand, has merely had the result of increasing the number of pass-bearing Natives, and, in the same way, the fact that Indian boys are allowed to enter into employment at an earlier age than European boys, has been of advantage to the lowgrade section, rather than to the high grade section; but I suggest that it might be possible to reserve certain trades through the mechanism of the Wages Board in which family full/wages should be paid and in which tribal Natives should not be allowed to be employed unless for special reasons and under special license.

Incidentally, also, the right of property holding in
the Native villages, not only having their own houses, but the soil as well is a point which one might consider? - Yes, certainly, it is a very important point.

All these points mean that you are having to differentiate between your non-tribal Natives and your tribal Natives? - Yes, I think so.

You can only suggest a residential qualification? - No; I suggest that you might consider all the qualifications which we put forward, and I think you should have an educational qualification as well. Any Native who has reached a certain stage of education, say, Standard VI or VII, should be entitled to exemption, if he should so wish it, provided he can prove that he is living a civilised life.

MR. LUCAS: Is there really any need to draw distinctions between tribal and detribalised Natives as far as employment is concerned and as far as wages are concerned? - Not if you can establish a wage which is, as a matter of fact, based on family needs.

But is there any reason why that should not be done? - No, but I should imagine that it would be very unpopular among the employers.

Yes, but a number of things which have to be done are unpopular, is that not so? - (No answer):

DR. ROBERTS: Would it be popular with the Natives? - Well, Dr. Roberts, I do not think that they understand it yet. Of course, they have a vague impression that they should have higher wages, but I do not think that they have thought out the distinction between pocket money and the full family wage.

MR. LUCAS: Is not the justification for the pocket money wage almost extinct now? - I do not know, but I doubt it. I imagine there are still quantities of tribal Natives coming
into town and not supporting their families.

CHAIRMAN: Coming into town and proceeding in sending out money to support their families — are there not many who do that? — There are all sorts and conditions. There are Natives who have been able to do so. Of course, this is the position — I am not speaking of my own experience now. There are Natives who actually send a good deal of money home to their families, but I am told, in some reserves, it is not so necessary for them to do so, while in other reserves it is very necessary.

MR. LUCAS: But the need of the family to have money sent to them is generally shown to us in budgets that have been submitted to the Commission? — Yes, but in some reserves it is more necessary than in others.

CHAIRMAN: If you are to introduce a remedy which will apply not only where the pressure is felt, but all over the line, your chances of getting such a measure are very much slighter than if you can introduce a remedy only for the places where it is required? — Yes, but, on the other hand, it makes it a much more complicated system. If we could have a measure here such as they have in Australia, — I really do not want to quote Australia, but this is one point which I should like to bring in — if you could get an admission here that an industry which cannot pay a full living wage is an industry which should not continue, and that every industry should, therefore, pay a full living wage, it would mean that you would get a much more simple system.

But a living wage is an entirely different thing for a tribal Native than for a detribalised Native? — Certainly.
You have to give a tribalised Native a great deal more than you have to give a tribal Native as a living wage and, in the same way, you would have to give a European more than a detribalised Native? — Yes, exactly, Dr. Holloway, because, in South Africa, industries are subsidised to a large extent by agriculture in the reserves. They are subsidised by the labour that comes in, by the underpaid labour of the kaffer women in the fields, — the women who stay behind and work in the fields, and it would be very difficult indeed to change that position, but I feel convinced that it will have to be done sooner or later.

DR. ROBERTS: I am not an economist, but it is not your complaint that wages are personal, that is to say, you will pay for what will keep people decently alive, instead of paying them what they are worth in the open market. That is my view of wages — a wage should be the amount a man is worth — the amount the work which a man does is worth? — Yes, but the work is, in itself, determined by the wage. That is one of the peculiar things — it is a circle. You can say in a country where the workers have no other means of subsistence, wages must be sufficient to provide for the upbringing of the family. In South Africa, until recently certainly, in mass of this eastern side, the male/unskilled Natives have not required to look after their families and, as a result, their wages have been fixed on an abnormally low level.

It seems to me a false method or a false way of looking at wages? — May I put it this way — industry adjusts itself to wages, as well as wages to industry. If you have your cheap labour, very cheap labour, industries will spring up that can use that labour and that will be established as the
value of that labour and even industries that could pay more would pay no more than that. That is why I suggest the idea of what a man is worth -- it depends on the nature of the industry, it depends on the margin of efficiency of the industry and industries on a much lower level of efficiency will be produced by the low grade level.

CHAIRMAN: You consider the continuance of inadequate agricultural methods due to tribalism? - Due to communal land tenure.

Well, there is not a great deal of difference, let us take it at that, due to communal land tenure. In other words, you think that, if you went over to individual land tenure, that would tend to dispel the backward condition of agriculture? Well, you know I have suggested here --- there is only one case where agricultural technique has been improved without individual land tenure and I refer there to the Russian experiment in collectivist farms. There is only one case where agricultural technique has been admitted to have been improved on a collectivist basis. That is in Russia, and we do not know whether it will be a success in future because improvement in agricultural technique has only come about on the basis of individual land tenure. I do not mean freehold.

You mean, a certainty of being allowed to continue working that particular piece of land, altogether apart from any question of title? - Yes, that is what I mean.

If you have the certainty of title, that is the great thing - it does not matter whether you have actual title -- you have the economic value if you have that certainty? - Yes.

DR. ROBERTS: Would you have a Commission which would take the place of this freehold title, as you have in Scotland?
That is a Rent Court which you are referring to.

Yes? Yes, but there is no real risk in regard to increasing the rent.

Or diminishing it? You could have a permanent small quitrent. The important point is that a relatively small and backward agriculturist should not be entitled to borrow on his land, on which you give him freehold title where he has that right. I might suggest to the Commission, if you intend going at all deeply into this question, that you should study the position in India, where the English Government were trying to apply modern ideas to India, and found that it was turning the landholders into the hands of the moneylenders, and they had to retrace their steps and not make the land freehold. And accordingly, other measures had to be taken in regard to this question of transfer and so on.

Yes, but in India, moneylending is a more deeply rooted evil than it is here? Yes, it is a very great evil in India, but one of the things I thought the Commission might try and find out is to what extent traders in Native territories are also moneylenders. I do not know what the position is myself, but I have been told that it is terribly serious. That is the information which I have received from certain Natives.

MAJOR ANDERSON: Do you not think that there is a chance that development which is coming in agriculture will make peasant holdings uneconomical? It is claimed that, if the present movement goes ahead, the present holdings will become uneconomical? I know. When you are dealing with fully developed commercial value that will be so, but it will be a good while before they come to that. Do you not
think that this idea of peasant holding is a step forward in
the meantime? If you are dealing with an easily cultivated
crop, peasant tenure seems to answer well, but whether we
could find a similar crop for people not highly developed, is
another question. I wish that you could send an investigator
to Russia to find out how it is working there, but you know
there is a great deal of prejudice against these things.
This experiment in Russia is certainly the only experiment in
the direct passage from primitive agriculture to collective
agriculture on a scientific basis and, if we could introduce
anything more into the location, I agree it would probably be
better than peasant tenure, but the difficulty is to know how
to go about it.

MR. LUCAS: Another difficulty is to know how to avoid
the earning of unknown increments. We have heard of cases in
the Transkei where very big sums were paid for the transfer of
these lots - lots which had originally cost very little but
which changed hands at very big figures. Now, that brings
in all the evils of our present land system. Could you
suggest how we could deal with that? - I am not quite sure
that I want to deal with that. In a developed European com-
community, I am in favour of a very of redistributing unearned
land values, but I am not sure whether, in cases of this kind,

But this is a transference of wealth, not as a result
of any individual effort or skill, but because of a shortage
of land. I have a case in mind where, I think, £100 was
paid for the transfer of quitrent? - Well, I think it would
not answer .... it is difficult to devise a scheme by which
such a thing could be avoided. Mr. Lloyd George's ideas
in regard to valuation would help you a lot there. If you introduced a method by which any transference should not be legal unless it were definitely registered before a court with full particulars as to the first value of the land and its second value and you gave to the Government the right to tax this increment on land values at some rate, say 50%, you would then redistribute the increment in land value back to the whole of the Native community, would you not? It could be done if you wanted to do it.

DR. ROBERTS: Have you heard of any countries where that increment in land values has been a success, apart from Russia?—I am not sure, Doctor, that Russia is a parallel at all. They are trying something very interesting in Nygeria. In Nygeria, Northern Nygeria, they had a Governor who was a disciple of Henry George and he tried very hard to get the whole of Northern Nygeria nationalised, but unfortunately he was not able to introduce the custom of paying rent. He wanted all the tenants to pay rent to the Government, but they have not been able to bring that about.

MAJOR ANDERSON: Do you think it is wise at present, in view of the possible development in agriculture, to do anything to hasten the breaking up of tribal tenure? If it is proved to be the case that individual holding of land is doomed ...? I want to say again, that I am not at all in favour of freehold there. I would only give some form of leasehold on a basis of permanent beneficial tenancy, so that you could resume that land if another system should be needed at any time. That is my view of that aspect, but I do think that the continuation of the tribal system under the
conditions which we have in Natal at present brings with it a whole crop of serious evils. To start with, it brings with it these subsidised wages which we have been discussing. It fixes Native wages at a much lower level than they would be if the tribal system did not exist. It creates situations in family life which are unsatisfactory, with the result that the children in the reserves run riot and the men in the compounds are known to commit all sorts of horrible things. These are the evils which are the outcome of the present system.

I have a newspaper cutting here which I want to put in, shewing that the beginning of the Durban riots was a protest against the extension of the barrack system, by which husbands and wives were separated.

MAJOR ANDERSON: That is another question. You need not necessarily have the barrack system?—No, that is so, but if you have the tribal system and if you have to have your Natives to come and work in the towns, you must separate husband and wife. What is going to happen to the man's tribal holding? If the wife does not remain behind to look after it? That holding is kept in possession of the man—that his wife and family continue to cultivate it.

CHAIRMAN: Why do you consider that the Bloemfontein housing system involves any subsidy, even a little subsidy as you say?—Well, I think I put that in to be safe.

MR. LUCAS: You say very little subsidy?—Yes.

CHAIRMAN: But does it involve any subsidy at all?—Well, who pays for the supervision there?

MR. LUCAS: Well, perhaps I might clear that up. Every penny is paid for by the charges which are imposed?—I am glad
to hear it. That, of course, strengthens my case.

CHAIRMAN: I put to you a question of dilution - the gradual undercutting of certain standards where you have races on different levels of civilisation working together. Can you express any opinion on that? What is your idea, whether this is inevitable or whether it can be avoided? Of course, under a system of absence of economic restrictions, it is inevitable. If this country were to continue to cling to the maxims of free competition of labour, absolute mobility of labour, it would inevitably develop into a country of a huge Black proletariat and a small White aristocratic class. Inevitably, at each point, the Native coming forward would compete at a lower level of wages with the White employees and join the one trade after another. There is no doubt that that would happen in the absence of some restrictive idea, but the application of wage regulation to a country of mixed races is very new, and Mr. Lucas himself knows. It shews what an enormous responsibility rests upon us. We are the only country trying it on a large scale. If it can be carried out successfully, then, instead of the wage rates being pulled down to the Native level, you could gradually raise the Native to the European level, but you can only do that if you do not create an acute sense of injustice and, therefore, I would always advocate wage regulation without the colour bar. Put down a standard and say anyone who does that work must receive those wages and then a lot of the questions of who is to do that work at that particular rate will settle themselves. In most cases, the European will get the worst.
DR. ROBERTS: Do you really think that, if you do not settle that you will have a great Black proletariat in this country? Yes, I do think that, if you leave the operation of employment and wage rates to what are called natural laws, without government restriction, I do think that you will get a great Black proletariat in this country.

Why should that increase the population? I do not know Dr. Roberts that I said it would, but I think it would.

You said that there would be a great Black proletariat. That means that the population must increase almost indefinitely?

No: I do not think it means that. It means that each set of wage earners employed by other people will be mainly Black and not White.

CHAIRMAN: That whatever Native population there is, whatever Native population these circumstances create will be employees? (No answer):

DR. ROBERTS: You are leaving out of the question altogether, the growth of the other population, and after all that growth is not going to be checked? That may be, but that other population will have restricted opportunities of employment.

Why? Why - because, in the absence of any constructive effort to stem that natural development, the Native will get one job after another, because he is a cheaper worker. And after all, Dr. Roberts, it is the same situation that women have to face. Men have very much better chances of getting employment today, but the women would have much better chances of getting employment if we were to consent to work at cheaper rates than men. In many cases, we have driven the men away from the field,
but the more enlightened section believes that we should stick out for equal wages for equal work, but I repeat that we stand a very much better chance of getting employment if we consent to work at cheaper rates than the man.

Do you not think that the feeling is going the other way? A great many outstanding merchants, prominent men, prefer, even at a higher wage, a man to a woman clerk?—All those cases will be noted, but the many instances where the cheaper is preferred will not be referred to at all. May I draw your attention to the law that bad money drives out good money,—that is, the Gresham law.

CHAIRMAN: Incidentally, in regard to this question of the lower standard of work, it brings pressure to bear on the immediate situation, rather than on the progress over a long period and, therefore, the one forges ahead whereas the other, which may be more economical in the long run, has no chance?—Yes.

One other point which I referred to you is the question of class legislation. Are you prepared to express an opinion on the point which I put to you?—I think that, in the country, with such varying levels, class legislation is inevitable,—that is varying levels of intelligence, I am referring to. I should be very sorry to see the Natives plunged immediately into the complete freedom of capitalistic competition. Nothing worse could be done for them. They would be driven down to an even lower standard than at present. If we were to introduce European methods of land tenure and complete possession, it would lead to this, that they would be deprived of their land in no time and I say, therefore, that some measure of class legislation is essential, although
I do want to say at the same time that I feel some hesitation about class legislation which is controlled entirely by one section of the people. Still, at the same time, I think that class legislation in a country like South Africa is quite inevitable.

In principle, there may have to be a certain amount of it, but you are not prepared to say that any class legislation is good? - Certainly not.

MR. LUCAS: Would you say that any class legislation which is necessary for the protection of the weaker can be justified? - Yes, I think so.

Is there any justification for class legislation against the weaker? - There certainly is not, but in practice it would be very difficult to say which is which.

You would obviously regard the Native as the weaker if it came to a question of free dealing with land? - Yes, I certainly would.

Now, if it came to the colour bar question, would you regard the White as the weaker, or the Native? - I would regard the White as the weaker, because, if you left the field open for free competition, as the Native improves in education, so he will oust the White.

Would you then be willing to say that, in South Africa, colour bar legislation is justified? - I think that a case can be made out for colour bar legislation in South Africa, but I suggest that the far better method to do it is by economic wage fixing, with some reference to European standards of living, but open to the Native if the Native can attain the necessary standard of efficiency. Then you will raise efficiency and, in that way, you will keep up the wages,
Whereas, by the other method of absolutely free competition with no colour bar at all, or nothing at all, you will merely lower the wages.

But the main test must be to avoid the danger of allowing one section to decide any questions entirely in its own interests, without consideration of the interests of the other section?—Yes, Mr. Lucas, that seems to me to be the real danger in South Africa. I do not see how we can get the Native point considered in that way.

Have you considered the Apprenticeship Act?—Yes, and it seems to me that it will really do the Natives a lot of harm.

It operates in the interests of the Whites entirely?—That is the danger and that will be the danger in all South African social legislation, unless we guard very carefully against it, but that, to my mind, is a great menace today so far as the Natives are concerned.

Chairman: There is a feeling that, in regard to certain skilled trades, Natives should not be allowed. Now, the apprenticeship is the opening, but if Natives are not to be allowed to certain skilled trades, then is the Apprenticeship Act any good to them?—If the colour bar is to operate here in certain trades, then it is certainly not desirable that they should be allowed to be apprenticed to those trades.

The main point is, whether they should be admitted to these trades?—I understand that, in many trades to which the colour bar is not legally applicable, the Apprenticeship Act is used in substitute.

No, it is the action of the trades unions rather than of anything else. The Colour Bar Act is only on the Statute