

Governor-General as supreme chief can increase his own powers indefinitely, without the safeguard of the proclamation going before the Native Affairs Commission.

That is quite true. Do you regard the Native Affairs Commission as a safeguard ?--- Well, this is one of those points where it is difficult to be entirely truthful and entirely courteous.

I can answer it very freely. Don't you think that the native really understands better government by proclamation than what he does ... ?--- I think the advantages of government by proclamation are, in the first place, that there is much important legislation, important from the native point of view, which is not important from the European point of view, and therefore it is held over session after session in Parliament; secondly, that conditions vary so much in different native areas, that a single law is not adequate, and you want to be able to have flexibility in applying it by proclamation. For this reason, and so far as the system is used on these lines, I think it is good, entirely good.

It has worked well, you think, in the Transkei ?--- There have been of course objections made to it, but on the whole I think it has been a good thing.

On page nineteen, paragraph (5) you object to the Native Taxation and Development Act. Your objection is twofold: first of all, you find it is wrong in principle, I think ?--- Yes.

It is wrong in principle because of the reasons you give. In practice don't consider it is wrong ?--- It has done great good in practice, for two or three years; that is to say, it served a wonderful purpose in a way in raising expenditure on native development, but now, as naturally you

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know, it has got to the stage where its increase is much slower than the increase of the natural calls on it, and therefore it is a sort of a retarding thing at the present time; because, although it should be only a minimum provision, it is always treated as if it were a maximum provision.

You acknowledge that it has done something for native education and agriculture ?--- Oh, undoubtedly.

Your proposal with regard to the practice is that the 4s/- must be considerably raised. Would you raise it gradually say from 4s/- to 8s/-, to 12s/-, to 16s/-, to 20s/- ?--- Well, Professor Frankel has put in, in consultation with me, a special memorandum on taxation, and in that we have tried to make it clear that we should prefer the system not to continue at all. Ideally speaking, if it did continue, the whole pound ought to go to native development. But if you ask us of course as a practical measure what one would do, I must answer it is just as much as public opinion will bear, I suppose. That is not of course for us to say.

If this continued, you can easily understand that you could not raise it from 4s/- to 20s/- straight-away ?--- I think if we found a Minister brave enough to do it, it would mark a crisis, one of the finest crises in the history of native policy in this country.

THE CHAIRMAN : Suppose this Commission were to recommend, on the one hand, increased expenditure on native development, and on the other what is virtually cutting off taxation from native sources, what hope do you think would such recommendations have in practice ?--- Well, I would like to see the Commission provide me with the answer to that by making the experiment. (Professor Frankel): On that point, that recommendation sounds very far-fetched, but I don't think it is. The whole point of this memorandum was

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to prove that the benefits to the Europeans by such a change in policy would be equal to, if not greater than, in certain respects those to natives. In other words, if you are really going to face the fact that this is all one economy; I mean to say that logically you can do nothing else, for the same reason as you don't tax poor whites, you cannot possibly tax poor natives. In my own opinion, sir, there is absolutely nothing extreme in that suggestion at all. It follows logically from a real examination of the economy of this country.

DR ROBERTS : It would make a great change ?--- It would be the change from ignorance to enlightenment.

And from poverty to richness ?--- And from poverty to less poverty.

On the last page of your memorandum, Professor Brookes, you mention a few of the things that create distrust and suspicion, from which you say even the friends of natives suffer: "unwise speeches by parliamentary candidates and even leading politicians" and so on. This is what I want to refer to: "and ignorance of the fact that large numbers of urban natives read such speeches in the European press." You don't think that really politicians don't know that ?--- I think they do not realise it, Dr Roberts. I mean, if one hears the same man address a conference of natives, and a European political meeting, one realises that if he had before him the picture of these same natives he had addressed in the conference reading what he was saying to a European audience, that he would at any rate, even if he said the same things, he would say them a little differently.

THE CHAIRMAN : It is not in the forefront of his consciousness ?--- No.

DR ROBERTS : It would be unfair to ask you to give a

practical

practical instance of the administration of justice as between Europeans and natives, but you believe it exists ?

MR LUCAS : If you would give us some statement that we can support a finding on, it would greatly help ?--- I have a printed memorandum on the subject which I prepared with the assistance of two other authorities.

DR ROBERTS : That was some time ago ?--- Not so very long ago.

Two years ago ?--- I mean it is sufficiently recent.

MR LUCAS : That is recent enough: could you let us have copies ?--- Yes, I will see that it is put in.

We will not be able to put in a Report a statement like that without being able to put in the reference on which it is based; it won't be very much use to the public if we make a general statement and don't back it up with the evidence that we have got ?--- Yes.

We have a certain amount of evidence on that, but you are in a particularly favourable position for giving it to us in a precise form ?--- I will put that in with pleasure.

DR ROBERTS : What do you think does the discourteous and hostile attitude of certain Europeans arise from - ignorance ?--- Ignorance, a misunderstanding of tradition, rather than tradition itself, and perhaps just lack of good manners.

And like a child, the native is very susceptible to anything like that ?--- Yes.

He is very susceptible to a slight ?--- Yes.

Much more than we are ?--- Yes, that is so.

You give as (vii), "The fanning of the flame by irresponsible agitators, principled and unprincipled, Europeans and natives." Now how would you deal with them: would you imprison them ?--- Well, Dr Roberts, I have got a

constitutional objection to repressing agitation. I would not go so far as to say you should never repress, but I think as a rule it prevents you from the work of trying to remove the causes of agitation.

You refer to Churches and Schools. Would you in the schools give a good deal of the gist of what you have said? Do you think that might not be a danger - of pro-native people going too far, and anti-native people refusing to do anything?--- You mean in the schools? I don't think we would meet the case by anything approaching a course of lessons on race relations. It is more the attitude and influence of teachers. I know one school in Pretoria, for example, where the pupils quite spontaneously, without any request from the Joint Council, got up a concert and raised a few pounds towards equipping a native library. Well, that sort of thing is being done in quite a number of our schools. I know that at first hand. For example, the Afrikaans-medium High School at Pretoria has contributed quite an amount towards building a chapel for native lepers. That is the sort of thing that is going on and is doing good. (Professor Frankel): You mentioned agitators just now. I think this Commission might agree that agitation on behalf of European to European is equally as dangerous as the reverse process; for example, speeches at political meetings which talk about keeping the native down, have the same effect of agitation as native agitators talking about raising them up.

I am sure you have listened to the various speeches on that matter that have been made in Parliament. Of course we are including the white man as well as the black man?--- Yes, but I hope you also include the white political leader.

MR LUCAS : Dr Roberts has put most of the points I

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wanted to put. On page 11 of your memorandum, Professor Brookes, right in the middle of the page, you say "The tendency to meet grave social, moral and economic issues merely by legislating against the native, is a very dangerous "short cut"." Could you amplify that ?--- Yes. It leads one into such highly controversial topics: for example let us take the amendments to the Urban Areas Act, where you exclude surplus natives from the towns; the last amending Act. Many of those were quite necessary from the point of view of immediate action; but the tendency to legislate in that way means that the root causes are not really gone into. And take for example again certain of the provisions of the Native Administration Act of 1927: the fact that the native under that and the amending Act of 1929 cannot move from any place to any other place without cause assigned. It is what I call a short cut, in dealing with agitation. It means that you don't get to the root of the matter at all, and you arouse discontent. Would you care for some other examples, or does that illustrate the point ?

I would like another one ?--- Take again the same Act, the Native Administration Act, and the very clause which you have just been referring to - Section 29 - which lays down the position that anybody who speaks with the intention of causing harm between the white and black is subject to certain penalties. There again one is not getting to the real root of the matter. Why should people so legislate ? If it had not been for a little defect in the drafting of that clause, you would have certainly repressed agitation. But to repress agitation in that way is simply to drive it underground. King Bomba did that many years ago in Sicily and Naples; the result is the Camorra and all

sorts of secret societies, and finally revolution.

DR ROBERTS : You think the same might arise here - secret societies ?--- I think it is inevitable, if you repress open meetings; you cannot help it.

DR FOURIE : Professor Brookes, on page one of your memorandum you say the tribal system is useful; you refer to its advantages. On page three you are opposed to any attempt to increase the powers or duties of chiefs. There seems to be a contradiction ?--- There is an apparent contradiction, but it is not a real one, because I do not suggest that we should take away the powers which the chiefs now have. Take an area like Zululand, for example, which is a strongly tribal area and where the chiefs have great traditional powers, and also certain statutory powers under Act 38 of 1927. I would not probably take those powers away. I think for the time being it is most useful in the transitional period. It is of course arguable that it will continue indefinitely. I don't think it will, myself. Even supposing it does not continue indefinitely, I think to remove the whole thing straight-away, would be a mistake. At the least it is a useful transition, but I would not perhaps add to the powers which the chiefs now have.

I felt there was a contradiction between making use of the thing and breaking it down at the same time ?--- I do not propose to break it down; I simply do not propose to strengthen it, that's all.

THE CHAIRMAN : There are a few more questions that members of the Commission would like to ask you, Professor Frankel, but in view of the fact that Professor Brookes and I want to catch the Pretoria train, I will not be able to

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remain. Dr Roberts will take the chair. ?--- (Professor Frankel): Have you got a moment ?

THE CHAIRMAN : Not now: I can assure you I will read the evidence ?--- I want to say that in the evidence about the effect of a monopolistic combination among workers and the cumulative difference between European conditions and conditions in this country: I think my point should be clearly realised, that the whites here have as a whole a monopolistic position versus the black; and that that is of the same essence as any other monopolistic combination to keep up incomes or wages at the expense of another community.

THE CHAIRMAN : Before leaving, I would like to take this opportunity of thanking both Professor Brookes and Professor Frankel very much for the very careful way in which they have prepared their evidence for the Commission beforehand and giving us an opportunity of going into it; and also for the very frank way in which they have given the Commission here an expression not only of their views on particular aspects of the subject, but for the way in which they have tried to see the problem as a whole, not only as a native problem, but as a South African problem. I am sure all the members of the Commission are very thankful indeed to you, as I am, for the very excellent way in which your evidence has been prepared and brought forward.

PROFESSOR BROOKES : I hope you will allow us to reply to the extent of thanking the Commission for the very kind way they have received us.

(Chairman and Professor Brookes retire.)

MR LUCAS : Professor Frankel, with regard to your statement about taxation: on page six you say, "It is far too readily assumed that the incidence of the monthly pass



fee is really on the employer." Now that argument is often put up to us, and is supported this way, that the native wage of 10s/- a week or £1 a week would not be 12s/- or 22s/- if the pass fee were not to be paid by the employer. I would be glad if you would deal with that point ?--- It is certainly one of the most difficult points in this memorandum, and I purposely put it in a very careful form. I would not argue that in all cases the incidence is either one way or the other, because there may be complicated circumstances. But I cannot see that the incidence is necessarily on the employer; and I am certain that in many cases it is on the employee. The reason is this. If the wages do not rise, when the tax is taken away, it may really be due to a weak bargaining position of the employee. If his bargaining position were normal, that is to say, not weakened, I maintain that he could obtain that extra two shillings, because that two shillings is a labour cost. It cannot be divorced from the fact that it is a labour cost. The mines for example may say, "This is not a labour cost." They may say, "This is a cost which is debited to a different account entirely." But assume that the tax were £1 a head instead of 2s/-, they would jolly soon say that that tax is directly connected with the employment of native labour. And the only reason they could not make the native pay the whole of that pound, if it were levied on them, would be that it would reduce wages by so much that it could not be done. But if they had been paying £1 say for some years, and the tax were removed, and the bargaining position of the natives were normal, I think the natives might ask for a rise in their wages of an amount say of / 10s/-

10s/- in the £. In other words, they are indirectly really paying that tax, because indirectly it prevents their wages rising to 12s/-. If the margin of productivity of the worker is really 12s/-, and there is a tax of 2s/-, then in fact the wage may not rise to the 12s/- on account of that tax. Therefore the incidence is on the worker.

You take it as a general proposition that it is part of the labour cost of the employer ?--- Yes.

But in individual instances the native may get all he would be likely to get if that tax were removed - individual natives as against natives generally ?--- Individual natives might in individual cases not get the benefit of the tax, because their bargaining position would not make it possible for them to get it; but if their bargaining position were strong, they might get the full value of their labour. It is a labour tax; if their labour is worth 15s/-, and 2s/- has to be paid to the Government, it must come from somewhere. If the tax were on the colour of the hair of the employers - white~~mine~~ employers, and not natives at all, it could not possibly be shifted on to the native, because by whatever degree you modify your native labour force, it would not affect the taxation. But in this case if you modify your native labour force, it will affect the taxation. If the tax is £1, and you now use 20 less natives in a certain unit than before, you save £20. Therefore the tax is irrevocably connected with the particular section of the employees. The main point I am trying to make is that it is quite wrong to assume in financial theory, if a tax is levied on a person, the tax necessarily bears on the person who is by law forced to pay it.

It is indirect taxation on the native ?--- Yes.

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Now on page seven you speak about the effect of the general native tax on the bargaining power of the native. I would like to see whether I am clear on that. Is it that the native has got to find the cash in a state of society where he sees little cash, and he must get work quickly to meet that amount? Is that what you had in mind, or had you something more?--- I had that in mind and also something more, because if a European tax is placed on a necessity, you can always argue -- say it is bread -- that the man can consume less bread; and therefore he can still find work by adapting himself to the tax. But this native cannot adapt himself: he must find money for that tax; and he must find it even if wages are extremely low. It is therefore a further force making him take any work that he can get.

DR ROBERTS : And he must take that wage to earn the pound?--- Yes: otherwise he has criminal proceedings taken against him.

And you think that lessens his bargaining power?--- The thing is in degree exactly the same as saying that it was a criminal offence not to find work. It is the same thing really; and therefore he must find work on any terms.

MR LUCAS : And in a state of society where subsistence rather than cash is the basis of their livelihood, does not a tax of that sort tend to force the native away from the reserves into the towns?--- Yes .

And so cause the influx or surplus which is complained about?--- That is another cause, yes.

One of the complaints that is made in a number of towns or by a number of people is that the Urban Areas Act has thrown an undue burden on the local authorities, which they cannot make the natives pay an adequate contribution

to. Could you deal with that point ?--- You refer to the need of housing natives ?

Yes ?--- Well, there are two confusions here. If you want to house natives, that is a technical problem which should not be used for purposes of finding relief work, or work for a particular section of the community. It should be dealt with as a technical problem. Therefore the housing should first of all be constructed as cheaply as possible. If it cannot be constructed as cheaply as to enable payment for the cost by the users of the houses, it then becomes not a technical problem, but a social problem, which it is equally necessary to meet, because if these people were not properly housed, there would be a loss of welfare to the rest of the community in those urban areas. And therefore it is absolutely essential that those urban areas must look after the housing of the workers in them. For example in Vienna, owing to the War and impoverishment, it was impossible for people to rent private houses, owing to the rents being either too high or the houses not being available; and it was therefore absolutely essential to house those workers. If the wages were so low that the workers in this small urban society cannot find houses for their own absolute needs, it becomes a collective necessity; and you are not doing anything on which you should or can pat yourself on the back at all: you are doing a thing which you simply cannot avoid doing.

The local authority attitude seems to be that they ought to be reimbursed by the natives for all their expenditure on the natives ?--- Well, that is an attitude which I have tried to indicate in this memorandum is not correct, for this reason, that if, as I say, it is not possible for a

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certain poor strata of society to obtain that share of the productivity of the society which is absolutely necessary to keep them going as a working population, it is necessary for the society as a whole to tax other members in order to make up the difference.

So that if to-day the native's income is not sufficient to enable him to pay for what has got to be given to him, would it be correct to say that the proper position could be realised if one assumed the native had no income at all, and then the town would have to provide everything instead of something - what is now a sub-economic revenue ?--- Yes, that is the same thing.

DR ROBERTS : The Commission will now adjourn until Monday at ten o'clock, and it will not meet in this room, which is required for other purposes, but will meet in Room Sixty.

PROFESSOR FRANKEL : I take it, sir, you don't wish me to attend any more ?

MR LUCAS : Are there any other points, before we break up, you wish to add now ?

DR ROBERTS : Or would you rather come at Monday morning at ten o'clock ?--- I don't think I have got any particular points to add that I can see, on my own initiative, but I am perfectly willing to come if there are any further questions.

MR LUCAS : I think we have covered everything.

DR ROBERTS : We are greatly obliged to you ?--- Thank you, sir. May I hand in to the Commission these reports on Native Education, and Negro Education in the Southern States ? I would like to hand them in now.

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