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S. A. Institute of Race Relations,
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GRATIS AAN LEDE

Regulations

Section 23. The comprehensive character of the Act, as it now stands, in relation to the control and administration of the urban Native population has necessitated the extension of the powers of the Governor-General, the Minister and urban local authorities to make regulations. The drastic nature of the machinery now available to control the entry of Natives into urban areas and to remove them therefrom prompts the hope that the following item

from among the powers of the Minister of Native Affairs to make regulations will be fully utilised to the benefit of the Native population and the economic organisation of the Union:—

"(h) the dissemination of information regarding the demand for, and the available supply of Native labour; the proper distribution of Native labour; the establishment of Native labour exchanges; and the charges to be paid for any service rendered by such exchange".

THE POSITION OF INDIANS IN INDUSTRY IN SOUTH AFRICA*

By

SYED SIR RAZA ALI, *Agent-General for India*

While it is satisfactory to notice that keen interest has of late been evinced in the political condition of Indians in this country, we hear very little about their economic position. Up to a point this is natural. Political and social disabilities can be seen by every observer. But the working of economic laws in modern society is so complex that their effect cannot be readily realised without making a special study. And yet it is the economic factor that plays a most vital part in the life of an average man. I should not be understood to mean that any Government can afford to be indifferent to the political rights and political disabilities of its people. The point is that, unless the earning capacity of the people or any section of them is sufficient to provide for necessities of life, it inevitably retards their political growth. Therefore, while it is the bounden duty of Indians to do all they can to acquire those political rights which are withheld from them, it is equally obligatory on them to march shoulder to shoulder with other sections of the population in an effort to improve their material condition.

I wish it were possible for me to deal with the economic position of the Indian community as a whole. This however would involve elaborate inquiries which can only be undertaken by the Government. The South African Indian Congress has for some time been pressing the Union Government to appoint a Fact-Finding Commission. But no such Commission has unfortunately been appointed hitherto. I sincerely hope that it will be possible for the Institute of Race Relations to conduct an inquiry into the economic, or, at any rate, the agricultural, position of Indians in certain areas in Natal. I would also impress on the Indian community the need for setting up an up-to-date organisation to collect facts and figures relating to its economic position. The work is of the highest importance and, if the endeavour to persuade the Government to undertake it evokes no response, it is in the interest of Indians to make a modest beginning. The best way to make a start would be for the Congress to approach the Institute of Race Relations,

and I am sure the joint efforts of the two bodies will succeed in initiating a limited inquiry in typically Indian areas in Natal, which would be a safe guide for forming an estimate of the present position as a whole.

In the absence of reliable data, I must resist the temptation of dealing with the economic position of the Indian community as a whole and would confine myself to an examination of its position in industries. Fortunately the figures published by Government from time to time are helpful in this direction. The Indian population of the Union was 165,731 in 1921. The census figures for May 1936 put the total figure at 219,928, or an increase of 32.7 per cent. In fact the increase since 1917 has been about 35 per cent. The latest year for which the figures relating to industrial employment are available is 1934/35. The total number of Asiatics employed in industry in the Union was 12,308 in 1917/18. Having regard to the increase of population since that year, one would expect an increase of 35 per cent in that figure. And what are the facts as disclosed by the Census of Industrial Establishments for 1934/35, recently published by the Office of Census and Statistics, Pretoria? One is alarmed to find that, instead of the total number of Asiatics employed in 1917/18 rising to something like 16,616, as one would expect, there was a large decrease in 1934/35. The figure was actually 10,215. The same tale is unfolded when we examine the figures for the branch of the industry known as food and drink. In 1917/18 the number of Indians employed in this branch of the industry was 7,884 which in 1934/35 fell to 4,433—a decrease of 43.5 per cent. This would largely seem to represent a set-back in the number of Indians employed in the sugar industry in Natal.

The position is even more unsatisfactory when we turn to the railways. Against 1,936 Asiatics employed in July 1925, there are only 506 employed at present, according to the Monthly Bulletin of Union Statistics for July 1937. It is to

* Address delivered by Syed Sir Raza Ali, Agent-General for India, at a meeting of the Indo-European Joint Council, Durban, on September 16th, 1937.

be noted that here again it is the Indian who has suffered as from July 1925 to July 1937. The number of Coloured employees has increased by 5 per cent and the number of Natives by 16 per cent.

An analysis of mining figures would show that the deterioration in the Indian position has been alarming. A comparison of the figures for four years reveals the following position:—

Year	Number Employed
1920	3,139
1925	1,927
1935	863
1937	790

This shows a decrease of 74.9 per cent in the number of Indians employed in 1920. It would be interesting to note that, as against 790 Indians, 44,902 Europeans and 383,025 Natives are at present employed by the mining industry. The steady decline in the employment of Indians in various branches of industry can largely be traced to the Government's Civilised Labour Policy, generally known as the White Labour Policy. I am glad to notice that, on representations made by Sir Maharaj Singh, the Minister in charge gave the assurance some years ago that what was known as the White Labour Policy did not have reference to colour, but was based on the standard of living of the employees and that Indian workers were not excluded from the term 'Civilised Labour'. As I have, however, shown, the effect of the application of this policy has unfortunately been most disastrous to Indian interests. Indians are being displaced by the poor white, not only in those concerns which are directly run by Government, but Municipal Corporations and all those bodies over which the Government exercises any influence are showing extraordinary zeal in employing as few Indians as possible. I would in passing refer to the effect of a number of Acts which aggravate the Indian position. Take for instance the Apprenticeship Act, about the working of which the Industrial Commission of 1934 had a good deal to say. In addition to the fact that apprenticeship involves heavy expenditure, the opportunities of training open to Indians are extremely limited. Among the Acts and Ordinances imposing racial disabilities on Indians or administered in a racial spirit, to which strong objection has rightly been taken by the Indian community, may be mentioned the following:—

- (a) The Land Settlement Act
- (b) The Slums Act
- (c) The Provincial Licensing Ordinances
- (d) The Transvaal Gold Law

- (e) The Sugar Act
- (f) The Marketing Act
- (g) The Liquor Act of 1928
- (h) The Transvaal Asiatic Land Tenure Act of 1932
- (i) The Arms and Ammunition Act

A study of the distribution of wages amongst various communities employed in industry shows that Europeans, who form 44 per cent of the total number of employees, earn £18,800,000; Natives, forming 42 per cent, earn £4,600,000; Asiatics, forming 4 per cent, earn £557,000 and Coloureds, forming 10 per cent, earn £2,152,000. Thus the European labourer earns, on an average, three times as much as an Asiatic. This is important, in view of the charge that is occasionally levelled at Indians for their low standard of living. When it is remembered that, apart from those who are engaged in trade, Indians employed in industry are perhaps much better off than the rest of the Indian community, the charge resolves itself into an objection against the low earning capacity of Indians. This indeed is true, but all it brings to light is the misfortune and not the fault of Indians. It is obvious that a European worker earning three times as much as an Indian employee can afford to spend much more on housing, food and clothes than his unfortunate Asiatic co-worker. If it is seriously desired that the Indian should strictly conform to Western standards, it is the obvious duty of those who have the power in this country to help him to increase his earning capacity.

All this goes to show that, unless a more serious effort is made to find increasing employment for Indians in various branches of industry, the position will become extremely serious. The gradual narrowing of spheres of employment for Indians and their consequent increased occupation in trade would create a most awkward problem, not only for the Indian community, but also for the Union Government. It is for the Union Government and the white population to consider the problem and endeavour to find a satisfactory solution to it. I can suggest a few branches of industry where Indians can be absorbed in large numbers. Two of the most important branches of industry which can find scope for increased Indian employment are the railways and factories. It is true that the proportion of skilled workers among Indians is not large, but in semi-skilled and unskilled sections they can compete with any other race. I am glad to notice that a certain number of Indians is employed in the rubber and match factories of Durban. If this example were

followed by factories situated in other parts of Natal, it would contribute to a substantial reduction of Indian unemployment. I would also suggest that practical steps should be devised to find more employment for Indians in agriculture. The Indian is a born agriculturist and there is no reason why he should not be helped to settle on land. This could easily be done if the benefits of the Land Settlement Act were extended to him. Something can also be done to enlist more Indians in the police. There are already a few Indians employed by the Railway Police. A few more are in the service of certain municipalities, but I am sure their number can be multiplied several times to the advantage of both the Government and the public.

There is another way of relieving pressure in Natal, where 183,446 Indians out of the total of 219,928 are centred. This can be done by abolishing the Provincial barriers rule. The suggestion is by no means new and has been urged from time to time by thoughtful and far-sighted Europeans. If the question were treated on a purely economic basis, there is no doubt that the abolition of the obnoxious rule,

would be attended with beneficial result. The Cape is a huge Province with extensive tracts of fertile land where Indians can be settled without arousing the hostility of those to whom they are unwelcome as competitors in trade. They would thus develop the agricultural resources of the Cape Province and at the same time relieve the much talked of congestion in Natal. Again, quite a number of Indians who have aptitude for industrial labour can be taken to the Transvaal to work in the mines. As stated above, considerable numbers of Indians were at one time employed by the Natal Coal Mines. I am assured that there is an adequate surplus of efficient Indian labour which can have no difficulty in adapting itself to the mining conditions in the Transvaal. It is to be sincerely hoped that the suggestions that I have made for increased employment of Indians in various walks of life will be carefully considered by those who desire to make South Africa a contented, prosperous and great nation. That desire cannot be fulfilled as long as about a quarter of a million people of the Indian race in this country are placed in such a position as to be unable to make their contribution to the Union's development and growth.

CORRECTION

In the opening paragraph of Professor R. F. A. Hoernlé's address on the Future of the Native Peoples in South Africa, as printed in the last issue of *Race Relations*, a list was given of officers and members of the Institute who have been elected by African constituencies as Senators and M.P.s, under the Native Representation Act.

Owing to a misunderstanding, the name of Mrs. Ballinger, M. P., elected by the Native voters in the Eastern Cape Districts, was omitted from that list. The Editors of *Race Relations* take this opportunity to rectify the omission. The inclusion of Mrs. Ballinger makes the list of Institute members who will represent African interests in Parliament even more impressive than it was already.