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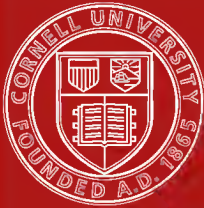
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THE  
RECONSTRUCTION OF THE NEW  
COLONIES UNDER LORD MILNER

BY  
W. BASIL WORSFOLD

IN TWO VOLUMES

VOL. II. (CHAPTER XV. TO THE END)

FROM THE SOLUTION OF THE LABOUR PROBLEM, JUNE 1904,  
TO THE DEPARTURE OF LORD MILNER, APRIL 2ND 1905,  
WITH AN EPILOGUE COVERING THE PERIOD 1905-10

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“I should prefer to be remembered for the tremendous effort, wise or unwise, in various particulars, made after the war, not only to repair its ravages, but also to restart the New Colonies on a far higher plane of civilisation than they had ever previously attained.” (Milner at Johannesburg, 31st March 1905.)

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# THE RECONSTRUCTION OF THE NEW COLONIES UNDER LORD MILNER

## CHAPTER XV

### RAILWAY DEVELOPMENT

WHAT "water" was to Egypt, unskilled labour was to the Transvaal. And here, no less than in Egypt, the British Administration accepted the fact that the permanent advance of the country towards prosperity could not be held to have been inaugurated until its one great material want had been supplied. In the case of Egypt, however, there was nothing to prevent the achievement of the British engineers and irrigation officers from being seen in England in its natural setting, and, being thus seen, it was acclaimed as a useful and beneficent work. And such it was. More than this, its utility was of so obvious and practical a character that the conservation and diffusion of the water of the Nile was the one result of the British occupation, the beneficence of which was never questioned even by the most ignorant *fellah* or the most fervent Nationalist. Nor was the provision of an economic and abundant supply of labour for the Witwatersrand gold mines a less beneficent work; but it met with a very different reception in England, where half the population, with eyes blinded by party misrepresentations, saw in it a political crime of the first magnitude. And yet the unprecedented difficulties that had to be met and overcome in finding this supply, and the fierce political denunciations which the supply, when found, evoked, are circumstances that only serve to enhance the merit alike of the administrator,

who, being once convinced that the importation of Chinese was the only possible solution of the labour problem, refused to be turned from his path by either difficulty or denunciation, and of the Ministry—Mr Balfour's Ministry—who deliberately chose to face the loss of office rather than withdraw their support from a representative on whom they had bestowed their fullest confidence, and from a policy that they believed to be necessary for a country which, though distant 6,000 miles from England, was yet an integral portion of the Empire.

Although we have still to trace the full effects of the industrial depression resulting from the shortage of labour, we have seen something of the gloom which overhung the new colonies in the closing months of 1903 and the opening months of 1904. The financial basis of the reconstruction rested upon the earnings of the gold mines—that is to say, upon the revenue-producing capacity created by the prosperity which these earnings diffused throughout seven-eighths of the tax-paying population of the Transvaal. Thus the labour supply provided by the Chinese was as vitally necessary to the successful working of all the agencies, political and industrial, initiated by Lord Milner for the regeneration of the new colonies, as it was for the gold industry. And among those agencies the improvement of the existing railways and the construction of new lines was perhaps the most important—certainly no other agency was calculated to produce social and industrial results of so direct and immediately beneficial a character.

The secret of the confidence which Lord Milner displayed in his desperate but successful struggle for the industrial independence of the gold industry, lies in the fact that he was fighting not for the mines alone, but for agriculture, land settlement, an efficient civil service, public works, and railways. The extent of the interests involved in this conflict and the strength of intellect and purpose that he brought to bear upon it, are exhibited in a remarkable manner by some words written to Mr (now Sir) H. W. Just, of the Colonial Office, on 14th June 1903. In this letter Lord Milner, after giving the approximate estimates for the Inter-Colonial and Transvaal budgets for the new financial

year, 1903-4, says that he is not anxious for the future, if only the required labour supply—50,000 to 100,000 Chinese labourers—can be obtained. He then continues:—

“I allow six months for the conversion of the populus, six more months for getting the labour, and think, therefore, that it is reasonable to suppose that by 1904-5 our interrupted development will have once more resumed its natural course, in which case all anxieties about public finance will be a thing of the past.”

Now, although, as we have seen, the opposition to Chinese labour was greater, and came from more various quarters, than he could have foreseen, yet such was Lord Milner's determination and energy that this forecast of a year ago was almost exactly fulfilled. And four months after the Chinese had begun to arrive we find him describing the changed situation brought about by the importation in terms which show that the “natural course of the Transvaal's development” had, as a matter of fact, been resumed. The occasion of his speech was the Extraordinary Meeting of the Inter-Colonial Council convoked at Bloemfontein on 15th November 1904; and, as the Council had been convened for the express object of despatching railway business, no better passage could be found to exhibit the connection between Chinese labour and the general development of the new colonies. For of all the material agencies employed, Lord Milner relied most upon the improvement and extension of the railways; and it is to this subject that the attention of the reader will be mainly directed in the present chapter.

“The last thing which any one would have imagined when we dispersed in June,” said Lord Milner, “was that we should be obliged to call an Extraordinary Meeting in November, merely to sanction the construction of lines which, six months ago, seemed to lie in the distant future, but which now require nothing but the consent of this Council, of the Secretary of State, and, in some cases, of the Legislatures of the neighbouring colonies, in order to be at once proceeded with.

“The prospects of the new colonies, as far as Railway Construction is concerned, have certainly changed vastly for

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the better. And the reason for this change, or what at least seems to me to be the reason, is quite as gratifying as the change itself. It is the revival of confidence in the future of the two new colonies—I do not mean their ultimate future, the prosperity of which no far-sighted man has ever doubted, but their immediate future. Rightly or wrongly, the impression has been steadily growing for some months past, and growing in spite of the slackness of trade which still generally prevails, that a time of important development is near at hand. And men are moving in all directions—not only individuals but Governments—in order to be in time to share in the benefits of that development when it comes. I think they are wise in their generation. Do not let me be supposed to imply that I expect any very rapid or phenomenal growth of business, any ‘boom,’ to use a common phrase, either in the Transvaal or any part of South Africa, at the present time. I neither expect it, nor desire it. All that has happened is that certain fundamental conditions having been improved, men have begun to cast off the gloom, always excessive, which hung over them a year or six months ago, and to see the ups and downs of our economic life in their true proportions.”<sup>1</sup>

When Lord Milner left South Africa not only had the railways of the new colonies attained a high state of efficiency, but a considerable advance had been made towards the removal of the more obvious of the obstacles which had hitherto barred the way to the creation of a single railway system for the sub-continent. This satisfactory change in the Central South African railways was brought about by gradual and progressive improvements, effected as funds and opportunity permitted; and the problem of reconstruction was rendered the more difficult by the circumstance that the exigencies of the situation required that the existing railways and railway “plant,” as well as the *personnel* of the department, should be worked from the first establishment of Civil Government at the utmost limit of their capacity. In this, and in a lesser degree in other departments of the Administration, the problem was analogous to that of mending the works of a clock without stopping it. To get the

<sup>1</sup> Cd. 2482.

maximum of service, and of revenue, out of an inadequate system of railways, while all the time improving and expanding it, was the task set before Lord Milner and his subordinates, when, on 30th June 1902, the military authorities handed over the railways in the new colonies to the Civil Government. It is the successive steps which led gradually but surely to the accomplishment of this task that we have now to trace.

At the end of 1898 — the last complete year before the war — there were 1,109 miles of railway open in the Transvaal and Orange Free State. Upon the annexation of the two republics in 1900 these lines were taken over by the British military authorities, and worked by them until, on 30th June 1902, they were handed back to the Civil Government. During the period of military occupation two new lines in the Orange River Colony — Bloemfontein to Ficksburg, and Harrismith to Bethlehem — were commenced and partly completed; and the total extent of the lines open at the end of the year 1902 — that is to say, upon the close of the first six months of civil administration — was 1,335.

Upon assuming control of the railways the military authorities improvised a staff of 1,000 men in twenty-four hours, to which they added 2,500 more in the course of the next three months. With this largely inexperienced staff, and with a ubiquitous enemy ready to seize every opportunity of interrupting the traffic and damaging the lines, Sir Percy Girouard, the Director of Military Railways, nevertheless succeeded in replacing or repairing the pumping stations, buildings, bridges, and permanent way, until the whole system had been brought into serviceable condition. Out of the grant-in-aid of £6,500,000 voted for the new colonies in August 1901, £1,000,000 was assigned to the military railways, and orders were placed for engines and working stock considerably in excess of the amount destroyed by the Boers. At the same time the construction of the new lines already mentioned was undertaken for military purposes.

But while during the period of military control rapid progress was made in repairing the actual destruction

caused by the war, the railways of the new colonies, as a system, were found to be in a very crippled condition when they were taken over by the civil authorities. This deterioration was due in the main to two causes. (1) The abnormal conditions under which the lines were worked so long as the war lasted, and in particular the improvised and inexperienced staff, both manual and clerical, had made it impossible to introduce economic and efficient methods of administration into the various departments. (2) The strain put upon the carrying capacity of the railways, when, with the peace, came the transport of the British Army to the ports and the return of the inhabitants of the new colonies to their homes, completed the ruin of what remained of the original rolling stock, which had been worked excessively, and without renewal or repair, for a period of three years.

In these circumstances it was not surprising that the military authorities should hand over the railways with an inefficient administration and a greatly deteriorated plant. Nor was it remarkable that when most of the departments of the railway system were disorganised, the Stores and Accountancy Departments should have been in an unsatisfactory condition. But what is certainly difficult to understand is the fact that the War Office should, at the same time, have put forward a claim of £1,250,000 against the civil authorities of the new colonies, on the ground that the military authorities had incurred a loss to this extent in working the railways.

The claim in question was first formulated, when Mr Chamberlain was in South Africa, as part of the financial settlement. In accepting the arrangements for the Guaranteed Loan and the war contribution, then made by the Secretary of State, the Home Government stipulated that the grant-in-aid of 1901, the repayable portion of the £5,000,000 supplementary vote of November 1902, and the capital expenditure of £1,250,000 incurred by the military authorities on the railways, should be repaid to the British Exchequer out of the proceeds of the £35,000,000 loan. Of these three items the two first were perfectly understood and readily accepted, but the Administration

of the new colonies absolutely repudiated its liability in respect of the third, and it was reserved accordingly for further discussion. The contention of the Administration, as subsequently stated by Lord Milner to Mr Chamberlain before he left the new colonies, was this. The deficit shown by the railway accounts, presented by the military authorities, was due to the fact that they had omitted all receipts or charges for their own internal traffic. If this had been charged for at cost price there would have been no deficit. But, assuming that the alleged deficit did exist, it should have been met by the £1,000,000 already granted by the Imperial Parliament for the railways, while they were under military occupation. In these circumstances it was agreed between Mr Chamberlain and Lord Milner that, as Lord Onslow, then Under-Secretary for the Colonies, proposed, the question should be referred for decision to a mixed Committee of the Colonial and War Offices, which should determine what sum, if any, should be paid to the War Office in settlement of its claim.

In the new colonies this claim was regarded as nothing more or less than an attempt, by indirect and questionable methods, to exact a contribution to the cost of the war. It was strenuously opposed by the Colonial Office on their behalf; and the dispute was one of the matters which Lord Milner endeavoured to settle by personally conferring with the War Office authorities during his stay in London in October and November 1903.

The claim was ultimately satisfied by the payment of £500,000 to the War Office by the Central South African railways in the financial year 1905-6. The source from which this sum was provided is significant. The accounts of the Chief Paymaster, at the time when the railways were handed over to the civil authorities, showed a sum of £500,000 on the credit side, representing cash in hand. This sum was transferred to capital account "as a partial, though very inadequate, set off" to the depreciation of the lines and rolling stock, for which no provision had been made by the military authorities. When the amount to be paid to the War Office was at length

settled, the Railway Administration transferred this £500,000 from capital to revenue account, and employed it in liquidating its liability to the War Office.

Upon the establishment of peace the railways in the new colonies were vested<sup>1</sup> in the High Commissioner for South Africa—as representing the Imperial Government to which they belonged by right of conquest—and directed to be administered by him as one system under the name of “The Central South African Railways.” In the performance of this duty the High Commissioner was assisted by an officer styled the Commissioner of Railways, and by a Financial Board of Control, a body upon which both colonies were represented. Sir Percy Girouard, formerly Director of Military Railways, was appointed Commissioner, and at the same time Mr (afterwards Sir) T. R. Price, of the Cape Government railways, whose capacity had been made known to Lord Milner in the difficult times which followed the outbreak of the war, was brought to Johannesburg in August 1902, to take up the duties of General Manager. The administration of the Central South African railways as thus constituted, remained in operation until 30th June 1903, the date on which the first financial year of the new colonies under Civil Government came to an end; and during this period the receipts respectively accruing from the portions of the system in the Transvaal and Orange River Colony were paid separately to the treasuries of the two colonies.

It was Lord Milner’s desire that both branches of the work of railway development, the improvement of the existing system and the construction of new lines, should be rapidly pushed on from the moment that the abnormal demands upon the staff and rolling stock, which marked the first few months of peace, had ceased. And with this object in view he collected, in spite of the pressing claims of other administrative duties, the information which he laid before the Imperial Government in his Railway Despatch of 10th September 1902.<sup>2</sup> The programme of new lines then submitted, was, however, slightly modified by the decisions of the Railway Extension Conference held at Johannesburg

<sup>1</sup> By Order-in-Council of 15th September 1902.

<sup>2</sup> See chap. vii. p. 129, vol. I.



on 3rd to 6th March 1903. This Conference, which, as the immediate sequel of the Financial Settlement, took place at a time when Lord Milner's proposals for the creation of the Inter-Colonial Council had been approved in principle by Mr Chamberlain, consisted of the High Commissioner, who presided, the Commissioner of Railways, the two Lieutenant-Governors, the Transvaal and Orange River Colony members of the Railway Board, and eight unofficial members, taken in equal numbers from the two colonies. It was in effect a body of men of the same character as that which, under the name of the Inter-Colonial Council, was subsequently to take the place of the original Financial Board of Control. The immediate duty which it was called upon to perform was one which arose directly out of the Financial Settlement. In allocating the £35,000,000 of the loan which was to be raised under Imperial guarantee, Mr Chamberlain had agreed that £14,000,000 should be assigned to the acquisition of the existing railways in the two colonies,<sup>1</sup> and that £10,000,000 should be appropriated to "new development." Of this latter sum, £5,000,000, together with any balance that might be saved from the remaining £5,000,000 (allocated to land settlement and other public works), was assigned to the construction of the new railway lines.

In opening the Conference Lord Milner first directed the attention of its members to the significance of the changes in the administration of the railways to be brought about by the creation of the Inter-Colonial Council, changes which, having been approved by Mr Chamberlain, now only awaited the formal sanction of the Home Government. The railway systems of the two sister colonies would no longer exist as "separate business propositions," but would be, now and henceforth, in all respects one concern.

"The Imperial Government," he said, "which, by conquest, became the owners of them both, has decided to hand them

<sup>1</sup> This sum covered the expropriation of the Netherlands South African Railway and the Pretoria-Pietersburg line, the repayment of the £1,000,000 advanced to the military railways for rolling stock, the payment of £1,800,000 to the Cape Colony on account of its interests in the Orange River Colony railways, the as yet undetermined amount of the claim of the War Office, and the Selati Debentures.

back, not to the two colonies separately, but to the two colonies as one. They are the common property of them both. And what I would beg of you to realise is that, if you are a citizen of the Orange River Colony, you have, in that character, just as much interest in the Pretoria-Pietersburg Railway as a citizen of the Transvaal, and, conversely, that a citizen of the Transvaal has henceforth just as much interest in the Thaba 'Nchu-Bloemfontein Railway as if he was a citizen of the Orange River Colony. . . . Not only the management of the lines, but their net revenue will hereafter be common. That is to say, that, whatever the railways earn, after paying their working expenses, and making ample provision for repairs and betterment . . . all the surplus, I say, will be available, in the first place, to meet any common expenses of the two new colonies, and, only after such common expenses are defrayed, will the balance go to the separate Exchequers."

And then, turning to the first and biggest question which the Conference was called upon to decide, he continued :—

"We have £5,000,000 to spend between the Orange and Limpopo. The question is: How best to spend it? What lines are really needed most? Which will pay best, both directly in yielding revenue and indirectly in developing the resources of the country? The sum is large in itself, but it is small compared with our wants. These colonies, starved as they have been in everything making for material development, with the sole exception of the capital invested in the mines, have been starved in no respect so strikingly, so detrimentally, as in the matter of railways. . . . The £5,000,000 will not by any means give us all that we urgently require. All the more important is it, therefore, to make sure that it will be devoted to the things most needful."<sup>1</sup>

The answer of the Conference to this question was made in the form of two lists of new railways, which were drawn up and approved, after three days' full and careful discussion. The first of these lists comprised the lines which were to be constructed forthwith, and for the cost of which the £5,000,000 would almost suffice.

<sup>1</sup> Cd. 1552.

	Miles.	Rate per mile, including £1,000 for Rolling Stock.	Total Cost.
1. Springs to junction on Machadodorp-Ermelo private line	137	£6,840	£937,000
2. Viljoen's Drift to mile 10 on Harrismith - Bethlehem line . . . . .	175	7,600	1,330,000
3. Vereeniging-Johannesburg and Rand coal line . . . . .	88	8,400	740,000
4. Bloemfontein - Johannesburg "Grain line"— Bloemfontein Modderpoort section . . . . .	84	6,500	546,000
Harrismith Bethlehem section . . . . .	65	6,300	410,000
5. Pretoria or Krugersdorp to Rustenburg . . . . .		lump sum allocated	500,000
6. Klerksdorp to Kroonstad . . . . .	69	6,500	448,000
7. Springfontein-Jagersfontein . . . . .	50	5,000	250,000
Grand total . . . . .	668		£5,161,000

In recommending this programme for the approval of the Secretary of State, Lord Milner pleaded for the early sanction of the Imperial Government.

"Some of the lines," he wrote, "as you are aware, are already begun, and considerable progress has been made on them. These are number 3 (the Vereeniging—Johannesburg line) and both sections of number 4 (the 'Grain line'), viz., the Bloemfontein - Modderpoort and Harrismith - Bethlehem sections. All these were commenced during the war for military purposes, and rather than interrupt the work, especially as in one case it afforded relief to the poorest section of the returning burgher population, we have gone on with them, though at a slackened pace. Of the others the Springs to Ermelo line is also very pressing, as, unless we can divert some portion of the increasing traffic between Delagoa Bay and the Transvaal from the present single main line, we shall have serious trouble on that route, where the congestion between Middelburg and Pretoria, owing to a heavy local coal traffic being superadded to the through traffic, is becoming troublesome and even dangerous. But, as a matter of fact, all the lines recommended ought now to be proceeded with reasonably fast, both for

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economic and political considerations. The lines themselves are greatly wanted, and the fulfilment of the repeated promises of the Government to promote the economic development of the country is anxiously expected.”<sup>1</sup>

The second series of lines were these:—

1. Klerksdorp to Fourteen Streams.
2. A line connecting Delagoa Bay with Lydenburg or Pilgrims' Rest.
3. The extension of the Rustenburg line through the Marico district.
4. The line from Modderpoort to Bethlehem (completing the Grain line).
5. The continuation of the Jagersfontein line to Kimberley, or, in the alternative, a line from Bloemfontein to Kimberley.

The resolution approving of this second list of lines proceeded to state that “nothing but the fact that the available funds were insufficient” had prevented the Conference from recommending them for immediate construction. In these circumstances the Conference recommended that every effort should be made to obtain the construction of them by private enterprise. And, with a view of providing for this contingency, it laid down that certain principles should be observed in such cases. The Government should have the right to expropriate, should retain control of tariffs and of the cost of construction, and should protect the public against excessive charges by determining the profits of the contractors “without regard to share capital, but either in relation to profit earned on working, or as a fixed percentage on outlay.”

The Railway Extension Conference was followed almost directly by the Inter-Colonial Customs Conference at Bloemfontein (10th to 23rd March), which consisted of representatives of the Governments of all the five colonies of British South Africa, under the presidency of the High Commissioner. Although the main achievement of the Bloemfontein Conference was the establishment of the Customs Union, the new colonies were even more immediately concerned in the agreement for the reduction of the

<sup>1</sup> Cd. 1552.

railway rates upon the traffic from the ports inland, which the Transvaal and Orange River Colony delegates, acting in unison, made a condition precedent to binding their respective colonies to enter the Union. The considerations by means of which the Governments of the Cape and Natal were prevailed upon to make this sacrifice of a portion of their railway revenues, have been related in the account of the Conference itself,<sup>1</sup> and need not be repeated here. But the general policy and results of the reduction of rates, which this agreement enabled the Central South African railways to bring into effect on 1st July 1903, must be stated briefly; since, apart from its immediate financial effects, it marked a significant advance in the economic development of the Transvaal.

The special object, to the attainment of which the lowering of the cost of transport by railway was expected to contribute, was, of course, the lessening of the cost of the necessaries of life to the European industrial population of the new colonies, and in particular to the British artisans and skilled miners on the Rand. With this purpose in view the indiscriminate, or "all-round" reduction of rates, which was at first offered by the coastal colonies, was refused, and the Transvaal and Orange River Colony delegates insisted upon the necessity of discriminating between what were necessaries of life to the wage-earning classes and all other articles, whether luxuries of the rich, or materials required to satisfy the ordinary demands of industrial enterprises in a new and growing country. In this, as we know, the delegates of the new colonies succeeded, after a struggle, in carrying their point. Thus, while the railway charges for carrying food-stuffs, including groceries, materials used in the building of houses, and other primary constituents in the cost of living of the industrial classes, were materially reduced, articles required for the comfort or convenience of the wealthier classes, and machinery and stores for the mines, were carried at the old rates. Of the £900,000 remitted by the Central South African railways in the course of the new financial year, and of the almost equal sum remitted by the railways of the Cape and Natal on

<sup>1</sup> Chap. x.

the through traffic from the ports to the new colonies, the bulk, so far as the action of the Railway Administration could provide, went to cheapen the cost of the necessities of life. The consumer, probably, did not get the full benefit of this reduction of rates until one or two years had passed; and for a time the importer kept the lion's share of the saving on the cost of carriage in the shape of increased profits. Indeed, Sir George Farrar, one of the Transvaal unofficial delegates to the Conference, in speaking at Driefontein on his return from Bloemfontein (31st March 1903), suggested that the copper coinage should be brought into circulation on the Rand, in order that the storekeepers might give the artisans and skilled labourers the full benefit of the reductions in the case of groceries and food-stuffs.<sup>1</sup> But the broad fact remained that, by thus lowering the railway rates, the Administration of the new colonies commenced its second financial year with a remission of a million and a half of taxation, and that the industrial classes, if they did not get all the advantage which was intended, did in fact benefit largely by the measure. And by the end of the year 1904, as we have had occasion to notice before,<sup>2</sup> groceries, food-stuffs, and articles of wearing apparel could be bought in the Johannesburg shops at prices very little, if at all, in excess of those which were being paid by the industrial classes in England. Putting luxuries on one side, the cost of house-rent, of the wages of the Kafir "boy" which the British married artisan employed for housework, and of the conveniences and services required by the European community and supplied mainly by native labour, alone remained inordinately high.

With the constitution of the Inter-Colonial Council, effected by the Order-in-Council of 20th May 1903, the changes in the administration of the railways, indicated by Lord Milner in his address to the Railway Extension Conference, came into effect. While the Council, as a body, was responsible for the administration of the Central South African railways, with power to receive their revenues and

<sup>1</sup> The threepenny bit was practically the lowest coin in use on the Rand at this time.

<sup>2</sup> Native Labour, chap. xi. p. 277 *et seq.*

determine the expenditure upon the existing system and upon the new lines, the immediate work of management was delegated to a standing Committee, named the Railway Committee, which to this extent took the place of the former Financial Board of Control. The Railway Committee, which was ordered to be appointed yearly at the ordinary meeting of the Council, consisted of not less than three or more than five members of the Council, with the Commissioner of Railways as its chairman. It was charged with the duty of preparing and submitting to the Council the estimates of the gross receipts of the Central South African railways for the ensuing year, and of the cost of working, administration, and other services necessary for the maintenance of the system. At the same time the power to authorise the construction of new lines, either by public funds or by private enterprise, was reserved to the Council as a whole, and the exercise of this power was subject to the consent of the Secretary of State.

At the first session of the Inter-Colonial Council, 4th to 8th July 1903, the net receipts from the railways for the coming financial year (1903-4) were estimated at £2,150,000, and an expenditure upon open and new lines of over £7,000,000 was authorised by the Council and sanctioned subsequently by the Secretary of State. Of this large expenditure, the sum of £2,515,518 was assigned to the necessary work of bringing the existing system into a proper state of repair and equipment—"not," in Lord Milner's words, "a perfect state by any manner of means, but at least one of tolerable efficiency." And of this capital expenditure upon "open lines," £1,469,000 was provided from the net railway receipts of the preceding year, and £1,046,000 was taken from the £10,000,000 allocated to new development in the appropriation of the Guaranteed Loan. The expenditure on "new lines," amounting to £4,654,045, was provided out of the £5,000,000 of the loan allocated to the construction of new railways. And thus, when in September the sanction of the Secretary of State had been obtained, provision was made formally for carrying out the programme of new lines recommended by the Railway Extension Conference.

This was in July. During the remaining months of the year (1903), as we have seen, the injurious effects of the

shortage of labour became increasingly apparent. The gold industry ceased to show the slow but regular advance which it had maintained since the peace, and sank into a condition of arrested progress or stagnation. And although the mines were primarily affected, all other industrial interests suffered with them in a greater or less degree. The Railway Administration was thus adversely affected both directly and indirectly—directly as a large employer of native labour, and indirectly, since its revenue-producing traffic diminished in sympathy with the decrease of the purchasing power of the industrial community brought about by the stagnation of the gold industry. And, moreover, in the case of the railways the loss of revenue due to these purely economic causes was aggravated by the fact that it now appeared that serious miscalculations had been made in the detailed accounts upon which the estimates both of revenue and expenditure, submitted to the Inter-Colonial Council, had been based. The full extent of the loss on both these heads could not, of course, be ascertained until the end of the financial year (1903-4), but the returns of receipts and expenditure for the first few months (July to November) were sufficiently disastrous to cause grave anxiety to Sir Arthur Lawley, who in Lord Milner's absence was Acting High Commissioner. Sir Percy Girouard, who was on leave in England, hastily returned to his post; and one of the first matters to which Lord Milner gave his attention, upon his return to the Transvaal (19th December 1903), was the laborious task of reducing the accounts of the Central South African railways to comparative order and lucidity.

As the result of his investigations, Lord Milner convened an extraordinary meeting of the Inter-Colonial Council to consider the position of the Railway Administration and its effect upon the finances of the new colonies. At this session, held in Johannesburg 1st to 9th March, the situation disclosed by the latest available returns, with the reports upon them furnished by Sir Percy Girouard, was as follows. In lowering the rates the Administration intended to give up £550,000 a year, making with the corresponding reduction in the rates charged by the Cape and Natal railways on the through-traffic, estimated at £200,000 per



annum, a total remission of taxation upon the new colonies to the extent of £750,000. But in the actual event the loss of revenue was found in the case of the Central South African railways to be at the rate of over £900,000 per annum, and in that of the railways of the coastal colonies at least £500,000. In other words, the loss of revenue from this source had proved to be nearly twice the amount at which it had been set down in framing the estimates. At the same time the working expenses, owing to a number of errors—in part unavoidable, and in the main due to the legacy of faulty accountancy left by the military authorities—threatened to exceed the appropriation by some £300,000 on the year's working. The net receipts, therefore, which in July had been estimated at £2,150,000, were now set down at £1,400,000.

Happily the two colonial exchequers were not called upon to make good the whole of this loss of inter-colonial revenue. While the railway revenue would be £750,000 less than the estimated amount, there would be a saving of some £400,000 upon the sums appropriated to the joint services which the railway revenue went to maintain. The excess on balance required from the two colonial treasuries was, therefore, £350,000; and the supplementary payment, estimated in July at £680,000, was thus raised to £1,030,000, of which the Transvaal share would amount to about £900,000, and that of the Orange River Colony to £120,000.

The Budget for 1903-4, as thus revised and now presented to the Inter-Colonial Council was this:—

ESTIMATED REVENUE	
Net receipts, C.S.A.R., 1903-4 . . . . .	£1,400,000
Transfer from 1902-3 revenue . . . . .	200,000
	£1,600,000
ESTIMATED EXPENDITURE	
I. Service of Guaranteed Loan, etc., . . . . .	£1,220,000
II. Administration (including for the South African Constabulary £1,330,000) . . . . .	1,399,250
	£2,619,250
Total Expenditure . . . . .	£2,619,250
,, Revenue . . . . .	1,600,000
	£1,019,250
Deficit to be supplied by the two colonies . . . . .	£1,019,250

## 18 RECONSTRUCTION OF THE NEW COLONIES

But this was not all. The provision for capital expenditure upon the existing railway system was found to be insufficient. The necessary expenditure on this account was £310,000 more than the £2,515,000 provided in the estimates, and the sum available out of the last year's surplus revenue was £376,000 less than the sum set down in the estimates. Thus there was an additional sum of £686,000 to be provided. Here, again, the errors were due in the main to the state of disorder in which the Accountancy Department of the military railways had been handed over to the civil authorities.

The question of providing the additional revenue required by the Inter-Colonial Council was one which belonged to the respective treasuries of the two colonies; but the problem of providing the additional sum required for the capital expenditure upon the open lines had to be solved by the Council itself. For this purpose a Select Committee was appointed, which, after two days' consideration of the whole circumstances of the case, recommended that a saving of £170,000 should be effected by omitting certain works from the programme of capital expenditure upon open lines, and that the balance, with the exception of £20,000 to be realised by the sale of surplus rails, should be provided out of the £35,000,000 loan. In order to give effect to this recommendation it was necessary to obtain the sanction of the Secretary of State to certain changes in the appropriation of the loan, and when this had been done, the deficit was liquidated as under:—

Original deficit . . . . .	£686,000
By omission of certain works, <i>less</i> . . . . .	170,000
	<hr/>
	<u>£516,000</u>
By transfer from Head I. "A" (deficit of 1901-2) of the Loan <sup>1</sup>	£258,000
" " " Head IV. "A" (new construction) . . . . .	238,000
Sale of surplus rails . . . . .	20,000
	<hr/>
	<u>£516,000</u>

The transfer from Head I. "A" of the loan used up what remained of the balance of £1,500,000 appropriated to

<sup>1</sup> For original allocation of loan, *see* chap. x. p. 248.

liquidate the estimated deficit of the Civil Administration of the new colonies for the last year of the war, 1901-2. As the actual deficit had been found to be only £542,000, there had remained a balance of £958,000. A part of this balance had been assigned, with the consent of the Secretary of State, to "capital expenditure upon Open Lines" in the provision under that head originally made by the Council in July; and the remainder was now appropriated to the same object.<sup>1</sup> The transfer from Head IV. "A" diverted the amount in question from the £5,000,000 of the loan allocated to the construction of new railways. It involved, therefore, a distinct but not very important modification of the programme of new construction sanctioned in July—the temporary abandonment of the last section, Vierfontein to Kroonstad, of the Klerksdorp to Kroonstad line. The main object of this line, which was to establish railway communication with the important coal mines at Vierfontein, would, however, be attained; and the continuation to Kroonstad, although it would still claim to rank for construction out of the first available funds, was not immediately needed.

The disordered condition of the railway accounts, as thus disclosed, and the grave disturbance of the finances of the new colonies to which it had given rise, led not only to the remedy of the particular evil by a fundamental change in the system and *personnel* of the Railway Administration, but to the enlargement of the Inter-Colonial Council by an increase of the non-official element. The latter change, which was unanimously recommended by resolution of the Council, was advocated by Sir George Farrar on two grounds. In the first place, the non-official members of the Council, as at present constituted, were too few to include a sufficient number of persons fitted by their experience and capacity to be effective critics of the Railway Administration, and useful members of the Railway Committee. And in the second, the public were not satisfied with so limited a non-official element; the Council,

<sup>1</sup> This was a perfectly legitimate appropriation, since the maintenance of the State railways in 1901-2 would have been provided for out of revenue in normal circumstances.

therefore, would have greater influence and authority if this element were increased. It was also recommended that the Railway Committee (at present limited to a maximum of five members, of which the Commissioner of Railways was chairman) should be enlarged, and that the Council itself should have power to determine the number of the members of which the Committee was to be composed.

Lord Milner, who with the official members of the Council was in agreement with the resolution, in a despatch of 21st March, which contained a full statement of the proceedings of the Council, asked the Secretary of State to sanction the proposed changes in the composition of the Council together with the transfers of the loan funds necessary to give effect to the recommendations of the Select Committee. In doing so he advised that the number of non-official members should be raised from six to twelve, of whom six should be elected by the non-official members of the Transvaal Legislature, four by those of the Orange River Colony Legislature, and two should be appointed by the Secretary of State. And in view of the fact that it was important for the enlarged Council to hold its ordinary meeting before either of the Legislatures of the two colonies were in session, he urged that the necessary amending Order-in-Council might be passed at the earliest date possible. Mr Lyttelton acted with such admirable promptitude that this was done on 21st April; but, as he had thought it desirable that an official majority in the Inter-Colonial Council should be maintained, the number of official members was raised to thirteen, thus giving them a majority of one, exclusive of the High Commissioner's vote as President.

The Inter-Colonial Council as thus enlarged met for its ordinary annual meeting on 31st May, at Pretoria. It was now known within a few thousands what the revenue and expenditure for the financial year 1903-4 would be, as only one month (June) had yet to run. The position was more favourable in both respects than had been anticipated in March. The net receipts from the railways were as then estimated, but a sum of £80,000, being interest on

the balance of the loan funds in the hands of the Crown Agents in London, of which no account had been taken previously, was now available to swell the revenue; while the reductions in the cost of the South African Constabulary would actually save £90,000 more than the expected £190,000. As the result of this double gain, Lord Milner was able to tell the Council in his opening address that the contribution required of the two colonies to supplement the inter-colonial, or railway, revenue would be £870,000, instead of the £1,020,000 estimated in March. Of this sum, he continued,

“the share of the Orange River Colony will be, in round figures, £103,000, that of the Transvaal £767,000. As far as the Orange River Colony is concerned, the result will simply be that a surplus on the financial year 1903-4, in any case substantial, will be slightly increased. In the case of the Transvaal, the result will be that the threatened deficit, estimated by me in January last at £350,000,<sup>1</sup> and in the beginning of March, when addressing this Council, at £200,000, will be reduced to very trifling proportions, if not altogether averted. . . . My friend Mr Duncan informs me that, while the expenditure of the Transvaal, including supplementary estimates, will be £3,660,000, the revenue, on a moderate calculation, is not likely to be less than £4,430,000, or only £70,000 under the original estimate of a year ago—a very creditable result.

“My present estimate therefore, is:—

Revenue of the Transvaal . . . . .	£4,430,000
Expenditure :	
For local purposes . . . . .	3,660,000
For inter-colonial purposes . . . . .	767,000
Total Expenditure . . . . .	£4,427,000
Deficit . . . . .	<i>Nil.</i> <sup>2</sup>

And thus within less than six months of his return to the Transvaal, Lord Milner had brought about the result for which in January the Colonial Office had hardly dared to hope. In spite of the grave industrial depression caused by the shortage of labour, “by some kind of a miracle”

<sup>1</sup> See chap. xiv. p. 332.

<sup>2</sup> Cd. 2104.

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he had been able to avoid a deficit in the financial year 1903-4.<sup>1</sup>

To complete this account of the revenue aspect of the railway earnings at this time, the statement of the Inter-Colonial Revenue and Expenditure for the year 1903-4,<sup>2</sup> as finally verified and approved, may be appended.

### REVENUE

Central South African Railways . . . . .	£1,617,254	15	10
Interest . . . . .	99,825	3	10
Government of the Transvaal—			
Contribution to Revenue of Council . . . . .	750,000	0	0
Government of the Orange River Colony—			
Contribution to Revenue of Council . . . . .	100,000	0	0
Miscellaneous . . . . .	879	12	8
	<u>£2,567,959</u>	<u>12</u>	<u>4</u>

### REVENUE EXPENDITURE

Vote No.			
I. A.	Interest and Sinking Fund on Loan . . . . .	£1,199,999	9 0
B.	Management charges . . . . .	3,576	10 4
II. A.	South African Constabulary . . . . .	1,317,754	14 11
B.	Governor's Establishment . . . . .	22,365	15 6
C.	Surveys . . . . .	25,319	6 1
D.	Permit Office . . . . .	8,471	3 9
E.	Transvaal and Orange River Colony		
	Enquiry Office . . . . .	1,865	9 9
F.	Expenses of Council . . . . .	4,877	11 3
G.	Education . . . . .	2,317	18 1
		<u>£2,586,547</u>	<u>18 8</u>

As regards the immediate future the estimates for the coming financial year (1904-5) put the net receipts from the Central South African railways at £1,520,735. From this total, however, the Railway Committee recommended that £250,000 should be deducted, and that this sum should be applied to the further improvement of the "open" lines.<sup>3</sup> On the other hand a sum, estimated at £50,000, being interest on advances made out of the, as yet, unexpended funds of the Guaranteed Loan, was to be added to the railway receipts. The available inter-colonial revenue for

<sup>1</sup> See chap. xiv. p. 338.

<sup>2</sup> Cd. 2482.

<sup>3</sup> In the next year (1905-6) a permanent apportionment for "betterment" out of annual receipts was instituted.

the year was, therefore, estimated at £1,320,735. The estimated expenditure was £2,540,215; and the supplementary contributions from the two colonies would, therefore, amount to £1,200,000 in round numbers. These estimates were framed in a spirit of caution.<sup>1</sup> They were based, as Lord Milner said, on the assumption that the year 1904-5 would be "rather a worse year than 1903-4." And the same assumption would be made in the case of the separate budgets of the two colonies.

"Putting everything together, you will note," he continued, "that in 1903-4 we are practically certain to get—

Transvaal . . . . .	£4,430,000
Orange River Colony . . . . .	860,000
Inter-Colonial Council . . . . .	1,640,000
Total . . . . .	<u>£6,930,000</u>

"For 1904-5 we only reckon to get—

Transvaal . . . . .	£4,240,000
Orange River Colony . . . . .	760,000
Inter-Colonial Council . . . . .	1,320,000
Total . . . . .	<u>£6,320,000"</u> <sup>2</sup>

But the immediate financial position was by no means the only subject awaiting the attention of the enlarged Council. During the last few months communications had been passing between the High Commissioner and the Governments of the self-governing colonies on the question of the possibility of amalgamating their railway systems with that of the new colonies. As the outcome of these communications Lord Milner was able to inform the Council that Natal and the Cape Colony had agreed in desiring a Conference, consisting of both official and non-official representatives of their respective railway systems and of the Central South African railways, "to consider the question of the joint management of the three systems." To this proposal Lord Milner had given his consent upon

<sup>1</sup> In the event the sum which the colonies were called upon to contribute was £988,919. Cd. 2563.

<sup>2</sup> Here again the actual returns showed an increase on the estimates. In July 1905 the Transvaal revenue for 1904-5 was put at £4,359,000, giving a surplus over expenditure of £347,000; and the Orange River Colony revenue was £781,000. Cd. 2563.

the distinct understanding, however, "that the functions of the Conference should be purely deliberative, and that its recommendations, if any, should not be binding on any of the parties to the Conference"—a limitation which the self-governing colonies equally desired. The date of the Railway Amalgamation Conference would be an early one, but there were practical difficulties which would prevent it from meeting for some months. The Conference would be a completely open one; the question to be put to it would be: "Can we work together, and, if so, in what manner, and on what terms?" Such a Conference, he added, "may not produce agreement, but it must promote enlightenment, and that in itself is a great step forward."

The question of "new construction" also required the consideration of the Council. To carry out the work commenced by the Railway Extension Conference of a year ago, it was proposed to appoint a Committee of the Council to whom the demands for new local lines, and the means of financing such of them as were approved, would be referred. The position, as Lord Milner saw it, was this. The funds available out of the Guaranteed Loan would soon be used up. They would suffice to complete the lines in process of construction, and possibly the two remaining items in the list of immediately necessary lines as approved by the Railway Extension Conference. But when this had been done, there would still be a great extent of country almost totally devoid of means of communication. The words which Lord Milner addressed to the Council on this subject exhibit in a striking degree the principles which guided him throughout in his efforts to develop the new colonies, and as such they have a general significance apart from their immediate application.

"What is to be done? Some people will say 'Nothing.' There is, I know, a large body of opinion—I do not wish to under-estimate the strength of it or the reasonableness of the arguments adduced—which is opposed to a forward policy in this matter. It is said we are in danger of throwing away money on lines which will never pay, and that we shall be benefiting the country at the expense of the towns, which already have to bear the chief burden of taxation. Why



should industry and commerce make these sacrifices on behalf of agriculture, or the great urban centres come to the support of remote agricultural districts?

“Well, why should the heart, with great effort, pump blood to the extremities? We are one body politic. But apart from such, it may be said, sentimental considerations it is good business, in the long run, to increase your agricultural resources as well as to extend the area of industrial development.

“Of course no one in his senses would advocate any and every suggested branch line. But a steady and gradual improvement of the means of communication is, it seems to me, as essential to the welfare of the towns as to the country itself. There are branch lines which may not pay directly, but will pay indirectly, not only by increasing the profitable traffic of the main lines, but by bringing business to the towns—the farmer who is enabled to sell produce, which he now cannot sell, will then be a customer for goods which he now cannot buy—and by cheapening the cost of living.

“We hear a great deal nowadays about the necessity of reducing that cost, and certainly it is one of our vital problems. Many causes, some irremovable, contribute to the dearness of living in our inland towns, and many remedial measures must co-operate before we can greatly reduce it. But, after all, one of the chief causes is the comparative unproductiveness of vast areas of the country, some of which, at any rate, are capable of most profitable production. But that reproach can never be removed until there is a great improvement in communications.

“. . . Well, then, if we do not want the development of the country by branch lines altogether to stop, if we have not the money to construct them, and if it is inadvisable, even should it be possible, to increase our indebtedness for this purpose, how should we proceed? My own feeling is—and this is a criticism of myself as much as of any body else—that we have hardly offered to private capital sufficient inducement to come to our assistance. I think the time has come when, taught by experience, we might be a little more liberal in this respect. How would it be, if we were to reconsider the whole situation in this matter, to decide on the lines of the greatest immediate necessity, on the standard of construction which we ought to set for them, and on the inducements which we were prepared to offer, and then to invite capitalists from anywhere to come

forward and say at what cost they were prepared to build all or any of them?"<sup>1</sup>

As the sequel will show, this appeal to the good sense of the Rand was not made in vain.

But the main business of the enlarged Council was to carry forward the work of re-organising the Railway Administration, the need for which had been made apparent at the extraordinary meeting of last March. In the interval between the two sessions the Railway Committee, strengthened by two assessors of commercial experience, Sir George Farrar and Mr Hosken, had held frequent meetings, which Lord Milner himself had attended as the executive head of the Railway Administration. Mr Douglas, one of the leading accountants of South Africa, had been engaged in examining the railway accounts, and had furnished a confidential report upon them to the High Commissioner. With this expert assistance the re-organisation of the Accountancy Department had been begun, and the Stores Department had been overhauled and placed on a sound basis. The Railway Committee, to whom the Council at its last meeting had referred the whole question of the measures necessary to remedy the unsatisfactory condition of the railway finances, had itself drawn up a minute which was now laid before the enlarged Council. It recommended changes in its own constitution, and by so doing, as Lord Milner pointed out, had made it imperative upon the Council to take action. As to the precise nature of these changes, he confessed that he had an open mind.

"It has fallen to my lot," he continued, "to do as much constructive work in the last two or three years as falls to the lot of most men in a lifetime, and others have had the fun of criticising it. I am not sorry to find myself, with regard to the question of railway administration, in a position in which I can, with a good conscience, leave it to this Council to do a bit of construction on its own account. We hear a great deal about the shortcomings of officials, of their supposed lack of business ability and experience and of knowledge of the country.

<sup>1</sup> Cd. 2104.

“Well, fortunately, we are not all officials here. And if this Council, as at present composed, is deficient in the element of business ability and experience, and, I may add, of long familiarity with the conditions of the country, both industrial and agricultural, I really do not know where in the new colonies these valuable attributes are to be found.”

Certain circumstances—mainly of a personal nature—of which all mention has been omitted hitherto, must now be related. They were circumstances which made the settlement of the question upon the lines laid down by the Railway Committee’s minute peculiarly difficult both for Lord Milner himself and for the members of the Inter-Colonial Council, and a knowledge of them is necessary not only for the proper understanding of the subsequent proceedings of the Council, but also because they may have exercised a direct influence—which will be traced hereafter—upon the constitutional evolution of the new colonies.

The rank and file of the British community on the Rand, in spite of a general consciousness of the immense debt which they owed to Lord Milner both in the past and in the present, were prevented by the farsightedness of his plans from understanding for the moment either the meaning or the value of his administrative efforts. In the absence of this understanding, and when it became evident that the adverse economic conditions of the past could not be changed in a single year, their over-sanguine expectation of a social and economic millennium gave place to an equally unreasonable impatience and distrust, which for the time obscured from their vision the evidences of the slow but sure progress that was going on around them. One form in which this irritable temper manifested itself was a continuous and unrestrained criticism of the *personnel* of the Crown Colony Administration—a criticism which found ready expression in two out of the three daily papers published at Johannesburg, and formed the staple of the speeches of every man, Boer or British, who wished to win the ear of a popular audience. A remarkable testimony to the real merit of the civil servants whom Lord Milner had enlisted for the service of the new colonies is provided by the fact that this criticism, even in the least responsible mouths, never once assumed the form

of an attack upon the moral character of an official. Its insistent cries were all, with few exceptions, variants of one vague and general complaint. The officials were young men, imported, not colonial-born, ignorant of the country and its people, unversed in "business" methods, and they received high salaries for the discharge of duties which the many more capable men born and bred in South Africa would have undertaken at far less cost to the tax-payer.

We shall have occasion to observe in a subsequent chapter that the proportion of imported to South African civil servants was in point of fact very small, and that the duties of these imported officials were, with the rarest exceptions, such that in no case could any one in South Africa be found to perform them satisfactorily, who at the same time was willing to exchange the ample monetary rewards of private enterprise for the comparatively insignificant salary, which was all that the Administration could offer him. But in spite of its inconsistency with the facts, the assertion that the best posts in the civil service had been reserved for incapable young men from England met with almost universal acceptance. In particular, it was an article of faith among colonists, who had themselves been a few years in the country, but whose success, up to the present, had not been quite so great or so rapid as they had expected.

Colonel Sir Percy Girouard, R.E., the Commissioner of Railways, was not only an "imported" official, being a Canadian by birth, but a soldier, and, as he had been Director of Military Railways before he entered the service of the Civil Government, he was regarded as the last remnant of the military *régime*—a *régime* which, rightly or wrongly, was held in great disfavour in the new colonies. At the same time he had married into a South African family, and his father-in-law, Sir Richard Solomon, the Attorney-General of the Transvaal, was himself the most distinguished of three brothers, all born in the Cape Colony and all settled in the Transvaal.<sup>1</sup> While, therefore, Sir Percy was obnoxious to the majority of the Rand population as a Canadian and a soldier,

<sup>1</sup> The eldest, Mr (now Sir) E. P. Solomon, was a solicitor in good practice, and afterwards the head of the "Responsible Government" Party; the youngest brother was a Judge of the Transvaal High Court.

his close relationship to so prominent a member of the official circle at Pretoria made him an object of distrust to the leaders of the mining and commercial interests at Johannesburg. When singled out for attack, he, a man of action, showed little skill in the handling of facts and figures, and still less aptitude for the tricks of parliamentary debate. Then and subsequently he was content to rely upon the defence that the demands upon the railways during the first year of peace were admittedly abnormal, and that the progress in efficiency and economy since attained by the system as a whole was as great as could be expected in a period during which the Railway Administration had been in process of reducing its *personnel*, and in other respects adjusting its departments to meet the change from abnormal to normal conditions of working. Moreover, Sir Percy's services in Egypt, and in repairing, reorganising, and extending the military railways during the war, could not be forgotten; and it was understood that he was quite prepared to look for another sphere of work, if it were thought that his retirement from his present post would be in the interests of the new colonies.

With these explanatory facts before him the reader will be able to understand the significance of the various steps by which Sir Percy Girouard was in effect removed by vote of the Inter-Colonial Council from the office of Commissioner of Railways, and the office itself was abolished as part of the change in the constitution of the Railway Administration recommended by the Council, and duly carried out by Lord Milner, with the consent of the Secretary of State, in the course of the succeeding six months.

Before relating these steps, however, it will be convenient first to record the action taken by the Council in the matter of the construction of further railways, a subject to which, as we know, Lord Milner attached the greatest importance. On the first day of the session (31st May) this question of railway extension was referred to a Select Committee, composed of seven non-official members with the Commissioner of Railways and the Acting Lieutenant-Governor of the Orange River Colony, Mr Wilson. In order to guide its deliberations, the Committee was directed to consider, (1) whether in the existing circumstances the policy of

development by railway construction should be continued, and (2) if so, how the necessary funds could be best provided. The Committee reported on 3rd June. The first question having been answered in the affirmative, they found that the Administration would not be justified, having regard to the present financial circumstances of the new colonies, in offering to guarantee a minimum rate of interest to private individuals (or companies) who were prepared to build railways ; but at the same time they recommended that certain advantages should be offered which would have the effect of reducing the risk of initial loss on such privately constructed lines in an appreciable degree. The main inducement thus held out to private capital was the grant of a subsidy from the trunk lines to the newly constructed branch lines, which should be proportionate in each case to the amount of traffic contributed by the branch line to the trunk line. Other lesser advantages were the construction and maintenance of all junctions by the Central South African railways, and the provision and carriage by the Government railways at reduced rates of the material required for the construction of the private lines. To these recommendations further suggestions of a practical nature were added by the Committee, and after some discussion the report was adopted unanimously by the Council on 7th June. In the course of this discussion it appeared that the finding, that the joint Administration could not afford to give a guarantee to lines constructed by private enterprise, was not intended to bind the separate Colonial Governments ; and it was made plain by the speeches of the Orange River Colony members that the lesser colony at any rate might deem it desirable to adopt this method of promoting the construction of new railways.

The minute on administrative changes, which the Railway Committee had reported to the Council, recommended one of two alternative proposals. Either the business of the Committee must be confined to "broad questions of policy" for the decision of which one quarterly meeting would suffice, or the Committee must be replaced by a Board, "consisting of the Commissioner of Railways and two paid officials, one from each colony, who would reside permanently

in Johannesburg and devote their whole time to the business of the railways." The task of giving effect to the principle of this resolution of the Railway Committee, which as Lord Milner said, involved changes in its constitution, was entrusted, on the motion of Sir George Farrar, to a Select Committee of the Council, composed of the Commissioner of Railways, Mr Wilson (Acting Lieutenant-Governor of the Orange River Colony), Mr Duncan (Secretary and Treasurer of the Transvaal), Mr Browne (Treasurer of the Orange River Colony), Mr Hosken and Sir George Farrar (non-official members).

In the debate which followed Mr Duncan deprecated any exaggerated view of the question, and showed that the disorders complained of in the railway administration could be traced to perfectly intelligible causes.

"Immediately after peace," he said, "and for about twelve months afterwards, the traffic was enormously in excess of what we may suppose will be the normal traffic on these lines. . . . Public opinion insisted with irresistible force that the traffic should be carried on at all costs; men who had goods at the coast would not stop for a fortnight or three weeks to have them delivered; they pressed for delivery at once, and consequently we had to get a staff far above our normal requirements. Are we to be reproached for having had to keep such a large staff then, or for having had to reduce it now because it is unnecessary?"

And what applied to the charge of "over-staffing" applied in a less degree to the charge of "over-stocking."

"The plain fact is," wrote the *Star*<sup>1</sup> in commenting on the whole debate, "that the Railway Administration was called upon at first to perform altogether abnormal services. Until quite recently no one could say what the normal services required of it would be. The issue upon which the competency of the Railway Administration must stand or fall is, not its present capacity to satisfy existing requirements, but whether the re-adjustment from abnormal and shifting to normal and stable conditions has been carried out with as much promptitude, and as little wastage, as could be expected from any other railway administration under the like circumstances."

<sup>1</sup> 3rd June 1904.

On the other hand, the discussion of the railway estimates led to so bitter an attack on the part of the non-official members of the Council upon particular transactions for which the Commissioner of Railways was held responsible in his official capacity, that, as the *Star* said, it showed that the relationship between the Railway Administration and the Inter-Colonial Council, as then existing, was one that could not be allowed to continue.

"It cannot be to the public interest," that journal wrote,<sup>1</sup> "to bring the executive of one of the chief departments of the Administration of the two colonies into general contempt, if, and so long as, that executive is to be allowed to direct the work of the department with which it is entrusted. . . . The question of the efficiency or inefficiency of the existing Railway Administration has become merged in this other question:—'How can a link be found between the Inter-Colonial Council and the Railway Administration which will enable the Council to exercise the control which it claims, and to which it is constitutionally entitled?'"

To this question the Select Committee provided a twofold answer in the shape of majority and minority reports. Of these the former was signed by the official members of the Committee, with the exception of Sir Percy Girouard, and the latter by Sir George Farrar and Mr Hosken. Both reports agreed in condemning by implication the existing system of Railway Administration, and in attributing its failure to the fact that the executive head of the Railway Department had not been able to exercise a proper control, from a financial point of view, over the operations which he had directed. In order to rectify this defect it was proposed in the majority report that a second Commissioner, possessing special qualifications for dealing with the financial side of railway administration, should be appointed and hold office jointly with the existing Commissioner of Railways, and that the two Commissioners should, as before, be subject to the control of the Railway Committee of the Council. The recommendation of the minority report was,

"That in place of the Railway Commissioner's Department and the Railway Committee, as now constituted, the

<sup>1</sup> 6th June.



following rearrangement be substituted:—The appointment of a Financial Controller of the Railway Department; the appointment of a Treasurer of the Inter-Colonial Council; the election of two unofficial members from the Transvaal; the election of two unofficial members from the Orange River Colony. The above six members would constitute the Railway Committee, as provided in Article XIV. of the Order-in-Council, dated 21st April 1904.”

These reports were brought up on 11th June. The Majority Report, if adopted by the Council, would have kept Sir Percy Girouard in his position of Commissioner of Railways, but have taken the financial control of the department virtually out of his hands. The Minority Report quite frankly abolished the Railway Commissioner. On 14th June, without recording any decision as between the two reports, the Inter-Colonial Council, by adopting an amendment moved by Mr Hull, determined by a vote of sixteen to seven to carry out the essence of the Minority Report, while discreetly leaving the question of the Railway Commissionership in the hands of the High Commissioner. The text of the amendment was this:—

“This Council is of opinion :

- “(1) That the financial control at present exercised over the affairs of the Central South African Railways is unsatisfactory and ineffective.
- “(2) That an auditor be appointed to the Inter-Colonial Council who shall be responsible for the audit of all the Inter-Colonial accounts, and submit his report thereon to the Inter-Colonial Council, and that the existing regulations for the audit of the accounts be amended with the view to conferring wider powers upon the auditor, similar to those provided in the Natal Audit Act.
- “(3) That a Treasurer of the Inter-Colonial Council be appointed, who shall be solely responsible to the Inter-Colonial Council in respect of Inter-Colonial funds.

“That in view of the fact that certain alterations may be required to be made in the existing system of railway administration, necessitating the amendment of the Order-in-Council, the High Commissioner be respectfully requested

to institute and bring about the necessary reforms in railway administration, and to seek the approval of His Majesty's Secretary of State for the Colonies, if required."

Before this amendment was put to the vote, Lord Milner had made it quite plain that its adoption by the Council would involve the retirement of Sir Percy Girouard. It was, nevertheless, carried in a house of twenty-three<sup>1</sup> members, by a majority of nine. At the same time, the terms on which the retirement was effected afforded some recognition of the value attached to Sir Percy's services.

The public session of the Inter-Colonial Council was brought to a close on the same day (June 14th) that Mr Hull's amendment was carried.

It would not be surprising if this affair should have presented itself to Sir Richard Solomon as a premature application of the principle of self-government. The Commissioner of Railways was removed, so it may have appeared to him, under precisely the same conditions as a "minister responsible to Parliament" would have been—that is to say, directly he ceased to command the confidence of the representatives of the people. And the logical inference to be drawn was, "that if this principle could be applied in the case of one Crown Colony official, it could be applied in all. In short, that the time had come for the introduction of complete self-government in the Transvaal. The importance of an opinion thus formed, as a possible factor in Sir Richard Solomon's attitude towards the constitutional changes for which the foundations were laid in the closing months of Lord Milner's administration, will appear in the sequel. Here it must suffice to note that in the circumstances such an opinion would have been natural.

A new Order-in-Council was necessary to give effect to the changes in the railway administration desired by the Inter-Colonial Council; but Lord Milner decided to postpone the required application to the Secretary of State for the present, in order that the full extent to which the existing Order had to be amended might first be ascertained. In

<sup>1</sup> Sir Richard Solomon took no part in any proceedings of the Council by which Sir Percy Girouard was affected.

he meantime, so much of the change of system as the circumstances and the absence of the new Order permitted was put into operation without further delay. A Railway Finance Committee was constituted, which held its first meeting on 22nd June and continued in active consultation until, on 22nd August, its work was handed over to the "Financial Adviser," whose services had been temporarily secured. An Auditor to the Inter-Colonial Council was appointed, and the existing regulations for the auditing of the accounts were amended; and the Council was actually, though not as yet technically, provided with a Treasurer. With a view of securing for the future that complete knowledge and control of the railway expenditure which the Council desired, Mr Goldby, formerly Auditor-General of Natal, was appointed temporarily Financial Adviser to the Railway Administration. Through the services of this officer, reforms in the Accountancy Department on the lines recommended by Mr Douglas's report were put into effect, with the result that by the end of the financial year (1904-5) an efficient system of railway accounts and statistics, based on the best models, had been established. Although the Commissionership of Railways was to be abolished, it was necessary that some one should hold this office pending the issue of the new Order-in-Council; and Mr Hichens, the Transvaal Treasurer, was accordingly appointed Acting Commissioner of Railways.

A clear account of the purpose and general effect of the changes thus carried out in response to the resolution of 14th June was laid before the Council by Lord Milner, on the occasion of its extraordinary meeting at Bloemfontein, on 15th November. He then said that, in the first place, the office of Commissioner of Railways was not to be perpetuated. The respective duties of the Commissioner and the General Manager clashed. The result was bad in two ways. On the one hand, there was a "duplication of work and a conflict of authority"; and on the other, some important matters were not clearly recognised as belonging to the province of either of these high officials, and in consequence were neglected by both alike. The "external" financial control of the Railway Administration, upon which the Inter-Colonial Council had

insisted, was secured by the appointment of the two officers recommended, the Auditor and Treasurer to the Council. But more than this was wanted to establish an effective control of the expenditure within the Railway Administration itself. This "internal" financial control, as Lord Milner termed it, was only to be secured in one way. The executive authority must be centralised in the General Manager, subject to the control in matters of policy, and especially of financial policy, of a Board of Control, "representing, and deriving its authority from, the Council." Such a Board of Control—corresponding to the Board of Directors of an English Railway Company—was the Railway Committee.

The Railway Commissioner, therefore, would disappear.

"In so far as his duties are purely executive," Lord Milner continued, "they will be added to those of the General Manager. In so far as he is a controller and, subject to the Governor and High Commissioner, the director of Railway policy and the responsible representative of the Railway Administration in this Council, he will be replaced by the Railway Committee, which has hitherto been a fifth wheel to the coach, but is now a most important and essential portion of the machine. The Acting Commissioner of Railways of to-day is not really Commissioner of Railways at all in the old sense. He is simply the Chairman of the Committee, and he will be known by that title when the new Order-in-Council appears. . . . The net result of all this will be that instead of having three bodies concerned—under the ultimate authority of the High Commissioner and this Council—with the management and control of the railways, there will be only two, the General Manager and the Railway Committee; that their respective functions will be clearly distinguishable; and that we shall not only save the whole expense of the Railway Commissioner's office, but simultaneously effect a large reduction in the collective expenses of the two remaining offices—a very great economy altogether. And that at no loss of efficiency, but just the reverse. For under the old system, there was an enormous amount of superfluous correspondence, and, with the best intentions, one office was often engaged simply in making work for another."

The formal request for the sanction of the Secretary of State to these proposals was made by Lord Milner in a

despatch of 9th January 1905, and the requisite Order-in-Council was issued on 10th May of the same year.

With the changes thus introduced the efficiency of the administration of the railways of the new colonies was secured. Further improvements were made, such as the formal provision for a Renewals Fund in 1905-6, before the Crown Administration resigned its trust into the hands of ministers responsible to the newly elected Parliaments of the two colonies. But these were improvements of method, not changes of system, and henceforward the Railway Committee, no longer "the fifth wheel of the coach," became the actual and efficient managing body of the Central South African railways. With the exception of the Chairman and the Treasurer of the Council, both of whom were appointed by the High Commissioner, its members were elected annually by the Council from among the official and unofficial members of that body. Thus composed, and holding weekly meetings, it exercised "a general direct supervision over every department of the administration."<sup>1</sup>

But Lord Milner's "interim report" of the changes in the administration of the Central South African railways was by no means the only business before the Inter-Colonial Council at Bloemfontein. The immediate purpose for which this, its second extraordinary meeting in the year 1904, had been convoked, was to

"sanction the construction of lines which, six months ago, seemed to lie in the distant future, but which now required nothing but the consent of this Council, of the Secretary of State, and, in some cases, of the Legislatures of the neighbouring colonies, in order to be at once proceeded with."

And, as such, the occasion was so significant, that the first passage of Lord Milner's opening address to the Council has been cited at the beginning of this chapter as showing how greatly the industrial situation was changed for the better by the arrival of the Chinese on the Rand.

This second programme of railway extension, as it may

<sup>1</sup> Memorandum of the Secretary to the Inter-Colonial Council. Dated 23rd October 1906. Cd. 3528.

be called, differed from the earlier programme sanctioned by the Council in July 1903, in two material respects. Only three of the projected new lines were to be built out of funds drawn from the Guaranteed Loan, and the greater portion of the new construction was calculated to facilitate directly traffic and communications between the new colonies and the rest of South Africa, as well as to improve the internal communication of the former. Thus among the lines which the Council was now asked to sanction were two in the Orange River Colony to be constructed respectively by the Natal and Cape Governments, and one in the Transvaal to be built by the De Beers Company.

The first of these lines was to run westward from Bethlehem to Kroonstad, and so give the Natal railways a connection with the main line from the Cape to the Transvaal. Under the terms of the provisional agreement negotiated by the Railway Committee, the Natal Government undertook to construct this line, subject to a right of expropriation by the new colonies, in consideration of an undertaking on the part of the Railway Administration of the new colonies (1) to construct a line from Bethlehem southward to Modderpoort, and (2) to carry Natal traffic over its system at specially favourable rates.

The second line was to run from Aliwal North in the Cape Colony to Wepener in the south-east of the Orange River Colony. The advantage which the Cape Government would derive from building this line was the establishment of direct railway communication between the eastern districts of the Cape Colony and the rich corn-growing area on the eastern border of the Orange River Colony, known as the "Conquered Territory."

The line to be constructed by De Beers would run from Fourteen Streams, a station on the main line from the Cape to Rhodesia, along the valley of the Vaal river to Klerksdorp, a town already connected by railway with Johannesburg. Apart from bringing Kimberley into direct connection with the Transvaal and shortening materially the railway journey from the Transvaal to Rhodesia, the construction of this line would create a new through route from the Cape ports to Johannesburg.

In addition to these agreements other proposals, in which the factor of private enterprise played a more or less complete part, were laid before the Council. The Railway Committee had entered into a provisional agreement with certain colliery proprietors at Witbank, who offered to build a line from that centre of coal mining to connect at Springs with the new line running eastward from Johannesburg to the Swaziland border. The object of this line was to enable the Witbank coal to travel direct to the Rand, instead of being sent round by Pretoria; and it was claimed by the promoters of the line that it would reduce the cost of bringing the coal of the Middelburg district to the Rand by 1s. 1d. in the ton. An interesting proposal, which, however, was not entertained for the present by the Council, came from an English firm of engineers. This was an offer to substitute electric for steam traction upon that part of the system of the Central South African railways which served the metropolitan area of the Transvaal—the lines running along the Rand from Springs in the east to Randfontein in the west. The cost of the electrification of the Rand lines was to be spread over a term of years, and it would be more than covered within this period, according to the calculations of the engineers, by the increased earnings arising from the greater rapidity and frequency of the improved service. The municipality of Ladybrand offered to find the capital for the construction of a short line to connect their town with Modderpoort, and to guarantee the Railway Administration against any loss in working. Of these proposals, the last was sanctioned; the draft agreement for the Witbank-Springs line was referred to a Select Committee, in order that the objections of colliery proprietors other than the actual parties to the agreement might be heard, before its terms were finally arranged; and the consideration of the proposal for the electrification of the Rand lines was postponed until further and more exact information could be obtained.

The Council also sanctioned the construction of two lines in the Western Transvaal. In so doing it brought to a conclusion a long dispute illustrative of the difficulty of reconciling the conflicting claims of separate districts in an area so destitute of railway communication as the new

colonies. There was first the question whether the agricultural districts of the Western Transvaal, or the partly agricultural and partly mining district of Lydenburg in the north-east, had the stronger claim to be linked up to the railway system. In discussing this matter in 1903, the Railway Extension Conference had decided in favour of the Western Transvaal. The decision was based upon more than one consideration. In the first place, while both would be "developing" lines, the Western Transvaal line would serve not only to develop the country through which it passed, but also to provide direct communication with Rhodesia. In the next the districts to be traversed by the western line had a greater agricultural production than the Lydenburg district. And moreover it was thought that the Lydenburg line, as serving a district with considerable mineral resources, was eminently one of those lines which might be expected to be built by private enterprise. As such its claim was secondary; since it had been recognised from the first that the Loan and other Government funds should be appropriated to lines, which, while not immediately remunerative, would contribute permanently to the development of their several districts, in preference to those more promising lines which were reasonably certain to attract the private capitalist.

Having determined on these grounds to give priority to a Western Transvaal line as against a Lydenburg line, the Extension Conference further decided that the three objects which this line must fulfil were to develop the Rustenburg district, to develop the Zeerust district, and to make what would become eventually a through route to Rhodesia. The question whether these three objects could be better attained by making Pretoria or Krugersdorp the starting point, came before the Inter-Colonial Council at its first session in July 1903. The Select Committee, to which the matter was referred, decided upon the Krugersdorp-Rustenburg route; but in doing so it was influenced largely by the fact that at that time there was every reason to believe that the Chartered Company would build a railway from Lobatsi to Rustenburg *via* Zeerust, thus relieving the Railway Administration of the new colonies of more than half of the expense of the



through line to Rhodesia. Now, however, the circumstances had changed. The industrial depression in Rhodesia of 1903-4 had made it unlikely that the Chartered Company would be able to build the Lobatsi-Rustenburg line in the near future; and the surveys of the two alternative routes to Rustenburg had shown that, owing to the difficulties presented by the Magaliesberg range, lying between Krugersdorp and Rustenburg and spreading to the north and west of Rustenburg, both the original line from Krugersdorp to Rustenburg, and the subsequent continuation of the line from Rustenburg to Zeerust, would be very costly in construction. The sum available for the Western Transvaal line—from £700,000 to £800,000 in cash and rolling stock—was more than the £500,000 originally allocated to the Krugersdorp-Rustenburg line; but it was estimated that this sum would only suffice to carry the line from Krugersdorp across the Magaliesberg to Rustenburg, and a little beyond, but no further.

In view of these facts the Railway Committee now decided to abandon the proposed line from Krugersdorp *viâ* Rustenburg to the border, and in place of it to build two less costly lines, of which one was to be an independent line from Pretoria to Rustenburg, and the other was to run from Krugersdorp *viâ* Ottoshoep, following the Jameson road over the high veld, to join the main trunk line to Rhodesia. Both lines had merits which outweighed the loss caused by the abandonment of the original project, apart from the question of cost. The first would pass through the richest country of the Rustenburg district; and, although the actual mileage between Rustenburg and the Rand *viâ* Pretoria would be considerably greater than it would have been if the more direct line from Krugersdorp to Rustenburg had been built, the increase of distance would not be so great as to affect materially the cost of putting the Rustenburg produce on the Rand Markets. The second, besides establishing through communication with Rhodesia, would develop the southern portions of the Rustenburg and Zeerust districts and the northern half of the Lichtenburg district, and in particular it would materially aid the farmers of the Zeerust district in sending their

produce to Kimberley. And both of these lines could be constructed at a less cost than the one line from Krugersdorp, crossing the Magaliesberg to Rustenburg, with the first section beyond Rustenburg in the direction of Zeerust.

It only remains to add that this decision of the Railway Committee, now confirmed by the Council as a whole, was amply justified in the event. It aroused, indeed, the Western Rand to a brief but somewhat violent agitation against the abandonment of the Krugersdorp - Rustenburg line; but, on the other hand, Lord Milner and his colleagues in the Administration, in thus maintaining the principle of even-handed development in the teeth of the influential, though mistaken, protests of the British industrial population, had the rare experience of receiving an actual expression of satisfaction from the Boer leaders.

But Lord Milner's policy of railway extension aimed at more than an equitable apportionment, among all districts and all interests in the new colonies, of the resources placed at his disposal for this purpose. In addition to the attainment of this primary object, he saw in the construction of these new railways a potential instrument for promoting the administrative union of South Africa. The agreements with the Natal and Cape Governments and the De Beers Company, which were now approved, subject to the satisfactory adjustment of the requisite details, by the Inter-Colonial Council, were eminently calculated to further this wider purpose; and the words in which he recommended them to the Council contain a luminous presentation of this aspect of his policy.

Quite naturally he found a starting point in the brightening industrial prospects of the new colonies. But he was careful to avoid any excessive reliance upon this factor in the situation. He desired the members of the Council to take a less partial but a more sure and far-seeing outlook. The point of view from which he would have them, and the people of the new colonies, look at these matters, was that of men who, together with their neighbours in the other colonies, were destined collectively to make South Africa a great country. The group of agreements for the construction of these new lines were to be considered, not

merely as a happy stroke of business, but as a contribution to the perfecting of an agency, which, more than any other material agency, might be relied upon to promote the unity of South Africa. He did not, indeed, omit to notice that aspect of the matter in which the people of the new colonies were especially concerned, as separate South African communities—the question whether they had made as good a bargain as possible for themselves. But he brought this consideration within its true limits. It was neither an injury nor an insult to the new colonies that the other parties to these agreements should derive some advantages from the transaction. It was the prospect of these advantages that had called the agreements into being.

“As long as my share of the business is pure gain,” he said, “I do not call it a bad bargain because the other party also gains something, whether it be less, or as much, or even more than I do. . . . The De Beers Company are not building the Klerksdorp-Fourteen Streams line merely to shorten the route from Cape Town to Johannesburg, or to encourage irrigation along the Vaal. The Natal Government are not seeking to build a line from Bethlehem to Kroonstad, or to induce us to build one from Bethlehem to Modderpoort, merely in order to develop agriculture in the Conquered Territory. Their principal object is to open new markets for their growing export trades, especially in coal. And so they have made certain stipulations about rates in the Orange River Colony in the interests of that trade. No doubt these rates mean a great deal to Natal. But they do not, in my humble judgment, hurt us in any way whatsoever, and, that being the case, I cannot conceive why the fact that Natal happens to be doing a first rate stroke of business for herself, should in the least diminish our satisfaction at an agreement which is, at the same time, of unadulterated advantage to us. And the same consideration applies to the Aliwal-Wepener line, though, in that case, perhaps, the object of the neighbouring colony is rather to preserve and develop an existing trade than to capture a new one.”

But the more vital way of looking at the question was to consider their neighbours' gain as part of the general gain of South Africa, and, therefore, as their own. These new lines would benefit not merely the Orange River

Colony and the Transvaal; they would "fill up some of the most flagrant gaps in the railway map of South Africa." And to fill up gaps in the railway map of South Africa was to remove one great fundamental obstacle to South African unity.

"We talk of closer South African union," Lord Milner continued. "We all desire it. But perhaps we do not consider how greatly it is of necessity impeded by purely physical difficulties, by the immense distances which separate the principal centres, and which, unless bridged by a more rational system of communications, prevent that easy and constant intercourse, that interweaving of interests, and, more important still, that free interchange of ideas, which are so important in the growth of national life and national sentiment."

Owing to the geographical position of the Orange River Colony, as the central colony of South Africa, these new lines would play a part in the removal of this obstacle far greater than any that their mere mileage would suggest.

"There are no new lines of equal length," he said, "which could possibly have a more wide-reaching effect in drawing us all closer together. . . . The Orange River Colony and Natal are neighbouring colonies. Their borders march; they have both much to gain by a closer acquaintance. They ought to be at least as accessible to one another as England and Wales, or England and Scotland. But it takes as long to get from the capital of one to the capital of the other, as from London to Rome. Or note again the practical difficulties which beset people in different parts of the Orange River Colony, despite its compact shape, from getting into touch with one another. Harrismith is one of the most important centres in the Orange River Colony. But though it is only some two hundred miles from Bloemfontein to Harrismith, about as far, that is to say, as from London to Liverpool, it takes you forty-five hours by rail to get from one to the other. Of course, similar anomalies exist all over South Africa. If you want to go from Johannesburg or Pretoria to Kimberley, or, worse still, to Mafeking or Bulawayo, you are sent round by Naauwpoort and De Aar. Fortunately the latter nuisance is now about to be mitigated by the construction of the line from Klerksdorp to Fourteen Streams. And so, I

hope, we shall go on steadily filling up these awkward gaps, feeling that with every gap we fill we are not only benefiting the particular district which any new line intersects, or the places it immediately connects, but are taking a step, and a great step, forward on the long road which leads ultimately to a United South Africa."

While the railways of the new colonies were being extended with a view to the improvement of the railway communications of South Africa as a whole, Lord Milner was at the same time engaged in a direct effort to prepare the way for the administration of the South African railways as a single system. The Railway Amalgamation Conference, to which he had referred in his address to the Inter-Colonial Council on 31st May, met at Johannesburg on 2nd February (1905). But before the representatives of the railway systems of the British colonies and of the Portuguese Province of Mozambique could thus assemble, it was necessary both to find a satisfactory basis of discussion, and to remove certain obvious barriers to the success of any such gathering. There was first the preliminary correspondence between the High Commissioner and the Governors of Natal and the Cape Colony, which took place in the first three months of the year 1904, and resulted in so far clearing the ground that Lord Milner was able to announce, as we have noticed, that an agreement to hold a Conference had been reached. In the next place negotiations with Portugal had taken place, which had for their object the removal of a grievance entertained by the coastal colonies against the Transvaal. In order to understand the nature of this grievance, it must be remembered that under the *Modus Vivendi*, the Province of Mozambique secured certain industrial advantages in return for an undertaking to allow the native Africans in that province to serve as labourers in the Transvaal mines.

The great advantage enjoyed by Portugal lay in the undertaking given by the Administration of the new colonies to maintain the railway rates, charged on through traffic from the British ports of South Africa to the Rand, on a scale which insured that a due proportion of the large over-sea trade of the Transvaal should pass through

Delagoa Bay. But in addition to this, the *Modus Vivendi* (or rather the Treaty of 11th December 1875, made between the Transvaal and Portugal, and incorporated into the *Modus Vivendi*) stipulated that there should be a free exchange of goods, except alcoholic liquors, between Mozambique and the Transvaal. And provision was made to allow the Transvaal, on entering the Customs Union of 1903, to keep this part of its bargain with Mozambique; since Article XXII. of the Convention laid down that nothing in that instrument should

“be deemed or taken to prohibit the Transvaal from allowing the importation free of duty into that colony of any goods and articles, excepting spirits, the growth, produce or manufacture of the Portuguese Province of Mozambique or of British Central Africa.”

Thus under Article XXII. of the Customs Convention, taken in conjunction with the *Modus Vivendi*, the Portuguese were able to import raw materials and goods from abroad into Mozambique, manufacture them there into other articles, and then obtain free entry for these latter, as Mozambique manufactures, into the Transvaal. This, the coastal colonies contended, was virtually to allow imported goods, which elsewhere in South Africa would be subjected to import duties under the Customs Convention, to enter the new colonies free of duty through the side-door of Delagoa Bay. The volume of trade affected was very small, but it was sufficient in Lord Milner's opinion to provide the Cape and Natal with a trifling, but legitimate, ground of complaint against the Transvaal. He, accordingly, caused representations to be made both through the British Minister at Lisbon to the Portuguese Government, and through the British Consul-General at Delagoa Bay to the Mozambique Government, with a view to obtaining the removal of this grievance. In his negotiations with the Portuguese Governments, both central and local, he pointed out that the abandonment by Portugal of this “trifling, but most compromising, point about manufactures from imported goods coming in free” would strengthen the position both of Mozambique and the Transvaal in replying to the far more

serious complaint of the coastal colonies, that the Rand carrying trade was being more and more diverted from the British ports to Delagoa Bay; while at the same time he took care to remind the Portuguese authorities that in respect of this larger question the interests of Mozambique and of the Transvaal were identical, since the latter could not afford on economic grounds to be deprived of the services of Delagoa Bay as the natural port of the Transvaal. These representations were successful; and in June (1904) Mr Duncan, the Colonial Secretary of the Transvaal, was able to announce publicly that the Portuguese Government had executed an agreement under which this right of free entry into the Transvaal of manufactured articles was limited henceforward to such as were "wholly or chiefly manufactured from the produce of the soil of Mozambique."

Lord Milner was equally frank with the Natal and Cape Governments. In the preliminary correspondence relative to the Railway Amalgamation Conference he pointed out that the Rand mines were dependent upon Mozambique for more than three-fourths—at the moment actually five-sixths—of their African labour supply, and that the Transvaal could not, therefore, itself denounce, or give Portugal any excuse for denouncing, the *Modus Vivendi*. The alteration of the through rates which the coastal colonies desired was, of course, to lower the charges made for the carriage of goods from the British ports to the Rand with a view of checking the tendency of the Transvaal over-sea trade to desert these ports and concentrate at Delagoa Bay. The difficulty was to find a plan which would effect this object, and yet be one which Portugal could be expected to accept. The proposal which Lord Milner himself put forward was, that the lowering of the rates from the British ports should be accompanied by a guarantee on the part of all the British colonies that Delagoa Bay should have a certain proportion of the total through traffic, or a definite tonnage. Such a guarantee involved the "pooling" of the receipts earned by the different British railway systems from the through traffic, and such an adjustment of the rates from the various British ports to the Transvaal as would insure an equitable apportionment of this through traffic between them. Full discussion, based upon

accurate and complete railway statistics, could alone enable the British Colonies to decide what portion of the total through traffic they could afford to give up to Delagoa Bay, and whether it would be possible to frame a scheme for pooling the receipts from the remaining traffic without unduly sacrificing the interests of any individual colony; and the opportunity for this discussion would be afforded by the proposed Railway Amalgamation Conference. An arrangement of this kind, if it proved practicable, would, Lord Milner thought, secure for Portugal an adequate return for the expenditure upon the port and harbour of Delagoa Bay, while at the same time it would benefit materially the British ports, and diminish the cost of railway administration for all the colonies concerned.

The whole question, as he understood it, was put very clearly in a letter of 2nd April (1904), written to Dr (now Sir Starr) Jameson, the new Premier of the Cape Colony.<sup>1</sup>

“Once admit the undoubted natural priority of Delagoa Bay, and you have a basis of negotiations. But if the Natal or the Cape people start from the position that, because Durban and East London are British ports, therefore they are entitled to equal, if not better, treatment than Delagoa Bay, *regardless of distance*, then discussion becomes useless. *They may yet get equal treatment.* It is probably desirable that they should. But they can only get it by negotiation, by bargaining, *by agreeing to give the Portuguese something.* It is absurd to demand it as a right.

“The first step, it seems to me, is to try and get the various British colonies to talk the through-rate question over among themselves. Call it a Railway Conference, if you like, to consider the amalgamated working of the lines, or what you will. It is certain to end in a discussion of the division of the through traffic between the various ports. It will be a very difficult and thorny discussion, but in the long run all parties will probably recognise that compromise is better than rate-wars, and in that case they will agree to make a common offer to Portugal. I think I can see the outlines of an offer, which, while assuring Delagoa Bay an amount of business ‘beyond the dreams of avarice,’ certainly beyond what she has ever had, would still secure the Cape

<sup>1</sup> The Cape General Election of February 1904 had resulted in the return of a small majority of the Progressive Party, and Dr Jameson had then become Prime Minister, in succession to Sir Gordon Sprigg.



from having all its profitable trade drawn away to the Delagoa Bay route. And Natal ditto. But my position is, we must bargain with Portugal. We cannot afford to quarrel with her. And before we can bargain with her, we must agree amongst ourselves."

This, then, was the purpose for which the Railway Amalgamation Conference was to be held; and in order to ascertain whether the attainment of this purpose was within the range of practical politics, Lord Milner, so soon as the Portuguese Government had consented to the removal of the Customs grievance, invited the Premiers of the Cape and Natal, accompanied by their Railway Ministers, to come to Johannesburg and discuss with him the all-important question of the "common offer" to be made to Portugal.

This informal but significant Council of the executive heads of four out of the five British colonies took place at Sunnyside on 26th June (1904). The Cape was represented by Dr (now Sir Starr) Jameson, and Dr (now Sir Thomas) Smartt, and Natal by Sir R. Sutton and Mr Maydon. It was recognised that the factors governing the situation were (1) the impossibility of disturbing the existing arrangements between Mozambique and the Transvaal, and (2) the fact that the direct line from the Rand to Delagoa Bay was certain to be made sooner or later, and that therefore, if the Cape and Natal were ever to enter into a railway partnership with the new colonies, it would be better for them to do so now, since they would get better terms before this railway was built, than after. From the recognition of these factors it followed that no colony could afford to quarrel with Portugal, and that it only remained to find a means whereby an acceptable offer could be framed. On this point it was agreed that if Portugal would consent to the rates on the through traffic, including freights from the port of lading, charged for the carriage of goods entering by the four ports of Port Elizabeth, East London, Durban, and Delagoa Bay, being equalised, then the Cape and Natal could afford to guarantee Delagoa Bay 40,000 tons per month of through traffic to the Transvaal and Orange River Colony. And since it was further recognised that it would be useless to hold the Conference without a preliminary agreement with

Portugal, Lord Milner was asked to negotiate with that power on this basis. If these negotiations proved successful, then the Conference would meet, and Portugal would be invited to take part in its proceedings. In this case it was decided that the subjects of discussion, and the order in which they should be taken, should be as follows:—

- (1) The exact terms of the equalisation of rates, including freights, between the several ports.
- (2) The proportion of through traffic to be retained by each railway system.
- (3) The possibility of "pooling" receipts and dividing them on some fixed basis.
- (4) The possibility of amalgamating the British railway systems.

Although, of course, the actual proceedings of this informal Council were not known to the public, the presence of the Prime Ministers of the Cape and Natal under the roof of the High Commissioner and Governor of the Transvaal and Orange River Colonies was noted in the press as an event of good augury, and one which showed that solid progress in the direction of the administrative unity of South Africa had been made since the declaration of peace. The idea of inter-colonial action was in the air, wrote the *Star*; and this journal expressed the hope that South African statesmen would realise that all such efforts, to be successful, must start with the recognition of the principle that each State must share the responsibilities as well as the gains of its neighbours, since ultimately all contentious sources of revenue and all unequal administrative burdens would have to be assigned to the common, or Federal, authority.

"If Federation means anything at all," it continued, "it means that we look forward to a time coming when the European population of South Africa as a whole will share alike in the advantages (say) of the carrying trade to the great industrial centre in the Transvaal, and share alike the burden and responsibility of civilising the native population, and of providing for local defence. If once it is recognised that this is what is meant by Federal Union, not only will many misunderstandings be removed, but it will be seen that definite and practical progress towards the realisation

of the Federal idea can be made before the actual creation of the machinery of Federal Government can be undertaken. An instance of a misunderstanding that should be removed is ready to hand. When once it is realised that the beneficial results which the Transvaal receives from its present friendly relations with the Province of Mozambique are results which will ultimately be thrown into the common stock of a Federal South Africa, the disagreement as between the Transvaal and the coastal colonies is robbed of its chief significance—if, indeed, it does not disappear altogether.”

The Portuguese authorities, while meeting in a friendly spirit the further representations now made by Lord Milner in accordance with the wishes of the Cape and Natal Governments, displayed little eagerness to help forward proposals tending to modify the advantages enjoyed by the Delagoa Bay route under the *Modus Vivendi*. On the other hand, Dr Jameson was anxious that the Conference should be held, in spite of the discouraging attitude of Portugal. The steady diversion of traffic from the Cape ports to the “foreign” port of Delagoa Bay was causing much dissatisfaction among the supporters of his Ministry throughout the Cape Colony, and especially in the eastern province. The mere fact of the Conference meeting, even if it led to no definite results, would, he thought, tend to allay this feeling by showing that he was “doing something,” and so strengthen the hands of his Ministry, whose tenure of office, owing to the smallness of the Progressive majority, was by no means secure. To this consideration, Lord Milner naturally attached considerable importance, since he had no desire to see the present Cape Ministry replaced by a government dominated by the Afrikaner Bond, and consequently hostile to all measures calculated to give effect to his general South African policy. He, therefore, decided as early as November that the Railway Amalgamation Conference should be held, although a variety of circumstances<sup>1</sup> united to postpone the actual date of its meeting to 2nd February, in the following year (1905).

Lord Milner, having once determined to meet Dr

<sup>1</sup> Lord Milner was engaged (*inter alia*) at this time on the despatches to the Secretary of State which dealt with the constitutional changes. (*See* chap. xviii.).

Jameson's wishes, left nothing undone to make the Conference a success in spite of the unpromising attitude of Portugal. The *personnel* was comprehensive without being numerically unwieldy. In addition to the members of the several Colonial Governments and the General-Managers of the three British railway systems, it included unofficial delegates chosen on account of their special knowledge of the commercial conditions of their respective communities. The Government of Mozambique had accepted the High Commissioner's invitation to take part in the proceedings, and was represented by two delegates. Over the deliberations of the Railway Conference, as thus constituted, Lord Milner himself presided.

Although the scale of through rates established under the *Modus Vivendi* was destined to remain in force for five years longer, the labours of the men who had thus met at Johannesburg were by no means wasted. The actual conclusions at which they arrived are worthy of attention; and this for the simple but sufficient reason that the industrial conditions then crystallised into figures contain the secret of the power, which, five years later, enabled the Transvaal to coerce the rest of South Africa into unity.

The Conference remained in session for a week, and on 9th February a summary of the main results of its deliberations was issued to the press, pending the publication of a full report of its proceedings. Lord Milner had stated in his first announcement of the agreement of the South African Governments to hold a conference on railway questions, that the results to be expected were educative and prospective rather than immediate and practical. This forecast was now shown to be justified. The main achievement of the Conference was to put on record a series of conclusions formulating, more definitely than heretofore, the lines upon which the creation of a common railway system for South Africa might proceed. The discussions were such that no single delegate could fail to realise out of what a tangle of hopeless difficulties South Africa would escape, if only a community, instead of a conflict, of interests could be established between the several colonies in this one matter of railway construction and management. And

the conviction of the Conference on this head was expressed in a resolution declaring that

“the only satisfactory solution of questions relating to through rates and other matters in which the interests of the several railway systems conflict is to be found in the common management of at least the through lines and the pooling of their receipts, with a division of profits on a fixed basis.”

In dealing with the immediate situation the Conference first found that the complaint of the coastal colonies was economically justified, and then formulated a detailed proposal for lessening the disadvantage at which the British ports were placed by an appeal to Portugal to consent to the modification of the rates fixed under the *Modus Vivendi*.

While no proposal for equalising the rates and pooling the receipts of the four chief competing through lines to the Rand was considered practicable, the Conference was fairly unanimous in the opinion that the advantages which Delagoa Bay enjoyed over the British ports were excessive in view of the actual cost incurred in working goods to the Rand by the several routes. And the same conclusion was reached in considering the claim of Port Elizabeth to a reduction of rates as against East London and Durban. Indeed the Cape delegates asserted that,

“on the whole, it was actually cheaper, owing to the very much easier nature of the line, to bring goods to Johannesburg from Port Elizabeth than from Delagoa Bay.”

But, apart from this particular assertion, the figures placed before the Conference proved conclusively that the result of the rates then in force was to cause

“a progressive diminution of the sea-borne traffic to the Cape and Natal ports, and to increase in a similar proportion the sea-borne traffic to Delagoa Bay.”

And the Conference, therefore, agreed unanimously that

“an equitable readjustment of these rates should be made, and that the Governments of British South Africa should

approach the Portuguese Government with a view to obtaining its consent to a reduction of the present preference in favour of Delagoa Bay."

The degree in which this preference was to be diminished in the case of each individual British port naturally proved to be more difficult to decide. The first proposal, that the Durban and East London through rates should be reduced to the level of the Delagoa Bay rates, and that the through rates from Port Elizabeth and Cape Town should be reduced in the same proportion, was accompanied by a condition that "no line competing with the existing main lines for the carriage of sea-borne traffic to the Transvaal should be constructed or sanctioned by any administration without the consent of the other administrations." As the acceptance of this condition would have prevented the Transvaal from proceeding with the direct line from the Rand to Delagoa Bay without the consent of the other South African Governments, the proposal was strongly opposed by the representatives of the Central South African railways, and was therefore withdrawn.

After further proposals had been put forward and rejected, the Conference ultimately agreed, on the motion of Dr Jameson, to certain reductions "in the existing differences between the through port rates between Lorenzo Marques on the one hand, and those from East London and Durban on the other," and also in the differences between the rates from Durban and East London as against those from Port Elizabeth. The precise reductions in the several classes of goods were duly set out in the tables contained in the official statements of the proceedings of the Conference. It will, however, be sufficient, without going into details, to indicate the extent to which the acceptance of the proposed reductions by Portugal would have benefited the British ports, and the broad results of the reductions themselves. If, then, the modified scale of rates had been put in effect, (1) Delagoa Bay would still have had the cheapest rates, (2) Durban and East London would have had equal rates as between one another, but somewhat higher rates than Delagoa Bay, and (3) Port

Elizabeth and Cape Town would have had higher rates than Durban and East London. But the difference which under the *Modus Vivendi* scale separated respectively the Delagoa Bay rates from those of East London and Durban, and the East London and Durban rates from those of Port Elizabeth and Cape Town, would in each case have been slightly diminished. Moreover the relief proposed was not only limited in extent, but also temporary in duration, since the operation of the new scale was to be confined in the first instance to a period of eighteen months. The fact that the prospect of even this small amount of assistance was eagerly welcomed by the Cape and Natal is a significant indication of the degree in which the Transvaal, thanks to its great import trade, dominated the whole economic system of South Africa.

Although, as we have seen, the Order-in-Council giving constitutional effect to the changes introduced in the year 1904 in the administration of the Central South African railways was not issued until six weeks after Lord Milner had left South Africa, the machinery for the management and working of the system as a whole was in effect brought to its final form within the term of his High-Commissionership. But in order to measure the total results of his efforts to improve and extend the railway communications of the new colonies, it is necessary to go forward to the end of the financial year 1905-6—that is to say, to the time when, on the eve of the establishment of Responsible Government, the Crown Colony officials took stock, as it were, of the administrative business of the preceding four years of Civil Government.

Among the records of the working of the various departments of the Crown Administration of the Transvaal and Orange River Colony thus compiled—and subsequently published in part under a covering despatch, dated 5th November 1906, from Lord Selborne, Lord Milner's successor—not the least inspiring is the account of the development of the joint railway system of the two colonies furnished by Mr R. H. Brand, as Secretary to the Inter-Colonial Council.<sup>1</sup>

During the years of the war (11th October 1899 to 31st

<sup>1</sup> Cd. 3528.

May 1905) the railways deteriorated in condition; since, as we have noticed, the labour and money expended upon them by the British Government in the latter part of this period did not suffice to make good the injurious treatment to which both permanent way and rolling stock had been subjected in the first eighteen months of hostilities. To measure, then, the progress achieved by the Central South African railways in 1905, we must take two separate years in the past as points of comparison. If we wish to know the net gain resultant from the change of government, we must compare the railway returns of this year with those of 1898—*i.e.*, the last complete year before the war broke out; but if we want to find the actual extent of the improvement effected by Lord Milner's administration in the management and value of the railway estate of the two colonies, then we must take the year 1903—*i.e.*, the year in which the railways were vested in the Inter-Colonial Council—as the point of comparison.

Starting, therefore, with the first of these two comparisons and taking only such figures as reveal the broad characteristics of a railway system, we find that while in 1898 there were 1,109 miles of railway, in 1905 there were 1,788½ miles open for traffic, to which another 789½ miles, then under construction or projected, must be added, making 2,578 in all. In other words, the length of the railways was more than doubled. In the course of this expansion of the iron roads of the new colonies, Kimberley has been joined to its daughter city Johannesburg; the traveller has been saved many weary hours in journeying from the coast to the industrial centre of South Africa, and hundreds of miles in passing northwards from the Transvaal to Rhodesia. The Orange River Colony has been placed in direct railway communication with Natal, and the harvests of its fertile lands on the Basutoland border have been brought to the markets of Johannesburg, Durban, Bloemfontein, and Kimberley. Lesser lines have opened up the Orange River Colony in the south-west,<sup>1</sup> and the Transvaal both east and west;<sup>2</sup> and lastly, the railway

<sup>1</sup> Springfontein to Fauresmith.

<sup>2</sup> Springs to Ermelo in the east, and Krugersdorp to Zeerust, and Pretoria to Rustenburg in the west.



communication between Delagoa Bay, the natural port, and Johannesburg, the industrial centre of the Transvaal, has been shortened in distance and improved in promptitude and convenience.

But this great expansion of mileage, striking as it is, by no means represents the sum total of improvement. Not only were many towns and districts, which before the war had no railways of any kind, now provided with them for the first time, but the communities which had been served by railways in 1898 were now, in 1905, being provided with a better service at less cost; for the construction of new lines had been accompanied by an increase of economy and efficiency in the working of the old and new alike. While, for example, in 1898 the public paid on the average 42s. 9.6d. for the carriage of a ton of through traffic, and 7s. 4.5d. on a ton of local traffic, in 1905 the respective charges had fallen to 36s. 5.4d. and 6s. 7.7d. This decrease in the cost of the railway services was caused directly by the lowering of the rates, an operation which, as the State owned practically all the lines, was equivalent to a remission of taxation. But it was not due entirely to this cause. Better management and more efficient working played their part, and the sum which the public gained by the reduction of the rates was greater than the sum which the State lost when the Railway Administration thus surrendered a part of its revenue. And so, in spite of the lower rates, the working expenses were only 52.5 per cent. of the gross earnings in 1905, whereas they were 54.8 per cent. in 1898—a decrease of 2.3 per cent. In other words the railways in 1905, as compared with the railways in 1898, were both charging less and making a higher rate of profit. Larger trucks, more powerful engines, an improved standard of permanent way, and a general increase of efficiency in all departments, had combined to make this possible. There were fewer trains relatively, but each train carried more traffic or passengers, and though it carried them at lower rates, yet earned more profit. In 1898 the net earnings of a train were 5s. per mile run, in 1905 they were 6s. 9d. In 1898 the net earnings for every mile of line open to traffic amounted to £1,241, in 1905 they had risen to £1,652.

And thus while in 1898 the 1,109 miles of railways, owned partly by the State and partly by private persons, earned a profit of £1,376,742, in 1905 the 1,798 $\frac{3}{4}$  miles of open lines of the Central South African railways, in spite of remitting rates to the amount of £1,000,000 per annum, produced for the joint Administration a revenue of £2,546,691, or, if we add the sum remitted by lowering the rates, £3,546,691.

But in order to understand the magnitude of this gain in efficiency, brought about during the three years that the railways of the new colonies were managed by the administration established by Lord Milner, we must have recourse to the second point of comparison, the year 1903. The effective reorganisation of the railways, which, as we know, were in a state of great disorder when they were taken over from the military authorities, was for a time rendered impossible by the abnormal conditions of the Repatriation, and in this, the second year of peace, it had barely begun. In order to introduce economy and efficiency into the management of what may be termed the joint railway estate of the new colonies, the Railway Committee was called upon to carry out four main processes of reconstruction.

- (1) To reduce the staff from the excessive numbers required by the abnormal demands of the first year of the peace to the level of normal working conditions ;
- (2) To improve the permanent way, rolling stock and plant in general ;
- (3) To reorganise the administrative departments of the system as a whole ; and
- (4) by determining what part of the annual earnings ought to be set aside to make good the annual loss on the wasting assets, to make provision for keeping the capital value of the system intact.

The success with which the first three of these four processes were effected will be shown by a comparison of the returns for 1905 with those of 1903, but in the case of the fourth process it will be necessary to compare the value of the railway estate as it stood at the time when the Crown Administration was succeeded by Responsible

Government, with the actual sums expended upon the acquisition of the old lines, upon the construction of the new, and generally upon the improvement of the system.

The number of men employed on open lines in 1903 was 19,478, of whom 8,510 were whites and 10,968 natives; in 1905 it was 14,376, of whom 6,723 were whites and 7,653 natives—a reduction of nearly 30 per cent. This reduction of the staff had been made possible by a reduction of the services which it was required to perform. Unnecessary trains had been taken off, and the average capacity of the trains that were run, thanks to the improvements already mentioned, had been increased. Thus the total mileage run by trains over the extended system of 1905 was nearly 2,000,000 less than the total mileage run in 1903; but whereas in 1903 the gross sum earned per train mile was 11s. 8.9d., in 1905 it had risen to 14s. 7.9d. The expenditure per train mile on the open lines had remained practically the same, in spite of the increased capacity of the trains; and, taking the open lines as a whole, whereas in 1903 the expenses per average mile were £2,549 and the net return £1,383, in 1905 the expenses had fallen to £1,827, and the net return had risen to £1,652. This gain in revenue producing power becomes the more remarkable when it is remembered that during the two years in question some 500 miles of new lines had been added to the working system, and that these new lines by the nature of things would earn at first considerably less than the main lines, and thus reduce proportionately the average earnings per mile of the system as a whole. The returns also afford evidence of increased efficiency in an aspect of railway management which is of special importance to the general public; namely, the safety of the persons employed and of the passengers and goods carried. In 1903 the amount paid in compensation for injuries or loss for which the Railway Administration was responsible, was £66,061; in 1904 it was £42,262, and in 1905 it had fallen to £16,817.

In their conception of the characteristics of an efficient railway system, the Railway Committee rightly included that of making moderate charges for the services which it rendered to the public. And indeed the reduction of

railway rates, as tending to decrease the high cost of living to the Europeans, and thereby to promote the growth of the British population in the Transvaal, was, as we know, one of the lesser but recognised objects of Lord Milner's policy of development. In addition, therefore, to the large remission of rates, amounting to £1,000,000 per annum, which followed the compact with the coastal colonies resulting from the Customs Conference of March 1903, a further reduction of the estimated amount of £360,000 per annum was made in 1906. As the result of these two remissions, before the Crown Colony Administration came to an end, substantial reductions had been made in the cost of carriage of almost all classes of goods. In the case of South African produce the reductions, though less absolutely, were relatively as great as those applied to the long-distance rates for the carriage of over-sea imports; and in some instances, notably in that of coal mining where the volume of the traffic was large, these reductions of railway rates gave an appreciable stimulus to the industrial development of the new colonies.

One set of figures remains to be noticed. In 1905, while the ratio of working expenses to earnings was 66.96 per cent. on the Cape Government railways and 61.63 per cent. on the Natal Government railways, on the Central South African railways, in spite of the higher wages paid in the inland as against the coastal colonies, it was 52.5 per cent. Formidable as was the task of raising the railways of the new colonies out of the condition of disorder and disrepair in which the war and the repatriation left them, in the short interval between 1903 and 1905 the efforts of the Railway Committee, guided by Lord Milner's administrative genius, had sufficed for its accomplishment. In 1905 the Central South African railways had reached a point of efficiency well in advance of that attained by the long-established railway systems of the two self-governing colonies.

The methods by which the Railway Committee improved the plant and *matériel* and reorganised the administrative departments of the Central South African railways, have

been indicated in the references to these subjects which have appeared, as occasion demanded, in the foregoing narrative. It will suffice, therefore, to say that before the Crown Colony Administration ceased a large part of the original permanent way had been relaid with heavier rails; the stations, buildings, and water-supply had been improved; and larger trucks and better coaches, drawn by heavier and more powerful engines, had been purchased. In a word, the battered and superannuated vehicles inherited from the past were replaced by an altogether higher class of rolling stock. "The engines and trucks now used" on the Central South African railways, Mr Brand writes in 1906, "are as heavy as, if not heavier than, any others on a three feet six inch gauge in the world." The part which this general process of betterment played in bringing about the economy of working reflected in the increased revenue per train mile, has been already noticed; but it remains to add that fully one-half of the expenditure on this head was provided out of annual earnings. Between the financial years 1902-3 and 1906-7 a total sum of £6,747,000 was spent on capital and betterment works for the open lines—not on new construction—and of this total £3,547,000 was provided out of revenue and £3,200,000 out of the Guaranteed Loan. The chief items of this expenditure as brought into account up to 30th June 1906 were £1,842,000 on general works, £502,000 on quarters for railway employees, and £2,260,000 on rolling stock. And at that date further and extensive works were in hand, and orders had been placed for a large amount of additional rolling stock.

Of the reorganisation of the Accountancy, Stores, and other central Departments it is sufficient to say that the Railway Committee secured the best expert assistance that the Cape and Natal railways could supply. That this advice was fully utilised may be seen from the fact already noted, that in 1905 the Central South African railways had become more efficient than the neighbouring railway systems in which the advisers had acquired their expert knowledge; nor must it be forgotten, in acknowledging the services rendered in this respect to the new colonies by their older South African sisters, that Sir T. R. Price, the

General-Manager of the Central South African railways, by whom the reforms thus introduced were successfully put into effect, was himself an old and distinguished servant of the Cape Government railways.

It remains to consider the financial basis upon which, as the result of this reorganisation, the railway estate of the two new colonies was placed by Lord Milner. The Central South African railways were charged, as we know, with the service of the Guaranteed Loan, and any surplus from the railway revenue was allocated to the maintenance of the South African Constabulary and the other services common to the two colonies, and administered as such by the Inter-Colonial Council. Prior to the reorganisation of the Railway Administration in 1904, no capital account had been formulated; and, although considerable sums had been taken from the annual receipts and applied to capital expenditure, no annual provision for the renewal of wasting assets out of revenue had been made. Then, however, a capital account as from 30th June 1904 was drawn up; and the effect of this, and of the other accountancy changes recommended by the Financial Adviser to the Railway Administration, appeared in the form in which the Railway Committee presented the estimates for the year 1905-6 to the Inter-Colonial Council at its third ordinary session commencing 31st May 1905.

At this date—*i.e.*, two months after Lord Milner had left the Transvaal—the whole of the £35,000,000 loan had been issued, and the annual sum required for its service had reached the maximum and constant figure of £1,408,750. This sum covered (1) the interest at 3 per cent., as guaranteed by the Imperial Government; (2) the 1 per cent. sinking fund providing for the repayment of the whole £35,000,000 in forty-six or forty-seven years from November 1903; and (3) the slight but necessary annual expenses of management. As, however, only a part—rather more than one half—of the loan had been expended on the railways, from a financial, though not from a legal or constitutional, point of view the railway receipts were chargeable with only a corresponding proportion of the sum required for the service of the loan.

In the estimates for 1905-6, embodying, as we have noticed, the accountancy reforms just introduced, and presented in the form required by the lately issued Order-in-Council of 10th May 1905, the proportion of the service of the loan debitable financially to the Central South African railways is first deducted from their earnings, and the railway revenue is shown as £665,963. This sum represents the net profits of the Railway Administration, and, as such, is its actual contribution to the revenue of the Inter-Colonial Council. It covers the £596,096 required for the service of the balance of the Guaranteed Loan, and provides a sum of £69,867 to meet the further expenditure of the Council.

But the capital value of the Central South African railways was not merely the proportion of the Guaranteed Loan which had been expended upon them. During the three years 1902-5 large sums taken from revenue had been spent in building new lines and on other works which added to the permanent value of the system as a whole. At the time in question (31st May 1905) the capital account of the railways stood at £22,000,000 in round numbers, of which £19,000,000 only had come from the Guaranteed Loan. The gross annual earnings of the system were estimated at just under £5,000,000—£4,976,993, and the estimated annual expenditure, which included all charges upon loan funds and a provision of more than a million for depreciation, betterment, and renewals, was £4,311,030. The balance of £666,000 in round numbers, which formed the actual railway revenue of the two colonies, would in the case of a privately-owned railway system have appeared as net profits to be divided among the shareholders. Considered, then, as an industrial enterprise, the Central South African railways, as Lord Milner left them, were in a position (1) to pay interest on their borrowed capital and provide a fund for its repayment within forty-five years; (2) to set apart out of revenue sums sufficient not merely for the replacement of all wasting assets but for the substantial development of the plant and material of the system as a whole, and (3) to present the shareholders with £666,000 of clear profit—literally, in the Krugerian phrase, "something for nothing."

If, however, to carry the comparison a little further, the shareholders had subscribed the capital themselves, instead of borrowing it on the unusually favourable terms secured by the Imperial Guarantee, then the position would be somewhat different. In this case the sum required to provide the 4 per cent. of interest and sinking fund, now appropriated to the service of the loan, would be added to the £666,000 of profit; and, as this latter sum represents interest at the rate of  $2\frac{3}{4}$  per cent. on the £22,000,000 of capital, the shareholders would receive interest at the rate of between 6 and 7 per cent., on their share capital. As this rate of interest, although in itself a substantial return, would compare unfavourably with the far larger rates of interest paid in general by successful industrial enterprises in new Anglo-Saxon countries, the shareholders might reasonably complain of its smallness. But the assumption which would make such a complaint probable and reasonable—the assumption that the Central South African railways were a private company—would add the £1,336,000 of remitted rates to the profits of the concern. In other words, dividends of 10 or 15 per cent. on the capital subscribed would have taken the place of this modest return. As it was, no such ground of complaint could be found with a State-owned railway system. For the smallness of the interest earned on the capital was directly due to the moderation of the charges made by the Railway Administration for the services which it performed for the public. Yet, even so, the Central South African railways, while charging much lower rates than any privately owned company could have charged with a due regard to the interests of its shareholders, were able by efficiency of management to earn sufficient to pay for the interest and sinking fund on the whole of the £35,000,000 loan—that is, for the entire public debt of the two colonies; and in addition to provide a small contribution to meet the other heads of their common expenditure.

It goes without saying that the market value of a railway system capable of producing these results would be a sum much in excess of the mere total cost of the various assets entered in its capital account. None the less the capital account of the Central South African railways has a



certain historical interest. In 1905 it was returned, in round numbers, at £22,000,000; but a year later this amount had been swollen by some further entries. Taking the more complete statement of 1906, we find that the principal items of which the original capital account of 30th June 1904 was composed, were these:—

- (a) The cost of acquisition of the shares and debentures of the Netherlands South African Railway Company, the Orange Free State Railway, and the Pretoria-Pietersburg Railway Company, inclusive of the liability for shares and debentures not redeemed.
- (b) The sum provided by the late Transvaal Government, under resolution of the Executive Council, Article 587, dated 14th August 1894, for the construction of the Klerksdorp line.
- (c) The payment to the Natal Government for the Van Reenen-Harrismith line.
- (d) The amount expended on railway construction by the late Orange Free State Government from railway revenue.

To these items there had been added now:—

- (e) Issues out of loan funds, appropriations from surplus revenue and transfers from suspense accounts to meet the cost of rolling-stock and material ordered by the military authorities.
- (f) Appropriations from surplus revenue for capital works.
- (g) Issues from the Treasury Loan funds for new construction; and
- (h) The first instalment of an advance of £90,000 by the Basutoland Government for the construction of the Marseilles-Maseru Railway.

In this account the old lines, rolling-stock, etc., taken over by the Railway Administration were entered at the actual prices paid, and new lines, etc., at the actual cost price.

The capital account, thus composed, stood on the 30th June 1906 at £23,920,116, of which £990,559 was then

unexpended. Of the £22,929,557 expended, £19,478,000 had been provided out of the Guaranteed Loan, and £3,451,557 was furnished by revenue. Of the nineteen and a half millions of the loan, £13,520,000 had been spent in acquiring the existing railways, and £5,958,000 in the construction of new lines and in the improvement of the system, as a whole.

This, then, was the railway estate which Lord Milner's administration had built up. Its profits more than provided for the entire annual cost and ultimate redemption of the Guaranteed Loan. But this financial service, valuable though it was, by no means represented the gain which the Central South African railways, thus improved and extended, brought to the people of the new colonies. The removal of the entire burden of the Guaranteed Loan was much, but the indirect gain derived from the railways as a civilising agency was more. Within the borders of the two colonies the markets of the towns were opened to the produce of the country, to the mutual advantage of the inhabitants of both alike; industries were stimulated, and race barriers weakened. Beyond their borders, intercourse between colony and colony was promoted, the pulse-beat of the South African nation was quickened, and very soon the long-felt aspirations of its statesmen for unity at length became fruitful in action.

## CHAPTER XVI

### THE WORK OF THE DEPARTMENTS

#### *A.—Law, Post and Telegraph, Customs, Surveys and Mines.*

WITHOUT taking into account such purely temporary, or emergency, services as the Burgher Camp and Repatriation Departments and the various Compensation Commissions, the administrative machinery established by Lord Milner provided for the accomplishment by the State of a large field of work, which the Governments of the late Republics had never brought within the sphere of their operations. Some of the departments of the new Administration had no counterparts in the former Governments. Notable examples of this are to be found in the Departments of Agriculture, Forestry, and Irrigation in both colonies, and in those of the Assistant Colonial Secretary for Local Government in the Transvaal, and of Native Affairs in the Orange River Colony. Others, again, undertook so much new work that they were transformed beyond recognition. This was the case in both colonies with the Departments responsible for the Railways, the Constabulary, and Education; and with the Native Affairs Department of the Transvaal. And even in the few departments where there was no new field of activity, there was a remarkable increase of activity in the old field. Thus, for example, where the Transvaal Post Office had handled one letter under the Republic, it handled four in the last year of the Crown Colony Administration.

To this general expansion of the field of State activity there must be added another characteristic. The rapidity of the repatriation and the reconstruction made it inevitable that many of the departments should pass through two distinct

stages of evolution before they reached their permanent form. In the first stage the organisation of the nucleus department, as formed before the peace, is rapidly expanded, and a staff far above the normal strength is engaged; this latter being necessary to enable it to satisfy the exceptional requirements of a country swept bare of everything in the final operations of the war. The second stage is a period of transition. The exceptional demands have been met, or nearly met; the department is gradually reorganised on a scale sufficient to enable it to perform the normal services which will be required of it henceforward, and the *personnel* is proportionately reduced.

In the Departments of Law, Posts and Telegraphs, Customs, Surveys and Mines, we have a group of offices, which, in organisation and *personnel*, were comparatively unaffected by the exceptional demands of the first few months of peace. Here, therefore, we have a convenient starting-point from which to set out upon a general survey of the work accomplished by the men whom Lord Milner enlisted for the civil service of the new colonies.

Sir Richard Solomon, who upon the promulgation of the Letters Patent on 21st June 1902, became Attorney-General and head of the Law Department of the Transvaal, was a South African by birth, education, and experience. As Attorney-General in Mr W. P. Schreiner's ministry he had played an important part in the politics of the Cape Colony during the turbulent months which immediately preceded and followed the outbreak of the war; and as Legal Adviser to the Transvaal Administration he had given valuable assistance both to Lord Milner and Lord Kitchener while the war was still in progress.<sup>1</sup> Thanks to his energy and capacity, the advent of peace found the necessary reorganisation of the legal and judicial system of the Transvaal practically accomplished. Moreover, the Statute Book of the late Republic had been revised, obsolete laws and enactments unsuited to the spirit of British institutions had been amended or repealed by proclamation, and a large number of necessary ordinances were drafted, and ready to be brought

<sup>1</sup> For Sir Richard Solomon's services see "Lord Milner's Work in South Africa, 1897-1902," *passim*.

before the Legislative Council so soon as it should be constituted. And in the Orange River Colony, where the former Legal Adviser, Mr H. F. Blaine, K.C., became Attorney-General in the same circumstances, an equally good use had been made of the closing months of the war.

This effective preparation for peace made it possible for the Law Departments in both colonies to combine rapid progress with efficiency in handling the mass of work which the establishment of Civil Government brought upon them. Naturally the Law Departments, like other branches of the civil service, worked at high pressure in these early months; but in their case—and still more in that of the departments which have been grouped with them—the adjustments necessary to enable them to keep pace with the shifting requirements of the reconstruction could be effected without any revolutionary changes either of system or of *personnel*.

Anybody with practical experience of the faulty condition of much of the Statute Law of England will know how difficult is the task of drafting new legislation. Yet of this arduous and responsible work an astonishing amount was accomplished by the Law Departments in both colonies during the period of Crown Colony Administration, and especially in the few months immediately preceding and following the Agreement of Vereeniging. In the Transvaal alone no less than ninety pieces of legislation were enacted in the year 1902—forty proclamations before, and fifty ordinances after 31st May. In 1903 the number of ordinances passed by the Transvaal Legislature was twenty-four, and in 1904 it was seventeen. Among these ninety odd ordinances were two notable pieces of legislation; the Labour Importation Ordinance and the Rand Water Board Extended Powers Ordinance. The merits of the former, considered purely as a piece of Imperial legislation, have been set out in the narrative of the importation of Chinese Labour for the mines.<sup>1</sup> Of the latter it is sufficient to remark that it was one of the largest and most elaborate of all the measures passed into law during the period in question, and that in conjunction with the Rand Water

<sup>1</sup> Chap. xiv. pp. 360 *et seq.*

Board Ordinance it afforded a successful solution of an administrative problem fraught with financial and legal difficulties of a very exceptional character.

In addition to the actual preparation of this new legislation, the changes both of Law and Procedure to which it gave rise brought frequent appeals for advice to the Attorneys-General in both colonies; and thus further increased the volume of their work at the very moment when its pressure was otherwise heaviest. These appeals came from colleagues in the Executive Councils, from other departments in the respective Governments, and from municipalities and public bodies; and although in many cases the applicants were not entitled to the services of the Law Department at all, at a time when every responsible official was exerting himself to the utmost of his powers, the Attorneys-General held rightly that it would not be becoming for them to spare themselves, so long as they were able to render the assistance required without neglect of more imperative duties.

In some words which Lord Milner wrote at this time, we have a vivid picture of the head of the Transvaal Law Department.

“Solomon . . . is popular, quick, adaptable, always ready to do his best for every colleague who wants his advice, never fussing over formalities or trivialities . . . He has perfect health and stupendous industry. In addition to all the immense mass of statutes which in less than a year he has repealed, revised, or prepared, to the organisation of his own office and the Magisterial Service, to advising all Departments of the Government on the innumerable points of law cropping up in the present chaos—in addition to all this he has been simply invaluable to Lord Kitchener.”

The judicial system established in the new colonies presents only two points for remark. The Supreme Court of the Transvaal was constituted (by Ordinance No. 12 of 1902) a Court of Appeal from decisions of the High Court of the Orange River Colony, as well as from those of all inferior Courts in the Transvaal. The judicature thus afforded an earlier example of the federal principle subsequently applied with such good results in the constitution of the Inter-Colonial Council. The second point is the person-

ality of the Chief Justice. Sir James Rose Innes was born and bred in the Cape Colony, like Sir Richard Solomon. Indeed of the two, his professional training was the more exclusively South African: since he had not, like the Attorney-General, supplemented the course of study which they had both alike followed at the Cape University by graduating at Cambridge. In selecting Sir James Rose Innes, therefore, Lord Milner secured not merely a man well fitted for this high position by the integrity of his character and the eminence of his professional qualifications, but one who was steeped in the traditions of South Africa.<sup>1</sup> The years immediately succeeding the war, mainly owing to the paralysing effect which the labour shortage exercised upon industrial development of every kind, were years of soreness, disappointment, and impatience for both the Boers and the British in the new colonies; years in which every official of the Crown Colony Administration, from Lord Milner downwards, was subjected to a relentless criticism to which a hyper-sensitive press was only too ready to give expression. That in such a period no whisper derogatory to the capacity or the impartiality of the Chief Justice and his colleagues of the Transvaal and Orange River Colony benches should have been heard, is a sufficient testimony to the merit of the judicature of the new colonies.

The organisation and working of the magisterial systems in the two colonies occupied a further and considerable space in the administrative field of the Law Departments. The Magistrates—styled “Resident Magistrate” here, but retaining in the Cape Colony the double title “Resident Magistrate and Civil Commissioner”—were officials who combined with their judicial functions the discharge of certain administrative duties. Within the limits of the district to which he had been appointed the Resident Magistrate was the senior Government representative, performing the work of a District Commissioner and being, as such, the channel of communication between the inhabitants and the Government in all matters affecting the district. He was the Receiver of

<sup>1</sup> Sir James's grandfather was a South African missionary. His wife was a descendant of the poet Pringle. He had himself served as Attorney-General of the Cape under Rhodes, and had defended the Reformers after the Raid in 1896.

Revenue, and the Marriage Officer for Europeans. Before an efficient system of local government was established he was *ex-officio* Chairman of the Health Board, or other authority for local business, and while the repatriation was in progress he was Chairman of the Repatriation Commission for the district and subsequently served in the same capacity on the Compensation Commission.

It is obvious that to provide men who, in addition to the legal qualifications necessary for the discharge of their magisterial duties, possessed a sufficient administrative experience to enable them to occupy these positions with success, was no easy matter; and the difficulty was increased by the fact that though the Resident Magistrates were by no means highly paid (receiving only some £600-£800 per annum<sup>1</sup>), none but men of good social standing could be considered suitable. In these circumstances it is not surprising that both Lord Milner and Sir Hamilton Goold-Adams should have frequently required the personal attention of the two Attorneys-General in the selection of suitable men for the Resident Magistracies, and the appointment of the unpaid Justices of the Peace; nor that the supervision of the Magistrates' Courts, and the working of the system as a whole, should have constituted at first an important item in the everyday business of the Law Departments.

The foregoing particulars will suffice to present a reasonably complete idea of the exceptional demands which the newly organised Law Departments were called upon to meet in the early days of the Crown Colony Administration. In the Orange River Colony, as before noticed, the Resident Magistrates, as administrative officials, were placed under the general control of the Colonial Secretary (Mr H. F. Wilson); but making allowance for this fact, and remembering that the business of the Transvaal Law Department was many times as great as that of the corresponding Department of the Orange River Colony Government, a mere statement of the sub-departments into which Sir Richard Solomon organised his office, will serve to indicate, *mutatis mutandis*, the range of the normal work covered

<sup>1</sup> It must be remembered also that the high cost of living in the Transvaal reduced the nominal value of these salaries.



by these departments in both cases. They were: the Registrar of the Supreme Court; the Master of the Supreme Court; the Commissioner of Patents; the Commissioner of Police; the Sheriff of the Transvaal; the Director of Prisons; the Registrar of the High Court, Johannesburg; the Registrar of Deeds; the Chief Magistrate of the Witwatersrand District, Johannesburg; all Resident Magistrates and Magistrates of Native Courts; and the Crown Prosecutor, Johannesburg.

As already indicated, the organisation of the Post and Telegraph, Customs, Surveys and Mines Departments in the two new colonies presented no special features. With one exception the scope of the work was the same as it had been under the late Governments, although, of course, the volume of the work done was greatly increased, and this increased volume of work was done both more efficiently and more economically. This one exception was the Mines Department of the Orange River Colony. Here, owing to the development of diamond and coal mining which followed the establishment of British rule,

“the Mines Department, which, under the Free State Government, did practically nothing beyond the perfunctory and inadequate collection of a small mining revenue,” was in 1905-6 “well equipped for the work it had to do, with a staff of three qualified inspectors besides the Acting Chief-Inspector, and its organisation, as a separate administrative institution, was only a question of time.”<sup>1</sup>

Otherwise the reports disclose in respect of these Departments only a normal expansion in harmony with the growth of population and industries, and such progress in efficiency as would be expected naturally in an administration of which Lord Milner was the head. A few figures taken from the statements enclosed in Lord Selborne's despatch of 5th November 1906,<sup>2</sup> will serve to show how considerable this expansion was, and to establish the further and no less important fact that in departments of the Crown Colony Administration such as these, where a more or less valid comparison between the expenditure under the late and the

<sup>1</sup> Cd. 3528.

<sup>2</sup> *Ibid.*

new Governments was possible, this increased volume of work can be shown to have been done, as a rule, more economically as well as more efficiently.

Taking the Departments of Posts and Telegraphs, where the available basis of comparison was fairly complete, we find the following results exhibited in statistical tables embodied in the despatch. In the case of the Orange River Colony the figures are not so favourable to the new Government as they are in that of the Transvaal. Nevertheless they show that in the third year of the new Administration (1904-5) the number of articles of all kinds handled by the Post Office was nearly three times as great as it was in the last year of the Free State Government (1898); while in some other respects the expansion was even more remarkable. Three times as many letters, etc., were delivered in Bloemfontein; the amount of the sums deposited in the savings bank was eight times as great; the length of telegraph wires was more than twice as great, and the telephone system, with 104 miles of wires and 36 lines, was practically a new departure.

But, on the other hand, while the excess of expenditure (£40,422) over revenue (£32,782) in 1898 was only £7,640, in 1904-5 it was £43,583, 3s. (the expenditure being £119,890, 4s., and the revenue £76,307, os. 10d.). Making allowance for the fact that about £15,000 per annum had been given up by reduction of rates, it remained that in 1904-5 the department, with its vastly improved services, was costing the tax-payer rather more in proportion to the work accomplished than it had cost under the Republic.

Even this slight increase in the proportionate cost was, however, exceptional. In the Transvaal, where the work of the same department was at least quadrupled, the deficit in 1905-6 (£1,595) was not merely relatively but absolutely and substantially less than the deficit in 1898 (£14,448); and this, too, in spite of the fact that in this colony the Post Office had given up some £65,000 per annum of revenue in reduction of rates.

In the case of the Customs Departments the expansion of work was accompanied by a decided gain in economy. In the Orange River Colony, as the Free State had been a member of the South African Customs Union before the

war, the conditions of collection under the Republican Government in 1898 and the Crown Colony Administration in 1905-6 were identical. In 1898 the value of the imports was £1,190,932, the duty collected was £160,887, and the total disbursements on account of customs amounted to £8,574. In 1905-6 the imports had risen to £4,053,414 in value, the duty collected was £314,813, and the cost of collection had fallen to £8,190. That is to say, the department under Crown Colony Administration was collecting twice as much duty, upon imports four times as great in value, and costing rather less than it did in 1898.

In the Transvaal the conditions of collection were not identical. Under the Republic, the customs duties on goods entering the Transvaal from Delagoa Bay, which the Crown Colony Administration itself collected, were collected and retained by the Netherlands Railway Company; while, on the other hand, the Republic itself collected the duties on goods entering the Transvaal from the British ports, which under the Crown Colony Administration were collected, in the terms of the Customs Union, by the coastal colonies at a charge of 5 per cent. Notwithstanding, however, this variation of conditions and system, the following figures afford a sufficient basis of comparison. Under the Republic in 1898 the Customs Department of the Transvaal paid £43,725 in salaries, and collected £1,058,224 in duties upon imports of the value of £9,996,575. In 1905-6 the same department under the Crown Colony Administration paid £43,920 in salaries, and collected £1,797,786 in duties upon imports of the value of £16,597,931. That is to say, the department was in 1905-6 collecting three-quarters as much again of revenue, upon imports increased in the like ratio, at an additional cost in salaries of only £195 per annum.

In the Survey Departments of both colonies, while the volume of work was many times as great as it had been under the Republics, the relative expenditure was largely decreased. The figures merit attention, since owing to the fact that these departments were organised upon the same lines under both *régimes*—indeed, the new Surveyor-General of the Transvaal had been second in rank in the same

department of the late Government—the basis of comparison is especially exact. In the Free State the Survey Department in 1898 had a staff of three officials receiving an average salary of £433, 6s. 8d. per annum, and the average number of diagrams dealt with annually was 505. In the Orange River Colony in 1905-6 the department had a staff of five officials receiving an average salary of £415 per annum, and the average number of diagrams dealt with annually was 2,298, exclusive of making 522 deductions, 159 certified diagrams, 10 tracings, and 28 titles. In the Transvaal the annual average of the diagrams dealt with by the department had grown from 2,000 in 1898 to 8,933 in 1905-6; the staff had been enlarged from 18 officials receiving an average of £408 per annum, to 34 receiving an average of £447 per annum. That is to say, while the work of the departments had been quadrupled, the amount paid in salaries had been only doubled.

In regard to the Mines Departments, that of the Orange River Colony, as before noticed, was developed to an extent that nullified comparison between it and its Republican predecessor. But in the case of the Transvaal the comparison is exhibited in the despatch by means of a table showing both the actual and relative growth of work and expenditure. Taking the percentage column only, we find that in 1906, as compared with 1898, the number of working mines of all kinds within the scope of the department had increased by 63.41 per cent., the number of employees by 77.15 per cent., and the license revenue by 35.38 per cent., while the number of officials had increased by only 18.24 per cent., and the amount paid in salaries by not more than 21.40 per cent. One other item may be mentioned. The highest increase of all is that of the number of accidents reported—91.49 per cent. This does not indicate, of course, that the average number of accidents in the mining industry was much greater in 1906 than it was in 1898—on the contrary, the conditions under which the miners, both European and Coloured, worked had been improved admittedly in all respects since the annexation—but it is a significant tribute to the greater vigilance of the inspectors of the Department under the Crown Colony Administration, and to the greater

stringency of the regulations which they were called upon to enforce.

As the question of the relative cost of Republican and Crown Colony government has entered largely into the review of this group of Departments, it will be convenient to mention here a consideration, which, while it must be taken into account throughout in comparing the cost of the Civil Service created by Lord Milner with that of the corresponding officials employed in the Republics, renders the position of these departments in this respect even more favourable than is indicated by the foregoing figures. This consideration is the circumstance that many of the officials of the late Transvaal Government enjoyed, in addition to the payments received from the State by way of salaries, certain emoluments which they were permitted to receive from private individuals. It by no means followed, therefore, that the salary of an official, as recorded in the books of a department of the late Government, represented the full extent of the remuneration which he received from the State.

Mr Patrick Duncan puts the facts with equal fairness and precision in his statement on this subject, which is enclosed in Lord Selborne's despatch of 5th November 1906.

"It must be remembered," he writes, "that the figures appearing in the published estimates of the late Government in respect of the salaries of officials do not always represent the actual remuneration of these officials as compared with that of their successors under the present Government. The present Administration requires that all officials shall give their whole time to the public service, and all sums payable to them in respect of their services from the public funds are clearly shown in the estimates. Under the late Government considerable latitude was allowed in this respect. For instance, the technical officers of the Surveyor-General's Department were allowed to undertake private work. Officials were appointed as directors of companies in which the Government was interested, or were allowed to become directors of private companies and to draw the remuneration attaching thereto. In the Mines Department it was a recognised practice for persons requiring their business to be pushed through to make payments (not necessarily with any corrupt purpose) to the officials concerned, and in the case of the Claim Inspectors (now called Beacon

Inspectors), whose duties are to examine and point out the boundaries of claims, it was usual in certain districts for claim-holders to make a payment to the official concerned of £5 for each inspection. These instances represent a practice which is no longer allowed in the Government Service, but which was the source of a considerable addition to the salaries of many officials over and above the figure appearing in the Public Estimates. There were also official additions to the salaries of officials which do not appear on the face of the Estimates. For example, in the Postal and Telegraph Departments a commission of  $2\frac{1}{2}$  per cent. was allowed on all stamps sold, which was allocated among the officials concerned. The head of the Telegraph Department in Pretoria received a commission on all cable messages transmitted, at first at the rate of one penny a word, and afterwards one half-penny. None of these additions to the salaries of the officials concerned appear in the Estimates at all. The collectors of native taxes were allowed a commission of 5 per cent. on their collections in addition to the salaries appearing in the Estimates. The Public Prosecutors in Johannesburg received, in addition to the salaries provided for them, a fee for each appearance in Court—and so on. It is clear, therefore, that great care must be exercised in comparing individual salaries as they appear in the Estimates of the two Governments before any conclusion can be drawn as to the actual remuneration of the respective officials.”<sup>1</sup>

### B.—*Education.*

As early as the autumn of 1900 Mr E. B. Sargant, who was then travelling in Canada, was invited by Lord Milner to undertake the work of reorganising the education systems of the new colonies. During the interval between his arrival in South Africa (9th November) and the new year Mr Sargant originated the idea of the camp schools,<sup>2</sup> which he subsequently developed with such success that before the Boers ceased to be at war nearly 40,000 of their children were being

<sup>1</sup> Cd. 3528.

<sup>2</sup> For a brief account of these schools the reader is referred to pp. 520-3 of “Lord Milner’s Work in South Africa, 1897-1902.” The full story of the schools is told by Mr Sargant himself in his “Report” issued from the Education Adviser’s office, Johannesburg, in 1904.

taught by British teachers in the refugee camps. These camp schools prepared the way for the Education Departments in two respects. They established a tradition of goodwill between the British teachers and the Boer children and their parents, and they bequeathed to the Departments a body of nearly 500 trained and carefully selected teachers, all of whom had been brought out to South Africa from the United Kingdom and the oversea Dominions within the last six months of the war, when the supply of South African teachers had failed to meet the growing demands of the camp schools.

In all branches of the Administration nucleus departments had been formed by Lord Milner in both colonies prior to the Declaration of Peace on 31st May 1902. This day, therefore, found Mr Sargant Director of Education for both colonies, Mr Fabian Ware Assistant-Director of Education for the Transvaal, and Mr Russell holding the corresponding position in the Orange River Colony,<sup>1</sup> and Education Departments, each with a small staff of school inspectors and clerks, in being at Pretoria and Bloemfontein. In both colonies schools had been reopened, or newly established, in towns within the protected areas or separately occupied by the British troops. In the Transvaal there were 33 of these town schools with an enrolment of 6,062 children, in addition to the numerous camp schools in which 17,213 children were being taught; and in the Orange River Colony there were 16 town schools, with 2,691 pupils, besides the 12,066 children under education in the camps. During the process of repatriation (21st June 1902 - 31st March 1903) the work of the two Education Departments ran upon almost identical lines. In each colony the burgher population was struggling to secure the bare necessities of existence, and the British refugees were busy picking up the threads of their old life where they had dropped them three years before. Education, like most other branches of the Administration passed through two stages. First, there was the hasty adaptation or expansion of existing machinery to meet the shifting and abnormal conditions of the repatriation of the

<sup>1</sup> Mr Russell had been appointed in July, and Mr Fabian Ware in October of 1901.

Boers and the resettlement of the British; and then the gradual readjustment of this machinery to suit the permanent and normal requirements of the respective colonies.

The first energies of the Education Departments, accordingly, were devoted in both colonies alike to the provision of school accommodation to take the place of the disbanded camp schools. In order to do this it was necessary to follow the refugees to their ruined homes in town and village, and even to penetrate to the blackened homesteads upon the solitary veld. The teachers made their way to their allotted posts as best they could. The South African Constabulary put up the tents, or the wood and iron sheds and shanties, that served for school buildings and teachers' residences; the mule carts of the Repatriation Department brought books and benches, and all the simple but efficient school equipment of the camps, and above all the stores and food without which the teachers would have been in a worse plight than the Boer refugees. In the small towns the difficulties were less formidable, but even in such cases it often happened that the school teacher arrived before the storekeeper, and had to depend for a time, like the rest of the inhabitants, upon the repatriation waggons for food and household necessaries.

In such wise the new schools were opened throughout the two new colonies in urgent haste. By the beginning of the new year (1903) there were in the Transvaal 101 farm schools with an enrolment of 3,476, and the number of free elementary schools had risen to 80, with 12,089 children on the books, while in addition there were 19 fee-paying schools opened in the larger centres of population. In the Orange River Colony, where the Education Department had concentrated its efforts more especially on supplying the needs of the repatriated Boers in the towns, 42 town schools, with 7,380 children on the rolls, were opened by March 1903; and by the following June practically all the town schools, and many lesser schools—ward and farm—had been opened, and 9,031 children were in attendance at the Government schools.

Normal schools for the training of elementary teachers were re-established in both colonies within the first few months of peace. The Grey College and Girls' High School at Bloemfontein, and the various secondary schools on the



Rand and at Pretoria, had been re-opened almost as soon. In the Transvaal evening classes, calculated to meet the conditions of the artisan population, were inaugurated early in the new year (1903), and a Government Commission was appointed to consider the measures necessary to establish the Transvaal Technical Institute, an institution destined to be of great practical utility to South Africa as a whole.<sup>1</sup> And thus before the last of the camp schools was closed, by dint of improvised buildings and an honourable devotion to duty on the part of the elementary teachers, in all but the most remote and sparsely populated districts the children of Boers and British alike had been once more set to their tasks.

In the meantime the education policy of the Administration, as a whole, had been the subject of frequent consultations between Lord Milner and the Executive Councils of the two colonies, and in January 1903, the more difficult aspects of the education question, *i.e.*, those in which the relations of the British Government to the ex-burgher population were involved, had been discussed by Lord Milner and Mr Chamberlain, during the latter's visit to South Africa. The conclusions thus formed were embodied in two practically identical Education Ordinances, which were passed by the respective legislatures of the Transvaal and Orange River Colony in February and June 1903. These ordinances, while giving effect to the undertaking contained in Article V. of the Terms of Surrender, that the Dutch language should be taught in the Government schools, where the parents of the children so desired, established a comprehensive and enlightened system of education in each colony.

Mr Fabian Ware, who, in the absence of Mr Sargent,<sup>2</sup> was Acting-Director of Education in the Transvaal at the time in question, gives the following account of the Transvaal Education Ordinance :—

“The object of this Ordinance is to make public the general policy of the Government in regard to education, and to confirm the fundamental principles of a system which already (end of March 1903,) includes a larger number of

<sup>1</sup> Now the South African School of Mines and Technology.

<sup>2</sup> Mr Sargent's health had broken down at the end of 1902, and he returned to England for a period of rest early in the next year.

scholars than that of the late Government at its highest stage of development.

"1. It provides for free elementary education wherever there is an average daily attendance of not less than thirty scholars.

"2. It recognises the responsibility of the Government with regard to the whole system of education from the elementary school to the University, and besides empowering the Government to establish, maintain, and control institutions providing every grade of education, it further recognises the duty of Government to ensure the efficiency of educational institutions established and maintained by other agencies. For this purpose the Ordinance bestows on Government certain powers with regard to private schools. By means of compulsory sanitary inspection and the right to insist that all teachers in private schools shall be not less highly qualified than those in Government schools, Government should have sufficient control over private venture in the sphere of education.

"3. It meets the 'religious difficulty' by allowing the exemption of children from any religious instruction, as well as by providing opportunities for denominational religious instruction given by ministers of religion in school hours, in addition to undenominational religious instruction given by the teachers.

"4. It provides for instruction in Dutch to the extent of five hours a week for the children of those parents who desire it.

"5. It provides for the appointment of local committees whose functions shall be solely consultative and advisory.

"6. It makes provision for the education of native and coloured children, due emphasis being laid on the necessity that manual training should form part of this education."<sup>1</sup>

The next school year, 1903-4, witnessed the re-adjustment of the temporary machinery of education to meet the then more settled conditions of the inhabitants, and a rapid extension of the operations of the departments in both colonies upon permanent lines. The existing schools were repaired and enlarged, and numerous new buildings of an improved type were erected.

In the Orange River Colony the Education Department

<sup>1</sup> Cd. 1551.

directed its efforts especially to the extension of the "Ward," or lesser Town, schools, and by the end of May 1904 the number of these schools had risen from 15 to 94. A conference of teachers held at Bloemfontein in December 1903, under the presidency of Mr E. B. Sargent, resulted in the publication by the Department of a Code of Regulations for elementary schools, which, while embodying the collective experience of the teachers as a whole, allowed the headmaster or mistress an unusual discretion in the management of the individual schools. In January 1904 the payment of fees was abolished in elementary schools, with the exception that fee-paying schools were retained in a few of the larger towns, where, however, the parents were given a choice between such schools and the free schools. Classes for girls and young women, in which cookery, lace-making and laundry work were taught, were established in the towns, and in these two respects the Orange River Colony was brought into line with the Transvaal.

In the Transvaal the difficulties of the teachers, and the general disabilities under which they had carried on their work in the first eighteen months of peace, had been greater than in the Orange River Colony. This was due in part to the circumstance that the Education Department in this Colony had endeavoured from the first moment of repatriation to provide schools for the scattered and isolated farmers upon the veld, and in part to the fact that, with the exception of the Rand district, the northern republic as a whole was less advanced in civilisation than its smaller neighbour. But here, too, the eager expansion of the permanent operations of the Department was bringing a gradual but steady improvement in the conditions of the teachers.

"Hitherto," Sir Arthur Lawley wrote<sup>1</sup> on 14th May 1904, "the school accommodation and the necessary conveniences have been indescribably bad and inadequate. The disabilities under which the staff have had to work cannot be exaggerated, and the spirit in which the difficulties have been met by inspectors and teachers alike has been altogether admirable."

<sup>1</sup> Report on Administrative Progress of the Colony for 1903-4. Cd. 2104.

And then follows the remarkable statement,

“There are now over 29,000 children in Government schools, which is more than double the number that at any time attended the schools of the late Government, and the number is steadily increasing.”

He then added that, while up to the present the education provided in the Government schools had been mainly of an elementary nature, the Education Department had now submitted to the consideration of the Executive a scheme whereby

“the establishment, control, and maintenance of secondary schools throughout the country might be provided by the joint efforts of the Central Government and the local bodies, whether municipal or otherwise, and the Government might thus be relieved of a portion at least of the expenditure involved.”

Certain changes in the higher *personnel* of the Departments, which took place in this year, must be recorded. At the beginning of 1903 Mr Sargant's health gave way under the long and severe strain of the previous two years' arduous work, and he went to England for a period of rest. Shortly after his return he took up (1st February 1904) the less onerous post of Education Adviser to the Governor and High Commissioner. Mr Fabian Ware, formerly Assistant-Director of Education for the Transvaal, then became Director; and Mr Hugh Gunn, formerly Chief Inspector in the Education Department of the Orange River Colony, was appointed Director of Education for that Colony, Mr Russell, the Assistant-Director of Education, having resigned his post at the end of 1903. In the closing months of the same year (1903) Professor Hele-Shaw, F.R.S., was appointed by the Colonial Office to organise the working of the Transvaal Technical Institute — a task which he carried out with marked success in the course of his twelve months' residence at Johannesburg.

In spite of the makeshift and inadequate school accommodation, the shortage of teachers and inspectors, and all the numerous material difficulties with which the work of educa-

tion was beset in the first two years of the reconstruction, the returns of the Departments bear witness to the greatness of the progress accomplished within this period. On 31st March 1904, there were in the Orange River Colony 12,187 children attending Government schools, whereas the highest number ever reached in the days of the Free State had been 8,187; and in the Transvaal at the same date there were 28,965 children attending 404 schools—an attendance more than twice as great as the highest shown by the schools of the late Government. And among the Transvaal schools were 21 classed as “Secondary,” of which 5 were High schools, 3 Preparatory schools, and 13 Provincial Fee-paying schools.

The only check on the otherwise uninterrupted progress of the Departments came from the establishment of the rival schools, termed “Christian National,” by the Dutch Reformed Church in both colonies at the close of 1903. The main grounds upon which the militant Boers based their dissatisfaction with the Government schools were—(1) That the Dutch language was insufficiently taught; and (2) that the parents, having no control over the appointment of the teachers, were exposed to the danger of having their children’s religious faith corrupted by persons of atheistic and proselytising tendencies. The immediate cause of this movement of opposition arose out of the limited character of the powers entrusted to the local school committees, which were now being gradually established in both colonies, under the provisions of the respective Education Ordinances. When it was found that the duties of the school committees were to be confined to the giving of advice upon questions of school management, such as hours of attendance, situation of school premises, etc., and did not include the appointment and removal of the teachers, the ministers of the Dutch Reformed Church, headed by Mr Bosman in the Transvaal and Mr Marquard in the Orange River Colony, refused with rare exceptions to serve upon them, although they were requested to do so in all cases by the Education Departments.

In the Orange River Colony, where the grievance first came to a head, an influential petition, embodying the requirements of the Dutch Ministers, was presented to the Lieutenant-Governor in September 1903. It asked that the

school committees should be partially elected, and should have power to appoint teachers; that a minimum of five hours per week should be assigned to the teaching of Dutch in all schools, and that the religious instruction should be exclusively historical, and not doctrinal, in character. Mr Wilson, then Acting-Lieutenant-Governor in the absence of Sir Hamilton Goold-Adams, replied that the Central Government, so long as it remained charged with the entire financial responsibility for the schools, could not allow the local authorities to control them; that adequate time was appropriated to the study of Dutch, and that, where circumstances required it, as much as five hours a week could be given to this subject; and lastly that the only exception to the rule that religious instruction should be historical and not doctrinal, was the permission accorded to give doctrinal instruction in response to the special request of parents, and this only where certain specified conditions, intended to prevent the abuse of the privilege, had been fulfilled.

The reply of the Transvaal Government, although the action of the Dutch Church was in this case delayed by some abortive negotiations between Mr Bosman and Mr Fabian Ware, the Director of Education, was identical in substance. As these replies failed to satisfy the Dutch leaders, secular and religious, the Central Committees formed for the purpose in each colony proceeded to open Christian National Schools wherever circumstances and the funds at their disposal permitted.

The real fact was, as Lord Milner recognised, that what the militant section of the Dutch Reformed Church wanted was to obtain control, through the agency of the local committees, of the public elementary schools in all but the few large centres of British population. With the experience of the Cape Colony before him, he knew that in this case the influence of the Predikant might, and probably would, be used to hinder the advance of education, and to embitter the relations between the people and the Government. While, therefore, the wishes of the Boer leaders, both lay and clerical, had been consulted fully in the framing of the Education Ordinances, and all reasonable provisions, both for the teaching of Dutch and for granting facilities to the

Dutch ministers to give religious instruction to the Boer children in school hours, had been made at the outset, Lord Milner refused to entrust the School Committees with the extended powers desired by the promoters of the Christian National movement. Since it was impossible to grant the complete control which the Dutch Reformed Church really wanted, at any rate for the present, he felt that any concession short of this would only be used as a basis for further demands, and thus tend to produce a perpetual state of friction between the more intolerant of the Dutch ministers and the Government in both colonies.

The establishment of the Christian National schools did not hinder materially the extension and development of the education systems of the two new colonies; but the movement created a good deal of unnecessary ill-feeling in the few localities where these schools were opened. How comparatively slight was the adverse effect thus exercised upon the Government schools may be seen from the fact, that before the Crown Administration ceased to exist the number of children attending the Government schools had risen to 32,686 in the Transvaal, and 16,338 in the Orange River Colony.<sup>1</sup>

When the education systems had become more firmly rooted, it became possible in both colonies to make arrangements in respect of these disputed points, which were more acceptable to the Dutch Reformed Church but without detriment to the interests of the British population. In the Orange River Colony an agreement was reached in March 1905 between the representatives of the Dutch Reformed Church and the Education Department, which was subsequently embodied in a new Education Ordinance passed by the Legislature of the Colony in the following July. In return for the contribution of one-sixth of the total expenditure by the localities, the Government granted extended powers to the local school authorities. The danger of giving the control of the schools to the individual school committees was avoided, however, by the creation of a system of education districts, in each of which was established a School Board consisting of five members elected

<sup>1</sup> *I.e.*, in June 1906.

by the poll-tax payers — *i.e.*, by the persons by whom the local contribution was provided — and four members nominated by the Government. These Boards, in which the elected members were in a majority of one, delegated certain of their powers to the school committees of the several divisions of which each district was made up, but they themselves retained the crucial power to nominate teachers (subject to conditions securing proper qualifications and security of tenure) for the schools within their respective districts. The compromise on the School Committee question consisted, therefore, in the arrangement under which the (virtual) power of appointing the teachers was granted to local authorities, but to local authorities which, as representing districts and not merely villages or townships, would presumably be free from parochial prejudices and narrowness. The question of religious teaching was settled by provisions in the new Ordinance giving the right of entry for this purpose to the ministers of the various denominations under specified conditions and at fixed hours. The actual terms of the agreement on this head were arranged by a conference, held under the presidency of the Director of Education, in which the representatives of no less than eight distinct religious denominations took part. The Ordinance of 1905 further made the attendance of all children of school age compulsory, and abolished fees in all elementary public schools.

The preliminary negotiations between Mr Marquard and Sir H. Goold-Adams which led to this agreement were approved by Lord Milner in October 1904, and the arrangement itself was concluded just three weeks before he left South Africa. The credit of bringing the negotiations to a successful termination belongs, however, to Mr Hugh Gunn, the (then) Director of Education in the Orange River Colony. The excellence of the work done by Mr Gunn in this and other respects makes it the more to be regretted that this compromise, which was found in practice to produce admirable results, should have been upset under Responsible Government, and that Mr Gunn himself should have been driven from his post by the retrograde legislation carried by General Hertzog, the Minister of Education in the Fischer Ministry.



Of the Hertzog Act (1908) it is sufficient to say that it reintroduced school fees, abolished the "right of entry," made the school committees dominant at the expense of the School Boards, and established a rigid and wholly impracticable system of compulsory bilingualism. As the result of this latter feature of the Act, the British population of the colony, in co-operation with the more progressive Dutch, were driven to the unwelcome expedient of establishing separate schools, in which suitable provision for the educational needs of their children was made. Four years later the Education Department of the Free State<sup>1</sup> Province, under pressure from the Union Government, arrived at an arrangement with the representatives of the British population under which the most objectionable features of the Hertzog system were abandoned. And in view of this concession the separate British schools were closed. The Hertzog Act and its sequel, the resignation of Mr Gunn, are otherwise worthy of notice as affording the sole instance—apart from the question of Chinese labour—in which the policy of a department, as established under the Crown Colony Administration, was reversed by either of the Boer Responsible Governments in the new colonies.

In the Transvaal the dispute, of which the Christian National schools were the outcome, remained unsettled until the grant of Responsible Government made General Smuts the official head of the Education Department.<sup>2</sup> The Education Act then passed, while maintaining the system created by the Crown Administration in its general principles, gave extended powers to the local authorities, and embodied agreements on the language and religious questions which found general acceptance with the majority of both the British and Dutch inhabitants of the colony. Either Dutch or English, according to the wish of the parents, became the medium of instruction for young children; but English was to be taught to all children, and in the case of the elder children (*i.e.*, after the third standard) it became the sole

<sup>1</sup> Upon the establishment of the Union, the Orange River Colony reverted to its old name.

<sup>2</sup> In the Botha Ministry he combined the control of the Education Department with the Colonial Secretaryship.

medium of instruction. The "right of entry," granted under conditions similar to those arranged by Mr Gunn in the Orange River Colony, was adopted as the solution of the question of religious instruction. And finally education was made alike free and compulsory.<sup>1</sup>

Although Mr Fabian Ware resigned the office of Director of Education for the Transvaal shortly after Lord Milner had left South Africa, the progress of the Department continued without check both before and after the establishment of Responsible Government. In 1910 there were, in round numbers, 50,000 white, and 12,000 native, children on the roll of the Government schools; while the expansion of the machinery for Secondary, Technical, and Higher Education, due in a large measure to the enlightened policy of General Smuts, had been maintained in an equal degree.

A measure of the advance made in Education by the new colonies under Lord Milner's administration is afforded by a comparison of the operations of these Departments of the two Governments at the close of the Crown Colony Administration with the position attained by the corresponding departments under the Republics.

In the Transvaal in 1898 the Republican Government was educating 15,512 (white) children at a cost of £9, 8s. 4d. per child; in the same country in 1905-6 the Crown Administration was educating, in greatly improved buildings and by a much more efficient staff, both of teachers and inspectors, 32,686 (white) children at a cost of £8, 10s. 1d. per child.

In the Free State in 1898 the Republican Government contributed £55,000 to education, and taught 8,157 (white) children in 199 schools; in the same state in 1906-7 the Crown Administration taught 16,338 (white) children in 262 schools, and voted £114,000 for the Education Department—an amount which, together with the provision for school buildings included in the Public Works vote, justified the statement of the Colonial Treasurer, that this colony "devoted a far larger proportion of its revenue to the purpose of education than any other colony in South Africa."

<sup>1</sup> A slight modification of the terms of this Act was effected in the interest of the Dutch inhabitants by the Transvaal (Province) Administration in 1911; *i.e.*, after the Union.

*C.—Lands and Agriculture.*

There is no part of the national life of the new colonies which was more profoundly benefited by Lord Milner's administration than agriculture. Within a few months of the date (15th March 1901) when he became responsible for the civil government of the lately annexed territories, Land Boards were constituted in both colonies with the primary object of providing for the British agricultural settlers, who were being introduced in pursuance of the policy so strongly recommended by the Land Settlement Commission.<sup>1</sup> Apart from this primary object, the Land Boards—established respectively in the Orange River Colony in October,<sup>2</sup> and in the Transvaal in December 1901—were entrusted with the management of the Crown lands in each colony, and were employed in collecting vehicles, implements, and seed-corn, and in making such other limited preparations for the repatriation, as the exigences of the military situation allowed the Civil Authorities to carry out before the conclusion of the war.

In the Orange River Colony, where agriculture occupied the place held by gold-mining in the Transvaal, as the dominant industrial interest, a nucleus Department of Agriculture was formed as early as 1st July 1901. It began its career by taking charge of a large number of cattle and sheep transferred to it from the refugee camps by the military authorities; and in the following January a nursery for forest trees was established at the Government farm of Wilgeboomnek, and the farm itself was laid out in plantations.

In the Transvaal the Department of Agriculture was formed in July 1902 by Mr F. B. Smith, who had been sent out from England by the Colonial Office, as Agricultural Adviser, shortly before the Peace. In October Mr Smith, now styled Director of Agriculture, forwarded to Lord Milner the significant Report in which he discussed the best means of re-stocking the colony, and formulated the far-reaching

<sup>1</sup> For this report see "Lord Milner's Work in South Africa, 1897-1902," p. 516.

<sup>2</sup> Major K. P. Athorpe was Secretary to this Board.

proposals destined within a few years to introduce new and more profitable methods of agriculture and stock raising, and thereby to increase beyond expectation both the prosperity of the burgher population and the permanent resources of the country.

The work of the Land Boards was carried on in circumstances of great difficulty. Without prompt action nothing at all could have been done; but prompt action, in the then existing conditions of the new colonies, involved a certain sacrifice of administrative economy, and made it impossible for the Boards to obtain in every case the best value for the funds which they disbursed. As in the case of the Repatriation Departments, what is surprising is not that there should have been some waste and some bad bargains, but that the special object for which these Boards were created should have been effected, under conditions so adverse, at such slight cost and within so short a period of time. In March 1903, only nine months after peace was declared, when the original Land Boards were replaced by permanent Government Departments, 500,000 acres of land suitable for settlement had been purchased in the Transvaal at a total cost of £304,000, and 766,980 acres, at a cost of £601,949, in the Orange River Colony; and in the former 370, and in the latter 362 British settlers had been established—732 actual or prospective heads of families, most of whom had seen service in the war. Nor were these men, as a class, broken in fortune or industrial failures. In both colonies the settlers were chosen as carefully as the circumstances of the time and place permitted; and an official return of the Orange River Colony settlers shows that here, at least, each man had on the average a capital of £500—representing an aggregate capital of £181,000 brought into the colony. It also discloses the fact that of the total of 362 settlers, 153 were drawn from South Africa, and 209 from other parts of the Empire—from Australia, New Zealand, Canada, and Great Britain.

The experience and information gained by the original Land Boards formed the basis upon which the new and permanent land departments in each colony were organised: the "Land Board" in the Orange River Colony and the

“Lands Department,” with the sub-departments of Agriculture, Forrestry, and Irrigation, in the Transvaal. The constitution, powers, and duties of these branches of the two Administrations were defined in each case by ordinances passed by the respective colonial legislatures in the closing months of 1902. In the preparation of the Lands Settlement Ordinance of the Orange River Colony, and the Crown Lands Disposal and the Settlers Ordinances of the Transvaal, which were designed to promote and regulate the acquisition of agricultural holdings by suitable immigrants, the lessons drawn from similar efforts of the state in Australia and New Zealand were blended with the actual experience of the original Land Boards in the new colonies. While, therefore everything possible was done by a system of purchase by deferred payments, and by provisions for advancing a part of the necessary working capital at moderate interest, to bring it within the power of capable settlers with limited means to occupy and cultivate successfully farms of which they might become the absolute owners within a longer or shorter term of years, careful provision was made to insure the personal residence of the settlers and the *bonâ fide* cultivation of their farms, to check the abuse of any of the privileges accorded, and especially to prevent these public lands from becoming the subject of mere commercial speculation.

In March 1903 Mr Adam Jameson, formerly Minister of Lands in Western Australia, was placed at the head of the Department of Lands in the Transvaal, with the title of Commissioner of Lands and a seat in the Executive Council. And at the beginning of the new financial year (1st July 1903 to 30th June 1904) a further advance in organisation was made by grouping the Departments of Lands, Surveys, Agriculture, Public Works, and Irrigation under the one portfolio of the Commissioner of Lands. The union of these departments was justified by the fact that they were all closely associated both in the immediate task of rendering the Crown lands available for settlement, and in the general development of this public estate and of the agricultural and pastoral resources of the colony as a whole. Each department, however, was placed under a head officer responsible, through the Commissioner of Lands, to the

Executive Council, and was otherwise self-contained, having clearly defined functions and being provided for under its own particular vote upon the annual estimates.

Although the organisation of this group of departments may be said to have been established from this date upon a permanent basis, the work which they were called upon to perform remained for the next two years abnormal alike in volume and character. What was most original and vital in this abnormal work was the administration of the British agricultural settlements, and the introduction of a system of scientific agriculture, and as such it will be considered separately under these two heads. But apart from such new and cardinal efforts, in these, as in other departments of the Administration, it was found that even in respect of their ordinary services large arrears of neglected work had to be cleared off before either their *personnel* or their everyday business could be arranged upon a scale adapted to meet the normal requirements of the community. In the present case the great mass of this extraordinary departmental work arose out of the 29,000,000 acres of public land which the new Government had inherited from the Republic. Nearly two-thirds (19,000,000 acres) of this immense area had never been so much as surveyed. The greater portion of it lay in the remote and semi-tropical districts to the north and north-east of the colony, which were unapproached by railways, and, in many cases, known to be infested by malaria and subject to diseases fatal to horses and cattle. With the advance of civilisation, however, such districts would become healthy for man and beast; and in the future tobacco and coffee and other semi-tropical produce, yielding rich rewards to the cultivator, could be grown in them. The public land in these districts was, of course, useless for purposes of immediate settlement. None the less, in the interests of the future development of the country it was desirable that the whole of the national estate should be surveyed, that the agricultural and mineral possibilities of the different blocks of public land should be ascertained, and the character of the soil, and the climatic and industrial conditions of the various districts in which they lay, should be made known.

To find homes for the British agricultural settlers in the

Transvaal, large purchases of additional land had been made by the Land Board ; and these purchases were still going on. The new land thus acquired, and all of the original public land suitable for immediate occupation by settlers, had to be divided up into areas adapted for one or other of the three classes of farms recognised by the Department—large pastoral farms, mixed farms, or small holdings. When this was done, it was necessary to fix the amount of the purchase price, or rent, of each farm or holding. In doing this the department endeavoured to put such a value upon each holding as would leave the settler a return of 12 per cent. per annum upon the capital invested in the purchase of the land and stock, the erection of buildings, and the general equipment of the farm, after all expenses and outgoings had been deducted from the annual profits. Finally it remained to advertise the farms in the Government Gazette and to dispose of them by public auction to qualified applicants.

In the Orange River Colony the public land inherited from the Free State Government was only 500,000 acres in extent ; but to this was added the fresh land—now amounting to over 1,000,000 acres—which had been purchased since 1901 for the purpose of settlement. Here the Land Department, which retained its old name of “ Land Board,” was mainly occupied with business directly arising out of the establishment and management of the various British and burgher settlements. In the lesser colony, moreover, the work of agricultural settlement was being conducted on a relatively larger scale ; and in addition to the purely government settlements, two private organisations for the introduction of British farmers—the Duke of Westminster’s estate settled with tenants from the Cheshire properties, and the “ county ” settlements promoted by the Imperial South African Association—were in operation. The Departments of Public Works and of Agriculture were, therefore, separated from the Land Board, and the organisation of the Department of Agriculture was not, in fact, completed until early in 1904, when the first Director of Agriculture, Mr J. W. Palmer, arrived from Canada. It must also be remembered that in the Orange River Colony, as well as in the Transvaal,

Lord Milner's policy of land settlement included in its aims the solution of the bywoner problem. And, thus, while the ex-burghers who, though landless, possessed a little capital, and the National Scouts, whose military services had been rewarded with monetary grants as well as allotments of land, were established in the burgher settlements, provision for the indigent Boers, or bywoners, was being made in "squatter settlements," where, as the name implies, the settlers were allowed to occupy Government land, and provided with seeds, implements, and other necessaries, in return for a proportion of the produce of their holdings. Although, therefore, the Orange River Colony possessed no such vast public estate as the Transvaal, the demands upon the energy of its Land Department were relatively as great.

The administrative reports for the official year 1st July 1903 to 30th June 1904, afford a glimpse of the work which was done by the Land Departments in the new colonies at a time when, although the services required of them remained abnormal, the departments themselves were being for the first time organised upon permanent lines.

In the Orange River Colony, then, new land to the extent of 178,074 acres was bought at an average price of 13s. 9½d. per acre. To the original 500,000 acres of public land, more than 1,000,000 more had been added by purchase since 1901; and practically the whole of this new land had been allotted by the end of this year (1903-4) to British and Dutch agricultural settlers. To remedy the drought from which certain classes of land suffered, operations in water-boring with diamond and steam drills were carried on. In the 40,000 acres selected as suitable for "close" settlement six irrigation systems were under construction. Land to the extent of 153,315 acres was reserved for the county settlements promised by the Imperial South African Association. Over 8,000 acres were allotted to the Department of Agriculture for experimental farms and for plantations and nurseries of forest trees. And, under the supervision of the Immigration Board, 344 persons, men, women, and children, were brought out from England with "assisted passages" to settle in the colony.



In the Transvaal the operations, directed by the Commissioner of Lands, took a wider range. Under the Director of Irrigation a hydrographic investigation of the whole area of the colony was being carried out. Its purpose was to ascertain "to what extent the natural supplies of water could be economically conserved and utilised," and, generally, to provide the data upon which the Administration would be able to estimate the relative value and efficiency of the various schemes of irrigation which were being put forward. At the same time information upon the subject of water-law was to be obtained by the appointment of a commission empowered to take evidence as to the operation of the existing legislation in regard to water-rights, and to make recommendations for its alteration or amendment. A large amount of land had been set apart or "reserved" for the sites of Government buildings and other purposes of general convenience or utility. The number of the reservations dealt with was 269, and the purposes to which they were assigned were religious and philanthropic, as well as official and municipal. A pregnant enterprise was inaugurated this year in the foundation of a School of Tropical and sub-Tropical Agriculture on the Tzaneen estate, at Krabbefontein, a place some two hundred miles to the north-east of Pretoria in the Zoutpansberg. The undertaking commenced with the purchase, in October 1903, of a property of 6,000 acres of irrigated and cultivated land with a tobacco and cigar factory, and it aimed at the conversion of this area, together with 11,000 acres of adjacent Crown land, into holdings of 100 acres, upon which settlers were to be established for the purpose of raising tobacco, and other tropical and semi-tropical produce, and fruit. In the meantime the necessary steps had been taken to make the original plantation serve both as a centre of information for the encouragement of tropical farming throughout the colony and as a training school for the future planters of the Transvaal. With a view of obtaining the most efficient equipment for the tobacco factory, the manager had been despatched to Europe and America with discretionary power to select the machinery calculated to give the best

results under the special conditions of the place. Buildings, with accommodation for twenty students, were being erected in a healthy situation ; a pamphlet, setting out the conditions and advantages of the course of instruction, had been issued ; and students were invited to be in residence in time for the commencement of the first term on 1st July 1905.

Ten thousand two-year-old heifers with other consignments of approved cattle were imported from the United States, for the purpose of assisting the Boers in the business of replenishing their farms with suitable stock. It is characteristic of the arduous conditions under which so much of the early work of the Administration was carried on, that this otherwise well-conceived and well-executed measure was temporarily robbed of good results by a purely adventitious circumstance. The sudden and most destructive visitation of East Coast (cattle) fever which swept over the Transvaal at this time was at its height when the American cattle arrived ; and although the cattle themselves were carefully protected and suffered to a very small extent, the Boer farmers were so scared by the ravages of the disease that they refused to purchase cattle of any sort. In these circumstances the imported cattle were distributed among the farmers on condition that they should be returned to the department at the end of a year, but that during this time the farmers should have their milk, and half their offspring, in return for maintaining them.

Turning to the more normal work of the department we find that during this year 300,000 acres of Crown land were surveyed, and 184 holdings inspected and prepared for advertisement in the Gazette. Land was granted to 342 applicants under the Settlers Ordinance, and to 132 under the Crown Lands Disposal Ordinance. Of these, 195 were "squatter" settlers—that is, men who, during the later stages of the war, had been gathered from the ranks into preparatory camps, and to whom advances in cash and kind of from £500 to £700 had been made, to enable them to cultivate small holdings. At Potchefstroom, in addition to a settlement of ex-burghers on the town lands, an area of 2,000 acres, known as Mooi Bank, which, on

account of its prospects of easy irrigation from the Mooi River, had been divided into small plots of 30 acres, was distributed by ballot in August 1903, and 59 British settlers were then established on it. The land had been well fenced, and the settlers were comfortably housed. Water for irrigation was being obtained from the Mooi River, and in addition to the usual crops, forest and fruit-bearing trees were being planted.

It only remains to add that, as with the close of the year 1903-4 a great part of the extraordinary services required of the Lands Department had been accomplished, the process of placing the *personnel* upon a normal basis had commenced. During this year, therefore, 60 officials were retrenched, and the annual expenditure was reduced by £20,785.

The foregoing passages will have made the reader acquainted with the general character of the work accomplished by the Crown Administration for the development of the public lands in the two new colonies. The efforts of the departments to provide a livelihood by agriculture for the unfortunate residuum of the repatriated population, both Boer and British, left by the war without occupation, must, however, be followed a little further.

In spite of its prosperous beginning, the British settlement at Mooi Bank has proved disappointing. The site was originally chosen because its proximity to the Mooi River promised a convenient and ample supply of water for irrigation. This promise, upon which the possibility of intensive cultivation rested, was largely unfulfilled. To meet the irrigation difficulty the size of the holdings was doubled, and the number of settlers reduced from sixty to thirty. At the time of writing (1912) it is doubtful whether even these thirty settlers, with their enlarged holdings, will be able to support themselves in comfort; and in these circumstances the question of the future of the settlement is occupying the attention of the Union authorities. The ex-burgher settlement on the town lands of Potchefstroom, on the other hand, is still in operation.

In the Orange River Colony the measures taken by the Administration to give employment to the bywoners and

indigent Boers, were recognised from the first as being only of a temporary character. In that colony, therefore, such persons were placed in "squatter" settlements, or on relief works, merely with the object of enabling them to tide over the interval between the repatriation and the time when their Boer relatives, or former employers, having themselves recovered their normal prosperity, would be able to take them back to their farms, or otherwise provide for them. In the Transvaal, on the other hand, the number of bywoners and other indigent Boers was relatively far greater, and the bywoner problem in particular seemed to demand for its solution something more than any merely temporary expedients. In this colony, accordingly, a serious attempt was made to provide a permanent means of livelihood for the derelict Boers, whether displaced bywoners or "poor whites," by establishing them on the land as small cultivators. In spite, however, of careful supervision and adequate funds these "ex-military burgher" or "squatter" settlements have proved, on the whole, unsuccessful. The general failure of the Boer small holders can be traced to more than one circumstance. First, in the Transvaal it is commonly held that a very large area of land is necessary for success in farming, and the average extent of the Boer farms is not less than 4,000 acres. It is certainly a country which in many respects presents special difficulties to the small cultivator; and the fact must be regarded as in part accountable for the relative ill-success of the British agricultural settlement in the Transvaal as compared with that of the Orange River Colony. Next, the men themselves, being unaccustomed to hard and continuous manual labour, were readily induced to abandon a manner of life so uncongenial by the first tolerable opportunity of earning a livelihood under less arduous conditions. And with the general prosperity, which followed the expansion of the gold industry under the stimulus of the Chinese labour supply, such opportunities became increasingly frequent. In the third place, although the total area of the public lands in the Transvaal was very large, the amount of Government land suitable for small holdings was very small. The Administration was obliged, therefore, in the

absence of suitable public land to establish settlements upon land leased for the purpose from private owners; and in the case of these settlements it was found that, even where they were moderately successful, it was impossible to justify the capital expenditures required for their permanent maintenance.

At the same time, while most of these burgher settlements proved in the end, like those of the Orange River Colony, to be merely transitory institutions, they played a useful, and perhaps indispensable, part in the general scheme of governmental assistance, which, as a whole, enabled the ex-burgher population to recover with singular rapidity from the condition of utter destitution in which they were left by the war. Indeed, when once the Administration had assumed the duty of providing the entire Boer population with the means of subsistence, it is difficult to see what better or more salutary method of maintaining this particular class could have been devised. The cost of these settlements was little, if at all, greater than the expenditure which would have been incurred if these destitute Boers had been maintained in refugee camps, specially kept up for their benefit. And, in view of the fact that their more fortunate kinsmen refused to receive them, this would have been the only alternative open to the Government at the time in question. As it was, they were trained, to some extent at all events, to habits of industry; they acquired some knowledge of agriculture; and they helped to fertilise and render productive some hitherto uncultivated portions of the soil of the Transvaal. As prosperity increased, they were gradually absorbed by other industries. Some went back to the farms of their relatives to take up their old positions of bywoners, or squatter-tenants; but the majority of them found a means of livelihood in the new forms of employment provided by the growth of industries alike in town and country. Moreover, the foundation, after the grant of Responsible Government, of one of these settlements for the relief of Boers of the "poor white" class at Delmas, in the south-eastern Transvaal, affords evidence that the practical utility of such settlements was recognised by the Boers themselves.

We have now to consider those two special branches

of the work of the Lands Departments, the introduction of British agricultural settlers and the development of scientific agriculture, in which Lord Milner's policy found its most direct and fruitful expression. In so doing the departmental ups and downs, the physical set-backs, and the impatient criticism which assumed that the development of the country districts necessarily involved the sacrifice of the interests of the British industrial population, will be passed over; and only the results actually accomplished will be recorded.

At the date of Lord Milner's departure (March 1905) the number of British settlers established in the Transvaal was 557; a sum of £484,843 had been spent in the purchase of suitable land, and out of the land thus purchased and the inherited public land 690,929 acres had been allotted to them while advances to the total amount of £94,425 had been made in cash or kind to supplement the capital which they had themselves provided for the working of the farms. In the Orange River Colony the number of settlers was 691 the amount spent on the purchase of land was £844,379; the area of land allotted to the settlers was 1,245,332 acres, and the sums advanced to them amounted to £78,740. More than one-sixth of the £3,000,000 assigned to land settlement out of the Guaranteed Loan remained unspent, and considerable proportion of the newly purchased land has not yet been allotted. At the termination of the Crown Colony Administration two years later, it was found that £1,300,000 had been spent in the Transvaal and £1,200,000 in the Orange River Colony, leaving a balance of £500,000 to the credit of the two Responsible Governments, out of the original of £3,000,000 of loan funds. Of the £2,500,000 thus expended, nearly £2,000,000 was covered by assets in the shape of the newly purchased land and advances repayable by the settlers. At a cost, therefore, of a little over £500,000 the two colonies had gained some 1,200 settlers, representing an immigrant British population of between 2,000 and 3,000 persons,<sup>2</sup> placed just where it would

<sup>1</sup> In 1912 the number of settlers had fallen to 1,100. See forward, p. 104.

<sup>2</sup> In August 1906 the 678 settlers in the Orange River Colony returned a total population of 1,640 men, women, and children.

be most effective—*i.e.* side by side with the Dutch farmers—in bridging over the division of the two nationalities into country folk and town folk, which in the past had proved so serious an obstacle to racial amalgamation.

A measure of the political and economic value of this new element in the population of the Transvaal and Orange River Colony is afforded by the history of the Albany Settlement. In this case the British Government introduced into the Cape Colony in the year 1820 some 1,500 settlers, representing a total immigrant population of 5,000. These settlers and their descendants raised Port Elizabeth and Grahamstown from mere villages into thriving towns, and gave the Eastern Province of the Cape Colony a predominantly British population. The Albany Settlement was superior in numbers to the British agricultural settlements of the new colonies; but it must be remembered that it contained a large element of townsmen, factory workers and the like, who, being unable to earn a livelihood by agriculture, deserted their holdings and sought employment in the towns. The settlers in the new colonies, on the other hand, were men specially chosen as possessing the qualities necessary to make successful farmers. They were expected, therefore, as a class, to remain on their holdings and thrive upon them.

On the establishment of Responsible Government in 1906-7 special arrangements were made for protecting the interests of the British agricultural settlers thus introduced into the new colonies. With this object in view a Land Board, the members of which were appointed by, and responsible to, the Imperial, as against the Colonial, authorities, was constituted in each colony; and the administration of the respective settlements was vested in these boards for a period of five years.

The British agricultural settlers have proved, as a body, to be less prosperous in the Transvaal than in the Orange River Colony. The reasons for this difference are mainly to be found in the fact that, while the wider industrial development of the Transvaal afforded greater inducements to the settlers to desert agriculture for more profitable pursuits, its conditions were otherwise such that they were—and are—admittedly less favourable to farming on a relatively small

scale than those of the lesser colony. In the Transvaal small holdings were successful only where irrigation was possible; since for dry, or un-irrigated farms, a large area was necessary. In the Orange River Colony the conditions of the country were more settled; farming was more advanced, and the lands upon which the settlers were placed were better in quality and better supplied with water for irrigation. But apart from these considerations the affairs of the settlers were administered less efficiently in the Transvaal than in the Orange River Colony. In the latter colony agriculture was the main industry, and the British agricultural settlement was relatively a much more important matter, while the general administrative problems of its Government were infinitely less complex and difficult than those by which the sister Government was confronted. It is not surprising, therefore, that in the Transvaal, where questions such as the Labour Supply, Native Administration, the status of British Indians, Delagoa Bay, Swaziland, and the municipal development of the Rand, made urgent demands upon the time and energy of the Government, it should have been found impossible for the Executive to bestow quite so much care and attention upon the British settlement as was done in the case of the Orange River Colony. In short, the relative inferiority of administration is to be referred to the circumstances of the colony, rather than to any incapacity on the part of the individual officials who were charged directly or indirectly with the business of the settlement.

Notwithstanding these adverse conditions the Transvaal settlement has achieved success. It is true that at the time of writing the number of settlers has fallen (in round numbers) from 550 to 450. But these remaining settlers, if not quite so prosperous as those of the Orange River Colony, are now well established and making good headway. A measure of their progress is afforded by the circumstance that to-day a large proportion of the prizes offered at the agricultural shows of the Transvaal are awarded to the animals and produce raised by the British farmers.

In the Orange River Colony the success of the settlement has proved unqualified; and in 1911—*i.e.*, the year after



the Union—the British settlers in this colony, now the Free State Province,<sup>1</sup> numbered 647, and possessed 4,000 horses, 31,000 head of cattle, and 302,000 sheep. Since the appointment of the Land Board the value of the rents yielded by the land occupied by the settlers had risen to £50,000 per annum. In 1912, when the Land Board ceased to exist, the rent roll was £60,000. As the £1,250,000, expended upon the settlement up to the date of the appointment of the Land Board, was drawn from the Guaranteed Loan, which carried an annual charge of 4 per cent. (3 per cent. interest and 1 per cent. sinking fund), the nearly 5 per cent. yielded by the rents sufficed to cover both the interest, etc., on the loan expenditure and the cost of management. In other words, the Free State Province had secured a useful addition to its population without any sacrifice of revenue.

It is satisfactory to be able to add that the British agricultural settlers in the new colonies have had no reason to complain of the treatment which they have received from the Union Government. When, upon the expiry of the term of office of the (Imperial) Land Boards, their affairs passed into the hands of the Union Ministry of Lands, an Act was passed to enable any settler to obtain a Crown grant of his holding upon perpetual quit-rent tenure—*i.e.* a virtual freehold—upon his fulfilling certain easy conditions.<sup>2</sup> Among these latter the most important was to enter into a mortgage bond in favour of the Government, under which the payment of the balance of the purchase price, etc., within a specified term of years, and of interest at 4 per cent. per annum upon the capital sum on this account remaining from time to time unliquidated, was secured upon the land. The Act applied equally to the settlers of both colonies with one exception. While the right to take title for the virtual freehold is absolute in the case of the Free State settlers, in the case of the Transvaal settlers it is conditional upon the approval of the Minister of Lands.<sup>3</sup>

<sup>1</sup> Upon the Union the Orange River Colony reverted to its old name.

<sup>2</sup> "Act to facilitate the issue of Crown grants to certain settlers in the Transvaal and the Orange Free State, and to amend the Irrigation Settlements Act, 1901, Orange Free State, 1912."

<sup>3</sup> In the case of the Orange Free State settlers, "the Governor-General in Council *shall* . . . grant"; but in the case of the Transvaal settlers, "the Governor-General in Council *may, in his discretion,* . . . grant."

At the same time new Land Boards, authorised to deal with land settlers of all classes, were established in these and other provinces of the Union under the terms of the Land Settlement Act of the same year (1912). Among the persons appointed to serve on the Free State Province Board was Major K. P. Apthorpe, the Crown Colony official to whom the excellent administration of the British settlement in this colony, from its foundation in 1901, was mainly due. And it may be noticed that on the occasion of this appointment a generous acknowledgment of the value of Major Apthorpe's services was made publicly by Mr Fischer, the Union Minister of Lands.

The measure, which has thus added some 1,100 British farmers to the population of the former Boer republics, was carried through by Lord Milner in the teeth of the adverse criticism of many British South Africans who were in other respects staunch supporters of his policy, and the loud condemnation of political opponents in England. Time alone can show in what degree these British settlers will be effective in fulfilling their double mission—to quicken Boer agriculture by British enterprise, and to bind together the two nationalities by the mutual interests of a common pursuit. But one thing at least is certain. No effort of statesmanship could have been better calculated to attain these ends; and none could have been pursued with a more disinterested aim, or under more discouraging conditions.

The work accomplished by the Crown Administration in raising the standard of agriculture in the new colonies now claims our attention.

The circumstances of the repatriation provided Lord Milner with a natural starting-point from which to set in motion his far-reaching designs for the improvement of the agricultural and pastoral industries of the new colonies. The almost complete denudation of the country districts, forced upon Lord Kitchener by the guerilla tactics adopted by the Boer Generals in the later stages of the war, made it necessary to replenish, with slight exceptions, the entire area of Boer cultivation with newly imported animals. Lord Milner had resolved that this opportunity of improving the quality of the live stock of the Boer farmers should

be utilised to the full. The Agricultural Adviser to the Orange River Colony Government and Mr F. B. Smith, the Director of Agriculture in the Transvaal, were therefore closely associated with the respective Repatriation Departments of the two colonies, in order that the various animals supplied through their agency might in all cases be of the best possible breeds, having regard to the climatic and other conditions of the several districts and of the new colonies as a whole. This latter consideration was of paramount importance. In addition to the normal limitations imposed by the special physical characteristics of the various areas to which the imported animals were to be introduced, whole districts had become infested during the disorder of the war period with one or other of those virulent animal diseases to which at the best of times the Boer Republics had been peculiarly exposed. Many otherwise advantageous opportunities for purchasing horses, cattle, and sheep in England had therefore to be refused; and the new supplies were drawn from the half-acclimatised stock of the Cape Colony and Natal, and from countries such as Queensland, Texas, and the Argentine Republic, where the animals had been raised under conditions more or less completely resembling those of their new habitat. In this vital matter the action of the repatriation and land settlement authorities was guided by the expert advice which Lord Milner had been careful to place at their disposal from the inauguration of the Civil Administrations in 1901.

The methods for the improvement of the quality of the live-stock, by which this first cardinal advance was to be followed, were identical in their main features in both colonies; and a full account of them is to be found in Mr Smith's letter on this subject, written at Lord Milner's request within a few months of the establishment of peace.<sup>1</sup> In addition to the measures already adopted for securing the best possible breeds for distribution by the repatriation and land settlement authorities, the plan of operations embraced the attainment of two highly important aims. First, the eradication of animal diseases was to be undertaken by the establishment of a strong and efficient veterinary department;

<sup>1</sup> 30th October 1902, in Cd. 1463.

and the efforts of this department were to be supplemented by the passing of legislation making fencing possible and branding compulsory, with other enactments calculated to assist directly the work of arresting, or preventing, the outbreaks of such diseases as were contagious. And next, experimental and stud farms were to be established in convenient and suitable localities, where the best animals of all classes could be bred and sold at moderate prices to farmers, while opportunities would also be provided to enable them to obtain offspring on their own farms from the most approved sires.

But Lord Milner's designs were by no means limited to making the new colonies into a great stock-breeding country, of the type of Texas or the Argentine. He aimed at nothing less than the provision of such complete governmental aid as would bring the attainment of the latest and most scientific methods of agriculture in all its branches within the reach of the humblest Boer or British farmer. The full story of the rapid and successful achievement of this purpose is to be found at large in the whole series of the reports, journals, and other publications issued since the peace by the Agricultural Departments of the two colonies. Here it must suffice to record that success was assured before Lord Milner left South Africa, and to take from this mass of material so much only as will serve to picture the processes and efforts by which it was obtained.

In the Orange River Colony the Department of Agriculture (as noticed above), was not separated from the Land Board until the arrival of Mr Palmer, the first Director, in 1904. In the course of the next two years it was fully organised under the Director and an Assistant-Director, and its operations were distributed among the six Divisions of Veterinary Science, Forestry, Horticulture, Experimental Farms and Live Stock, Biology and Meteorology. At this period, moreover, Sir H. Goold-Adams, the Lieutenant-Governor, who had broken down under the strain of the repatriation and been compelled to take leave twice on grounds of health, was able once more to take an active part in the work of this department. After being absent for the greater part of 1904, upon his return he threw

himself with energy into the development of agriculture, and, finding in Mr Palmer a most efficient lieutenant, established experimental farms at Tweespruit and Grootvlei, brought out blood stock from England and Canada, imported merino sheep in large numbers from Australia, and set on foot agricultural shows throughout the colony.

Turning to the Transvaal, in Mr Smith's report for the year 1st July 1903 to 30th June 1904 we find the Department of Agriculture almost completely organised. It has Divisions of Veterinary Science, of Chemistry, of Botany and Agrostology, of Forestry, of Entomology (with a temporary Division of Locust Destruction), of Horticulture, of Poultry, of Dairying, and last, but by no means least in importance, a Division of Publications.

At Standerton there is a stud farm completely equipped with thirty-one stallions, mostly thoroughbred, and eighty mares of which one half are pedigree mares imported from England. There are experimental farms at Potchefstroom, Ermelo, and Springbok Flats; and a fine grazing farm near Pretoria has been lent to the department, rent free, for a term of twenty years for the special purpose of the formation and maintenance of a herd of pure-bred Afrikaner cattle. The department is indebted for this latter to Mr W. H. Struben, one of the famous pair of brothers who brought the Rand gold deposits to light; and the necessary steps have been taken to obtain as good a collection of young Afrikaner cows and heifers as the Cape farms can furnish.

Of these experimental farms that at Potchefstroom has been longest established, is the largest, and, although much work in the way of permanent improvements and equipment has still to be done, is the most advanced towards completion.

"The farm has been fenced," Mr Smith writes, "some temporary buildings and a portion of the permanent homestead erected . . . something like 800 acres will be cropped this year. A very representative collection of pedigree stock of various kinds—cattle, sheep, and pigs—have been imported from Great Britain and placed upon the farm and a small flock of merino sheep has also been obtained. The poultry station and fruit gardens are located on the farm,

as well as a large number of experimental plots, which are managed by the botanist and general-manager in co-operation. A forest nursery and plantation are situated within a few miles of the farm. . . . The imported live stock . . . have increased considerably . . . and a large number of experiments in methods of cultivation with different varieties of crops, both upon small and large plots, and various manures, were tried.

“ . . . numerous parties of influential farmers and others were received, 1,000 names being registered. Such breeding stock as was for disposal has been eagerly bought or hired, . . . and the quality and usefulness of the animals have greatly impressed all those who have seen them.”

The above passage will serve to exhibit the character of the work which was being accomplished by the experimental farms in both colonies, except that in the Orange River Colony the operations were on a smaller scale.

The record of the Veterinary Division and the Bacteriological Laboratory tells how animal diseases were fought and conquered.

“This division has been fully engaged during the year in coping with contagious diseases of various kinds. Most of the common contagious diseases, which were frightfully prevalent after the war, have been got under control. Some like rinderpest and swine fever — which was attacked immediately after its appearance — have been eradicated altogether, but Rhodesian red-water, or East Coast fever as it is called, has occasioned the greatest anxiety, and has involved an enormous amount of work, which has been arduous and incessant. Thanks to the efforts of the two sub-divisions, who have co-operated cordially in this as in other matters, the cause of the disease and the method by which it is conveyed have been worked out.

“An effective staff of veterinary surgeons and stock-inspectors has now been engaged, and no animals are allowed to enter the colony without first being inspected and showing a clean bill of health, and no cattle are allowed to move about inside the colony without a permit. Further, advisory committees, consisting of the Resident Magistrate and certain leading farmers of each district and ward, have been formed for the purpose of assisting the division in their efforts to prevent illegal or inadvisable movements of stock, so our organisation for dealing with

contagious diseases is now very complete. . . . The stringent regulations as to reporting of disease, quarantining or destruction of infected animals, and the movements of stock, naturally occasion a good deal of inconvenience and in many cases actual hardship, and were protested against at first, but when the necessity for them was explained, and it became apparent that the only way to cope with disease was by maintaining them, they were accepted with admirable spirit. During the year 215,671 animals were inspected at the ports of entrance, of which 1,902 were refused admission. 1,090 outbreaks of contagious diseases were dealt with within the colony, in which 72,726 animals were concerned."

In the laboratory, under the Government Veterinary Bacteriologist, Dr Theiler,<sup>1</sup>

"the investigations which were already in progress upon Rhodesian red-water and upon the more important enzoötic diseases, such as horse-sickness, billiary fever, etc., have been continued . . . a serum for the immunization of mules against horse-sickness . . . is being prepared for trial on an extended scale. . . . The method of inoculation against Rhodesian tick-fever recommended by Dr Koch has been tested. . . . During the year 740 litres of rinderpest serum, value £1,850, have been issued . . . whilst 172,766 tubes of vaccine, value £1,439, 10s., and 12,526 doses of pleuropneumonia virus, value £313, 3s., have been manufactured and distributed in the Transvaal and certain of the other South African colonies."

#### The Division of Chemistry

"is engaged in conducting analyses of soils, manures, food-stuffs, and so forth; and in giving advice to farmers on questions relating to manuring, the treatment of soils, and the like. . . . There are an immense number of interesting and important problems awaiting" its attention.

#### The Division of Botany and Agrostology

"has been very busily engaged in the work of seed and plant introduction, large quantities of seeds of almost every

<sup>1</sup> Dr Theiler was one of the very few veterinary surgeons practising in the Transvaal before the war. Under the Crown Colony Administration he carried out a series of bacteriological researches which were of the highest value, when applied to the prevention of animal diseases, etc.

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and have been obtained from different parts of the world, and an elaborate series of tests are being made with them upon the various experimental grounds, and a large number of samples of varieties, which appear particularly promising, have been distributed to farmers for trial and report. These co-operative experiments are much appreciated, and will serve the double purpose of eliciting information and bringing the department more closely in touch with the farmers.

"In addition to the above, investigations have been conducted as to the merits of various native plants likely to prove of economic importance, including veld grasses. Attention has been paid to poisonous plants, which are the cause of heavy mortality among stock in some localities and at certain seasons of the year. . . ."

The report of the Division of Forestry is introduced by some remarks illustrative of the importance of this branch of the work of the Department of Agriculture. The Transvaal is a remarkably treeless country. At this time (1903-4), says the report, timber for mining and railway purposes is imported to the value of £195,060 (manufactured) and £721,990 (unmanufactured) per annum. Trees are required also for ornament and shelter, and for the protection of the water supply. As the soil and climatic conditions are favourable to the growth of trees, there is no reason why this blemish in the physical character of the colony should not be removed; and the Forestry Division, with the earnest support of Lord Milner, is actively engaged in bringing about the required change.

"At five convenient centres sites of from 1,000 to 6,000 acres have been selected for permanent plantations, and at these places nurseries have been established for the dual purpose of providing trees for the plantations and for selling them at low rates to farmers and others. . . . Last year 1,753,824 trees were raised and 921 lbs. of seeds sold, and it is hoped that during the coming year operations will be greatly extended. 127,265 trees were distributed to the public and to various Government institutions . . . and there are now 1,676,499 trees in the nurseries ready for distribution."



The Division of Entomology has now a well-equipped laboratory and office.

“Efforts have been made to get about the Transvaal as much as possible to make the acquaintance of farmers, fruit-growers, and nurserymen, and to ascertain what pests trouble them most. A great deal of advice has been given . . . and investigations relating to the life, history, and habits of insects peculiar to this colony have been commenced.”

The Division of Locust Destruction (now merged in the above division) has, we read, been actively engaged in the past year in obtaining information as to the habits of this terribly destructive insect, and in destroying swarms of locusts.

“It is estimated that in the Waterberg District no less than 250 tons of locusts were destroyed in one swarm by means of the pit and screen method. At present something like 20 miles of screens have been made and distributed at various centres ready for use should they be required.”<sup>1</sup>

The Division of Horticulture has for its special object the promotion of fruit growing. In addition to the model fruit garden and nursery at Potchefstroom, other gardens have been established at Ermelo, Zeerust, and Warmbaths.

“The Horticulturist has delivered many lectures and demonstrations in various parts of the colony, and has also endeavoured by means of personal interviews, correspondence, and publications to disseminate information regarding fruit growing as widely as possible.”

The Division of Poultry has a well-equipped poultry station at Potchefstroom, and another smaller station has been commenced at Ermelo. Over 1,300 persons have signed the visitors' register at Potchefstroom, and the chief of the division has “travelled about the country a great deal, delivering lectures, inspecting poultry yards, judging at shows, and so forth.”

<sup>1</sup> Under the Republican Government legislation to protect the farmer from the chronic plague of locusts was opposed in the Volksraad on the ground that the locusts were a punishment sent by God, and as such not to be interfered with by human agencies.

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The Division of Publications is the intelligence centre of the department. It has a library of technical literature . . .

“as far as possible the whole of the publications of the United States Department of Agriculture, and of the various Colleges and experimental stations, have been obtained, and also a card index with abstracts of their contents . . . and a collection of the various stud, herd, and flock books is being made.”

It publishes the quarterly “Journal” of the department, which is sent to 5,000 persons, and the *bulletins* and *leaflets*,

“which are issued from time to time as matter becomes available, or occasion requires. The whole of the publications, with the exception of those dealing strictly with scientific subjects, are published in Dutch as well as in English.”

These publications are being “eagerly read and widely appreciated.”

The investigations in tobacco cultivation, which were destined to produce the important development of this industry to-day attained in the Transvaal, were at this time being conducted by the Land Department on the Tzaneen Estate. At the moment the manager of the original tobacco estate, which had been only lately acquired by the Government, had been despatched to America, with instructions to study the methods of growing and curing tobacco, obtain the best available equipment for the factory, and endeavour to secure the services of an expert capable of giving instruction in this branch of the work of the School of Tropical Agriculture.

These various agencies, of which some were barely established and none had as yet reached full development, had begun to affect beneficially the character of Boer agriculture even in this, the second year of the reconstruction. To measure this achievement—perhaps the greatest, certainly the least understood, of the economic results of Lord Milner’s administration—we must recall what Boer agriculture was, and what manner of man was the Boer farmer.

"The Dutch farmers," says Captain Percival, who visited the Cape in 1796, "never assist the soil by flooding. . . . Their only labour is sowing the seed; leaving the rest to chance and the excellent climate. Their ploughs, harrows, and utensils of husbandry are clumsy, ill-formed, and clogged; but they cannot be prevailed on to make any alteration in the system of their agriculture."<sup>1</sup>

Lord Randolph Churchill, in 1891, wrote:—

"The Boer farmer personifies useless idleness. Occupying a farm of from six thousand to ten thousand acres, he contents himself with raising a herd of a few hundred head of cattle, which are left almost entirely to the care of the natives whom he employs. It may be asserted, generally with truth, that he never plants a tree, never digs a well, never makes a road, never grows a blade of corn. Rough and ready cultivation of the soil for mealies by the natives he to some extent permits, but agriculture and the agriculturist he holds alike in great contempt."<sup>2</sup>

The Frenchman, whose *nom de plume* was Max O'Rell, wrote in 1903-4:—

"The Boers are farmers and sportsmen, nothing more. . . . Ignorant, bigoted, behind the times, these Dutch Bretons, transplanted in Africa, cultivate the soil like the contemporaries of the patriarchs, and refuse even to look at agricultural machinery."<sup>3</sup>

These passages reveal the significance of the following modest summary of the work of the Agricultural Department in the Transvaal in 1904.

It is too early to say much of the work accomplished, Mr Smith writes;

"but it is encouraging to note that there are indications of considerable expansion and improvements of the agricultural industry; more land is being broken up, new implements bought, and improved methods of cultivation adopted. More care is being taken to improve and provide for live stock, there is less burning of the veld, and the better-to-do farmers

<sup>1</sup> "An account of the Cape of Good Hope," 1804, p. 227.

<sup>2</sup> "Men, Mines, and Animals," p. 94.

<sup>3</sup> "John Bull and Co.," p. 305.

are fencing in their holdings, and trees are being planted. New dams have been constructed, and old ones repaired and enlarged, and greater pains are being taken to conserve water.

“That there is a vast amount of work to be done—much more than has ever been attempted—goes without saying, but it is satisfactory to note that a beginning has been made, and the first milestone passed.

“It is gratifying also to be able to report that the efforts which are being made to assist the farmers are apparently being appreciated by them, for they are seeking advice and assistance in increasing numbers, and they heartily welcome such members of the staff as are able to visit them. In this connection it must be borne in mind that the Boers are very proud of their country, and though they may not be aware how best to set about it, and naturally are chary of receiving advice from people new to the country, whose capacity they have had no opportunity of proving, yet they are genuinely anxious to develop its agricultural resources, and as soon as they are convinced that we are working for the same end, and that the propositions we are putting forward are sound and helpful, we shall have no keener co-operators or supporters than they.”

This estimate of Boer character is in agreement with the generous view expressed by Lord Milner in his Financial Despatch of September 1902. The unproductiveness of Boer farming, he then wrote, was due not to the “idleness” of the Boer, but was to be traced to the fact that up to the present no methods had been provided which would enable him to contend successfully against the overwhelming natural difficulties of the country of his adoption.

The subsequent career of Mr Smith himself affords a striking justification of this more hopeful view of the Boer farmer, and of the wisdom of the administrative efforts which were based upon it. Mr Smith owed his special knowledge and training to England, although he had widened his experience by visiting the United States and Canada. He was a Downing Street appointment, and a Cambridge man; and he was, therefore, a conspicuous example of the “imported” official. On the popular theory, he should have been found worthless and dismissed the moment Lord Milner’s back was turned upon South Africa.

In point of fact, when, on the grant of Responsible Government in 1907, General Botha, the Prime Minister, became himself Minister of Agriculture, Mr Smith was retained in the position which he had held under the Crown Administration. And, when in 1910 General Botha became Prime Minister of the first Union Government, Mr Smith became Acting Secretary for Agriculture, and as such responsible for the progress of agriculture throughout South Africa. There is nothing astonishing in the mere fact of an official of the Crown Administration being retained, in office by the Boer Governments either in the Transvaal or the Orange River Colony. The merits of the Civil Service which Lord Milner had built up were so conspicuous that apart from the heads of departments, who were, of course, replaced by ministers responsible to the new elective chambers, the services of its members were retained *en bloc*, and, as a matter of course, in both colonies. But it is certainly a remarkable testimony to the justice and efficiency of Lord Milner's rule that in the case of the one branch of the industrial life of the new colonies, with which the Boers were most closely identified, his executive agent should have commanded so completely the confidence of the Boer Government and of General Botha.

#### D.—*Public Works and Finance*

It is proposed to consider the Public Works Departments in conjunction with the departments charged with the finances of the two colonies—viz.: those of the Colonial Secretary and Treasurer in each Government. A very few words will be sufficient to justify this arrangement. The reconstruction of the former Boer Republics was economic and industrial as well as political. To provide them in their new status of British colonies with the equipment of civilised states was an essential part of Lord Milner's task, and success or failure in this, the material aspect of his mission, depended upon the manner in which the funds available for the purpose were administered. He was himself, in reality though not in name, the Finance Minister of the new colonies; and his own appreciation of the urgency

of the need for improving the material conditions of their inhabitants found expression in all his financial measures. As a former Under-Secretary for Finance in the Khedive's government, and Chairman of the Board of Inland Revenue in England, he was eminently qualified for such work; and, as we have seen, it was Lord Milner's personal exertions which extricated the Transvaal from the financial confusion caused by the shortage of unskilled labour in the official year 1903-4. Wide as was his conception of the duty of the Central Governments, his plans for the material advancement of the people embraced agencies beyond their sphere. The system of Local Government which he established was one that made it possible for remote and comparatively poor, country districts to furnish themselves, by corporate action, with what was most essential for the comfort of their inhabitants and the development of their local industries. The municipalities of his creation placed the early attainment of a civic life, at once complete and dignified, within the power of the urban population as a whole, while it enabled Johannesburg, Pretoria, and Bloemfontein to plan streets and buildings upon a scale not altogether unworthy of the incomparable brilliancy of an atmosphere that would offer a fitting asylum to the greatest masterpieces of classic art.

The frankly destructive character of the war in its latest phases made it inevitable that the services of the Public Works Departments should be in great demand during the first months of Civil Government. In this, as in other branches of the Administration, every preparation allowed by the exigencies of the military situation had been made for the advent of peace. During the six months preceding this event a considerable amount of work, both in the way of repairs and new construction, had been done upon the public buildings within the "protected areas" of the two colonies, and in particular in the two capitals, Pretoria and Bloemfontein, and in Johannesburg. But the efforts of the departments at this time had been rigorously restricted by circumstances. The local stocks of building materials had been quickly exhausted, the supply of labour was limited, and transport almost impossible to obtain; and as yet neither department had been adequately staffed. Owing to

the congestion of the railway traffic and other untoward incidents of the early days of the repatriation, the Public Works Departments were not able to complete their expanded organisation until the month of August; but during the remaining months of the year they accomplished a surprising amount of work in their endeavour to execute the numberless requisitions for repairs and new buildings addressed to them by every other department of the Administration, and from every quarter of the two colonies.

“With the cessation of hostilities,” wrote the Director of the Public Works Department in the Transvaal, “a sudden expansion of all Departments took place,” and the “question of providing, immediately, office and house accommodation, furniture and equipment was very acute; more especially,” he adds dryly, “in those districts where all the buildings had been razed to the ground.”<sup>1</sup>

And of the work of the corresponding department in the Orange River Colony at this time the Lieutenant-Governor reported:—

“The resources of this department were severely taxed on the opening up of the country districts on the conclusion of hostilities. The war proved particularly destructive to public buildings, and while from all quarters the newly appointed Resident Magistrates sent urgent requisitions for the immediate repair of court-houses, bridges, prisons, schools, and Post Offices, the Public Works Department was brought face to face with numerous difficulties, among which may be reckoned the scanty supply of building material, the difficulties of transport and deficiency of labour. . . . In Bloemfontein itself, very considerable repairs have been carried out, and these requirements are now (March 1903), I am glad to say, diminishing. New and important buildings have also been undertaken . . . the extension of the post office, a telegraph building, a police barracks, and large additions to the lunatic asylum and central prison.”

The method in which the Transvaal Public Works Department was organised reveals the nature and extent of the services, which this and, in a lesser degree, the sister

<sup>1</sup> Cd. 1553.

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department in the Orange River Colony were called upon to perform.

The office of the Director of Public Works, Lieutenant-Colonel G. H. Fowke, at Pretoria, was divided into six sub-departments, over each of which one of the following officers respectively presided: the Superintending Government Architect, the Chief Inspector of Roads and Bridges, the Registrar of Crown Titles, and the Hydraulic, Electrical, and Mechanical Engineers. For the purposes of the work of the department the colony was mapped out into districts and sub-districts; and in each district a Resident Engineer was stationed, while assistant engineers, working under his direction, were placed in charge of each sub-district. The duty of the Resident Engineer was twofold. He had to see, first, that all requisitions for works within his district were presented to the Director in a form which was accurate and correctly represented the facts of the case; and, second, that these works, when approved and undertaken by the Director, were executed in every way properly and economically, and in accordance with the plans and instructions issued from the office at Pretoria.

In the second year of the Administration, 1903-4, the efforts of the Public Works Departments began to tell, and the reports show that before it came to an end the two Governments had been furnished with the buildings immediately necessary to enable the normal business of the State to proceed with reasonable efficiency. Much, of course, remained to be done before the new colonies could be said to be equipped adequately with national plant; but the attainment of the "bare necessities" sufficient to insure administrative and industrial progress was well within sight.

"From the statistics in connection with public works," wrote Sir Arthur Lawley in May, 1904, "it will be seen that an enormous amount of work has been done all over the country during the past year, but it is no exaggeration to say that it does not represent one-tenth of what is urgently needed.

"The miserable condition of the roads throughout the colony; the inadequacy of the public buildings; the almost total lack of accommodation for Government officials and police; the want of schools, hospitals, asylums, and gaols,



render necessary the undertaking by this Government of innumerable public works, if the business of administration is to be carried out under ordinary civilised conditions. Sixty-five schools have been built, and many others are approaching completion; sixty-two hostels and quarters for teachers in connection with these schools have been provided, and teachers' quarters will shortly be added to all farm schools.

“Three orphanages have been established or are in course of construction; district hospitals have been established in all urban centres; some of these can only boast accommodation in tents, but for the most part they are in permanent or semi-permanent buildings. In all of these, however, improvements and enlargements are urgently needed. During the past year considerable additions have been made to the Pretoria Hospital, but in Johannesburg and other towns much has still to be done.

“A new lunatic asylum, equipped with every modern improvement, is in course of erection at Pretoria . . . the cost will amount to £180,000. . . . A new prison is about to be built at Pretoria, at an estimated cost of £150,000; meanwhile, a considerable expenditure has been incurred in providing temporary cells both at Pretoria and Johannesburg, to relieve the overcrowded state of the existing permanent buildings, while in five other towns the gaols have been completely restored or new ones built.

“The problem of housing the police and prison officials has been met in a large measure by the erection of semi-permanent buildings, while at Pretoria and Johannesburg a considerable number of cottages for married, and quarters for single, warders have been built during the last year. New police barracks are now being erected at Pretoria at a cost of £37,000, and barracks, married quarters, and stables are in hand at four centres on the Rand.

“The Government Offices throughout the country have been for the most part thoroughly restored. In many country towns this has practically meant rebuilding, owing to damages sustained during the war; twenty-eight residences have been completed for Resident Magistrates and other civil servants; and several others are required and will shortly be put in hand.

“The South African Constabulary are now provided with excellent permanent barracks at all headquarters, and in the country their requirements are met by temporary but serviceable buildings. . . .

"The expenditure on roads has been £216,000. This large expenditure may be accounted for in a great measure by the fact that from July to December 1903, daily employment was given to from 2,000 to 3,000 indigent burghers at rates far exceeding those ordinarily paid to natives, who in normal times are exclusively used for this work. During the period under report upwards of 1,000 miles of road have been put in order, and over 200 drifts have been thoroughly repaired.

"The expenditure on bridges has been £22,400. This sum includes the cost of the steel work for several bridges which are to be put in hand at once, besides those already commenced. Of the nine bridges in hand or commenced after 1st July 1903, three have been completed, while the remainder will be open for traffic about the end of June 1904."<sup>1</sup>

In the Orange River Colony, owing to its more settled conditions, even greater progress had been made.

"The planning and construction of public buildings," the Acting Lieutenant-Governor reported of the same period, "has proceeded steadily and satisfactorily. Ten Courts and public offices, thirteen post offices, two large permanent schools, and fifty temporary and portable schools, five police stations, twenty prison buildings with yards (including quarters for warders, etc.), six houses for Resident Magistrates, and two other buildings have been completed or well advanced. A considerable number of temporary structures for various purposes have been erected in Bloemfontein and at a few other points. Several large buildings planned by architects, over the construction of which the Department took control, have also been finished.

"A large number of important additions have been made to existing buildings, and very extensive repairs have been carried out . . . and a large number of houses have been purchased for officials. . . .

"It may be said that the pressure of works under this head has now been considerably relieved. Indeed, with the completion of the buildings at present under construction, the requirements, in the shape of Courts, Resident Magistrates' offices, and post offices, will be very nearly met. And the work of providing houses for officials is drawing to a close. There are, however, still a large number of

<sup>1</sup> Cd. 2104.

new buildings and additions required, especially for schools, prisons, and police stations, for which the available funds for next year will not be sufficient to provide. . . .

“There are seven Inspectors of main roads for the whole colony. These men have done their best, with the limited funds at their disposal, to keep the roads in passable condition, and to make lasting improvements at a few important places. . . . The funds (£10,000) provided . . . proved quite inadequate. . . . The upkeep and improvement of the roads is a very serious question. . . . Several bridges have been repaired during the year, but no new bridges erected or commenced. A survey has, however, recently been made, and a site selected for a bridge over the Valsch river at Kroonstad, the cost of which will be partly borne by the Municipality and partly by loan funds. It is hoped . . . also that other bridges may be taken in hand at Harrismith and elsewhere, for which there is provision in the loan fund. . . .”<sup>1</sup>

These extracts show how indispensable was the part played by the Public Works Departments. When, by the end of this period of exceptional activity, the most pressing necessities of the two Governments had been supplied, the *personnel* of the departments was gradually reduced, and their operations were conducted henceforward upon more normal lines. In the Transvaal the reorganisation of the department was marked by the resignation of the Director, Lieutenant-Colonel Fowke, on 31st March 1904; and the department itself was transferred shortly afterwards from the office of the Colonial Secretary to that of the Commissioner of Lands — a change by means of which a considerable administrative economy was effected.

But although the departments were thus organised upon a permanent basis at the beginning of the third year (1904-5) of the Administration, the volume of work which they were called upon to handle remained—and was destined to remain up to the date of the Union—far above the normal standard. The struggle for national plant was by no means over; but it was to be carried on henceforward under more hopeful conditions. By the end of 1904 the efforts of the Central Governments were being reinforced by the resources

<sup>1</sup> Cd. 2104.

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of the local authorities brought into existence by the Local Government systems, now in operation in both colonies.

The civic development of Bloemfontein, Pretoria, and Johannesburg with the five lesser municipalities of the Rand, had been going on apace since the establishment of the nominated Town Councils in 1901. But the year 1903-4 was signalised by two events of first-rate importance in this connection—the undertaking by the combined municipalities and mines of the Rand of a work of national magnitude, and the appearance of the lesser municipalities, of which there were some thirty in the Transvaal alone, as effective contributors of works necessary for the health or convenience of the country districts in the two colonies. Both the significance of the Rand Water Board—the undertaking in question—and the importance of the system of local self-government as a factor in the solution of the problem of how to provide the new colonies with national “plant,” merit attention.

The legislation necessary to constitute the Rand Water Board was passed by the Transvaal Legislative Council in the two sessions of 1904. The scheme, beneficial and even necessary as it was, met with a fierce opposition,<sup>1</sup> arising in part from the desire of the proprietors of existing undertakings for the water supply of the Rand to obtain the highest possible prices for their several properties, and in part from a genuine dread among the public concerned lest the burden of taxation should be increased. Under the award of the Arbitration Court, established in pursuance of the Rand Water Board Extended Powers Ordinance, the existing undertakings, whose claims amounted to rather more than £5,000,000, were expropriated at a cost, in round figures, of £2,000,000. The payment of interest and sinking fund on the loan, which the Board was authorised to raise to meet this and other necessary expenses, was secured primarily upon the undertakings of

<sup>1</sup> The actual decision to co-operate in the formation of the Board upon the lines ultimately adopted was carried in the Johannesburg Town Council by a majority of two (10 to 8). The success of the measure was due to (1) the energy and determination of Mr Lionel Curtis, and (2) the unswerving support of the *Star* newspaper.

the Board, and ultimately upon a dormant rate—a rate, that is to say, leviable upon the fixed property of the entire Rand area, in the event of the charges for the water supplied being found insufficient to meet these obligations. The object of the undertaking was to provide an economic, sufficient, and permanent supply of water for the inhabitants of the Rand district and for the mining industry, to which latter such a supply was an elementary necessity even more imperative than unskilled labour. The plant laid down by the Board provided for the delivery of 10,000,000 gallons per day; and the output for the month of July, 1910—the highest recorded up to that date—was 187,682,310 gallons.

Unlike the London Water Board, the Rand Water Board was able almost at once to reduce the price of water, and it rapidly gained in economy as well as efficiency. From the first the Board was bound, under the terms of the Ordinance, to sell water at cost price only. At the close of 1906 the minimum charge of 12s. 6d. a month for private houses, obtaining before the creation of the Board, had been reduced to 5s. 6d. By thus cheapening the supply of water, the Board, apart from benefiting the individual consumer, contributed appreciably to the further expansion of the gold industry, since the fear of an insufficient or costly water supply no longer remained to check the development of new properties.

While the provision of an adequate water supply was thus an economic necessity to the mining industry, it was also a matter which intimately concerned the health and comfort of the people of the Rand. Without it a system of water-borne sewerage could not be introduced, the broad and wind-swept streets of Johannesburg could not be watered, nor its waste spaces converted into gardens.

The Rand Water Board was the fruit of three years thought and effort, and the provisions of the Extended Powers Ordinance, under which it was finally brought into being, afforded a remarkable example of the nice adjustment of conflicting interests, and the surmounting of administrative and financial difficulties. As ultimately constituted, the Board itself consisted of sixteen members, of whom one half represented the mines, and one half the municipalities,

with a chairman, appointed by Government, to hold the balance level. Of the eight municipal members, Johannesburg was represented by three, and the remaining five municipalities by one each. To secure for Johannesburg the degree of representation to which its preponderating wealth and population entitled it, the value of the separate votes cast by the municipal members was based not upon the principle of "one man one vote," but upon the rateable value of the area represented. By this arrangement while each of the lesser municipalities secured a separate and direct voice on the Board, Johannesburg exercised an actual voting power three times as great as that of these municipalities combined; or a voting power roughly proportionate to its (then) £36,000,000 of rateable value as compared with their £10,000,000 of rateable value. At the same time, as the total value of the votes of the eight municipal members was equal to that of the eight members appointed by the mines, the principle of an equality of voting power as between the municipalities and the mines, which had been laid down as the only possible basis of co-operation between the two from the first beginning of the negotiations, was maintained intact.

The merit of the Rand Water Board, from a national point of view, lay in the fact that it prevented what might have been a disastrous depletion of the subterranean water supplies, stored in the dolomite formation, upon which the streams and springs of the most valuable agricultural land in the Western Transvaal depended for their reserves in the rainless months of the year. Had the Rand been supplied with water by the separate municipalities and mining groups, in conjunction with private companies, considerations of economy would have caused such undertakings to draw their supplies unchecked from the dolomite "sponge." As it is, with the Board established, the withdrawal of water from this natural reservoir is controlled and regulated by the State.

There is one difference between the Rand Water Board and its prototype, the London Water Board, which is worthy of notice. Whereas the latter both obtains water in bulk and supplies it retail to the individual consumer,

the duty of the Rand Water Board is only to obtain and supply water in bulk. The distribution to the individual consumer of the water thus supplied in bulk is left to the municipalities and to the various mining companies.

In the sequel the contribution of Mr Curtis and other Crown Colony officials to the attainment of the present administrative unity of South Africa, will be recorded. A reference, therefore, to a further result of the establishment of the Rand Water Board will not be superfluous. It was in the course of the struggle for this undertaking that Mr Curtis, the chief author of the Board, and his associates came to realise that where a community, divided into separate parts, has a common interest, that interest cannot be served adequately by the separate authorities of the constituent parts. Nothing but a common organ of administration will suffice. Experience showed that the water requirements of the Rand could not be met by any scheme of co-operation between the separate bodies representing the mining groups and the municipalities; and the lesson thus learnt was applied subsequently to the circumstances of South Africa as a whole.

The part played by Local Self-Government in the struggle for national plant is excellently indicated in a passage appearing in the very interesting report, which Mr Curtis, as Assistant Colonial Secretary for Local Government in the Transvaal, furnished to Lord Milner in January 1905. The report refers, of course, primarily to the larger colony, but the remarks to which attention is drawn here are applicable to both of the new colonies.

Under the Republic, he wrote,

“The absence of any machinery for Local Self-Government went far to aggravate an evil to which new countries are especially subject—the tendency of individuals to rely upon the Government, rather than upon their own enterprise, to overcome difficulties . . .” the “energies of the localities were devoted not to the execution of the work [which was required to be done], but to forcing it upon the attention of the Administration, and their activity in this direction was not restrained by the reflection that the cost of the work, the benefit of which each of them sought, would not

be paid for from their individual purses. While each locality was destitute alike of power to act, and of responsibility for the cost of action, the Government found itself pressed to spend its revenue upon local works by every locality in the country.”<sup>1</sup>

Under the Local Government system now established, however,

“the towns have been quick to learn the lesson of self-reliance. It is not two years ago since a small town complained to the Government that the inhabitants were in dire need owing to the choking of their water furrows, and petitioned the Public Works Department to clean them out at the cost of £20. This town has now the machinery for cleansing its own furrows, and apportioning the cost among the persons benefited by a system of local taxation, and no longer sits with folded hands petitioning the Government to lift the food to its mouth.”

*Ex uno disce omnes.* For “water furrows” read “municipal undertakings,” and we have in this simple illustration a vivid statement of the high degree in which the material comfort and the industrial interests, and, above all, the self-respect, of the people of the new colonies were advanced by the establishment of Local Self-Government. The effect of the system upon the individual citizen as a training school for civic life in the wider sense will be noticed hereafter in another context.<sup>2</sup>

We have now seen how the Public Works Departments managed to supply the new Governments with the “bare necessities” of national equipment—other than railways—and how the newly constituted local authorities were able to reinforce the Central Governments in their further efforts to supplement these “bare necessities” with the ordinary conveniences which distinguish the corporate life of civilised urban communities. Broadly speaking, in this, as in other departments of the reconstruction, the work of twenty years was crowded into three. Enough has been written to reveal the main processes by which, under Lord Milner’s guidance, this great result was accomplished. During the last year of

<sup>1</sup> Cd. 2482.

<sup>2</sup> See forward, p. 231.



his governorship the operations of the departments took a wider range, and before the period of Crown Colony administration came to an end the two communities were infinitely better furnished with public works than they had ever been before.

It remains to consider the extent of this national equipment, including the joint railway system, to examine the methods by which the necessary funds were provided, and to show in what position this expenditure, together with the necessary but non-reproductive millions spent upon the repatriation, left the respective finances of the two colonies.

As before noticed, the deficiency of the new colonies in the equipment of civilised states, and the consequent necessity of providing this equipment over and above the mere making good of the private and public property destroyed during the war, was the determining factor of Lord Milner's financial policy. As a means to this end, his first object was to obtain the Guaranteed Loan, of which £30,000,000 were raised in May 1902, and the remaining £5,000,000 in January 1905. The national equipment with which the two colonies were furnished during the period of Crown Colony Administration was not, however, due solely to the expenditure of so much of the Guaranteed Loan as was available for this purpose. The funds provided by the loan were supplemented by considerable sums set apart out of revenue from year to year. And it is to this circumstance—*i.e.* the dominating need of obtaining funds for national "plant," that the maintenance of a high rate of taxation in the Transvaal is to be attributed.

Lord Milner's financial objective, then, was to provide the new colonies, within the brief interval between the end of the war and the grant of self-government, with a national equipment sufficient to ensure their future prosperity as members of the British Empire; and his policy resolves itself into the determination to put into effect the two processes upon which he relied to reach his goal. Of these the first was a large and mainly reproductive expenditure out of loan funds, obtained, thanks to the Imperial guarantee, at a low rate of interest (3 per cent.), and to be repaid by a 1 per cent. sinking fund within fifty years;

and the second, the maintenance of the revenue at a point which would, after providing for the normal costs of administration, admit of a further and appreciable expenditure upon works of permanent utility.

To estimate the results of this policy the whole of the five years of Crown Colony Administration, 1902-7,<sup>1</sup> must be included within the area of observation. And this for two reasons. During the year and a half that intervened between Lord Milner's resignation and the establishment of self-government, the finances of the new colonies continued to be conducted upon the lines pursued during the preceding three years of his governorship; and — what is an even more pertinent consideration — many of the agencies which he set in motion did not come into full operation, or attain their respective purposes, until he had left South Africa. The works of permanent utility with which the new colonies were furnished during this period, then, fall under one or other of the three heads of railways, buildings and other equipment necessary for administrative efficiency, and works, other than railways, calculated to assist directly in the development of the natural resources of the country.

The more salient features—and in some cases precise details—of the various undertakings comprised under these heads have been described in earlier chapters, and these accounts have been completed by what has been written in the present chapter of the general operations of the Public Works Departments in the two colonies. With this background it will suffice to state the amount of the expenditure under each head, and the broad results which this expenditure was found to have produced, when the books of the Crown Colony Administration were closed in 1906-7.

In respect of the first head, the total sum expended upon the acquisition and improvement of existing railways and the construction of new lines was, at 30th June 1906, in round numbers twenty-four millions of pounds sterling,

<sup>1</sup> I take "five" years as the approximate duration of the Crown Administration in both colonies. In the Transvaal it was actually a little less, and in the Orange River Colony, a little more.

of which nineteen and a half came out of the funds provided by the Guaranteed Loan and four and a half out of revenue. The joint railway system of the two colonies thus acquired had a mileage more than twice as great as that of all the railways existing in the time of the Republics, and was infinitely better equipped in all respects. In spite of a reduction of rates to the aggregate annual amount of £1,336,000, it produced a net revenue sufficient to pay for the annual interest, sinking fund, and administrative charges upon the whole of the £35,000,000 Guaranteed Loan, and in addition to make a contribution of £70,000 a year towards meeting the other common expenditure of the two colonies.

Under the second head of "Buildings and other Equipment necessary for Administrative Efficiency" the sum of £3,000,000 was spent in the Transvaal, of which half was provided by the loan and half came out of revenue. Among the more conspicuous items of this expenditure were: £830,838 spent on new buildings costing over £1,000 (including a greatly needed lunatic asylum at £275,000, and Government House<sup>1</sup> at £61,000); £169,897 for new bridges; and £76,000 for the reconstruction of the Johannesburg telephone system. Of the million and a half of loan funds, only "£149 was spent on new administrative offices. By far the greater amount was spent in building schools, in renewing telegraphs and telephone works, and in building police barracks and prisons . . ." <sup>2</sup> In the Orange River Colony the expenditure under this head out of loan funds was half a million, and at least an equal sum was provided out of revenue. From the latter source, £125,000 was found for a new Grey and University College, £45,000 for new Law Courts, and £12,000 for a national museum, all at Bloemfontein. Here also the bulk of the loan expenditure went on works of immediate practical utility, and a large proportion was absorbed by education. In respect of this

<sup>1</sup> This was at Pretoria. Lord Milner continued to reside at Johannesburg (in a temporary residence) until he left; but the new Government House was ready for his successor, Lord Selborne.

<sup>2</sup> Statement of Mr W. L. Hichens, Treasurer to the Inter-Colonial Council, at the fourth annual meeting of that body, 31st May 1906.

latter it may be noticed that at the end of the Crown Colony period the Treasurer was able to record his belief that every town in the colony had been provided with an adequate and completely equipped school. Taking the two colonies as a whole, the expenditure under the second head amounted in round numbers to four millions, of which two were provided out of the Guaranteed Loan and two out of Revenue.

The expenditure under the third head of "Development Works other than Railways" is more difficult to calculate, as with the exception of the £3,000,000 allocated to land settlement out of the Guaranteed Loan, it appears to have been provided exclusively out of revenue. Taking this loan expenditure first, we find that of the three millions assigned for the introduction and establishment of British agricultural settlers in the two colonies, two and a half millions only were spent, and the remaining half a million was handed on to the Responsible Governments. As nearly four-fifths of the sum thus spent—£1,300,000 in the Transvaal and £1,120,000 in the Orange River Colony—was covered by assets in the shape of land newly purchased and repayable loans, the introduction of the 1,200 British farmers, who, with their families, constituted a new and valuable element in the country population of the new colonies, was accomplished, as already noted, at a cost of something over half a million.

The extent of the remaining, and revenue, expenditure must have been very considerable. In the Transvaal it included such large transactions as the expropriation of the Hatherly Distillery Concession at a cost of £300,000, and of the Johannesburg Market Concessions at £96,000; the acquisition of burgher land settlements at £190,000;<sup>1</sup> and outlays of £220,000 upon works of irrigation and water supplies, and of £113,000 upon the extirpation of cattle disease. In both colonies alike the public lands were surveyed, selected areas were rendered available for settlement, and the value of these national estates as

<sup>1</sup> This was the Potchefstroom (town lands) settlement. The Government foreclosed, resumed possession of the land, and made fresh arrangements with the settlers.

a whole was appreciably increased by improved methods of administration, by the construction of roads and bridges, and by the general development of agriculture. Under this head also must be included the expenditure upon stud and experimental farms, nurseries and plantations of forest trees, and all the material equipment whereby a knowledge of the latest methods of scientific agriculture was brought within reach of the farming population of the new colonies. Nor, in this connection, must it be forgotten how large were the sums expended in the improvement of live stock, the eradication of animal diseases, and on the destruction of insect pests during the earlier years of the Crown Colony Administration, and how greatly this expenditure increased the agricultural resources of the country.

Bearing in mind how large a proportion of the annual sums voted for the various departments—quite apart from the special and extraordinary provisions for particular services which were made from time to time out of surplus revenue—went to defray the cost of works of permanent utility, we shall not be far wrong in estimating that the revenue expenditure under this third head in the two colonies reached not less than £3,000,000.

The cost, therefore, at which the new colonies were supplied with a material equipment far in advance of anything that their inhabitants had known in the time of the Republics, was:—

	Loan.	Revenue.	Total.
Head I. Railways . . . .	£19,500,000	£4,500,000	£24,000,000
Head II. Buildings, etc. . .	2,000,000	2,000,000	4,000,000
Head III. Other undertakings	3,000,000	3,000,000	6,000,000
	£24,500,000	£9,500,000	
	Grand	Total . .	£34,000,000

The whole of this great expenditure was provided

without burdening the revenue of either colony with the necessity of contributing a single penny of interest; since the annual charges of the £35,000,000 loan were paid, and more than paid, by the earnings of the Central South African railways. From a revenue point of view this equipment, furnished in the marvellously short space of five years, was a pure gift to the people of the two colonies—a gift owed to the financial and administrative genius of the man in whose hands their destinies had been placed.

Of the thirty-four millions thus spent, nine and a half were provided out of revenue and twenty-four and a half out of loan funds. Here a question arises which claims attention, both in itself, and because it embodies what appears at first sight to be a valid criticism of Lord Milner's financial policy. Was he justified, during these first few years of exceptional economic strain, in maintaining taxation at the high level which made it possible to provide so large a sum out of revenue for expenditure on capital account? Should he not rather have relieved the people of the Transvaal—the Orange River Colony was not concerned—to this extent of the burden of taxation, either by raising further funds by loan, or by postponing the execution of the works on which these £10,000,000 were spent?

Taking the respective annual revenues of the Transvaal, the Orange River Colony, and the Inter-Colonial Council, for the four years 1902-3 to 1905-6, at four and a half millions, three-quarters of a million, and one and three-quarter millions, we get an average combined revenue for the two colonies of seven millions, and an aggregate sum of twenty-eight millions. More than one-third, then, of this annual revenue, during these four years of Crown Colony Administration, was appropriated to expenditure on capital account.

The justification for this course is to be found in three considerations.

- (1) An appreciable reduction of taxation was effected in the Transvaal.
- (2) A large proportion of the Transvaal revenue came

from the mines; that is to say, from a wasting source.

- (3) The incidence of the Transvaal taxation was such that it was not paid entirely by the inhabitants of the colony; the nominal amount of taxation, owing to the low purchasing power of the sovereign, was much greater than the real amount; and the taxation itself was so adjusted that it did not press heavily upon any class of the community.

These considerations deserve attention; and I shall deal with each of them *seriatim*.

(1) The abandonment of a million of railway revenue in 1903, and of a further sum of £336,000 in 1906, though not a technical reduction of taxation, was a very real relief to the people of both colonies in general, and to the industrial population of the Transvaal in particular. With this exception, and that of the Transfer Duty (noted below) no large reductions of the aggregate taxation in force under the Republics were made, but taxes which were oppressive, or unfair in their incidence, were abolished or readjusted, and certain taxes were transferred from the Central Government to the local authorities. Mr W. L. Hichens, the Colonial Treasurer, gave the following lists (under each head) in his "Memorandum on the Financial Position of the Transvaal Government," enclosed in Lord Selborne's despatch of November 1906.

*Abolished.* Poll Tax (10s. per annum); Road Tax (2s. 6d. per annum); Railway Tax (5s. per annum); Pension Fund Tax (1s. per annum); War Tax of £1 per morgen and £5 per erf; Dynamite Royalty, Professional Licenses, Auction Dues.

*Reduced.* Transfer Duty from 4 per cent. to 1½ per cent.; Trading Licenses; Postal Charges; Native Tax in respect of farm labourers.

*Transferred to Local Authorities.* Erf Taxes, Certain Trading Licenses, Market Dues, Dog Tax.

"It is difficult to estimate the extent," Mr Hichens wrote, "to which these reductions have effected the revenues

of the colony, but it is doubtless considerable. The only increases in taxation imposed by [the Crown Colony Administration] are in respect of the Profits Tax on gold mines and the tax on precious stones.<sup>1</sup>

"Before the war there was a dormant tax of 5 per cent. on the profits of the gold mines and 2½ per cent. on the output of Mynpachts. This has been replaced by the 10 per cent. tax on profits. This tax has, however, been more than counterbalanced by the abolition of the dynamite concession. No mines for precious stones existed in the colony before the war.

"It should be noted that the Customs Duties, although higher under the new convention [*i.e.* of 1906] than under that of 1903, are still slightly lower on the basis of the percentage of duty to value than those in force before the war."

(2) The necessity for utilising the revenue derived from the mines, in the development of the Transvaal's permanent sources of wealth was emphasised in Sir William Willcocks' Irrigation Report of 1901, and was fully recognised by Lord Milner from the very first. The decision that a part, at least, of the proceeds of the taxation of minerals, as coming from an exhaustible source, must be treated as capital and not revenue, was never forgotten. In point of fact sums equivalent to 10 per cent. of the total ordinary revenue of the Transvaal were devoted during the Crown Colony period to "special" expenditure on capital account; and Mr Hichens, in his valedictory memorandum recommends that in the future the Minister of Finance under Responsible

<sup>1</sup> As regards the tax on diamonds and precious stones (Ordinance No. 66 of 1903), here mentioned by Mr Hichens, what was in effect the high impost of 60 per cent. of the net profits was fixed admittedly to meet the case of the newly discovered Premier Diamond Mine, which during the first year of working showed the remarkably high yield of 1.29 carats per load. It must be remembered, however, that "under the Republican Law of 1898, the owners of Diamond Mines were entitled to retain one-eighth only of the diamondiferous area, the rest passing to the State. It was, therefore, considered to be a considerable concession to allow the private owner to retain four-tenths of the areas, leaving only six-tenths for the State. The proprietors of the Premier might have taken the four-tenths to which they were thus entitled, and worked this part of the mine without any further liability to taxation. In view, however, of the difficulty of ascertaining in which part of the diamondiferous area the pipe lay, they elected to work the whole area of the mine, thus, virtually, entering into a partnership with the Government, to whom they were required to pay six-tenths of the profits earned."—"Union of South Africa" (By the writer), p. 330.



Government would do well to earmark definitely at this proportion of the ordinary revenue for such uses.

It must be remembered," he wrote, "that . . . the mines are a perishable asset. It would be a lamentably short-sighted policy to ignore the necessity for spending substantial sums out of revenue now on the permanent development of the colony."

In addition to this, all extraordinary, or "windfall" revenue, such as the Government's share in the profits of the Premier Diamond Mine, and the £788,000 paid by the Natal Government in respect of the cession of the Port Natal and Vryheid territories, was allocated to undergrants for the development of the colony. And in point of fact this extraordinary revenue reached an aggregate amount of £1,762,499 during the four years 1902 to 1906,

while the aggregate surpluses of the ordinary revenue for the same period provided a further sum of £828,777. The amount of the total thus obtained, £2,591,276, was applied to expenditure on capital account.

With the gold industry restored to prosperity—and as to Lord Milner its development was only checked by the shortage of African labour—a surplus revenue was added to the Transvaal. Under the Republic these surpluses were spent in preparations for war; with Lord Milner as Finance Minister they were used to provide the colony with the equipment of a civilised state, and to add to the permanent wealth of its inhabitants.

(3) Evidence of the contentions advanced in the third section of the report will be found in an analysis of the actual Transvaal taxation for a given year, and an examination of the incidence of its chief components. For this purpose it will be taken as it stood at the commencement of the year—*i.e.*, in the middle of the period of Crown Colony administration, rather more than a year before Lord Milner was appointed to be Governor of the new colonies, and at a time when the writer was himself living in Johannesburg.

The Transvaal revenue, as stated in the estimates

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for the year 1903-4, was provided from the following sources :—

Customs . . . . .		£1,800,000
Mining Revenue—		
(a) Licenses . . . . .	£400,000	
(b) Profits Tax . . . . .	340,000	
		740,000
Posts and Telegraphs . . . . .		360,000
Taxes on Trades and Professions . . . . .		200,000
Native Revenue—		
(a) Native Passes . . . . .	£200,000	
(b) Native Tax . . . . .	300,000	
		500,000
Transfer Duty . . . . .		450,000
Stamp Duties . . . . .		250,000
Land Revenue . . . . .		100,000
Miscellaneous . . . . .		100,000
	Total	£4,500,000 <sup>1</sup>

In order to arrive at the amount of taxation paid by the 300,000 Europeans in the Transvaal—for we are not now concerned with the native population, three times as numerous—certain of these sources of revenue must be wholly, and certain others partially, withdrawn.

The sources of revenue to be wholly withdrawn are :—

- (a) The native tax—paid by natives not by Europeans (£300,000); and possibly the fees for native passes (£200,000).
- (b) Those items which either represent the yield of Government properties, or are earnings taken by the State in return for services rendered: viz. Posts and Telegraphs (£360,000); Land Revenue (£100,000); and Miscellaneous (£100,000).

The sources of revenue from which more or less considerable deductions were to be made, are :—

- (a) Mining Licenses (£400,000)—being not taxation but revenue in cases where the proclaimed ground belonged to the Government and not to a private owner, and of the nature of an increment tax—one half share of the proceeds of the license to mine

<sup>1</sup> This excludes Railway revenue, which went to the Inter-Colonial Council. For comparison with Lord Milner's estimate of September 1902, see note, i. p. 128.

going to the State—when the newly discovered mineral deposits were found on private property.

- (b) Profits Tax (£340,000)—as being paid chiefly by shareholders in Europe, and only to a small extent by shareholders who formed part of the actual population of the Transvaal.
- (c) The Customs (£1,800,000)—paid to a small but appreciable extent by the native population.

There remain, then, as taxes paid exclusively by the European population: taxes on trades and professions (£200,000); Transfer Duty (£450,000); and Stamp Duties (£250,000); or an aggregate of £900,000 of direct taxation.

But in the Transvaal, as in other new countries, the customs provided the chief source of revenue, and by means of this instrument of indirect taxation a sum of £1,800,000 was raised. As, however, the native population purchased a certain amount of the imports, even this indirect taxation did not fall entirely upon the European population; but, after allowing for the necessary deduction on this account, the million and three quarters (say) of customs taxation that remained constituted by far the heaviest part of the fiscal burden imposed upon the European inhabitants of the colony. In order to ascertain the degree in which this population as a whole was thus taxed—whether, that is to say, the customs taxation imposed by Lord Milner was heavy or light—we have only to compare the average amount of the customs duties in the Transvaal at this time with the corresponding amounts of the customs duties in other British over-sea communities.

This is shown in the subjoined table:—

	Imports.	Customs.	Percentage of Customs on Imports.
Cape Colony . . . .	£23,992,031	£2,679,921	11
Natal . . . . .	10,187,704	797,441	8
Canada . . . . .	\$190,415,525	\$38,743,550	20
New Zealand . . . .	£11,817,915	£2,191,798	18
West Australia . . .	6,454,171	992,216	15
Transvaal . . . . .	19,531,048	2,086,450	10

[The figures are for the year 1901, with the exception of the Transvaal, where they are for 1903].

The rate of the customs, or indirect, taxation in the Transvaal was, therefore, 10 per cent. of the value of the imports, as against a much higher average rate obtaining in other British communities of the like character, on the basis of a sovereign of equal purchasing power. But the fact that the sovereign had a much less purchasing power in the Transvaal than elsewhere, still further reduced the real amount of the Transvaal customs revenue, as it did the real amount of all Transvaal taxation, in comparison with the taxation of other British communities.<sup>1</sup> It may safely be concluded, therefore, that the aggregate indirect taxation levied by the agency of the customs, so far from being unduly heavy, was at least 50 per cent. less than the corresponding taxation in other British over-sea states. And what made this possible, was, of course, the circumstance that the Transvaal possessed in its gold mines a quite exceptional source of wealth, which was capable of being taxed heavily, and was so taxed by Lord Milner, both directly and indirectly, to the great benefit of the economic interests of the community as a whole.

To the smallness of the average rate of the customs dues, or the lightness of the aggregate taxation of customs, as shown by this comparison, must be added the comparative immunity of the necessaries of life from customs taxation at all.

As the reader is aware, the Transvaal tariff in force in the year in question (1903-4) came into operation from 1st July 1903, after the Bloemfontein conference had resulted in the establishment of a Customs Union embracing all the British colonies in South Africa. Lord Milner's original tariff for the Transvaal, which had been in force up to this date, was one in which the principle of the non-

<sup>1</sup> It must be remembered that (1) the sovereign spent by the Transvaal merchant in the purchase of United Kingdom goods had its full purchasing power of 20s.; and (2) roughly 75 per cent. of the Transvaal over-sea imports came from the United Kingdom. That is to say, the imports were (practically) computed in sovereigns of 20s. purchasing power, while the customs were computed in sovereigns of 10s. purchasing power.

taxation of food-stuffs was very fully recognised. When however, the Transvaal entered the Customs Union, this principle was modified in certain respects, in deference to the natural aspirations of the Cape Colony and Natal, in both of which colonies agriculture was the chief industry. This departure from the (virtually) free admission of food-stuffs was due, therefore, not to any disregard of the economic objections to the taxation of food imports, but to the desire to secure the advantages to be obtained both by the Transvaal and Orange River colonies, and by South Africa as a whole, from the establishment of the Customs Union. Not only, however, was the departure justified from the point of view of the interest of South Africa as a whole, but its bad effect was minimised by a skilful adjustment of the rates of the duties levied upon the various classes of goods. Broadly speaking, the result of this adjustment was that necessaries, which formed the greater part of the total imports were very lightly taxed, while the comparatively small import of luxuries, or non-necessaries, was made to yield an altogether disproportionately large return. To take the actual returns, during the year ended 31st December 1903, £19,531,084 worth of goods were imported into the Transvaal, and on these goods duty of the aggregate value of £2,086,454 was collected. The average rate of duties charged was, therefore, 10.7 per cent. of the value of the imports. This, as we have seen before, is a rate which compared very favourably with the average rate of customs duties levied in other British over-sea states. But what we have now to observe is even more significant. With the one exception of tea and coffee (to be noticed directly), all articles the taxation of which could tend to increase the cost of living may be assumed to be included under one or other of the heads, food-stuffs, textile fabrics, household articles, building and mining materials, machinery and implements, chemicals used in mining, explosives, vehicles, and other articles.

The subjoined table shows the returns under each of these heads with the amount of duty charged, as

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expressed in its percentage to the value of the goods in each case.

Articles.	Value.	Duty Collected thereon.	Percentage of Duty to Value.
Food-stuffs (including sugar and jams) . . . . .	£4,311,878	£392,977	9.1
Textile fabrics, blankets, haberdashery and millinery, dress, including boots . . . . .	3,666,146	294,540	8.0
Household articles, such as furniture, earthenware and crockery, glassware, cutlery and similar articles . . . . .	906,613	70,408	7.7
Building and Mining materials, such as iron and steel, timber, paints, wall paper, hardware, cement, window glass and piping . . . . .	2,794,525	141,461	5.0
Machinery and implements, tramway material and electric cable . . . . .	2,258,552	13,355	0.5
Chemicals used in Mining . . . . .	451,494	15,001	3.3
Explosives . . . . .	224,094	14,376	6.4
Vehicles . . . . .	562,251	42,211	7.5
Other Articles . . . . .	2,631,551	181,450	6.9
	£17,807,104	£1,165,779	

This table shows that there was some £18,000,000 worth of imports, or nine-tenths of the total imports, coming into the Transvaal on which the customs taxation ranged from 0.5 to 9.1 per cent. *ad valorem*. These articles, then, which were either food-stuffs, articles of clothing, or materials used for building houses or employed in the industries of the colony, were not heavily taxed. The heaviest percentage, 9.1 on "food-stuffs," we may remark in passing, was due to (1) the necessity of encouraging the produce of the Cape and Natal, in the circumstances to which reference has been made above; and (2) the fact that sugar, which is an article always heavily taxed for revenue, falls under this head.

The remaining £2,000,000 worth of imports must obviously be taxed at a far higher rate, since nearly half of the customs revenue remained to be raised upon them.

The imports thus heavily taxed are those included under the heads of luxuries, intoxicants, narcotics, and stimulants. The returns relating to them are the following:—

Articles.	Value.	Duty Collected thereon.	Percentage of Duty to Value.
Luxuries such as confectionery and sweets, tobacconists' ware, toys and sporting goods, jewellery, clocks and watches, perfumery and toilet articles, musical instruments, playing cards and pictures .	£670,615	£102,488	15.3
Intoxicants:			
Ale and beer . . . . .	53,216	31,006	58.3
Spirits . . . . .	388,153	519,295	133.8
Wines . . . . .	156,013	72,942	46.7
Narcotics: tobacco, cigars, cigarettes . . . . .	212,498	156,056	73.4
Stimulants, including tea, coffee, cocoa, and chicory .	243,449	38,884	15.9
	£1,723,944	£920,671	

To put the facts disclosed by these two tables in a nutshell: under the Transvaal Tariff, as adjusted by Lord Milner, there was, on the one hand, £17,807,104 worth of imports upon which only £1,165,779 was raised; and, on the other, £1,723,944 worth of imports producing an almost equal amount—£920,671—of customs revenue. The first of these groups represented food-stuffs and necessaries, which were lightly taxed; and the second, luxuries, intoxicants, etc., which were heavily taxed. In respect of this latter group, moreover, it must be noticed further that five-sixths of the total revenue produced was derived from alcoholic drinks and tobacco. The duties upon these items varied from 46.7 to 133.8 per cent. If, therefore, an individual citizen desired to avoid contributing to the customs revenue of the State, he could do so to a very large extent by confining himself to the purchase of food and other necessary articles.

It is necessary to add a word in explanation of the

comparatively heavy rate (15.9) at which Indian tea and coffee, included under the head of "stimulants," were taxed. The rate was justified, in Lord Milner's opinion, by two considerations. In the first place tea and coffee, like sugar, are almost universally treated, both in British and foreign countries, as revenue-producing imports; and in the second, such articles are required in quantities which are, relatively speaking, so small that a customs duty even at this comparatively high rate does not impose any appreciable burden upon the individual citizen.

The very important heading "food-stuffs" also demands consideration. During the year ended 31st December 1903, the Transvaal imported food-stuffs to the value of £4,311,878, on which duty to the extent of £392,977 was collected; but subsequently, under the new Customs Tariff, even this comparatively small amount of taxation upon food-stuffs was reduced. In the first place, all food-stuffs of South African origin were imported free under the terms of the Customs Convention. This was a consideration which affected the following items:—

	Duty paid in 1903.
Mealies . . . . .	£35,432
Kafir Corn . . . . .	5,714
Fresh Fruit . . . . .	3,244
Fresh Meat . . . . .	33,871
Fresh Vegetables . . . . .	3,764

In regard to the first item, mealies, the bulk of the Transvaal supply, owing to the general failure of the mealie crop throughout South Africa, came from abroad in 1903; but this was an exceptional circumstance. In average years there was no reason to doubt the capacity of South Africa to supply the Transvaal with the bulk of what it required to supplement its own crop of this important cereal, while in the near future South Africa could be expected to grow its own supplies, and dispense with foreign imports altogether.<sup>1</sup> With this exception all the above imports of food were from this time (1904) onwards exempted from customs duties. In addition to this, a substantial reduction in the

<sup>1</sup> This expectation has been realised. In recent years (1912) South Africa has exported large quantities of mealies (maize or Kafir corn).



unt of duty levied on sugar in 1903 was to be expected e future. Under the new tariff (*i.e.* that framed in view ie entry of the Transvaal into the Customs Union) sugar orted from abroad was taxed rather more heavily than id been under the original tariff; but, as against this, d sugar came in free. In 1903 the duty paid on sugar unted to £45,674. In the current year, and hence- ard, with half of the Transvaal supplies drawn from d, and untaxed, and half rather more heavily taxed as ing from abroad, it was calculated that the duty levied sugar would be decreased by £10,000. The total ction of taxation on the food-stuffs thus affected was nated at some £80,000 or £90,000; and by this means l Milner hoped that the actual duty collected on food- s in 1904 would be brought down to only £300,000 e or less.

Regarded purely from the point of view of revenue, this 0,000 could have been raised more properly from some r source. No one was more anxious than Lord Milner educe the cost of living in the Transvaal, but this was se in which other considerations—and considerations of der economic validity—came into play. Both from an omic and a political point of view, it was desirable that gricultural resources of the colony should be developed apidly as possible. That the taxation of food-stuffs ing from abroad tended to encourage the production ood supplies locally was undeniably true. To this nt, therefore, the taxation of food-stuffs was helpful to community as a whole; since with increased local lies the market prices charged for these articles on Rand would tend to fall. And apart from this there the fact, already mentioned, that the imposition of ain duties on food-stuffs was the price which the rsvaal was called upon to pay for the benefits—among h was the very substantial one of the reduction of the ray rates on the through traffic from the Cape and Natal s—received from the establishment of the Customs on. Some of these benefits were political rather than omic, but the two orders of considerations could not be rated, in Lord Milner's judgment, in any broad view of

South African progress. And such, essentially, was the view which he took.

The last consideration under this head (3) is the low purchasing-power of the sovereign in the Transvaal, and it is a factor which profoundly modifies the whole of the figures for revenue and expenditure. Taking the purchasing-power, or real value, of the sovereign in the Transvaal at this time (1904) as 8s. 6d. as against 20s. in England and Canada, and 10s. as against 20s. in Australia and New Zealand, the three and a half millions of taxation raised from the white population of the colony by Lord Milner would impose a burden of sacrifice upon them equivalent only to that imposed by one million and three quarters of taxation upon the people of Australia, or a million and a half upon the people of the United Kingdom.

To state the case in the formal terms of economic science, the cost of anything is the sum of sacrifices (*i.e.* expenditure of time or labour, or loss of property) necessary to obtain it. Taking the total annual taxation (in round numbers) at £3,500,000 and the European population at 300,000, there were in the Transvaal at the time in question 300,000 persons paying collectively £3,500,000, and individually (say) £11, 10s. to the State. No one acquainted with the country could maintain that the "sum of sacrifices" required to obtain £11, 10s. in the Transvaal—again, of course, at the time in question—was as great as it was in Australia, New Zealand, Canada, or England. A skilled artisan would obtain it in return for less of his labour, a professional man for less of his professional services, and a seller of property—always provided that the property was subject to the economic conditions of the colony—for less of his property, or of his rights in his property. In other words, owing to the fact that the services of the individual European (other than the unskilled labourer, the value of whose services was relatively reduced by the competition of coloured labour) were paid for at a higher rate in money (expressed in terms of the conventional sovereign) than the corresponding services were paid for in these other countries, £11, 10s. could be obtained by the tax-payer at a correspondingly lesser "sum of sacrifice," or cost, in the Transvaal, than in them.

A few concrete instances may be added with a view of bringing home this very important consideration. At the time in question the Prime Minister of the Dominion of Canada received a salary of £1,644 per annum; the Prime Minister of New Zealand, £1,600; and the Prime Minister of the Cape Colony, £1,750. The salary of Sir Richard Solomon, the most highly paid member of the Transvaal Government, amounted to £4,000. A skilled artisan in the Transvaal received on an average £300 a year in wages, and the rate of professional earnings, salaries of employees, etc., was proportionately high. The rent of houses was from 2 or 3 times to 7 or 8 times as high as it was in England.

The figures for the Transvaal revenue and expenditure on the basis of the conventional sovereign, therefore, were wholly illusory for purposes of comparison. For comparison with other British states—and on the basis of the purchasing power of the sovereign—the real amount of the taxation (exclusive of railway revenue) raised under the Crown Colony Administration was about £1,500,000 per annum. The real amount of the expenditure on the same basis was nearer that represented by the (conventional) figures, owing to the fact that an appreciable proportion of it consisted of purchases of *matériel*, etc., in the United Kingdom, and may be set down as £3,000,000.

The foregoing considerations show not only that the burden of taxation imposed upon the European population of the Transvaal was not excessive, but that it was so adjusted as to cause the minimum of inconvenience. Lord Milner was well aware of the fact that the taxation which the British, or industrial, section of this population was called upon to bear was heavy, and he wrote in his financial despatch of September 1902, that it could not be increased, but ought to be decreased as soon as circumstances permitted. On the other hand, the ex-burgher population was scarcely taxed at all. The Terms of Surrender expressly excluded the imposition of “any special tax on landed property to defray the expenses of the war”; and in the absence of such a tax the British section of the population continued to provide seven-eighths of the revenue yielded by taxation, as they had done before the war.

So full an examination of this question, however, would not have been undertaken, except for the belief that a study of Lord Milner's fiscal methods would in any case repay attention. For the charge of over-taxation is sufficiently dispelled by the indisputable evidence of national progress, which is embodied in a statement of the financial position of the two colonies at the close of the Crown Administration.

As a necessary preliminary to this statement, we must return to the Guaranteed Loan, and also notice in what circumstances the £30,000,000 war contribution was abandoned.

We have seen in the foregoing pages how (in round numbers) £24,500,000 of the loan was spent in providing the new colonies with the elementary equipment of civilised states, and in (British) land settlement.

The general heads of this expenditure, and of the remaining £10,500,000 as appropriated at the close of the Crown Administration, are shown conveniently in the following table:—

National Equipment—

Railways . . . . .	£19,478,000	
Public Works . . . . .	2,000,000	
Land Settlement . . . . .	3,000,000 <sup>1</sup>	
	<hr/>	£24,478,000

War Charges—

Deficit of Transvaal Administration, 1901-2 . . . . .	£542,000	
Compensation to the Cape Colony and Natal . . . . .	1,561,000	
Repatriation . . . . .	5,000,000	
	<hr/>	7,103,000
Conversion of the debt of the late South African Republic . . . . .		2,500,000
Cost of issue of Loan . . . . .		407,000
Unspent Balance . . . . .		512,000
		<hr/>
		<u>£35,000,000</u>

In respect of the £7,000,000 of "war charges" it is necessary to point out that the sum of £5,000,000, here brought into the account as "repatriation" expenditure,

<sup>1</sup> This was £2,500,000 in the event: since the balance of £500,000 remaining upon the establishment of Responsible Government in 1907 was not used for land settlement, but assigned to other capital expenditure.

is only a part of the total sum of £16,084,513, 17s. 1d. which was spent in relieving the inhabitants of the two colonies from their immediate war losses; and that of this total, the sum of £9,500,000 was charged to the British exchequer.

The only other item which calls for comment is the sum of £2,500,000, expended in the conversion of the debt inherited by the new Transvaal Government from the South African Republic. In addition, therefore, to getting its share of the new debt for nothing—since the railways paid, and more than paid, for the annual charges incurred in respect of the £35,000,000 loan—the Transvaal had extinguished its original debt.

In this manner, and with these results, then, the £35,000,000 loan was laid out by Lord Milner. In relating the circumstances in which the £30,000,000 war contribution was finally abandoned, we have first to recall the estimate of the financial capacity of the Transvaal which Lord Milner himself formed in 1902. It is to be found in the proposals for the payment by the Transvaal of a contribution to the cost of the war, which he put forward for the information of the Imperial Government—proposals which, as we know,<sup>1</sup> were withdrawn in favour of the arrangements ultimately made by Mr Chamberlain in person in the Financial Settlement of January 1903. The essence of these proposals was the recognition of the fact that the Transvaal's capacity to pay a war contribution was dependent upon the expansion of revenue, which was to be expected from the expenditure of the £35,000,000 loan. For the next few years it could afford to pay little or nothing, but at the end of (say) five years, and onwards from that time, it would be able to fulfil its obligations to the Mother Country without detriment to the interests of its own inhabitants. Lord Milner, therefore, proposed that whatever the precise form or amount of the contribution, there should be no payment at all until the financial year 1904-5, and this only a small one; and from this date gradually increasing payments until 1908, when, in his opinion, the revenue of the colony would be ready to bear the full annual charge required to liquidate the sum agreed upon, as and when arranged.

<sup>1</sup> See chap. vii. pp. 125 *et seq.* and chap. viii. pp. 181 *et seq.*

The sequel has shown that Lord Milner was right. When the time came, in January 1904, to float the £10,000,000 loan which was to form the first instalment of the £30,000,000 of war contribution as arranged by Mr Chamberlain, both the Transvaal and the Imperial authorities recognised that postponement was inevitable.<sup>1</sup> But just as Lord Milner was right in thinking that the Transvaal would not be able to pay a war contribution in the years immediately succeeding the Peace, so was he no less right in believing that five years later such a payment would be possible. The financial position of the two Governments and of the Inter-Colonial Council at the close of the Crown Colony Administration affords evidence of the fact. In the statement which discloses it, we read alike the confirmation of Lord Milner's financial forecast, and the unexampled success of his administrative methods.

In the Orange River Colony, for the year ended 30th June 1906,<sup>2</sup> the revenue was £762,200, the expenditure £758,800, and the surplus £1,400. The customs, the main source of revenue, had nearly doubled in value since the annexation, rising from £160,887 in 1898 to £314,813 in 1905-6. The accumulated surplus of the period 1st March 1900 (the date of Lord Roberts's entry into Bloemfontein) to 30th June 1906, amounted to £312,056. After a large expenditure on capital account provided for (mainly out of this fund) in the estimates for the next year (1906-7), the Treasurer of the colony under Responsible Government would, on 1st July 1907, find himself with a clear available balance of £80,000, besides a reserve fund of the nominal value of £120,000, and the real value of £220,000,<sup>3</sup> in the

<sup>1</sup> Chap. xiv. pp. 331 *et seq.*

<sup>2</sup> The Letters Patent under which Responsible Government (the Elgin Constitution) was established in the Transvaal were dated 12th December 1906. The elections were held in the following February, and the new Parliament was opened on 21st March 1907. The change was delayed about six months in the Orange River Colony, where the elections took place in November 1907. The Crown Colony Administration lasted six months in the Transvaal, and twelve months in the Orange River Colony, after the date given in the text (30th June 1906); but for obvious reasons it is convenient to take the end of the last full year of the Administration in the Transvaal as the point of termination.

<sup>3</sup> The difference between the nominal value (£78,581) of 14,811 shares in the National Bank of the Orange River Colony (of which 811 had been purchased out of revenue by the Crown Colony Administration), and the (then) market value (£180,000) of the same.

shape of loans advanced by the Central Government to local authorities and investments.

The financial position of the Transvaal Government is exhibited in the two tables here subjoined.

## ORDINARY REVENUE AND EXPENDITURE.

Year.	Ordinary Revenue.	Ordinary Expenditure.	Surplus.
1902-3 . . . . .	£4,683,206	£4,611,115	72,091
1903-4 . . . . .	4,423,212	4,378,204	45,008
1904-5 . . . . .	4,386,991	4,004,831	382,160
1905-6 . . . . .	4,587,165	4,257,647	329,518
			828,777

## EXTRAORDINARY REVENUE AND EXPENDITURE AND BALANCE.

Year.	Extraordinary Revenue.	Extraordinary Expenditure.
1902-3 . . . . .	£744,303	—
1903-4 . . . . .	910,130	£220,000
1904-5 . . . . .	25,000	350,672
1905-6 . . . . .	83,066	725,355
Aggregate Surpluses . . . . .	£1,762,499 828,777	£1,296,027
Total . . . . .	£2,591,276	
Deduct Extraordinary Expenditure . . . . .	1,296,027	
Balance unexpended at 30th June 1906	£1,295,249	

The extraordinary revenue for 1905-6, as above stated, did not include:—

Government's share of profits of Premier Mine . . . . .	£175,000
Selati Deposits . . . . .	277,344
	<u>£452,344</u>

The customs revenue—the best measure of the taxable capacity of the colony—had risen during this period from £1,058,224 in 1898 to £1,797,786 in 1905-6; and this in spite of lower average rates.

The financial position of the Inter-Colonial Council, reduced to its simplest form, was this. The revenue from the

Central South African railways was defraying the services of the Guaranteed Loan (£1,408,750), and contributing some £200,000 to the cost of the South African Constabulary and other joint services of the two colonies. The estimated contribution from the two colonies for 1906-7 was £775,423. The sinking fund had reached a total of over £1,000,000.

Combining these three statements, the two new colonies at the close of the Crown Colony Administration had, in round numbers, a revenue £7,500,000, an expenditure of £6,750,000, and, apart from £1,000,000 of sinking fund, a balance in hand of a £1,500,000.<sup>1</sup>

<sup>1</sup> After the grant of the Elgin Constitutions the respective Governments of the new colonies exercised the power conferred upon them by the Letters Patent to dissolve the Inter-Colonial Council; but they maintained the common administration of their railways by the creation of a joint Railway Committee. This step involved the apportionment of the £35,000,000 loan between the two colonies; and at the time of the Union the respective debts of the Transvaal and Orange River Colony (as shown in the return of the public debts of the four constituent colonies issued by the Union Treasurer in 1911) were as follows:—

Of the £35,000,000 Guaranteed Loan raised under the Crown Colony Administration, £27,317,591, 11s. 10d. (of which £14,482,875, 12s., was appropriated to railways) was apportioned to the Transvaal, and £7,682,408, 8s. 2d. (of which £4,632,398, 9s. 11d. was appropriated to railways) to the Orange River Colony.

To this original debt there had been added, since the grant of Self-Government, £5,000,000 (raised in 1907) in the case of the Transvaal, and £1,250,000 (raised in 1908) in that of the Orange River Colony.

The public debts, with (main) appropriations, and interest payable, of the two new colonies stood, therefore, at the date of the Union (30th May 1910) as under:—

<i>Transvaal.</i>		Appropriation.			Annual Interest Payable.
£	s. d.		£	s. d.	
27,317,591	11 10	Railways . . . . .	14,482,875	12 0	3% and Sinking Fund.
		(Balance as given in the text.)			
5,000,000	0 0	Railways . . . . .	1,135,572	4 0	3% „
		Public Works etc..	26,290	5 0	
		Agricultural Settlement and Development . . . . .	273,531	9 2	
		Irrigation Works . . . . .	22,402	12 10	
		Transvaal Land and Agricultural Bank. . . . .	2,112,692	9 6	
		Funds in Hand . . . . .	1,429,510	19 6	
<hr/>					
Total	£32,317,591 11 10				£969,527 14 11
<hr/>					
<i>Orange River Colony.</i>					
£	s. d.		£	s. d.	
7,682,408	8 2	Railways . . . . .	4,632,398	9 11	3% and Sinking Fund.
1,250,000	0 0	Bloemfontein - Kimberley Railway . . . . .	358,720	0 0	3½% „
		Funds in hand . . . . .	760,770	1 10	
<hr/>					
Total	£8,832,408 8 2				£274,222 5 1



This being the financial position of the two colonies in 1906, there is every reason to believe that in 1908 the Transvaal, short of an unexpected disaster, would have been able to pay the £1,000,000 a year of war contribution charges contemplated by Lord Milner in his proposals of September 1902.

Nothing is better calculated to make this point clear than the following passage, which occurs in Sir Edgar Walton's account of the financial arrangements made by the National Convention in drafting the Union Constitution.

" . . . the position of the Cape for the year 1908-9 was that it would certainly have to face a heavy deficit. Natal was in but little better plight, while the two Northern Colonies were kept in a flourishing condition owing to the large profits made by their railways. In the Transvaal there was no special taxation and the revenue was mainly derived from Customs dues, Railway profits, Native taxation and the Profits Tax on Gold Mining Companies. *These revenues left a large surplus and the Transvaal was in an extremely flourishing financial position. Indeed it was later found that in spite of exceptional expenditure the Transvaal had handed over several millions of unexpended balance into the Union Coffers.* . . . After union it was certain that in no portion of the country would the people consent to pay higher taxes than in any other portion. . . . On the other hand it was felt to be impossible to go to the people of the Transvaal and suggest that notwithstanding the fact that *their existing taxation yielded a revenue far larger than was required for the needs of the country, and left them with huge surpluses*, they should pay still higher taxes for the privilege of coming into South African Union."<sup>1</sup>

It follows, therefore, that when on 23rd March 1907 Lord Elgin, the Colonial Secretary in Sir Henry Campbell-Bannerman's ministry, wrote to Messrs Wernher, Beit, and Company that "His Majesty's Government had definitely abandoned all claim upon the Transvaal in connection with the proposed War Contribution Loan," the explanation is to be found not in the financial incapacity of the Transvaal—that is, the Transvaal under the conditions existing at the

<sup>1</sup> "The Inner History of the National Convention of South Africa," by Sir Edgar Walton, pp. 231-2. The italics are added by the (present) writer.

close of Lord Milner's administration—but in the circumstances of the Liberal ministry. No very profound reflection is needed to establish the conclusion that the Government of which Sir Henry Campbell - Bannerman was the head, could hardly have done otherwise. When, in August 1901, the sum of £6,500,000 was voted by the House of Commons as a grant in aid of the revenue of the new colonies, the Liberal ex Chancellor of the Exchequer, Sir William Harcourt, had ridiculed the idea of its being repaid out of the "hypothetical" development loan, and declared that "nobody believed" that the Transvaal would ever be able to refund these advances. While in opposition, the Liberal leaders had denounced Lord Milner's plans for the development of the resources of the new colonies; they had prophesied, in season and out of season, financial ruin for the Transvaal under his administration; and they had taken no pains to conceal their disappointment, when, instead of the fiasco which they had anticipated, the charges on the Guaranteed Loan were paid, and more than paid, by the railways alone, and surpluses appeared in the place of deficits. They had confidently asserted that Mr Chamberlain would come back empty-handed from the Transvaal, and scoffed at the promise of a war contribution of £30,000,000, which he actually obtained. To ask for a contribution at all may, or may not, have been economically right. Possibly it was wrong: since it might have been contended with reason that these millions would prove of more benefit ultimately to the United Kingdom, if expended in the development of the Transvaal and South Africa, than if used to reduce the war debt. But the party which had done everything within its power to hinder the development of the resources of the new colonies, which had denied the possibility of the Transvaal ever becoming financially capable of paying a war contribution, were plainly in no position to enforce the conditional compact with Mr Chamberlain; still less could its leaders claim any merit for cancelling a liability, the discharge of which they had persistently represented as wholly chimerical. More than this, the Liberal leaders when in opposition had resisted to the utmost of their power the introduction of Chinese labour, to which the Transvaal owed,

at any rate for the time being, its financial prosperity; and in so doing they had not hesitated to cast opprobrious reflections upon the character of the British industrial population, by whom, in the absence of any other method of supplementing the native labour supply, this expedient had been adopted. Being now in office they were pledged—and to a large extent they owed their victory at the polls directly to this pledge—to use their power to put an end to the employment of the Chinese on the Rand; in other words, to deal a blow at the gold industry, which, for all they knew, might reduce it once again to a condition of arrested development, and thereby lessen materially the financial capacity of the Transvaal. That in these circumstances the new Liberal Government should release unreservedly the British population of the colony from their conditional undertaking to contribute to the war expenditure of the United Kingdom was a foregone conclusion. It was a mere product of the hustings; an act in respect of which considerations of the taxable capacity of the Transvaal, the need of the Mother Country, constitutional right, or abstract justice, could obtain no hearing, and one with which statesmanship, as such, had no concern.

#### E.—*The South African Constabulary*

The physical sanction, upon which the authority of the Imperial Government rested in the new colonies, consisted of (1) the British regulars, being part of the South African garrison; (2) the South African Constabulary; (3) the Transvaal volunteers; and (4) the Police. The strength of the South African garrison, as originally fixed by Lord Kitchener before he left the Transvaal to take up the Indian command, was rather more than 30,000: but this number was largely reduced, as we have noticed before, under treasury pressure in 1903, and again in 1904. The Transvaal volunteer force, as being composed mainly of the irregular corps raised from the dispersed Rand population during the war, was small in numbers but of excellent quality. Both the Constabulary and the Police had been recruited largely from men discharged from military service, and were well organised and efficient.

But for the purpose of maintaining peace in the new colonies it was deemed necessary that the Administration should be armed with more than the ordinary powers of a civil government. These additional powers were derived from the Permit System and the Peace Preservation Ordinances, and the Governments in each colony were further protected by a small but adequate provision for secret service. The Permit System, under which no person was allowed to enter, or reside in, the Transvaal or Orange River Colony, without first obtaining a formal document of authorisation,<sup>1</sup> secured the exclusion of persons held to be "undesirable" by the Government of either colony. The necessity for the powers of deportation and summary arrest provided in the Peace Preservation ordinances was realised immediately upon the establishment of Civil Government; and the terms of the (identical) Ordinances were settled by the Attorneys-General of the two colonies in consultation on 4th July 1902. Owing, however, to the reluctance of the Home Government to sanction the exercise of what seemed an unnecessarily arbitrary power, these ordinances were not brought into force until the following 19th November. In the meantime martial law was maintained; and it was necessary, on at least one occasion, to invoke the aid of the Commander-in-Chief, in order that some of the "worst blackguards" in the Transvaal—*i.e.*, known criminals and disturbers of the peace, whom, however, the police could not touch—might be put over the border. Such displays of its latent resources on the part of the Administration were, however, rare; and to all intents and purposes the new colonies owed their almost unbroken peace to the South African Constabulary.

This force was organised by General Baden-Powell, under the direct supervision of Lord Milner, in October 1900.<sup>2</sup> In the second chapter of this book we saw how, after eighteen months of service with the Army in the field, the Constabulary entered upon the special work for which it was created, and upon the withdrawal of the military authorities

<sup>1</sup> This contained particulars of name, etc., and a reference to two persons already established in South Africa.

<sup>2</sup> For an account of this, see "Lord Milner's Work in South Africa, 1897-1902," p. 397.

rapidly spread a net-work of police posts over the entire area of the new colonies from the Limpopo in the north to the Orange in the south. From subsequent chapters we know, too, how large and indispensable a part was played by the Constabulary in the early stages of the repatriation; and how at the end of the year 1902 General Baden-Powell, the brilliant and resourceful captain of war to whom this force owed in a large degree its rapid attainment of efficiency, was appointed Inspector-General of Cavalry in England, and Colonel J. S. Nicholson, hitherto second-in-command, succeeded him as its Inspector-General.

Lord Milner recognised fully how much would depend in the first critical years of the peace upon the character and capacity of this force, half soldiers half police, which was placed under his immediate control as High Commissioner. He took care, therefore, that nothing should be left undone, either in its original constitution or in its subsequent organisation, calculated to render it as perfect an instrument as possible for the discharge of any duties, however novel or responsible, that it might be called upon to undertake. With this end in view the methods and organisations of the Royal Irish Constabulary, the French Gendarmerie, the North-West Mounted Police of Canada, and the police systems of other South African colonies had been examined and compared, and an endeavour had been made, not without success, in the formation of the South African Constabulary to combine the best features of these several organisations. Originally 10,000 strong, it was reduced to a peace footing of 6,000 at the end of the first few months of peace, and the process of reduction was utilised as a means of still further increasing the average efficiency of its units, since the men chosen for discharge were the least capable or the more unwilling members of the force. Before Lord Milner's term of office came to an end further reductions had brought its numbers down to 4,500; and in the last year of the Crown Administration (1906-7) provision was made on the inter-colonial estimates for 3,700 officers and men. In the same period the cost of maintenance had fallen from £2,505,523 in the abnormal first year of the reconstruction.

(1902-3) when the average strength of the force was 8,000, to £889,000 in 1906-7.

The primary duty of the Constabulary was to maintain the peace in the two colonies, and for this duty it was solely responsible with two exceptions. The areas of the Rand and Pretoria were served by municipal police identical in character to those of an English town; and in the last resort the garrisons of the regular army, and the various volunteer corps, could be called upon by the "Governor and Commander-in-Chief" to maintain the King's authority. For the performance of this primary duty the Constabulary was divided into four divisional commands, of which three covered the Transvaal and one the Orange River Colony. Each division was again divided into "districts," which were identical with those of the various Resident Magistrates; and these districts were in turn sub-divided into "stations" or "posts" placed under the command of a non-commissioned officer and forming the unit of the Constabulary Organisation. Finally to each divisional command there were attached a certain number of mobile troops, equipped with guns and transport and stationed at convenient centres, whose business it was to proceed at a moment's notice to the scene of any dangerous disorder.

By means of this distribution of the South African Constabulary the entire area of the new colonies was systematically patrolled, and no European dwelling-place—be it farmhouse, store, or mission-station—was so isolated, but that its inhabitants could see riding up to their doors, at least once a month, the well-known figures of the mounted troopers, with their wide brimmed hats, bandoliers across the breast, and the barrels of their rifles showing over their shoulders. The work of the Constabulary was by no means limited to this primary duty of keeping the peace. But had this been the case, its numbers could not have been held to be excessive when we remember that the area of the two colonies was 161,000 square miles, or 40,000 square miles larger than Great Britain and Ireland, and how large a proportion of this area consisted of wild, roadless, and thinly populated districts, or of regions inhabited by semi-civilised natives. If the average total of the effective

Constabulary of all ranks during the three years of Lord Milner's administration be taken to be 5,000, there would be only one man to every 30 square miles of territory. But the number actually available for the ordinary routine of such police work probably never reached this total at any time: since during the whole of this period a large proportion of the Constabulary were either withdrawn for service in the mobile columns, or were detailed for various special tasks more or less completely inconsistent with the performance of their more normal duties. This "keeping in hand" of a large proportion of the total force, while ordinary police duties were left to the thinly distributed, but complete and all-embracing, system of Constabulary posts, was an essential feature in Lord Milner's organisation of the South African Constabulary; and it is to this more than to any other circumstance that it owes not merely its remarkable success in achieving its primary function of keeping the peace, but its ability to carry out at the same time a great volume of supremely useful administrative work.

Apart from the fact that provision had to be made for the due performance of the various duties which fall to the police in every civilised community, there were in the new colonies certain special circumstances that made the presence of a semi-military force necessary for the adequate protection of the lives and property of the law-abiding inhabitants. Of these the chief was the great numerical preponderance of the native, as compared with the European, population, and the fact that throughout a considerable proportion of both colonies, and especially in the wild and remote regions lying to the north and north east of the Transvaal, dense masses of semi-civilised Bantu were to be found in close proximity to the isolated farmhouses, or meagre villages, of the Boers.

In addition to this permanent and outstanding menace, there was a second source of danger which, though transitory and abnormal in character, was none the less serious for the time being. The long war had left behind it a number of broken or disappointed men, both Boer and British, and among them were a handful of notorious criminals of whose persons the efforts of the military and civil authorities—

the latter with the assistance of the Peace Preservation Ordinance—had failed to purge the country. Here were elements out of which there might easily have arisen in the fastnesses of the Drakenberg a class of outlaws analogous to the Bushrangers who enlivened the criminal annals of Australia in the seventies and eighties of the last century. Nor must it be forgotten that Johannesburg, in spite of its rapid acquisition of the external equipment of a centre of civilisation, still retained many of the most disagreeable features of a mining camp. The actual total of such outrages against law and order, as are specially invited by the social and material conditions of countries in the stage of development of the new colonies, was remarkably small. But there were enough of such occurrences to show that the comparative immunity which both colonies enjoyed in this respect was to be attributed not to the absence of dangerous elements, but to the general efficiency of the measures employed to prevent these elements from combining into anything more than sporadic activity.

One or two instances of the class of crime in question will serve both to establish this point and to reveal an aspect in the life of the new colonies which cannot be altogether overlooked, if it is desired to form a just estimate of the value of the work done by the South African Constabulary. In March 1904 it came to the knowledge of the authorities that a band of supposed undesirables from Johannesburg, said to be seventy in number, had appeared in the district of Lydenburg, a small town in the mountainous north-east of the Transvaal. The movements of these unwelcome visitors were watched by the Constabulary. A suggestive incident followed. When the mail coach from Pilgrim's Rest, bearing a consignment of gold, and, thanks to the vigilance of the Constabulary, an extra guard riding inside in addition to the customary escort of three mounted troopers, had reached the spot near Lydenburg, where shortly before the war the mail had been robbed of a considerable quantity of gold, seven men suddenly showed themselves. No attempt was made to stop the coach; but the incident tended naturally to increase the anxiety felt by the local authorities on hearing subsequently a report that the town of Lydenburg, and more



especially its banks, were to be the object of an attack. Certain rumours, moreover, went so far as to give colour to the suggestion that such an enterprise might not be altogether devoid of political significance. In view of these disquieting reports, on the night of Thursday, 14th April, a mobile column of the Constabulary, seventy strong, entrained at Pretoria for Machadodorp, and, leaving the railway on the following morning at this point, rode on to Lydenburg, which they reached the same evening, having covered the 150 miles from the capital in just twenty-four hours. The officer in command of the Constabulary, upon his arrival, mobilised the town guard, and, as rumour had appointed the night of Saturday the 16th for the attack upon the town, disposed his men in suitable positions to repel the invaders. The attack was not delivered, nor was the calm of the Lydenburg Sunday broken, except by the welcome presence of the defenders. Outside the town, however, something was taking place. Acting upon information received, the officer rode with fifty troopers, early in the morning, to a wood some five miles from the town where certain men were reported to be in hiding. The wood was surrounded, and seven men, who vainly attempted to gallop through the cordon, were captured, without bloodshed on either side, and lodged in Lydenburg gaol. Although the men were unarmed when they surrendered, two rifles and bandoliers with ball cartridge were found in the wood, and the leader of the party was subsequently identified as having served in Viljoen's Commando in the late war.

No further captures were effected by the Constabulary patrols; and after the trial of the prisoners, and their conviction for some minor offence, the Lydenburg affair was soon forgotten. It is noticeable, however, that the representative Boers in the neighbourhood of the town expressed indignation at the suggestion that they had been implicated in the lawless schemes with which these men were credited, and even resented the appearance of the Constabulary column, complaining that it was intended as a demonstration against themselves.

On Tuesday, 4th October, in the same year a bank in Commissioner Street, the most crowded thoroughfare

of Johannesburg, was raided at its most crowded moment—the luncheon hour. The raiders, four in number, attempted by the unhesitating use of their revolvers to shoot down the cashiers and carry off whatever gold lay ready to hand. Three, together with the cabman in whose vehicle they were driven off, were arrested by the police; but the fourth escaped. Although the crime was sufficiently startling by reason merely of its unparalleled audacity, its significance was increased by the fact that it put a climax to a series of lesser outrages. There was the robbery of a bank at Randfontein, and the robbery, almost murder, of which the bank at Denver was the scene. A number of jewellery robberies, committed mostly at private houses in the suburbs of Johannesburg, had followed. At the Park Street Railway Station the booking-office till had been pillaged, also in broad daylight, only a few days before—another singularly daring feat. These crimes, of which this is by no means an exhaustive list, had all occurred within less than twelve months, and they were characterised by two circumstances which rendered their occurrence especially injurious to the community. The men by whom they had been committed had displayed an absolute disregard of the sanctity of human life, and with the exception of the last—the Commissioner Street bank robbery—there had been a total failure to bring the offenders to justice. The police concerned were in this instance not the South African Constabulary, but the Municipal Police of the Rand area, a remarkably fine body of men whose organisation and general capacity for the discharge of their duties had drawn favourable opinions from competent observers. Their failure was to be attributed to the circumstance that the perpetrators of these outrages did not belong to the “criminal class,” or rather to any section of society corresponding to what is understood by the term in Europe or America. They were, with one or two notorious exceptions, persons of respectable antecedents, who had fallen by misfortune or their own misconduct into such desperate straits that life under existing conditions had become worthless. Having nothing to lose they were as reckless of their own persons as they were careless of the lives of others. Apart from the occasions upon which this

recklessness, carried almost to the point of lunacy, was manifested, there was nothing to mark them out as separate from their law-abiding fellows. It was to protect the community from such undesirables—the joint legacy of the war and the mining camp—that Lord Milner had insisted upon the two Colonial Governments being furnished with the powers of summary arrest and deportation conferred upon them by the Peace Preservation Ordinances. And, in the present instance, public opinion demanded that a repetition of these scandalous crimes should be avoided by the more active use of these powers, of which up to the present the authorities directly concerned had barely availed themselves at all.

“If we are right in attributing the prevalence of crime such as we have been discussing, and the comparative failure of the police to detect and punish the criminals, to the existence of a special and abnormal class which cannot be kept in check by the ordinary police methods, then it follows, surely, that special powers should be given to the police to enable them to meet the evil.”

Thus the *Star* wrote on the morrow of the Commissioner Street robbery. It continued :

“Just as in the early days of the Diamond Fields, a special crime—illicit Diamond-buying—was checked by a law which provided exceptional powers for its detection and punishment, so here, on the Rand, the police should be furnished with powers which would enable them to deal successfully with the small and altogether exceptional criminal class that has hitherto maintained itself in our midst. . . . What is required is to adapt the provisions of the Peace Preservation Ordinance to the requirements of the police.”

The remedy was successful : the mere knowledge that the police were to be put upon equal terms with them exercised so salutary an influence upon these criminal irregulars that they “melted away” from the scene of their exploits ; and before Lord Milner’s tenure of office ended the two new colonies had been relieved, to all intents and purposes, from any fear of further disorders from this source.

To the elements of disorder arising out of the native population and the British or cosmopolitan "undesirables," there must be added the inevitable discontent which set in among the ex-burghers after the first stress and bustle of the repatriation had passed away. Towards the end of the second year of peace, the immediate work of resettlement was over. The Boers, with slight exceptions, had ceased to be dependent upon the Government for their means of subsistence. They were once more in a position to support themselves by the cultivation of their lands, but they had by no means regained the prosperity which they had enjoyed before the war. To the ordinary and expected difficulties attendant upon the resumption of their farming and the rebuilding of their houses, there had been added the fortuitous losses and unforeseen difficulties of two seasons of abnormal drought and an exceptional prevalence of cattle diseases and insect plagues. Moreover the apportionment and distribution of the various compensation funds, although effected with remarkable despatch in the circumstances, was a lengthy process, and the payments themselves proved so small in comparison with the exaggerated expectations to which they had given rise, that they created resentment rather than gratitude in the minds of the recipients. The vague and grandiose reports of the struggle between Russia and Japan, which came to the ears of the country Boers when they were in this mood of discontent, were believed by them to indicate that a new strain would be put upon the military resources of England, which would compel her before long to relax her grip upon South Africa. These causes combined to produce a distinct change in the attitude of the Boers towards the Administration in the opening months of 1904. The movements in which it manifested itself might easily, if a less strong hand than Lord Milner's had held the helm of the ship of state, have assumed forms indistinguishable from actual revolt. The manner in which complaints and grievances were discussed by the Boers when they met at their *Nachtmal* and other customary gatherings, the exhortations of the *Predikants* to uphold the Boer nationality and language, and above all the reconstruction of the *Commando* organisa-

tion, all afforded evidence of the existence of a spirit of unrest that might easily have brought those who were animated by it into open conflict with the Government. And the fact that these signs were represented to Lord Milner as capable of this sinister interpretation by more than one observer well acquainted with the ordinary phenomena of Boer life, is no reflection upon the sagacity of the intelligence service.

Lord Milner's view—and one which he felt bound to lay before the Secretary of State—was that, while anything in the nature of armed revolt on a serious scale was absolutely impossible, the occurrence of isolated and sporadic disturbances on the part of the back-veld Boers was not altogether impossible. He held, therefore, that the Administration must possess the means of repressing any outbreaks of the kind with such ease and promptitude, that they could never assume dimensions sufficient to invest them with political significance. He had always opposed, therefore, the sweeping withdrawal of the regular troops from South Africa which was proposed by the War Office in 1903;<sup>1</sup> and he was determined that the numbers of the South African Constabulary should not be reduced prematurely. A proposal to cut down the Constabulary vote made in June 1904, and not in itself unreasonable in view of the pressing need for administrative economy then existing,<sup>2</sup> furnished one of the rare occasions in which he intervened personally in the debates of the Inter-Colonial Council. In explaining that when the estimates for the new financial year, 1904-5, were framed, the provision for the Constabulary had been reduced to the lowest point compatible not merely with the public safety but with the attainment of the very object which the proposal was intended to promote—the financial stability of the Transvaal, Lord Milner referred to the small disturbances with which the Constabulary as a whole, and its mobile columns in particular, were called upon to deal. His words usefully summarise the elements of danger to which the attention of the reader has been drawn in the preceding pages, and present a graphic picture of

<sup>1</sup> See i. p. 330.

<sup>2</sup> See ii. p. 16.

the manner in which the Constabulary performed this part of its primary duty of keeping the peace in the new colonies.

So long as the Boer leaders maintained the loyal attitude which they had displayed since the Vereeniging Surrender, the danger of a general Boer rising was out of the question.

“But,” said Lord Milner, “not even the Boer leaders can control the whole of the Boer population. There are among the Boer population numbers of men ruined by the war, disappointed, defeated, and even desperate; and in addition to this, there is in this country since the war a great stratum of people of a very lawless and desperate character. In the absence of a force something far beyond the ordinary civil police force, in the absence of a force organised to take immediate action in case of lawlessness—it may be only the lawlessness of bandits—we might have a state of things established in the outer districts of the colony that would not only terrorise the inhabitants, but would give a great shock to the credit of this country throughout the world.”

Even more striking was Lord Milner’s evidence of the ever present danger arising from the vast preponderant native population. Within a few hours of hearing in that very Council Chamber a speech in which the perfect tranquillity of the natives, and the consequent uselessness of the Constabulary, were emphasised, he had been called away to meet a magistrate who came from a distant part of the Transvaal with news that the Boers were hastening into town from fear of the natives.

“Within twenty hours,” Lord Milner concluded, “of the Honourable Member’s speech, a considerable detachment of this useless force, which nevertheless was always ready, had been entrained in order to go down for the protection of that district.”<sup>1</sup>

<sup>1</sup> The Zoutpansberg. Other conspicuous occasions upon which the mobile columns rendered the same service of preventing native risings, were: in the Wakkerstroom District in June 1903, in Swaziland at the trial of the Swazi Queens in the same year, and in 1906, during the native rebellion in Natal, in maintaining tranquillity throughout the whole extent of the northern and eastern borders of the Transvaal.

In the event the movement of unrest among the Boers, which marked the early months of 1904, found a legitimate outlet in the proceedings of the Boer Congress (23rd-25th May) and the subsequent formation of the political organisation called "Het Volk."<sup>1</sup> Some account of both of these events will be given in the sequel. It will suffice here to point out, that while the harmless dispersion of this volume of discontent into constitutional channels is to be attributed primarily to Lord Milner's wise determination to take no risks in this cardinal matter of the preservation of the peace, a share of the credit belongs to General Botha and the other Boer leaders, who, in their demand for the immediate grant of self-government, neither used themselves, nor allowed their followers to use, weapons other than such as might be employed legitimately in a political controversy involving, as they believed, nothing less than the whole future welfare of their people.

But this primary duty, to keep the peace, difficult and important as it was, formed only a small part of the work accomplished by the South African Constabulary. Broadly speaking, whenever any branch of the Administration was confronted by an abnormal task, the Constabulary was called in to render assistance. And in addition to these special and temporary services, some of which were of the highest moment to the public, a large number of minor services, belonging properly to other departments, came to be performed by the Constabulary as a part of their ordinary daily routine.

Putting on one side the indispensable assistance given by the Constabulary in the repatriation, and in the awarding and distribution of the compensation funds—matters elsewhere treated—the most striking of the special services thus rendered were the operations which the Constabulary carried out on behalf of the Agricultural Departments in each colony. Among them is included the execution of the measures by which animal diseases and insect plagues were largely diminished, and in some cases entirely eradicated, in the two colonies. In particular in arresting the southward spread of the East Coast fever (Red-water) by

<sup>1</sup> *I.e.*, the people.

means of cordons, and the strict enforcement of the regulations for the movement of cattle, the Constabulary performed a notable service to the whole of South Africa, and one, moreover, which was recognised publicly as such on more than one occasion.

To convey an adequate impression of the multiplicity of the services—both extraordinary and ordinary—rendered by the Constabulary to the administrative departments in both colonies, a short but representative report of the work actually done within a given period will be cited. As, however, in endeavouring to portray the work of the Agricultural Departments, recourse was had to the official records of the Transvaal, in the present instance the illustrative detail will be taken from the sister colony. The following passages are transcribed, therefore, from the Divisional-Commandant's report<sup>1</sup> of the Constabulary in the Orange River Colony for the year 1903-4.

Under the heading "Agriculture" we read:

"A monthly report has been rendered to the Director of Agriculture from every (Civil) district giving the following particulars:—1. Meteorological conditions. 2-4. Prevalence or otherwise of locusts, vermin, animal disease. 5-8. Condition of crops and fruit trees, veld, stock, roads, fencing, dams, and irrigation. 9. Conditions of farming. 10. General remarks.

"In addition a return was rendered showing the total amount of fencing required to repair the boundaries of farms damaged by the late war. The Government granted a fencing bonus to assist farmers to repair their boundaries; the South African Constabulary have helped the Resident Magistrates in assessing the amount of fencing done to cover this bonus.

". . . Wherever possible, vermin, such as baboons, jackals, Kaffir cranes, etc., have been destroyed. Great efforts have been made to eradicate burrweed (*Xanthium Spinosum*) and Scotch thistle throughout the colony. . . .

"Locusts.—In January 1904 all South African Constabulary stations in the Orange River Colony were instructed that the work of locust destruction would be undertaken again, and that eight tubes of locust fungus would be supplied to each post . . . Mr Bateman White of the

<sup>1</sup> Cd. 2482.



Agricultural Department made a tour . . . and instructed the South African Constabulary Posts visited in the method of inoculation.

"*February*.—A swarm was successfully treated in the Hoopstad district. One hundred tubes of fungus were distributed . . . in the Bloemfontein district. *March*.—The swarms were prevalent in the south-west corner of the colony . . . another swarm was treated . . . and the veld for two miles was covered with dead locusts. *April*.—Swarms of locusts were still prevalent in the south-west of the colony ; inoculation was carried out. . . . *May*.—Locusts did much damage in the Wepener district. . . . Five swarms were treated with excellent results in the Thaba 'Nchu district. . . . At Rouxville swarms were treated and large numbers of locusts were killed. *June*.—In Ladybrand, Senekal, and Kroonstad districts inoculation was carried out successfully. . . . In Bloemfontein and Boshof districts the fungus was tried, but was not successful. . . . A list of farmers willing to assist in the work of destruction has been furnished to the Government, and if they are all supplied with fungus good results should be obtained."

"*Red-water Cordon*.—To prevent the spread of the cattle disease known as "red-water," into this colony, a cordon of the South African Constabulary was formed along the Vaal river on the 2nd November 1903, to prevent the entry of all cattle from the Transvaal into the Orange River Colony. The cordon was withdrawn on the 11th June 1904, the work being taken over by the Constabulary stationed in the districts. The cordon was composed on an average of 4 officers and 150 non-commissioned officers and men. The provisions of Proclamation 8 of 1903 were strictly enforced, and 123 cattle and 2 sheep, which crossed the Vaal into the Orange River Colony, were seized and destroyed."

In ten places officers of the Constabulary served as special Justices of the Peace, and from the paragraph headed "Appointments" we learn that the various ranks of the force provided the following officials:—Public Prosecutors, Court Messengers, Assizers of Weights and Measures, Interpreters, Magazine Keepers, Issuers of Native Passes, Collectors of Poll and Dog Taxes, Sub-Inspectors of Stock, Customs Officers, and Deputy-Registrars of Births and Deaths.

Among the "miscellaneous duties" performed were:—

The distribution of pamphlets from the Agricultural Department; the reporting of outbreaks of contagious diseases among human beings, and the enforcement of the measures ordered by the health authorities; the same services in respect of outbreaks of diseases among stock; the service, etc., of vaccination notices; the distribution of notices to claimants from Compensation Boards; and the supply of information and statistics to the Native Commissioners.

Nor had the more normal duties of a police force been neglected. Within the year 1,085 cases of crime had been investigated, of which 363 led to successful results. Convictions had been obtained in 306 cases, and 53 cases had failed through insufficient evidence. Gun-running to Basutoland had been stopped; and thefts of stock, up to this time prevalent on the Basutoland border, had been repressed.

“The gang consisted of a prominent farmer in the Ladybrand district and about fifteen natives, and the extent of their operations was from north of Ladybrand to Maghaleen on the opposite side of the river [Orange] to Mohales Hoek.”

A large quantity of buried or hidden rifles and ammunition had been recovered; and the bodies of many British soldiers had been reverently removed from their lonely graves on the veld, and laid, with military honours, by the side of their comrades in permanent cemeteries.

Two further occasions mentioned in the report, in which the Constabulary rendered extraordinary services in the Orange River Colony, may be noticed in conjunction with similar services in the Transvaal.

In the year 1904 a census was taken throughout British South Africa. In the country districts of the Transvaal and Orange River Colony the whole of the work of distributing and collecting the census papers, enumeration, etc., was carried out by the Constabulary, and the two Governments were thus spared an otherwise necessary expenditure of at least £60,000. Again, when in 1905 in the Transvaal, and in 1906 in both colonies, it became necessary in view of the constitutional changes then impending to prepare lists of Parliamentary voters, the main work of compiling the

electoral rolls in the country districts was accomplished by the Constabulary.

On 17th January 1904, the Bloemspruit suddenly rose and flooded a part of Bloemfontein, causing a loss of thirty lives and sweeping away many buildings with their contents.

“ Among those drowned was 1st Class Detective, A. C. Macdonald, S.A.C., who lost his life while gallantly attempting to rescue some women and children. The Constabulary . . . gave all the assistance they could. A quantity of property of various kinds was collected at the police station for identification. Many cases of attempted looting were brought to light and convictions obtained.”

When in March of the same year the plague broke out at Johannesburg, it was the Constabulary who conveyed the plague-infected patients to the plague camp outside the town, and removed the inhabitants, and demolished the buildings, of the “ insanitary area ”; which latter they finally cleared and disinfected.

These examples suffice to show that the South African Constabulary during Lord Milner's administration was something much more than a police force. That it was singularly efficient in this capacity is no less apparent from the fact, that in the period 1st January 1903 to 30th June 1906 it effected 128,657 arrests in the two colonies, from which no less than 109,485 convictions were secured. When circumstances required, its members could present themselves either as a disciplined and experienced military force, or as a valuable reserve of civil officials. The cost of maintaining the Constabulary was a common subject of attack on the part of friendly and unfriendly critics of the Crown Colony Administration. If, however, the Constabulary had been credited with the value of the services which it performed for other branches of the Administration—for the Repatriation Departments, for the Compensation Commissions, and especially for the Departments of Lands and Agriculture in both colonies—the appropriations made annually on its account by the Inter-Colonial Council would have been materially reduced. Had such deductions been made, the expenditure upon the Constabulary would have been seen

to be moderate ; whilst its efficiency and utility were never seriously called in question. The semi-military organisation of the Constabulary was maintained until 1906, when, in view of the approach of Responsible Government, it was reorganised, upon the lines recommended by the South African Constabulary Committee of that year, as an ordinary police force, and its numbers were further reduced to a total of 3,700 for the two colonies.

In this final form the Constabulary were no longer even nominally an expensive body. The estimates for 1906-7 provided a sum of £774,000 for the maintenance of the force, exclusive of native and extraordinary expenditure. In other words the whole of the two colonies, with the exception of Johannesburg and Pretoria, were policed for a sum which allowed an average of £208 for the annual cost of each European employed, including headquarters expenses and officers' pay. Having regard to the higher cost of living in the inland colonies, this rate of expenditure was lower than that incurred by the Cape and Natal Governments for the maintenance of their respective police forces ; while under the Republican Government of the Transvaal each constable had received £250 per annum and his equipment, and the pay of each officer was correspondingly higher. In point of efficiency, as well as of cost per man, the South African Constabulary were shown by the evidence taken by the Committee of 1906 to be able to satisfy fully any test of comparison with the police forces of the neighbouring self-governing colonies.

The South African Constabulary were in a special sense Lord Milner's creation. They formed a ready and efficient instrument for the maintenance of that unbroken peace which was the primary condition of material development and administrative reconstruction. They were placed under his immediate control subject only to advice given by the Inter-Colonial Council ; they stood sentry at the gates of his modest official residence, and the home of their Inspector-General was only a few hundred yards away ; they were the Praetorian guard of the High Commissioner—a physical and industrial *corps d'élite*, the value of whose collective services to the new colonies can hardly be over-estimated.

Mr Brand's sketch<sup>1</sup> of the *personnel* and duties of this force, as it was when it was handed over to the Responsible Governments of the two colonies, will form a fitting conclusion to this account.

“ There are now (1906) 381 police posts in the Transvaal and Orange River Colony. Every farm is visited by a patrol once in every month, if the other duties of a South African Constabulary post in the neighbourhood permit, and manifold services are rendered to the farmers in this way. They police all the towns in the two colonies, except Johannesburg and Pretoria. They are also largely employed in freeing the country districts of vermin (*e.g.* in three months of 1905 they killed over 1,500 wild dogs) and in stamping out stock disease, fighting the locust swarms, etc. In addition to their ordinary patrol work the non-commissioned officers and men at all the posts have a large amount of their time taken up assisting at the collection of native taxes and checking native passes, supervising pegging of claims, compiling juror's lists, serving summons, distributing poor relief, finding and returning strayed cattle, escorting specie and sick natives, acting as interpreters and Customs officers, taking census of children at school, collecting statistics for all Government departments, and generally in distributing information of every kind, such as notices of agricultural shows, etc., etc. Many of the officers are Public Prosecutors, Resident Justices of the Peace, and a great part of their time is taken up in these duties, and in registering births and deaths, holding inquests, etc. Finally, the force is the chief means of notifying and explaining to the population the voluminous legislation which has been passed during the last few years. It is estimated that the South African Constabulary are saving the various departments of the Governments of the Transvaal and Orange River Colony a sum of about £55,000 during the present year by carrying out for them non-police duties which they would otherwise have to employ an additional staff to perform. The country population is continually requesting that the number of the South African Constabulary in their various districts may be increased, and it is certain that they have the highest appreciation of the value to them of having a highly organised body like the South African Constabulary distributed throughout the country.”

<sup>1</sup> The Hon. R. H. Brand, Secretary to the Inter-Colonial Council. In Cd. 3528.

F.—*Native Affairs*

On more than one occasion, and in respect of more than one aspect of the life of the new colonies, attention has been drawn to the great numerical superiority of the native population of the Transvaal, as compared with the Europeans. In the South African census of 1904 the number of the "aboriginal natives" of the Transvaal was returned as 945,498, as against 299,327 Europeans, and 23,891 "coloured" people of other races; while in the Orange River Colony the numbers of the native and European populations were respectively 241,626 and 143,419. The condition of the Transvaal natives was, roughly speaking, one which was intermediate between that of the natives in the Cape Colony and that of the natives in Natal. On the one hand they were far from being so advanced as the natives of the Cape Colony, on a considerable proportion of whom the franchise had been bestowed; on the other, although the tribal organisation and native customary law were retained and utilised as an integral part of the system of native administration adopted by the new Government, native institutions did not, as was the case in Natal, provide both the framework and the actual substance of this system. In the Orange River Colony, again, where the numerical superiority of the native population over the Europeans was much less formidable than in the Transvaal, the natives were economically, though not politically, in a condition approaching more nearly to that attained by the natives in the Cape Colony.

We start, then, with the facts that in the Transvaal the native population was more than three times as numerous as the European; that this population was administered by a special authority, the Native Affairs Department; and that it was subject to laws and regulations from which the Europeans, and a handful of educated natives, were exempt. About one-fifth of this population lived in native villages or "kraals" on lands which were the property of the tribe, and were subject to the authority of the chiefs; and here native law, purged of features repugnant to the recognised principles of humanity, was maintained. The only ground

upon which the native left the land thus reserved or purchased for himself and his people, and the control of the chief, was to take service under a European employer; and whenever he thus entered into relations with the Europeans, he became subject to the operation of the special enactments by which these relations were regulated. He quitted the control of the chief only to pass into the control of his European employer, and before he could leave his kraal he must first obtain a passport—a document which served also as a record of good or bad conduct and a certificate of identity—from the office of the nearest Native Commissioner. This passport, or “pass” as it was commonly termed, is the basis upon which rests the entire fabric of the legal relations between the native and the European, long built up in South Africa by nearly three centuries of experience. The native must carry it with him, and he must produce it when he is required to do so by a constable, or by an official of the Native Affairs Department, or by his employer. If he fails to do this, and thereby to establish his identity, and with it the fact that he is either in employment, or seeking fresh employment, he is liable to be arrested and put in prison. Having obtained employment his employer’s name is written upon his passport: and the document is itself examined at regular intervals during the continuance of his employment by the proper official of the Native Affairs Department. The control of the employer is now substituted for that of the chief. The native cannot leave the quarters assigned to him for a single night without the written permission of his employer. He must retire to his quarters before sundown every day. To enable him to return to his “kraal,” or to seek fresh employment, he must have a proper discharge from his first employer, which includes a record of his behaviour, good, bad, or indifferent. If he works for a farmer in the country, he and his family—for in this case he is probably married and remains for his whole life in the same employment—have huts and garden ground assigned to them upon the farm. In the towns, unless he is a “house-boy” or domestic servant, he lives in a “location,” or native quarter, under the special native regulations of the town or municipality; and, as he is not allowed to be abroad in the streets

after sundown, he must return to the location every night before this time. On the mines he lives in a "compound," as the quarters for the native labourers are called, and is in all respects subject to the same general regulations and to the control of his employers.

Nearly one half of the domiciled natives of the Transvaal, however, belonged neither to the class of the "red," or tribal, Kafir, nor to that of the Kafir "boy" of the towns and more settled districts. Under the Republican Government vast areas of land had remained generally uncultivated and sparsely inhabited by their European owners, and in these remote and semi-civilised regions the natives had established their huts, by favour of the individual owner, upon the white man's land. Known as "squatters," or labour-tenants, they paid a small sum of money by way of rent; but their main return consisted in a proportion of the produce of their holdings, and in providing whatever labour was required by the owner of the land for the cultivation or development of his farm or property. The native squatter was subject, of course, to the "pass" law; but the administration of this large class of natives, thus loosely associated with the European inhabitants, but definitely emerged from the control of the tribal organisation, constituted in other respects a problem of considerable difficulty, not only in the Transvaal, but in the Orange River Colony, Rhodesia, and the Cape.

The pass system was in operation in the Boer Republics as elsewhere in South Africa; but it is obvious that in the case of such a system everything depends upon the manner in which it is administered. Rightly administered, it is a means of putting into effect an industrial partnership between the white and black races, which is at least as beneficial to the native labourer as it is to the European employer; wrongly administered, it degenerates into a fertile source of petty exactions and an instrument of oppression. In the Free State, Boer native administration, if not very enlightened, was free from grave abuses; but in the Transvaal it was generally ineffective, and, especially in respect of the great mass of imported native labourers employed on the gold mines, it did little to check oppression or inhumanity. While, then, in the new colonies the existing system of



native administration was maintained by the Native Affairs Department, its methods were vastly improved. Abuses were removed and reforms introduced throughout; and where before the control of the Government had been defective, or merely nominal, it now became energetic and complete.

In order to measure the advance achieved by the Crown Colony Administration, it is necessary to refer to the position of native affairs in the two Republics before the war. In the Orange River Colony, while good relations between the natives and the Europeans were maintained on the basis of the pass system without grave abuses, little or no attempt was made by the Government to improve their moral or economic conditions; and no department of native affairs was in existence. In the Transvaal; the native population, owing to its numerical preponderance and its economic importance, had acquired a definite place in the field of the Boer-Hollander Government. But the republican administration of native affairs was limited in its scope and unprogressive in its policy. The respects in which it was most defective are exhibited in the following passage.

“The Native Affairs Department,” wrote Mr Duncan<sup>1</sup> in 1906, “now undertakes the inspection of the conditions under which native labourers are employed throughout the Witwatersrand, with a view to securing for them proper housing and food, and improved sanitary conditions. Practically no attention was given to this by the late Government, and the results of the attention now given are apparent in the rapid decrease of the rate of mortality among these natives, although it is still high.

“There was practically no systematic native administration in the outside districts. The Field Cornets in their wards administered justice in a primitive fashion in the more settled parts of the country. But in the northern and north-eastern parts of the colony there were great tracts of territory in which the native tribes had never owned allegiance to the State, and the relations of the Government to them consisted of a series of petty wars continued almost up to the date of the outbreak of war with His Majesty’s Government.

“At the present time, throughout the whole area of

<sup>1</sup> Then Colonial Secretary and Acting Lieutenant-Governor of the Transvaal. Cd. 3528.

the colony, the laws are enforced, justice is administered, and taxes collected by officials residing among these natives, and regarded by them as the representatives of their acknowledged Government."

When these sentences were written the Native Affairs Department of the Transvaal had been established effectively for little more than three years; for although Sir Godfrey Lagden,<sup>1</sup> the Commissioner for Native Affairs appointed by Lord Milner, reached the Transvaal in August 1901, the disturbances caused by the war prevented the administrative machinery of the department from being brought into full operation until the early part of 1903. But before we proceed to trace in outline the work accomplished by the Native Affairs Departments of the two new colonies in this short period, it is necessary to supplement Mr Duncan's suggestive comparison in one or two particulars. While in the British colonies the principle of political equality, irrespective of colour, although its operation was restricted even in the Cape Colony by many limitations dictated by practical experience, had been recognised in theory, the constitutions of the Boer Republics had expressly declared that no equality between the white and black races was to be tolerated. Before the war, therefore, the natives of the new colonies were entirely excluded from political, and partially excluded, from civil rights. In the Orange Free State they could neither purchase nor lease land, but in the Transvaal this disability had been modified by the Pretoria Convention (1881), which provided in section 13 that

"Natives should be allowed to acquire land, but the grant or transfer of such land should in every case be made to, and registered in the name of, the Native Location Commission [thereinafter mentioned] in trust for such natives."

Had the Crown Colony Administration desired to remove or modify the political disqualification of the natives, they would have been unable to do so; since the Imperial Government had undertaken in the Surrender Agreement that no

<sup>1</sup> Resident Commissioner in Basutoland, 1893-1901. From 1878 (when Secretary to Sir Owen Lanyon) onwards, Sir Godfrey had been engaged mainly in the business of native administration in South Africa.

measure for the enfranchisement of the native population should be enacted by the legislature of either colony prior to the establishment of self-government. Nor is it likely that any measure of the kind would have met with the smallest degree of public approval. For, as we have noticed in an earlier chapter, even the proposal to confer the municipal franchise upon the "coloured" rate-payer had to be withdrawn, in view of its general condemnation by Dutch and British alike. Neither was any change made in respect of the main civil disability of the native: his total incapacity in the Orange River Colony, and his modified incapacity in the Transvaal, to purchase or lease land. On the contrary, in the Transvaal in cases where land had been illegally registered in the names of missionaries or private persons in trust for natives, the New Government refused to recognise the transaction, and required that such land should be retransferred in trust to the Commissioner of Native Affairs, who in this respect was the legal successor of the "Superintendent of Natives" under the late Government. In this matter of the acquisition of land, public opinion in the Transvaal and throughout South Africa pointed in the direction of restricting, rather than enlarging, the opportunities already possessed by the natives. The general feeling on the question is accurately reflected in the finding of the Inter-Colonial Native Affairs Commission.

"Certain restrictions upon the purchase of land by natives are necessary, and (the Commission) recommends:

- "(1) That purchase by natives should in future be limited to certain areas to be defined by legislative enactment.
- "(2) That purchase of land which may lead to tribal, communal, or collective possession or occupation by natives should not be permitted."<sup>1</sup>

In estimating the propriety of this judgment two circumstances must be taken into account. Large areas of land in the Transvaal, as in the other colonies of South Africa, have been reserved for the natives, and

<sup>1</sup> Cd. 2399. Section 193 of the report.

the Europeans are prohibited by law from acquiring land in such "reserves" or "locations." Further, the necessity for the segregation of the natives in urban areas is universally recognised; and alike in town and country districts inhabited by Europeans the intrusion of native owners of land as residents is resented, on social and hygienic grounds, where such intrusion brings the native into the near neighbourhood of the European residents.

The policy here recommended by the Inter-Colonial Commission, which may be taken as the policy of the Native Affairs Departments of the new colonies in respect of this question, would, broadly speaking, have led to this position. In one portion of the area of the State the natives would have been debarred absolutely from acquiring land; from another portion the Europeans were already excluded; but in the remaining intermediate portion an opportunity was to be afforded to the educated and civilised native to acquire land and live on equal terms with the European inhabitants.

At first sight such a result might seem likely to check unduly the association of the natives with the Europeans, and thereby to hinder the operation of one of the most efficient of the processes calculated to raise the native African races in the scale of civilisation. This conclusion, however, would overlook the existence of the "squatter" or "labour tenant" system, and its prevalence in both the Transvaal and the Orange River Colony. The latter term is used by the Native Commissioners of any adult male native "who is *bonâ fide* required, but not continuously employed," by a European landowner "for the due working of his property on or about the farming operations, trade, business, or handicraft by him carried on upon such property." The common form of squatting was that in which a group of native families lived upon a farm in huts, cultivating a certain amount of garden land, pasturing a few cattle, and giving their labour and a part of their produce to the farmer in return for the use of the land assigned to them. Generally these native squatter tenants, in addition to their payments in labour

and kind, paid a small sum also in money. As we have noticed before, very nearly one-half of the domiciled native population of the Transvaal were to be found at this time (*i.e.* in 1904) thus living on land owned by Europeans, whether the State, or public bodies, or private proprietors. Under the Squatters Law (No. 21, 1895) of the late Government the number of native families allowed to live on any one farm was restricted to five; but this provision, which was intended to maintain and distribute the supply of native labour available for agriculture and other industries, had become practically inoperative before the war. As the result of the scarcity of native labour experienced by all industries in the first two years of peace, the Boer farmers were more than ever desirous that the new Government should enforce this law. But to the representations made on this subject by the Boer Congress of May 1904, Sir Arthur Lawley replied that any abrupt action of the kind suggested would diminish instead of increasing the number of natives available for agriculture. Apart from the disorders which might, and probably would, arise out of the eviction of so large a number of surplus squatters, there was a strong probability that many of the evicted natives, instead of going to work on new farms, would leave the colony altogether. And in justification of the refusal of the Native Affairs Department to take action in the matter, Sir Arthur quoted the statement which General Piet Cronje, the Superintendent of Natives under the late Government, had addressed to the Volksraad, when he had been ordered by this body to enforce the Squatters Law.

“The various Native Commissioners,” wrote the Boer General, “have unanimously given me to understand that, in districts where there are many natives on Government lands, it is impossible to comply with the instructions [of the Volksraad], for the following reasons:—In those districts where there are many natives the locations are too small, and then many natives reside on Government lands. Now if these natives were removed from government lands, they could not trek to locations because they are too small, neither will they go to work for the Boers [farmers]

because they do not wish to live on barren fields. The consequence of this is that they fly across the borders, and in that way many natives are lost. The removal of natives from Government lands has thus the opposite result to my intention, namely, to supply the burghers with natives."

The Inter-Colonial Native Affairs Commission was strongly in favour of the restriction of squatting by natives; since the practice tended to the degradation of a large proportion of the native community, and was injurious to the economic interests of South Africa. The Commissioners, therefore, resolved (*inter alia*),

"That no Native other than *bonâ fide* servants of the owner or occupier, with their families, should be permitted to live on private lands, except under Government sanction and control, and, further, that such sanction should only be given on proof that it is necessary or desirable, and, save in the case of labour tenants, should be subject to an adequate annual licence to be paid by the owner or occupier of the land. The word 'families' does not include adult sons unless they themselves are *bonâ fide* servants."

And they added that the same restrictions should be applied equally in the case of Crown land, or land held by a municipality or any other public body. Among private owners of land the worst offenders were the land companies; and the widest and most injurious development of native squatting was directly to be attributed to the purchase of Government lands in the time of the late Republic for purposes of land speculation. Of this evil the Commissioners wrote:—

"No doubt it has been found profitable by land speculators to purchase Crown or other land and let it to native tenants at high rates. Such occupation is pernicious to both races, encouraging the far-reaching evil of absentee-landlordism on the one side and on the other barring the progress of the native by insecurity of tenure. Other objections are that the system restricts the supply of labour; that it fills up with natives much land which would otherwise be better utilised and developed, and that it leads to the absence of due control over them."

But while there was no question as to the necessity for restricting native squatting, there was a very grave difficulty, as we have seen, in putting any such measures into effect. Only a long process of gradual restriction, aided by other agencies, could remedy an evil so deeply rooted without causing disturbances, political and economic, more injurious to the community than the original evil itself. The recommendation of the Commission—which was, in fact, the conclusion at which the Administration of the new colonies had arrived—was, therefore, that before the removal of the squatters could be commenced, the necessary provision must be made for enabling the natives, when disturbed, to find work and places of habitation elsewhere. And such provision could be made, in the opinion of the Commissioners, by the establishment of a properly regulated system of “private locations” on the lines indicated in the foregoing resolution.

Returning to the Native Affairs Departments, the reforms in native administration introduced into the new colonies may be summarised under the following heads:—

- (i) The extension and completion in the Transvaal, and the creation in the Orange River Colony, of a systematic administration of native affairs.
- (ii) The examination of the existing legal and constitutional disabilities of the native population, and the improvement of the laws and regulations governing the relations between the natives and the Europeans.
- (iii) The direct initiation and encouragement of measures calculated generally to improve the social and industrial conditions of the native population, and in particular to increase the economic value of this population as the main source of unskilled labour in South Africa.

Although, as we have noticed before, the administrative machinery of the departments could not be set in full operation until a year or more after peace had been restored, the preparation of the measures necessary for the removal

of the grosser defects in the Republican system was begun some months before the Surrender of Vereeniging. In the Transvaal, where the need for reform was most urgent, the old laws and regulations were examined and revised, and in particular the legislation affecting the African labour supply of the Rand was remodelled upon principles which promised to benefit equally the native labourers and the mining and other industries in which they were to be employed. Thus, through the efforts of Sir Godfrey Lagden and his colleagues in the Transvaal Administration, proclamations dealing with the general Pass Law, regulations for labour districts, regulations to govern the recruiting and management of native labour, Liquor Law Amendment, and the exemption of natives from the operation of the special native laws, were issued before the end of 1901.

Of the reforms thus introduced by proclamation, perhaps the most important was the abolition of the evil system of recruiting natives for the mines by labour "touts," and the initiation of a better and more efficient system to fill its place. Under the old system, writes Sir Godfrey Lagden in his report for 1902,<sup>1</sup>

"each mine or group of mines or employers was accustomed to engage its own white man to traverse South Africa to recruit native labour. . . . [The natives] were recruited under agreement for one employer; but, if on arrival a better price was to be got, they were sold to another employer, and, having been sold, they were induced to desert and go through the same agent to another employer, for whom they would be paid again. In this way desertion, though a criminal offence under the law, was inspired and made easy. It was, in my opinion, an obnoxious system, and I am thankful to say it has been broken down. There are those who affirm that much more labour could have been accumulated since hostilities ended, if the old system of touting had been allowed. Whether that be the case or not, I have the firmest conviction that the Government was right to put an end to it. But, of course, an alternative was necessary. The alternative chosen was the recognition by Government of a regulated labour organisation, which took shape under the name of the Witwatersrand Native Labour Association, whose articles

<sup>1</sup> Cd. 1551.



of Association were submitted and approved. Our relation to it is of a watchful rather than a controlling nature. No monopoly was conferred upon it, and it was, and is, open to any employer or association of employers to recruit independently through licensed agents. This Association had for its first object the recruitment of natives from Portuguese territory, from which source before the war about 70 per cent. were drawn. Beyond that, its sphere of recruiting extended throughout the greater part of British South Africa, excepting Rhodesia, with which territory there was a special agreement."

Closely allied with this reform was the improvement of the conditions under which the natives worked at the great mining centres. We have noticed before<sup>1</sup> how strenuously Lord Milner insisted upon this humane enterprise, and how greatly the death rate among native labourers was reduced before he left the new colonies. Of the work of the department in this direction Sir Godfrey Lagden writes in the same report:—

"During the short space of time at our disposal since the declaration of peace much has been done to improve those conditions, and much remains to be done. One of our first works was to appoint a body of competent Inspectors, whose duties were to be in continual touch with mine natives, to guard their interests, and promote their betterment. Reforms in the matter of accommodation, diet, and sanitation have been adopted. I must pay a tribute to the Executive of the Transvaal Chamber of Mines, and to all those concerned with mine management, for the discerning and ready manner in which they have responded to the suggestions we have made, and to the orders we have felt it necessary to give, and for the facilities they have afforded Inspectors in discharging their duties. . . . At the present moment [*i.e.* early in 1903] a committee of all the mine doctors is now sitting, at my instigation, to consider the question of health and dietary with a view to general uniformity of treatment. My hope is that before another year is ended there will be no occasion to object to any mine because of its conditions."

As evidence of the comprehensive character of the

<sup>1</sup> Vol. i. pp. 294 *et seq.*

arrangements introduced for the benefit of the imported African labourers by the department, the following extract is instructive. Under the direction of the Controller of Passports, says the same report,

“six months ago we opened a Deposit and Remittance Agency for the purpose of enabling natives to deposit their earnings for safe custody and forward remittances to their relatives all over British South Africa . . . this agency . . . is administered with the co-operation of the Governments of other colonies. So soon as the natives have confidence in it, they may be expected to use it largely. Transactions in small items already amount to £8,000.”

A marked improvement in the moral and economic condition of the native labourers on the Rand was brought about by the Liquor Law Amendment Ordinance. As the result of this measure the Chief Inspector of the department was able to report in February 1903 that “the illicit liquor traffic with natives which existed prior to hostilities was no longer possible under the present law.” What this meant will be understood from the fact that before the war from 20 to 30 per cent. of the labourers were under the influence of drink, and therefore incapable of work, from Saturday to Monday, and a lesser percentage were in the same condition during the rest of the week. On the other hand, arrangements were made subsequently for enabling the natives to obtain under proper restrictions a supply of native beer, a beverage which, though possessing slight alcoholic properties, was as little injurious as the barley water of English harvest fields. A similar instance of the legitimate relaxation of the law is to be found in the extension of the period for which an employer could give a native leave of absence for the purpose of visiting any friends or relatives who were living in the same (native) district. Under the old pass law three days was the maximum time allowed; the period was now extended to ten days.

As the result of this early revision of the Republican laws and other useful work accomplished while the war was still in progress, the operations of the Transvaal Department of Native Affairs, although they included the hazardous measure

of general disarmament, proceeded without interruption from the moment that the South African Constabulary had placed the Civil Government in effective control of the colony. For the purposes of the department Sir Godfrey Lagden had divided the whole area of the Transvaal into five Native Affairs Districts, over each of which a Native Commissioner was placed; and these districts were again divided into sub-districts, similarly entrusted to sub-commissioners. On 18th June 1902, only three weeks after the Vereeniging Agreement had been signed, the five Native Commissioners met at Johannesburg to confer with their chief before proceeding to their respective districts. At this meeting Sir Godfrey laid before them the main difficulties in the general situation, and the methods by which they could be met and overcome. In addition to the administrative questions arising out of the complexity and inconsistency of the Republican laws and regulations, as yet only in part simplified and amended by the recent legislation, and the uncertain titles under which much of the land, the whole of which had belonged originally to the natives in tribal ownership, had passed into the possession of the European proprietors, there were special difficulties created by the war. Among these latter were:—

- (1) The ill-feeling existing between the natives and the Boers, due to the fact that the former had generally sympathised with the British, and had therefore come to be regarded as enemies and traitors by their former masters. As the result of this preference for the British cause a large number of natives, who had been living as labour tenants, or servants, on private lands before the war, had been displaced; and much stock had been indiscriminately seized by the Boers from the natives, and by the natives from the Boers.
- (2) The compensation of the natives for war losses.
- (3) The general demoralisation of the natives caused by the familiarity with which they had been treated by the British soldiery, and the abnormally high rate of wages at which they had been paid by the

military authorities. And to this must be added the belief, largely entertained by these children of nature, that the British, having conquered the Transvaal, would possess themselves of the land and property of their late enemies, the Boers. These spoils of war the natives expected to share, and some time elapsed before their minds were altogether disabused of the idea.

In dealing with these difficulties it was obviously necessary that the Native Commissioners should pursue a common policy; and Sir Godfrey Lagden accordingly sketched such a policy in outline. They were directed:—

- (1) To “study the existing laws and procedure”; to “get acquainted with the history, geographical position, numbers, and condition of all natives” in their respective districts, and to send reports with maps embodying the information thus obtained to the department.
- (2) To interfere as little as possible with native habits and customs; and, while they were to deal promptly with tribal questions requiring immediate attention, changes of succession, which had occurred during the period of the war, were not to be sanctioned without reference to the department.
- (3) To “soothe the strained feelings between the Boers and the natives generally, and to let it be understood that the former had become His Majesty’s subjects”; to promote the return of the natives to the farms on which they had lived before the war, and to endeavour to re-establish good relations between them and their former masters.

The wisdom of this cautious policy of *solvitur ambulando*, and the skill and tact with which it was put into effect by the Native Commissioners and their subordinates, bore fruit in the peaceful disarmament of the entire native population of the colony. Such an event would at any time have merited recognition in South Africa; but in the present instance the

value of the achievement was enhanced by the notorious fact that the Transvaal natives had been left by the war in a disturbed and excited condition. When in August 1902 the question of the disarmament of the natives was brought up for discussion, Sir Godfrey Lagden informed the Legislative Council that "it ought to be done and that it might be done peacefully, provided he was allowed to do it through the permanent officers of his department without any intervention by the military or police." The necessary legislation (Ordinance 13, of 1902) was therefore passed, and this delicate operation which began in September was completed without the aid of a single white policeman by the following January. In the course of it 50,488 guns, with 11,000 rounds of ammunition, were handed in, and the sum of £60,990, at which they were valued, was paid to the owners.

The next matter to be taken in hand was the question of taxation. Under the Republic natives were liable to pay 10s. Hut Tax, £2 Poll Tax, 2s. 6d. Road Tax, and 10s. Dog Tax, making a total of £3, 2s. 6d., apart from special taxes and other exactions legal or illegal. Of the sums thus legally paid in taxation a considerable proportion never reached the Government at all, since it was retained by the collectors in the form of commissions. In the place of these various taxes a single consolidated tax of £2 was imposed upon every adult male native domiciled in the Transvaal, with a further tax of £2 for each additional wife, in cases where, by native custom, a man had more than one wife. This Ordinance (the Native Tax Ordinance, 1902) was, however, subsequently amended in two respects. The tax was partially remitted in the case of *bonâ fide* farm labourers who had worked continuously for a certain period—a class of native labourers who received small monetary wages—and in that of native labourers residing by permission within municipal areas and paying municipal taxes. The cumulative tax of £2 upon each wife additional to the first wife was altogether removed; since it was found to press unfairly upon individuals, while its effect as a check upon polygamy was negligible.<sup>1</sup> In the

<sup>1</sup> On the other hand, the oppressive fee of £3 imposed by the Republic upon a native if he were married by Christian rites, was reduced to 5s. The unfairness of the cumulative tax lay in the circumstance that natives who had married two or

Witwatersrand area, the great labour centre of the colony, the fee of 2s., due upon the compulsory examination of the native's "pass" by an officer of the department once every month, was made payable by the employer, instead of being paid as formerly by the native labourer himself. The object of this tax was to provide for the expenses of a branch of the department—that of the Controller of Native Passes—which, by exercising a constant supervision over all native labourers in this area, directly benefited both the European employer and the native labourers. Under ordinary economic conditions this tax, although it was paid by the employer; would have fallen ultimately upon the native labourer, as was the case before the war; but the abnormal demand for native labour caused it to fall upon the former during the years immediately following the peace. To this extent, therefore, the native population enjoyed a further relief from taxation under the new Government. It should also be mentioned that the first annual collection of the new £2 tax was postponed until April 1903. The Transvaal natives were thus practically relieved of direct taxation during the months that they were returning to their old homes and occupations, or finding new ones, and in other respects recovering from the disturbances caused by the war.

The compensation of the native population for war losses was naturally one of the first questions to claim the attention of the Native Affairs Departments in both the new colonies. Where natives held receipts given by British military officers, they were paid in full, precisely as European claimants, for the cattle or other property which had been requisitioned or destroyed. Payment for these receipts, when duly examined and approved by the Compensation Commissioners, was made through the officers of the Native Affairs Departments; and in the Transvaal alone the amounts thus distributed reached a round total of £100,000. But apart from this military compensation, it was recognised both in England and in South Africa that the natives in the new colonies were at least as much entitled to be compensated for the general

more wives before the date of the Ordinance suddenly found that they had to pay twice or thrice as much to the Government as their fellows, although they had done nothing whatever to bring this punishment upon themselves.

direct losses brought upon them by the war as resident foreigners. Out of the £2,000,000 voted in November 1902 by the House of Commons for the compensation of British subjects and neutral foreigners, a sum of £300,000 was therefore set apart for the compensation of natives resident in the two new colonies, in Swaziland, and in the districts formerly belonging to the Transvaal which had been ceded to Natal upon the establishment of peace. All claims upon this fund put forward by natives were received, and dealt with, by the Native Commissioners in the various districts; and although the task of recording, examining, and assessing these claims was laborious and lengthy, and had to be accomplished, moreover, by men who were otherwise sufficiently occupied with their ordinary official duties, the bulk of the claims were settled and paid off by the end of June 1905, and the remainder, with few exceptions, in the course of the following year. The funds available did not, of course, cover more than a small part of the total sum at which the losses were assessed;<sup>1</sup> but substantial relief was given, and the natives were made to understand that in this matter of compensation they had received precisely the same treatment as the European British subjects, or the foreigners whose claims were supported by the diplomacy of a great European power.

The good results produced by the wise policy adopted by the Native Affairs Department and the skill and tact of the Native Commissioners and their subordinates, were further advanced by a visit which Sir Godfrey Lagden paid to the chief centres of native population.

“In the year 1903,” he wrote, “when most of the natives had returned to their homes and settled down, I went on a tour through all those parts of the country where they are mostly congregated and personally met them in large numbers at various centres, hearing their complaints and representations and informing them of the position of affairs and the policy of the Government towards them. At these meetings they were acquainted that they, in common with all people, would receive justice at the hands of Government

<sup>1</sup> In the Transvaal alone the claims were assessed at £700,000 in round figures, and a dividend of 3s. 5d. in the £ was paid on this amount. There were, however, two claims from native chiefs which were paid in full.

officers ; that their reasonable interests would be considered by Government, and that so long as they were loyal and orderly all would be well with them.”<sup>1</sup>

In all but one respect the conditions of the natives in the Transvaal had become practically normal by the end of 1903. This one exception was the reluctance which the young men still showed to leave the kraals and seek employment as labourers in the mining and other industries of the colony. The subject as a whole has been discussed fully in the earlier chapters in which the general shortage of African labour, experienced immediately after the war, has been treated as a cardinal fact in the history of the reconstruction of the new colonies. But it is interesting to notice what Sir Godfrey Lagden, with his unrivalled experience of native administration in South Africa, had to say of the processes of the native mind in this connection. When the war ended, he wrote,<sup>2</sup>

“the natives found themselves in the position of being besought by European labour agents who implored them to come out and work. They became, therefore, not unnaturally impressed with the idea that they were a power in the land as labourers, and thought if their services were in so great request they might adopt an attitude of indifference. I marked this change in them, and exhorted them in their own interests to conduct themselves fittingly. It was patent to all my officers in the districts that the feelings between the white and black races were strained, and these officers carried out my policy of endeavouring by all possible means to re-establish good and useful relations.”<sup>3</sup>

In the Orange River Colony the administration of native affairs, though no less economically important, was a smaller and less difficult task than in the Transvaal. In the first place the numerical superiority of the natives as against the European population was much less marked. While in the Transvaal there were, roughly speaking, three natives to one European, in the Orange River Colony the ratio was only as (nearly) two to one. But apart from the difference in point

<sup>1</sup> Report to 30th June 1906. Cd. 3528.

<sup>2</sup> *Ibid.*

<sup>3</sup> The reader will remember that after the Chinese had begun to arrive the African natives came to the mines in much greater numbers. See vol. i. p. 366.



of numbers, relative and absolute, there were no agglomerations of natives, still living in a state of tribal organisation, in the Orange River Colony comparable in any way to those of the Transvaal. With the exception of the two reserves of Witzies Hoek and Thaba 'Nchu, with a united population of only 17,000, the whole of the natives of this colony were normally to be found engaged in some form of regular and civilised employment. A small proportion cultivated farms of their own,<sup>1</sup> or had become squatters, or labour tenants, on the land of the Boer or British farmers. The great majority were engaged regularly in the service of the Europeans, as domestic or farm servants, as labourers in the diamond or coal mines or on the railways; or living in locations in the towns they provided the unskilled labour required by these communities for their various pursuits and industries.

In this colony, owing mainly to the circumstance that under the republic the native population lived thus more or less directly within the control of individual Europeans, a separate department for native affairs was a new institution. It was one, moreover, which was at first chiefly concerned with operations of a temporary character directly occasioned by the effects of the war. While hostilities were in progress the natives, with the exception of those who were living within the "protected area," of which Bloemfontein was the centre, or in one or other of the few towns, mainly on the railways, permanently occupied by the British troops, had fled from their homes and gathered for protection in the locations and refugee camps provided for them by the military authorities. When peace came it was necessary not merely to re-establish as many of these native fugitives as possible in their old homes, and in their former employments, but to find new places of residence, and new employments, for the large proportion of them whom the war had cast adrift. The difficulties of the situation were increased by the fact that here, as in the Transvaal, owing to the ill-feeling between the Boers and the natives, many of the latter refused to go back to their former masters. The influence of the

<sup>1</sup> In the Thaba 'Nchu and Witzies Hoek reserves, where the land was held in tribal ownership.

department was used energetically to smooth down this hostility, and eventually the greater part of the natives who had worked for the Boer farmers before the war were re-settled, with their families, upon the farms. Moreover, there were now demands for native labour which had not existed before the war. The new Government, in addition to its exceptional requirements for the repatriation and for the construction of new railways and other public works, employed more labour in its regular establishments. The European town population had been reinforced by an influx of British people, and the Bloemfontein municipality and the local authorities of the smaller towns had begun to make improvements. The garrisons of the regular army in the colony required, and secured, the services of considerable numbers of natives. And finally commerce and industry were developing under the new Government, and these interests, in their turn, absorbed an increasing amount of native labour.

To the original duty of re-settling the homeless and evicted native population the department added, therefore, the task of redistributing what was in effect the resident unskilled labour supply of the colony in the manner best calculated to satisfy these new industrial requirements. But when, with the completion of the first two years of the reconstruction, the bulk of this special and temporary work had been successfully accomplished, there still remained enough of permanent and necessary business, directly arising out of the administration of the natives and the supervision of their relations with the Europeans, to justify the maintenance of the department as a separate branch of the Administration of the colony. The staff, however, was reduced in proportion to the lessening of the duties to be performed; and when the Crown Colony Administration came to a close, the Native Affairs Department of the Orange River Colony had a very modest establishment. In this, its final form, it consisted of the Adviser for Native Affairs, who was the head of the department; two inspectors and a location ranger; and a chief clerk with the necessary assistants.

The reports of this department, furnished from time to

time to the Lieutenant-Governor for transmission to Lord Milner, indicate the utility of its contribution to the economic progress of the colony. The part which it played in conjunction with the Repatriation Department in the relief and re-settlement of the fugitive native population has been mentioned. On this head it is sufficient to add that we have here another instance of the scrupulous care with which, under Lord Milner's administration, the material interests of the repatriated Boers were safe-guarded by the Governments of the two new colonies. Many incidents in the two and a half years of war had given the natives only too good a reason for dreading the Boers. It was by no means an easy task, therefore, to overcome their reluctance to go back to the service of their former masters in remote country districts where the isolated European population was wholly Dutch. But the Native Commissioners were directed to use their utmost efforts in both colonies to bring this about; and in both colonies they were ultimately successful. In the Orange River Colony the shortage of native labour, thus added to the drought, animal diseases, and insect plagues which beset the farmers in the first two seasons after the war, was more acutely felt than in the Transvaal. In these circumstances it is hardly too much to say that the assistance rendered by the Native Affairs Department saved the situation. In the official year 30th June 1903 to 30th June 1904, some 1,400 families of natives, representing a total of over 7,000 persons, were removed from the locations at Thaba 'Nchu, Bloemfontein, and Kroonstad, in which they had sought protection during the war, and distributed to farmers in different parts of the colony. By the middle of 1904, the department was able to report that there was a

“growing disposition on the part of the natives to return to farm work, due in a great measure to the good treatment they, as a general rule, receive from the farmers.” And that “many natives whose masters could assist them to return did so without requiring any help from us.”

Having once got the natives back to the farms, the Native Commissioners made it their business to promote

and maintain good relations between them and their employers.

“In the many small disputes the natives have asked the Commissioners to enquire into,” the report continues, “the farmer has in every instance been found willing to consider the questions when put before him on behalf of the native, and by this means it has been possible to settle many disputes to the satisfaction of both the parties.”<sup>1</sup>

The success ultimately achieved by the department in this very important task of securing native labour for the Boers may be measured by the fact, that in 1906 it was able to report that the number of natives (including “coloured” people) living on farms was estimated to be 180,000. Assuming that one in every four of these persons would be of some service to the farmer, the number of the working natives employed on farms was 45,000—an average of four labourers of varying age and capacity for each of the 11,722 farms in the colony. This was by no means an adequate supply; but it showed that the department, in spite of the competition of the towns and the mines, had succeeded in getting back two-thirds of the entire resident native population of the colony for agriculture. And agriculture, it must be remembered, in the Orange River Colony was not only the most important industry, but the industry upon which the Boers depended, almost exclusively, for their material prosperity.

The normal operations of the department fell under one or other of the two heads:—

- (1) The protection and advancement of the special interests of the native and coloured population by administrative action, and, where necessary, by the promotion of new legislation.
- (2) The development of the industrial utility and economic value of native labour.

A few examples taken from the annual reports will serve to illustrate the action of the department in

<sup>1</sup> Cd. 2104 and Cd. 2482.

these directions during the period of Crown Colony Administration.

First, as in the Transvaal, so in this colony the Native Affairs Department acted as the medium through which the funds available for the compensation of natives for war losses were allocated and distributed. Second, the Pass Law was amended and improved; and an ordinance regulating labour recruiting was passed. Before this latter came into operation there were twenty labour agents carrying on business in the colony without Government supervision or control. For these men, most of whom left the colony, four approved agents, placed under proper supervision and control, were substituted under the ordinance. In certain cases where natives employed in railway construction had been defrauded of their wages by dishonest contractors, the department intervened; and, with a view of preventing a repetition of the evil, endeavoured to secure the insertion of a Workmen's Protection Clause by employers of native labour in all contracts. Third, the native reserves and farms were placed under inspection, and advice and assistance was given to the native cultivators, with the result that their methods of agriculture and the equipment of their holdings were improved. And, fourth, in addition to such direct action, it was the business of the department to offer advice and information in all cases in which measures affecting the moral or material interests of the native population were brought forward by the Government, or by local authorities, or by religious and philanthropic agencies. As instances in which the special knowledge of the department was thus utilised, we have the suppression of the illicit liquor traffic in the reserves and on the Basutoland border by the South African Constabulary, the drafting of the special municipal regulations applicable to the natives in the towns, and the organisation and development of the schools and other institutions in which the education and industrial training of the natives were carried on.

Lastly, the reports show that under Lord Milner's administration everything possible was done in the Orange River Colony, no less than in the Transvaal, to improve

the general conditions of the native and coloured labourers. All native labour whether local or imported, was regularly and efficiently supervised by the inspectors of the department. This supervision embraced the farms, the towns, the diamond mines, and the railways—in short all forms of domestic and industrial employment throughout the colony. As the result of this systematic supervision, a gradual improvement in the accommodation and management of the native labourers and servants was brought about; grievances were removed, disputes settled, and, in general, good relations between the white employer and the coloured worker were established and maintained to the mutual advantage of both parties, and the economic advancement of the community as a whole.

Before this account is brought to a close, some reference must be made to those crucial problems of native policy—education, the acquisition of land, and admission to political rights, in the solution of which South Africa as a whole was as much concerned as the new colonies. In respect of these matters, therefore, we have to consider not merely in what respects the position of the natives in the new colonies was modified by the change of government, but also to what extent, if any, these modifications and the general treatment of the questions at issue by the Administration of which Lord Milner was the head, may be said to have contributed to the permanent solution of the problems themselves.

In furnishing a reply to these two questions, we are met at the outset by the fact that in the report of the Inter-Colonial Commission on Native Affairs we have one of the characteristic achievements of Lord Milner's High Commissionership, as distinct from the work accomplished by him in his capacity of Governor of the two new colonies. The constitution of this commission was approved by resolution of the Inter-Colonial Conference at Bloemfontein in March 1903, "in view of the coming federation of South African colonies." Lord Milner took an active personal interest in its proceedings, and spared no pains to make sure that the men who served upon it should be competent and impartial. Its members

were appointed by the High Commissioner, on the nomination of the Governments of the five British colonies and Basutoland,<sup>1</sup> on 22nd September 1903; and they reported on 30th January 1905. Sir Godfrey Lagden was appointed Chairman of the Commission by Lord Milner, and thus a large part of the time and energy of the head of the Transvaal Department of Native Affairs was devoted to the lengthy and laborious task of taking evidence from representative persons throughout the length and breadth of South Africa, co-ordinating and discussing this evidence, and finally formulating the conclusions which, in the opinion of the Commissioners, were to be based upon the information thus obtained. The value of these conclusions is the measure of the contribution made by Lord Milner's administration to the permanent solution of the native question in South Africa.

In approaching the subject of Native Education, it will be convenient, in view of the close connection between the findings of the Commission and the policy of the Crown Colony Administration, to glance at the position in the new colonies. In the Transvaal such means of educating the natives as existed prior to the war were provided almost exclusively by the missions of the Berlin and Swiss societies, and the efforts of these bodies received but slight encouragement from the Republican Government. In the Orange Free State also the education of the natives was left to the agency of religious bodies, but here, in proportion to the relatively higher standard of civilisation attained alike by the native and European communities, the mission schools were more numerous and flourishing. In neither colony did the new Administration undertake directly the education of native children, but in both the voluntary agencies existing for the purpose were encouraged, and out of their efforts there was gradually evolved by the Education Departments a regular system of State-aided mission schools. In the Transvaal, where the need for improvement was the greater, in 1903 there were 7 "aided" and 157 "unaided" schools for natives,

<sup>1</sup> The Cape, Natal, the Transvaal, and the Orange River Colony each sent two, and Basutoland and Rhodesia one each. To the ten members thus contributed there was added the Chairman, who was appointed by the High Commissioner.

having a total enrolment of 10,640 scholars. In 1906 the number of "aided" schools—*i.e.* of schools which had been able to reach the moderate standard of efficiency required by the Education Department—had risen to 197, and the "unaided" schools to 177; and the two classes of schools had an actual average attendance of 17,078 scholars. In the Orange River Colony the number of native children in attendance at the mission schools was estimated to be 13,000. And in both colonies industrial schools for boys and girls, and training colleges for native teachers had been, or were being, established; and these latter institutions, on account of their greater practical utility, received a more ample measure of State-aid than the ordinary mission schools. The grants to religious bodies were made for the avowed purpose of assisting them in improving the secular part of the instruction given in the mission schools. The Administration, moreover, looked forward to the time when it would be possible for all the South African colonies to take concerted action in the matter of educating the natives. But it recognised that before this could happen, the European communities must agree as to the main lines upon which such education must proceed, and the limits to which it could be extended. In the meantime it hesitated to embark upon premature efforts which might hinder the new colonies from reaping the full advantages, financial and otherwise, to be expected from their future participation in a system of native education common to all South Africa.

Within the limits prescribed by this policy, the action of the Administration was, none the less, effective. In the Transvaal, where for the reasons already indicated, progress was most to be desired, the financial year 1905-6 found the Government spending a sum of £6,592, 13s. upon the upkeep of 197 State-aided mission schools. These schools had an average attendance of 8,586 pupils, and they fulfilled the requirements of the Education Department in point of equipment and in the number and capacity of the teachers—310 in all, or one teacher for every 27 pupils. In other words, at an annual cost of 15s. 4d. per scholar, the nucleus of an efficient system of native elementary education had been



created. And the estimates for the following year (1906-7)—the last year of the Crown Colony Administration—showed that the Government was prepared to support this system in obtaining its most vital need—a supply of competent native teachers. In this year, out of a total expenditure of £10,000 upon native education, £1,550 was allocated to an institution for the training of native teachers, and £750 to the provision of courses of instruction for such persons. In the Orange River Colony, where the religious bodies were in this respect more active than in the Transvaal, the immediate object which the Native Affairs Department, in conjunction with the Education Department, set itself to obtain was the better organisation of the efforts put forth by such bodies for the instruction of natives. If competition gave place to co-operation, if the different denominations would combine to maintain one flourishing school or institution, where now they maintained two or three rival and weakly ones, the Government believed that out of the existing voluntary agencies there might be developed, at moderate cost to the State, a largely improved and fairly complete system of native education.

In considering the question of education the Native Affairs Commission was confronted by two conflicting views, each of which was supported by competent authorities who could appeal to facts universally recognised in support of their conclusions. Education in the narrow sense was a detriment, and not an advantage, to the native and to the European employer; since the half-knowledge gained at the mission school served only to unfit him for the humble industrial duties which he was fitted by nature to perform. Education in the vital sense he received on the farm, in the workshop, in the mines, and in the house—wherever, in short, he laboured under the supervision of a European employer, and was thus brought into mental and physical association with the members of a race superior in all respects to his own. This was one view. In direct opposition to this it was held by others that intellectual training, and especially religious teaching, in youth was necessary to enable the native to enter into a partnership in industry with the European. Without such training he assimilated the vices, and not the virtues, of

the white men with whom he associated. And, moreover, the natives

“did not live by bread alone. . . . Before the advent of European civilisation, the struggle for existence, the chase, war, tribal politics, all furnished a field for the exercise of faculties which new conditions had condemned to inactivity. No policy could be complete or sound which was limited to political or economical considerations only, and which took no account of . . . mental impulses and aspirations which demanded satisfaction.”<sup>1</sup>

In their own interests, therefore, the Europeans were bound to provide the means by which the natives could satisfy these aspirations legitimately; and the first step was to educate them, since until this had been done, neither social nor political privileges could be safely conceded.

The conclusions at which the Commissioners arrived are to some extent a compromise between these two views. By emphasising the need of combining a training in handicraft and hygiene with the customary teaching of the mission schools, due recognition is paid to the large element of truth which the first view contains; but at the same time the general validity of the second view is maintained, and in particular the value of religious teaching is affirmed. In these and other respects the finding of the Commissioners formulates the policy of the Administration of the new colonies on this question.

“What is particularly needed,” the Commissioners write, “is to aid and direct, and to promote efficiency in, all existing educational agencies. The practical possibilities at present appear to be embodied in the following resolutions:—

“The Commission is of opinion that education has been beneficial to the natives of South Africa and that its effect upon them has been to increase their capacity for usefulness and their earning power, and therefore recommends:—

- “(a) The continuance of Government grants in aid of native elementary education.
- “(b) That special encouragement and support by way of grants in aid be given to such schools and institutions as give efficient industrial training.

<sup>1</sup> Cd. 2399, p. 49.

- “(c) That a central native college or similar institution be established, and aided by the various states, for training native teachers, and in order to afford opportunities for higher education to native students.

“The Commission further recommends that it should be recognised as a principle that natives receiving educational advantages for themselves or their children should contribute towards the cost:—in the matter of elementary education and industrial training by payment of school fees or a local rate, and as to higher education by payment of adequate students’ fees.

“The Commission is of opinion that, where possible, in schools for natives there should be instruction in the elementary rules of hygiene.

“The Commission is of opinion that regular moral and religious instruction should be given in all native schools.”<sup>1</sup>

The attitude of the Administration on the question of the acquisition and tenure of land by natives, together with the recommendations of the Native Affairs Commission on this head, has been already stated.<sup>2</sup> It remains to add, however, that in deciding to maintain what was understood to be the legal position, and what certainly was the practice, of the Republican Government in this respect, the Transvaal Native Affairs Department and the new Government as a whole had formed a misconception of the actual state of the law. They had required, as we have seen, that all transfers of land acquired by natives should be passed in trust to the head of the Native Affairs Department. But in 1905 a judgment of the Supreme Court, given in an application *ex parte* Tseroa, declared that under the then existing laws of the colony any native could hold title to land in his own name. As this decision not only subverted the policy of the Administration, but brought confusion into the administrative action of the Native Affairs Department, and into municipal regulations and commercial transactions all alike based upon this action, an ordinance was at once passed by the Legislative Council in the session of that year (1905), which

<sup>1</sup> Cd. 2399.  
At p. 179.

would have re-established the validity of the Government's position by providing that no immovable property in the colony acquired by a native should be registered in the Deeds or other Registration Office except in the name of the Commissioner for Native Affairs. In response, however, to a protest directed to the Colonial Office by a small and scarcely representative committee of educated natives, the ordinance was disallowed by the Crown, on the advice of Sir Henry Campbell-Bannerman's administration, early in the following year (1906). Further progress in the matter, thus complicated by the action of the Home Government, was, therefore postponed until the establishment of Responsible Government; and, in the absence of further legislation, the legal position remains at the time of writing (1912) as it was left by the judgment of the Supreme Court.

In respect of the last of these questions, the admission of the natives to political rights, the action of the Crown Administration was limited, as we have seen, by the undertaking, given by the Imperial Government in the Surrender Agreement, that no measure for conferring the franchise upon natives should be passed in either of the new colonies prior to the grant of self-government. But the question was constantly in the public mind, and it was one upon which Lord Milner, and those who were associated with him in the work of administrative reconstruction, were compelled to formulate a policy; since, without some definite conception of the degree in which the native was to be regarded as a person ultimately capable of being endowed with the full rights of citizenship, no logical or coherent treatment of the lesser problems of native affairs would have been possible.

Lord Milner's opinion on this question was in principle identical with that of Rhodes; that is to say, he believed that civilisation and not "colour" should be the test of a man's capacity for citizen rights in South Africa. But he did not under-estimate the greatness of the interval which separated — and must continue to separate for generations, perhaps centuries — the average native from the average European; and he saw that the point to which South African statesmanship must direct itself

was to find a method by which political representation could be given to the native under the conditions then (and now) existing. Such a method must be one that would recognise both facts—the inferiority of the mass of natives, no less than the equality of the few.

In a private letter, written on 7th September 1904, to a correspondent in South Africa, he gives a full and definite account of the conclusions at which he had arrived. The best solution, he says, would be to create a separate system of representation for the mass of natives, but to allow the civilised native to vote with the European electors.

Thus there should be constituted in each colony a separate Native Council, composed of natives elected by natives, which possibly might have

“a limited legislative power . . . This is for the Native in his Native state. . . For the civilised Native, *a coloured man*, living among civilised men in a civilised way—not as a labourer, but in some higher condition of life, at the least as an independent trader, or as a teacher or professional man—all colour disabilities, political or other, should be cancelled. Property and a high education test would be essential conditions. I never can see why the property and education tests need be identical for black and white. I should deliberately and quite frankly make them *higher* for the black, and I am prepared to justify this. But whatever the standard proposed, let there be some standard, the attainment of which will relieve the coloured man, of whatever race, from all *legal* disadvantages, as compared with the white. . . . The bulk of the natives, electing representatives of their own, the pick of the Natives (and coloured people) . . . voting like us—that seems to me the double principle on which the problem should be tackled.”

The Native Affairs Commission, on the other hand, came to the conclusion that the complete separation of the native from the European electors was necessary; and its resolutions are framed in accordance with this decision. They read:—

“That in the interests of both races, for the contentment of the native population and better consideration of their

interests, it is desirable to allow them some measure of representation in the Legislatures of the country; that such representation should be granted on the following lines and recognise the following main principles:—

- “(a) That no native shall vote in the election of any member or candidate for whom a European has the right to vote.
- “(b) That the extent of such representation, that is, the number of members to be granted to native constituencies, shall be settled by each Legislature, and that at least one such seat should be created in each of the self-governing colonies in South Africa now, and in each colony or possession as it becomes self-governing.
- “(c) That in each colony now self-governing, or when it becomes self-governing, there should be created an electoral district or districts in which native electors only shall vote for the election of a member or members to represent them in the Legislature, and that there should be separate voters’ lists and separate candidates for natives only, but that this should in no way affect the franchise, the voters’ lists, or the representation of the European community within such districts.
- “(d) That the qualification for the native voter be the same as for the European.

“That the qualification of the member or members to represent the natives should be determined by each Legislature.”<sup>1</sup>

It remains to add that in framing the Union Constitution in 1909, the Convention found it impossible to arrive at any permanent solution of the problem of the native franchise. In these circumstances it was decided to maintain in each colony the (then) existing electoral status of the natives, with the one exception that persons not of European descent were to be declared to be disqualified in any case for election to the Union Parliament. As the result of this compromise, the natives in the Cape Colony who had been admitted to the franchise—an appreciable

<sup>1</sup> Cd. 2399.

proportion of the total native population of the colony—became qualified to vote for the election of members of the Union House of Assembly; but the natives in the remaining three colonies (with the few exceptions permitted by the electoral laws of Natal) remained as heretofore excluded from the franchise alike in respect of the Union and the Provincial legislatures. In one respect an advance was made in the direction of providing some representation of the native population of South Africa as a whole. Of the eight nominated members of the Senate, who together with thirty-two elected members constituted the Union Second Chamber of forty members, one half were to be

“selected on the ground mainly of their thorough acquaintance, by reason of their official experience or otherwise, with the reasonable wants and wishes of the coloured races in South Africa.”<sup>1</sup>

Although the virtual refusal of the Convention to attempt to deal with the question of the native franchise may seem at first sight disappointing, further reflection will show that there is no reason to suppose that merely on this account South African statesmanship will fail to find a solution for the problem. On the contrary, the mere establishment of the Union Government is, in native affairs, an advance of the highest importance; since in this department of South African administration the attainment of a common system by the various colonies has long been recognised as the first and essential condition of success. Nor is there any other department of the State in which success or failure will affect more profoundly the future destinies of South Africa.

#### G.—*The Personnel of the Administration*

As a sequel to this general review of the work of the departments, it will be convenient to lay before the reader a few general observations upon the character of the men whom Lord Milner had thus associated with himself in the reconstruction of the new colonies. To-day, with the fruit

<sup>1</sup> South Africa Act, 1909.

of their efforts, individual and collective, before us, it is difficult to understand how any competent observer could avoid the conclusion that, having regard to the circumstances of the time and place, Lord Milner had succeeded in a marvellous degree in securing the services of the best and most suitable men that the Empire could provide. None the less the fact remains that at the time no aspect of his administrative action was more jealously criticised by his friends, or more confidently condemned by his political opponents, than his selection of the Crown Colony officials. In indicating the actual facts as to the composition of the Civil Service established in the new colonies, it will not be out of place, therefore, to notice these contemporary charges—charges which, frivolous as they appear now, were yet made in all seriousness at the time, and that by responsible persons both in England and in South Africa.

The majority of the men whom Lord Milner enlisted fall under one of two classes. They were either men of proved capacity and long experience in South African affairs—and this applies especially to the heads of departments—or they were young men of ability entirely dissociated from South African parties or interests, but possessed of the special knowledge, and other qualifications, necessary for the successful performance of the duties with which they were to be entrusted. To the former class belong the two Lieutenant-Governors; for Sir Arthur Lawley had been Administrator of Matabeleland prior to his appointment as Governor of Western Australia, while Sir Hamilton Goold-Adams had served the Crown both in a military and civil capacity for many years in Bechuanaland: the Chief Justice, Sir James Rose Innes; the Attorney-General of the Transvaal, Sir Richard Solomon; the Commissioner for Native Affairs in the Transvaal, Sir Godfrey Lagden; the General Manager of the Central South African Railways, Mr (now Sir Thomas) Price; and the Director of Education of the Orange River Colony, Mr Hugh Gunn. By enlisting these and other such men, Lord Milner secured the “pick” of the public servants of British South Africa. In the latter class we have Mr (now Sir) H. F. Wilson, Colonial Secretary, and more than once acting Lieutenant-Governor, of the



Orange River Colony; Mr Patrick Duncan, Colonial Secretary, and acting Lieutenant-Governor, of the Transvaal; Mr W. L. Hichens, Treasurer of the Transvaal and of the Inter-Colonial Council; Mr Lionel Curtis, Assistant Colonial Secretary for Local Government in the Transvaal; Mr Sargant, Director of Education and organiser of the camp schools; Mr Fabian Ware, Director of Education in the Transvaal; and the Hon. R. H. Brand, Secretary to the Inter-Colonial Council. Although, speaking generally, these men were young for grave administrative responsibilities, they had in most cases special knowledge as well as the promise of marked ability to recommend them, and in all cases they amply justified the confidence reposed in them. Mr Lionel Curtis, for example, as Town Clerk of Johannesburg, gave proof of his capacity before he was entrusted with the organisation of Local Government in the Transvaal, but young as he was, he had brought to the former office a unique experience of the needs and conditions of a town population gained in the East End of London. Mr H. F. Wilson, prior to his appointment as Secretary to the Orange River Colony Administration in 1900, had been successively private secretary to Mr Joseph Chamberlain, Legal Adviser to the Colonial Office, and, from 1900 to 1901, Legal Adviser to Lord Milner in his capacity of High Commissioner for South Africa. Mr Patrick Duncan had been Secretary to Lord Milner, when Chairman of the Board of Inland Revenue. Mr Hichens, again, had graduated in the Financial Adviser's Office in Egypt.

Belonging to neither of these classes, but possessed of special knowledge and experience acquired in analogous positions held in countries other than South Africa, were Colonel Sir Percy Girouard, the Commissioner of Railways; Mr Adam Jameson, the Commissioner of Lands in the Transvaal; and Mr F. B. Smith, the Transvaal Director of Agriculture. Of these the first was Canadian born, and he relinquished the position of Chairman of the Railway Board in Egypt—a position which he held at the arduous epoch of the reconquest of the Soudan—to become Director of Military Railways in South Africa. The second had been

minister of lands in West Australia, and the third was sent out by the Colonial Office as being an English expert in agriculture. Born and bred on the land, Mr Smith was trained for a land agency; he had studied agriculture at Cambridge (and Cambridge was strong in scientific agriculture), was appointed Lecturer in Rural Economics at the Agricultural College at Wye in 1894, and had become Professor of Agriculture and Vice-Principal of the same institution in the following year. Moreover in 1900 he had made extensive journeys in the United States and Canada, in the course of which he had made himself acquainted with the systems of agricultural administration and education established in these countries.

It is obvious that within the scope of this work no attempt can be made to deal adequately with the merits of the various members of the Crown Colony Administration, still less to do justice to the services of the rank and file of the Civil Service in the two colonies. One circumstance, however, may be noticed. The Government of the Orange River Colony, which was naturally somewhat less directly under the supervision of Lord Milner, was called upon to exercise a wider freedom of initiative than that of the Transvaal. The active part taken personally by Sir H. Goold-Adams in promoting the development of agriculture in this colony has been mentioned; but to this must be added a recognition of the unstinted effort which he devoted to Repatriation, Land Settlement, and Relief Works in the first year of Peace—an effort which was the immediate cause of his first breakdown. To Sir Harry Wilson, again, who administered this colony for considerable periods in the absence of Sir H. Goold-Adams, belongs the credit of initiating, with Lord Milner's approval, two measures directly calculated to stimulate its industrial development. The first of these was the appointment, in 1904, of a Commission to enquire into the possibility of establishing industries other than agriculture, and the second the introduction of a system of technical instruction in handicrafts. Evidence of the general efficiency of Sir H. Goold-Adams' administration is afforded by the fact that, although both before and after the Union the Orange River Colony was

the centre of extreme Dutch sentiment, the ex-burgher population as a whole in this colony were singularly prosperous and contented during the period of Crown government.

Two complaints were made against Lord Milner and the heads of departments in the Crown Colony Administration in respect of the Civil Service of the two colonies. The first was that officials were imported from oversea unnecessarily and to the neglect of men of South African origin; and the second, that these imported officials were over-paid, and, by reason of their deficiency of local knowledge, inefficient.

As regards the first of these charges, it must be remembered that in all British oversea communities, and in a lesser degree in the United States, the supply of men who, while possessed of the intellectual and moral qualifications necessary for the public service, are yet prepared to be content with the moderate remuneration that the State affords, is very limited. The conditions of the new colonies during, and immediately after, the war were such that this normal difficulty in securing such men was increased tenfold. To supplement the local supply by taking men from England and other parts of the Empire was not a matter of choice but a plain necessity. President Kruger's Government, whose desire to favour its own people in matters of public patronage would scarcely be questioned, had been compelled to do the same thing; and it was notorious that at the outbreak of the war the Civil Service of the South African Republic was largely composed of Hollanders, among whom was, of course, Dr Leyds. As a matter of fact, an appreciable number of the ex-officials of the Republican Government were employed by the Crown Colony authorities in the Transvaal, and a relatively much larger number of ex-officials were embodied in the Civil Service of the Orange River Colony. The explanation of the comparative paucity of ex-officials in the Transvaal Civil Service is to be found in the circumstance that after the annexation the Hollander officials of the late Government either returned to their own country voluntarily, or were displaced by the British

authorities on the ground of their notorious hostility to the new *régime*.

With this observation the following remarks contained in Lord Selbourne's despatch of 5th November 1906, may be quoted, as providing a sufficient refutation of the first of these two complaints.

"I have noticed," he wrote, "that the officials of the Transvaal and Orange River Colony have been criticised in some quarters on the sole ground that many of them have been imported from oversea and are not men of South African experience. In my opinion there has been in this criticism a great amount of unjustifiable exaggeration. It is true that, when the work of reconstruction was first begun, during the course of the war, a considerable number of officials had to be imported to take part in that work. This course was rendered necessary partly by the fact that the majority of the local residents, of whose services the Governments might have availed themselves, were fighting in the field on one side or the other, and partly by the fact that in the special work of starting new Administrations, a certain number of officers were required with special qualifications who were not at the moment to be found locally. But to accuse these Administrations of a deliberate policy of importing officials to the exclusion of local candidates is to make a statement without foundation. The policy of the Administration has been the reverse. Whenever possible, vacancies in the Civil Service have been filled by local candidates, and one proof of this fact is to be found in the large number of the officials of the late Republics who are employed in the Civil Services of the Transvaal and Orange River Colony to-day.

"The instance of the Orange River Colony presents a striking illustration of the truth of this statement. In this colony, of the principal officials such as heads of departments and magistrates, who together number 43, 26 were born in South Africa or had long resided there prior to the late war. Of those filling subordinate posts, 300 were born in South Africa and the majority of them in the Orange River Colony. Ninety-two officials of the present Government were officials of the Government of the Orange Free State, and very many of those not actually born in South Africa had a wide South African experience before the war."

Lord Selborne then adds a statement which is invested with special significance by the circumstance that his relations with the Boers, during his governorship of the new colonies, were eminently friendly.

“I have only to add, from personal observation, that in the course of my visits during the past 18 months to many districts of the Transvaal and Orange River Colony, I have been very agreeably impressed by the cordial relations which exist between the various officials whom I have met in those districts and the population of those districts, whether residing on farms or in the towns. These cordial relations have shown me more clearly than anything else could that the views of the efficiency and utility of the Civil Services of the two colonies, held by some people in England, are not shared by the bulk of the population of the Transvaal and Orange River Colony.”

Turning to the second complaint, the above paragraphs dispose of the allegation that the Civil Service established by Lord Milner in the new colonies contained so large a portion of imported men as to impair its efficiency by reason of a general want of local knowledge and experience. The further allegation that these officials, whether imported or not, were over-paid, has been shown to be unfounded when it came under discussion as a part of the wider question of the relative cost of Administration as between the former Republics and the Crown Colony Governments.<sup>1</sup> Some specific comparisons of Government and municipal salaries cited in Mr Patrick Duncan's memorandum on this subject (which was enclosed in Lord Selborne's despatch) may, however, be quoted with advantage.

“If it is alleged that official salaries under this [Transvaal] Government are too high,” he wrote, “the test which must be applied is not whether such salaries are in excess of the figures appearing in the estimates of the late Government, but whether they are high as compared with the income which a capable man is offered in this country outside the Service. The Town Council of Johannesburg, which is solely and directly responsible to the rate-payers, pays a salary of £2,500 to its Town Treasurer, or £500

<sup>1</sup> Pages 73-78, *supra*.

more than is paid to the Treasurer of the Colony, and £2,000 to its Medical Officer of Health, which, again, is £500 more than is paid to the Medical Officer of Health for the colony. The salary of the Town Clerk has recently been increased to £1,500. These are only three instances, but they are given because they afford the closest analogy available of the market value of the sort of services which are required by the Government."

In point of fact the salaries paid to the principal officials under the Crown Colony Administration were barely sufficient to enable Lord Milner to retain their services. Married men, whose social standing made it necessary for them to maintain establishments of some dignity, found that with the low purchasing power of the sovereign in the Transvaal their nominally large salaries were barely adequate to meet even necessary expenses. This was the case especially in the three years 1901-3; and in January 1902, we find Lord Milner writing, that "all his good men were being tempted elsewhere by higher salaries."

In this connection it must be remembered that the incomes earned by the more successful of the professional men in private practice on the Rand, and those attached to the more responsible positions offered to professional men by the mine owners, ranged from £3,000 to £10,000 per annum. The earnings of Mr James Weston Leonard, the most successful practitioner at the Transvaal Bar, for example, probably exceeded the latter figure; and it was understood that the mining expert employed by Messrs Eckstein received a salary of £10,000. The earnings of such men were, therefore, three times as great as the salaries of the heads of departments in the two Governments (£4,000 to £2,000), and not inferior to the nominal salary of the Governor and High Commissioner himself (£10,000.) It is necessary to qualify this latter by the word "nominal," because the position of a colonial governor, like that of an English bishop, carried with it so large a liability for expenditure upon entertaining and contributions to public objects that the proportion of the official salary which could rank as "payment for services rendered" was very small. Indeed, in Lord Milner's case, there was no remuneration

at all, but an actual diminution of private resources. It is a significant fact that whereas Lord Roberts and Lord Kitchener both received grants from Parliament—grants which in each case were fully deserved—Lord Milner received none. Had he remained long enough in the Civil Service, he would have received a pension as a matter of course. As it was, in retiring at the age of 51, he advanced no claim for exceptional treatment; although, in view of the magnitude of his services in South Africa, the propriety of such a claim would have been readily admitted by the Government. That a servant of the State should support for eight years a burden of labour and responsibility unparalleled in the annals of our country, should save South Africa for the Empire, and thereby possibly the Empire itself from dissolution, and yet, so far from receiving any remuneration for his services, should find at the end of this period that he has been compelled to trench upon his own private resources to eke out his official income, is a circumstance that is hardly creditable to the British nation.

The weighty paragraph, addressed by Lord Selborne to Lord Elgin<sup>1</sup> on the subject of the relative cost of the Republican and Crown Colony *régimes*, may be taken as the final word on the question of the alleged extravagance of the Crown Administration.

“I do not overlook the difficulties . . . involved in any attempt to institute such a comparison [*i.e.* between the Republican and Crown Colony officials] with mathematical accuracy, but I think your Lordship will agree with me that the statements [of Mr Duncan, Mr Wilson, and Mr Brand], as they stand, prove conclusively that, having regard to the greatly extended sphere of Governmental work since the war, the existing administrations compare favourably with their predecessors in the matter of economy, that the evolution of South Africa has made it necessary to extend the sphere of Governmental activity to the degree to which it has been extended, and that, if the Governments of the late Republics had remained in existence and had attempted anything like the amount of work which has necessarily had to be undertaken by their successors, they could not have hoped to carry it out without

<sup>1</sup> In the same despatch of 5th November 1906.

imposing an intolerable burden on the people, unless they had rigorously reformed their financial methods and so altered them that they would have approximated to the methods which have been adopted by their successors, and unless, at the same time, the evolution of their Civil Services had kept pace with that of the Civil Services of Cape Colony and Natal."

The question whether the Crown Colony officials were or were not efficient, is one which might be left with safety to the judgment of the reader. But apart from the record embodied in the foregoing pages, and the testimony presented by the results of their efforts as seen to-day—*si monumentum quaeris, circumspice* upon the new South Africa—one fact stands out, which is in itself sufficient to give the lie to the charge of incapacity. After Lord Milner had resigned his offices no disposition was shown by the people of the new colonies to displace even the young officials against whom, under the contemptuous designation of the "Kindergarten," so much bitter criticism had been directed; still less to invalidate the general fabric of the Civil Service which he had built up. And when, two years later, the grant of self-government placed the complete control of the Civil Service in each colony in the hands of ministers responsible directly to the elected representatives of the people, Boer and British, these same Civil servants were, with few exceptions, maintained in their offices. In both colonies, as we have had occasion to notice, an abnormal number of Civil servants were employed originally to meet the earliest and most exceptional strain of the reconstruction. A subsequent reduction was, therefore, inevitable; and it was carried on actively under the Crown Colony Administration. In the case of the Transvaal, however, the process had not been completed when the new constitution came into effect. In 1904 a permanent Civil Service Commission had been appointed to consider (*inter alia*) the question of reductions, and in 1906 a second Commission, with Mr Marris of the Indian Civil Service at its head, had been entrusted with the task of recommending further retrenchments. General Botha's ministry, in continuing the work of reduction, made individual appointments which were in conflict with the



principles laid down by Mr Marris, who thereupon declined to serve any longer on the Commission. On the other hand the retrenchments in general were based upon the recommendations of the Commission, with the result that the Transvaal Civil Service, as a whole, was maintained in unimpaired efficiency.

In the Orange River Colony a more direct vindication of the Civil Service was provided. In 1908 a Commission was appointed by Mr Fischer's ministry to investigate the complaints against Civil servants which had been circulated by the Dutch extremists during the Crown Colony *régime*. The Commissioners, so far from recommending reductions, reported that the charge of over-staffing was unfounded; while at the same time they warmly commended the ability and devotion which the members of the Service brought to the discharge of their duties.

Upon the establishment of Responsible Government the heads of departments, whose functions as members of the Crown Colony Executives were then transferred to ministers of the new Governments, naturally vacated their offices. They were awarded pensions framed on a fairly generous scale and proportionate to their respective periods of service. One or two were satisfied to return to England and enjoy a well-earned leisure; but the majority had no difficulty in obtaining new opportunities for the service of the Empire in public or private life.

Sir Arthur Lawley and Sir H. Goold-Adams were appointed in due course to governorships, the former becoming Governor of the Madras Presidency, and the latter of Cyprus. Sir Harry Wilson and Sir Godfrey Lagden returned to England and comparative leisure. Mr Hichens accepted an important appointment in the service of a great firm of shipbuilders, in which his financial experience was of special value. Mr Lionel Curtis, Mr Duncan, and Mr Feetham (formerly Town Clerk of Johannesburg) were appointed to seats in the Legislative Council under the Elgin Constitution. The former, on his subsequent return to England, engaged in the organisation and working of the system of political clubs, known as the Imperial Union, of which the "Round Table" is the organ;

being also for a time Beit Lecturer on Colonial History in the University of Oxford. The two latter elected to practise at the Transvaal Bar and enter upon political careers in South Africa. Both obtained seats in the House of Assembly of the first Union Parliament; and Mr Duncan was appointed to represent the Transvaal Province in the Financial Relations Commission, constituted under the Act of Union. Sir Percy Girouard has subsequently served the Crown with distinction as Governor of Southern Nigeria and afterwards of the East Africa Protectorate. In both of these colonies his special experience of railway construction was utilised; and upon his return to England he has been appointed a Director of Armstrong, Whitworth—the famous Elswick firm.

But the case of the executive heads of the Crown Colony Governments was exceptional. Where neither personal nor departmental considerations presented any bar to continued service, the merit of Lord Milner's officials was recognised in the fullest and most practical manner. Sir James Rose Innes and his colleagues on the High Court bench of the two colonies were unaffected by the transfer of political control from the Colonial Office to Ministers responsible to the local Parliaments. Sir Richard Solomon, Lord Milner's second-in-command after the two Lieutenant-Governors, became successively Lieutenant-Governor of the Transvaal, Agent-General for the Colony under Responsible Government, and High Commissioner for the Union of South Africa in London. Mr F. B. Smith, Director of Agriculture under Lord Milner, served General Botha in the like capacity first in the Transvaal and then in the Union Department of Agriculture. Sir Thomas Price, whom Lord Milner brought from the Cape to be General Manager of the Central South African Railways, upon the establishment of the Union became one of the Board of three Commissioners appointed to administer the amalgamated railway systems and the harbours and ports. In short, if we except the few cases in which individual Englishmen (mainly from other dominions) were displaced to make room for Dutch Afrikaners, the Crown Colony Civil Service was accepted by Ministers in both colonies as an indispensable piece of

administrative machinery whose efficiency no sane man would have thought of endangering. And when, in 1910, the Cape, Natal, the Transvaal, and the Orange River Colony were united in a single political system, it is not too much to say that it was chiefly to the permanent heads of departments of the new colonies that the Union administration owed its efficiency.<sup>1</sup>

But of all the vindications of Lord Milner's Civil servants the most striking is that which the "Kindergarten" itself provided. Mr Lionel Curtis, the first Town Clerk of Johannesburg and afterwards Assistant Colonial Secretary for Urban Affairs in the Transvaal, may be regarded as the most pronounced example of the young officials of whom Mr Merriman was thinking, when he talked<sup>2</sup> of the High Commissioner "setting up a sort of kindergarten of Balliol young men to govern the country." On Saturday, 27th October 1906—just four years after Mr Merriman's speech—Mr Curtis, upon relinquishing his office after five and a half years' work in the Transvaal, was the subject of a demonstration of affectionate regard that was certainly unique in the annals of South Africa, and for which it would be difficult to find any exact parallel in the records of any British community at home or beyond the seas. The demonstration took the form of a farewell dinner at which the (then) Mayor of Johannesburg, Mr Quinn, a man removed by his political antecedents from any taint of servility, presided. The significance of the occasion is well indicated in the comment of the Johannesburg *Star*.

"Mr Curtis," wrote this journal on the following day, "is an 'imported official,' and has come in for more than his share of abuse on that account. He came to the Transvaal five years ago without any adventitious advantages. The position which he has made for himself in the admiration and affection of his fellow-citizens is due solely and entirely to his own energy, enthusiasm, and brilliant initiative. The only element of good fortune which favoured his work was that circumstances made it possible for him to start from nothing

<sup>1</sup> One of the least comprehensible of the retrenchments was that of Mr W. J. Palmer in 1910. Mr Palmer had done excellent work as Director of Agriculture in the Orange River Colony from 1904 to 1910, and had shown great tact in dealing with the Boer farmers.

<sup>2</sup> In the Cape Parliament in September 1902.

at all, and to see the completion of a structure of local government of which he had himself laid the foundations. In the nature of things few men can have such satisfaction as that. Fewer still have the satisfaction of knowing that the foundations are not only well and truly laid for the future, but that their solidity is recognised already; and the tribute paid to Mr Curtis is as creditable to the quick foresight of this community as it must be cheering to every hard-worked member of the Transvaal Civil Service. Of the company which gathered on Saturday night, it is no exaggeration to say that it represented all that is best in the public life of this place and of many places outside. It included, at his own special request, the High Commissioner for South Africa, who made it clear from the beginning that he was there to do honour as a friend to the real guest of the evening. No one was present except at his own spontaneous desire. It may be doubted whether a similar compliment has ever been paid to any departmental civil servant in any country, not by his official colleagues, but by the public which he has served. If that were all, the incident would have been unique. As it was it furnished the occasion for two speeches which will neither of them be readily forgotten. Mr Quinn's fine tribute to the Civil Service of the colony was a notable expression of that change of public opinion which has taken place towards the permanent officials of the Administration. . . ."

To this comment may be added one or two realistic touches gleaned from the proceedings. Lord Selborne's tribute was this:—

"I can only say in Mr Curtis's presence that the work he has done in the Transvaal will outlive him and all of us, and if your children in the future reckon up the men to whom they are indebted for the foundation of a great people, Mr Curtis's name will be one of those which they will most delight to honour."

Mr Quinn, who, at the conclusion of his speech, presented a "cup" as "a token of their esteem, their admiration, and Mr Curtis would pardon him saying it, of their affection," gave a racy picture of the guest of the evening, which will bear repetition. Among the "imported men" who came at the very beginning of the civil reconstruction, was, he said, Mr Curtis.

"I believe it was," he continued, "with bayonet and bicycle. . . . We in Johannesburg were without, or nearly absolutely without, roads and sanitation; since, as you know, the water was twice the price it is now. There were no thoughts of trams or cheaper light. I can't go over the whole list. Then Mr Curtis came to the town. I would say it with shame, but I was not favourably impressed with him, and with the rudeness for which I am well known, remarked as soon as I saw him, 'Where in the name of all that is good did they find the Town Clerk?' . . . Mr Curtis came to the town and started to work. I had thought I could work before then, but in comparison with him I can inform my hearers that I was a common or garden loafer. Mr Curtis had an energy, enthusiasm, and a devotion to the interests of the Council which made the office boys want to work on Sundays. . . . What was the result of that work? We thought he was a very young man; but I can assure you that Mr Curtis was not as young as he looked. We said: 'He is not one of us; he is an imported official,' or as others described him, 'one of the Kindergarten.' Yet he would work 16 hours a day, when others were doing 8; and he put into his work a good heart and any amount of enthusiasm, and in addition to all that, all his extraordinary natural ability. Now all this was very infectious—I do not mean the ability. . . . He did his work, and made others work as no other man had made them. . . ."

In replying to the toast of his health Mr Curtis put on record his opinion of the Civil Service from which he had just retired.

"I want to say, I believe it is the very best Civil Service you can get in the Transvaal. . . . The conception of public duty which Lord Milner set, I say with confidence, has never been surpassed by any great servant of the Empire; and that is the conception which he sought, and sought with success, to implant in the civil service."<sup>1</sup>

In the person of Mr Curtis, Wisdom was certainly justified of her children. But great as were his individual services to the Transvaal, they were surpassed in magnitude by the services which he and some other members of the

<sup>1</sup> The above quotations are from the Johannesburg *Star*, of 29th October 1906.

"Kindergarten" were destined to render collectively to South Africa as a whole. The nature of these services will be described in the sequel, since they formed an essential factor in the creation of the Union of South Africa. Here, therefore, it will suffice to say that it is doubtful whether the National Convention would ever have met, and still more doubtful whether, having met, it would have reached agreement, except for the persistent and organised efforts of Mr Curtis and his associates to bring the idea of South African unity within the mental grasp of the statesmen and electorates of the several colonies. When we come to add the "Kindergarten's" share in the birth of the Union to the large part played by the permanent Civil Service of the new colonies in the actual work of administrative re-adjustment that followed it, it is difficult not to recall Mr Merriman's mocking phrases. After all the country "had come to be governed by the sort of kindergarten of Balliol young men" set up by Lord Milner; and South Africa had reason to be grateful for the fact.

## CHAPTER XVII

### THE BOERS AND THE NEW GOVERNMENT

IT will be remembered that in the course of the narrative of Mr Chamberlain's visit to the new colonies an account was given of the public action of the Boer Generals during the seven months intervening between the peace and the end of the year 1902. This account,<sup>1</sup> which included the circumstances and results of the recent Boer appeal for funds to the continent of Europe, was introduced at that point as being necessary for the full understanding of the significant scene which took place at the Raadzaal at Pretoria, when on 8th January 1903, Mr Chamberlain received the address of the ex-burgher inhabitants of the Transvaal, and replied to the complaints which it contained. As the result of the mingled firmness and sympathy with which the Secretary of State dealt with the Boer grievances on this occasion—qualities which he displayed again when, a month later, he met the Boers of the Orange River Colony at Bloemfontein—the Boer leaders in both colonies returned for the time being to the friendly attitude towards Lord Milner and the new Government which they had assumed in the weeks immediately following the surrender of the burghers in the field. Indeed, for the moment it seemed as though the evil effect of the indiscreet counsels given to the Generals by their political friends in London had been removed, and as if the cordial relations which, in July of last year, had grown up between the Boer leaders and the civil authorities in the course of the frequent meetings necessitated by the business of the repatriation and the return of the over-sea prisoners, were to be restored.

<sup>1</sup> Chap. viii. pp. 164 *et seq.*

It was in these circumstances that Mr Chamberlain desired that Lord Milner's original intention of offering seats in the Legislative Council of the Transvaal to some among the Boer leaders should be put in effect. Accordingly, when the composition of the enlarged Legislative Council was discussed between the two statesmen at Johannesburg, it was arranged that seats should be offered to Generals Botha, J. C. Smuts, and De la Rey, who, it was hoped, would thus become part of the non-official element of the enlarged Council, which was to meet in session at an early date.<sup>1</sup> The fact that this offer was made and refused has been mentioned as an incident in the development of the administrative machinery of the new colonies, a general account of which was given in an earlier chapter.<sup>2</sup> In the present chapter, however, which has for its purpose to trace the political relations of the Boer leaders with the new Governments from the time of Mr Chamberlain's visit to the departure of Lord Milner, it will be necessary to discuss the incident at greater length; since it marks the adoption of a definite line of policy by these leaders, and as such forms a natural starting-point for our researches on this head.

Mr Chamberlain left Johannesburg on 22nd January 1903, and a few days later Lord Milner personally expressed his desire that Generals Louis Botha, J. C. Smuts, and De la Rey should accept seats upon the Legislative Council. On 4th February Lord Milner arrived at Bloemfontein, where he again joined the Secretary of State who had completed his cross country journey, by way of Mafeking and Kimberley, to the capital of the Orange River Colony. While he and Mr Chamberlain were thus together at Government House, Bloemfontein, the reply of the Generals, in which they discussed the invitation, was received. As the result of further consultation with Mr Chamberlain on the subject, Lord Milner arranged to see the Generals at the High Commissioner's office upon his return to Johannesburg, with a view of endeavouring to remove the difficulties which stood in the way of their joining the Council. At this interview, which took place

<sup>1</sup> It met on 20th May 1903.

<sup>2</sup> Chap. x. pp. 255 *et seq.*



on the morning of 11th February, Sir Arthur Lawley was present. The discussion, which was a long and friendly one, failed, however, to alter the decision of the Generals; and the following correspondence was then published by mutual agreement in the papers.

“PRETORIA,  
“6th February 1903.

*“To His Excellency Lord Milner.*

“Your EXCELLENCY.—While we thank Your Excellency for the honour you have done us, and the confidence you have shown in us, in privately asking us whether we would be willing to serve on the Legislative Council, we deem it our duty to Your Excellency’s Government, to ourselves, and to the people whom we are asked to represent on the Council, to address the following remarks to Your Excellency.

“It is our earnest desire to co-operate with Your Excellency in promoting the welfare of the country and the growth of a good understanding between the various classes of its people. But we assure Your Excellency that we have grave misgivings as to whether this proposed Council will promote that welfare or good understanding.

“We recognise that the time has not yet come for popular representative institutions, and we would be the last persons in the world to unduly press the Government on that matter. But we doubt whether the time has come for even a nominated Legislature.

“A Legislature, even of the nominated type, means public discussion of many of the topics on which public feeling is still in an unhealthy state of irritability. It means the declaration of public men, and, possibly, party leaders, in favour of lines of legislation and administration to which the Government may be averse. It means, therefore, the public excitation and stimulation of all those passions which it is the sincere wish of every true friend of the country to see quietly die out. What the new colonies specially want is a cessation from all political strife, a period of quiet rest and recuperation, from which they may in good time arise with kindlier memories of the past and more hopefulness and faith in the future. It cannot be denied that in the short period which has elapsed since the conclusion of the war, great progress in that direction has already been made.

“But we feel profoundly that all this good work may, nay, almost certainly will, be jeopardised by this Legislative Council, which will throw almost every apple of discord into the arena. If it were possible to constitute a Legislative Council without politics or politicians, this evil might be averted; but that possibility is not worth discussion.

“The existing nominated Councils in this country have not been such a success as to make one hopefully disposed towards the future of this nominated Legislature, which will reproduce on an exaggerated scale the defects of the existing Councils. We fear that this body will create more irritation and grievances than it will remedy, and that its inauguration will soon be followed, among those classes of the community that have clamoured for it, by a dangerous agitation for its abolition, and the substitution for it of representative institutions.

“After all, the true position is quite clear and should be faced frankly by the Government—for the present at any rate. Notwithstanding this Legislature the power and responsibility will rest with the Government, and the Government could very well dispense with it, and acquaint itself in official and unofficial ways with the wishes of the population. Popular opposition in the Council will only accentuate the responsibility of the Government in pressing for unpopular measures, and will in no way lessen it. So long as the Government honestly tries to do its duty it is bound to be supported by the general population, even though it may occasionally make mistakes. That is the position as it exists to-day, and it may very well be continued for some time to come.

“We would therefore suggest to Your Excellency the extreme desirability of postponing for six months or a year longer the calling together of the Legislative Council.

“If, notwithstanding our suggestion, Your Excellency decides that the Legislative Council should be constituted without delay, then we would request Your Excellency kindly to give us the honour of an interview in order to discuss with Your Excellency some of the questions arising out of our invitation to serve on the Council.

“We have the honour to be Your Excellency’s obedient Servants,

“LOUIS BOTHA,

“J. H. DE LA REY,

“J. C. SMUTS.”

“P.S.—If it is convenient for Your Excellency, the

appointment made for General Botha for Tuesday afternoon at 3.30 will suit us all, and we shall come over to Johannesburg for that purpose. J. C. S."

"GOVERNMENT HOUSE, BLOEMFONTEIN,  
"9th February 1903.

"*Messrs Louis Botha, J. H. De la Rey and J. C. Smuts.*

"GENTLEMEN,—I have the honour to acknowledge your letter of 6th February, which has been forwarded to me at the above address, and to thank you for the expression of your desire to co-operate with the Government in promoting the welfare of the country.

"The Government is alive to the considerations which you so forcibly urge, in favour of postponing the enlargement of the Legislative Council. For my part, I share your anxiety to a very great extent.

"But it has appeared to the Government that the counterbalancing advantages of the proposed course greatly outweigh any inconveniences which may arise from it.

"The fact of laws being passed in an open Council, in which will not only representatives of different sections of the community be able to make their opinions felt, but the Government itself will be able to explain its policy, is calculated not only to prevent mistakes, but to remove misconception.

"While quite agreeing with you that what the country wants is a cessation of political strife, I am more hopeful than you appear to be of the effect of bringing leading men of various sections, men with a sense of responsibility, to discuss together matters affecting the general welfare. The questions which must press for attention in the immediate future are not so much political (for I believe, as you say, there is a general willingness to accept for the present the existing form of Government) as social and economic. Co-operation in such matters will I hope lead to mutual respect and better understanding, and will thus tend rather to soften than to exacerbate the political controversies which are doubtless inevitable in the future.

"May I add that my hopes in this respect are greatly strengthened by the tone and spirit of your letter, and by your evident desire to promote the gradual growth of better relations between different sections of the community, so deeply divided from one another by the events of the immediate past. For these reasons I hope that you may be

willing to accept the offer which I made to you on behalf of the Government. In any case I shall be happy to see you, and further, to discuss the matter.

"I fear I cannot be at Johannesburg before late to-morrow evening, but shall have much pleasure in seeing you the following day at 11.30, if that hour is convenient to you.

"I have the honour to be, Gentlemen, yours very faithfully,  
"MILNER."

"JOHANNESBURG,

"11th February 1903.

"*His Excellency Lord Milner, Governor of the Transvaal and His Majesty's High Commissioner for South Africa.*

"YOUR EXCELLENCY,—We regret greatly that we do not feel at liberty to accept the invitations to serve on the Legislative Council which Your Excellency has done us the honour of sending us. We have stated our position and difficulties both in our joint letter of February 6 and in the interview which Your Excellency was good enough to grant us this morning, and we therefore consider it unnecessary to repeat them here. We do not think that we can be of any real service either to the Government or to the country at large by accepting positions on the Legislative Council at present.—We have the honour to be Your Excellency's obedient Servants,

"LOUIS BOTHA,  
"J. H. DE LA REY,  
"J. C. SMUTS."

"HIGH COMMISSIONER'S OFFICE,

"JOHANNESBURG,

"11th February 1903.

"DEAR MR SMUTS,—Many thanks for your letter just received. I regret the decision conveyed in it, but I feel that I could add nothing to the considerations which I have already urged upon you with reference to this matter.

"The fact of the invitation having been given and declined is certain to become public. In that case a wrong interpretation may be put upon what has passed. It seems to me that it would tend to prevent a bad impression being created by the incident if the correspondence could be published—I mean your letter of February 6 and my reply of February 9, also your letter of to-day and this reply.—Believe me, yours very truly,

"MILNER."

These letters will repay careful perusal. They contain a formal statement of the policy subsequently pursued by the official leaders of the Boers in both colonies in their dealings with the Crown Colony Administration. Having once assured themselves by their interviews with Mr Chamberlain that no modification of the Vereeniging Terms of Surrender was to be obtained, they set themselves to secure for their people the full measure of the benefits to which they were entitled under this compact. Beyond this, they resolved to take no part in the administration of either colony. At the same time they did co-operate with the new Government in their own way, and, in a certain limited sense, their action was helpful. General Botha himself, and the other Boer leaders, with one or two exceptions, studiously avoided in their public utterances any expressions which were inconsistent with their allegiance to the British crown, and actively reprobated the use of such expressions by their less discreet followers. On this main question the attitude of the responsible leaders in both colonies was absolutely correct. The only direct interference with the operations of the Administration of an obstructive character, which they promoted, was the establishment of the Christian National Schools. With this exception the records of the departments show that the individual Boers were in general disposed to assist in giving effect to the new administrative machinery; and the personal relations between the country population and the officials resident among them were admittedly very friendly. Moreover the Boer leaders, while as the result of their refusal to accept any official positions in either colony they publicly and energetically criticised the action of the two Governments whenever an occasion presented itself, did not hesitate to meet Lord Milner and other representatives of the Administration in private interviews, at which differences of opinion were discussed without acrimony, and the wants and aspirations of the different sections of the ex-burgher population were frankly made known. In this way they obtained all the advantages of an official connection with the Government without incurring any of the disadvantages which would have

resulted from their accepting any share, however slight, in its responsibilities.

It is reasonable to suppose that this policy was inspired by the acute intellect of General J. C. Smuts, who was the spokesman of the Boer leaders in the Transvaal in all formal interviews with the British authorities, including Mr Chamberlain, and the person by whom their documents and memorials were drafted. In any case it was a very astute one. In the event of the failure of the Administration it left them free to say, "We have had neither part nor lot with you"; in the event of success, they could say with some show of truth, "You have had the benefit of our criticism, and of the full information as to the wants of our people which we have laid before you. It was quite the best thing for us to leave everything else to you—as we have done."

Their justification of this attitude of "heads I win, tails you lose" is to be found in the statement many times repeated, that they believed that the interests of the country would be best served by their leaving the administration entirely in the hands of the Crown Colony Governments. If it were pointed out that thus to refuse all responsibility was unpatriotic and unfair to the two British Governments, they replied: "We can accept no responsibility without having power to control the measures for which we are to be deemed responsible. If you give the new colonies self-government, then we will take that share in the administration to which the numerical predominance of our people entitles us; but until this is granted, we will stand aside."

Of course Lord Milner was not prepared to leave things exactly in this position. Although the Boer leaders refused all appointments under the new Governments, ex-burghers of good standing and capacity were willing, as we have seen, to accept seats in the Legislative Councils; and, wherever it was desirable to have the benefit of local experience, Boers as well as British were associated in an advisory capacity with the officials in the routine work of the departments in both colonies. This was especially the case in the Departments of Agriculture and Lands. The efforts of the Education Departments in this respect were only partially frustrated by the bitter opposition of the Predikants and

other supporters of the Christian National Schools. In one department of the national life the artificial barrier, which the Boer leaders sought to erect between their people and the Administration, was completely broken down. The creation of a system of urban local government in the Transvaal, and the development of municipalities in the few country towns of any appreciable size in the Orange River Colony, found the Boers as ready as the British to take part in the working of this new administrative machinery, and produced a salutary obliteration of distinctions of race and political sentiment in the common efforts made by the inhabitants of each locality to promote their mutual interests.

That the majority of the Boers were very far from regarding Lord Milner himself with any feeling of irreconcilable enmity is shown by a remarkable suggestion, which was made to him by an Afrikaner journalist in the early part of 1903. This suggestion was, put briefly, that Lord Milner should make himself popular with the Boer people, and assume the position of their leader, and the champion of their interests, in the manner in which President Burgers and President Kruger had done.

The incident recalls the famous offer made by Borckenhaagen to Rhodes; but in the present instance there was not, of course, any suggestion that Lord Milner should renounce his allegiance to the British cause, as there was in the case of Rhodes. On the contrary the writer warns him that he will not make "real Britishers" of the Boers, nor destroy all their national aspirations. On the other hand, he "has never been more certain of anything than he is now of Lord Milner's success," within the limits to which a statesman would naturally confine his expectations.

But whatever may be the value of the incident as an indication of the manner in which the Boers felt towards Lord Milner, there can be no question as to the interest and significance of the following account of his own feelings towards the Boers, written in reply to the first letter of the correspondence.

"Many thanks for your letter. I am grateful for your kind expressions, and I am glad you think, which is what I also think, that, if I were to see more of the men, who form

the kernel of the Afrikaner people, in their own natural surroundings, and apart from politics and politicians, we should get on well together.

“Considering the extraordinary disadvantage, under which I have always laboured in approaching them—the natural consequence of circumstances, which have brought me into such sharp collision with the national aspirations of their race—I am under the impression that we have generally got on well together *personally*.

“This could not be the case if I disliked them, as I am supposed to do. I am a poor hand at concealing my feelings. The freedom, if you like the indiscretion, with which, certainly in private conversations, and perhaps publicly, I have often expressed myself as to the methods of certain of my Afrikaner adversaries as *political bargainers* may well have given rise to the belief that I disliked Afrikaners as a race. I do dislike some of their characteristic qualities, as, for the matter of that, I dislike some of the characteristics of my own people, and should dislike some of my own bad sides, if I could see myself properly, which nobody can. The fault, which I have come most in contact with, is the tendency not only to over-reach in a bargain but to assume that the man, with whom you are bargaining, is also trying to over-reach, that it is impossible that he should be straightforward, that he must have something up his sleeve, must be trying to ‘do you down.’ I, a poor diplomatist, but, though I say it myself, a straightforward man, have been often baffled, and perhaps unduly irritated by this. But I am not so unreasonable as to suppose that because this attitude is a common one among Afrikaners, especially of the politician class, it is therefore universal to the race. And even if it is common, I fully agree with you that it is just the class of fault, which education and refinement, and greater experience of the world and of the different types of humanity one may come in contact with, tends to remove.

“And if I am specially annoyed by one very common failing in your countrymen, I am, on the other hand, specially attracted by their most characteristic virtues. Whatever I may have said or felt against them, I never, even in the heat of the struggle, failed to appreciate, and to vindicate, against those on our side who tried to strengthen our case by calumny, their patriotism, their courage, their resourcefulness, their endurance, their dignity and self-restraint in victory, and their stoicism in defeat. And now



that the fight is over, I am deeply impressed by the manly way, in which so many of them, the kernel, as I think, of the race, are facing the future, and *without subservience*, are trying to make the best of the new situation. It cannot be otherwise than my desire (it would be my *pleasure* as well as my *duty*) to do everything man can do, consistently with the maintenance of the new political order, to assist their recovery and their progress, not only in material respects, but in the best sense of that much abused word. There is an immense field for co-operation. I do not expect it to come easily, or all at once. It may be that, as far as I am personally concerned, the occurrences of the past will always be an obstacle, not on *my* side—of that I can assure you—but on *theirs*. That would be very regrettable, but it would be so natural, that I could not, in fairness, condemn them for it. It would not alter my sincere desire to work for their good. Meanwhile, whatever you or others, who are able to take an impartial, and even a kindly, view of me, can do, to remove suspicion and to pave the way to a better understanding, will be a real service, not only to me—that is a minor consideration—but to the country in which we live together.”

While this correspondence was passing the proposed importation of Chinese labour had come before the people of the Transvaal as a measure of immediate concern. At a meeting of Boers held at Heidelberg on 2nd July 1903, and convened by the Boer leaders, a resolution was passed representing,

“that a measure for the introduction of Asiatics into the country, as a labouring population, was one which ought not to be adopted until such time as the white population of the Transvaal should be able to decide thereon under self-governing institutions, especially as conclusive proof had not been given that the labour capacity of South Africa was not sufficient for the demands then existing.”

And a copy of this resolution was forwarded to Mr Chamberlain, as Secretary of State for the colonies. On 10th July the Labour Commission was constituted, and it reported, as we know, on 19th November in the same year that a supplementary supply of unskilled labour was urgently required for the gold mining and other industries

of the colony. The Boer leaders were invited by the Government to sit upon this Commission, but in pursuance of their policy they refused to do so. At the same time some of the most prominent Dutch farmers, including Generals Botha and De la Rey, gave evidence before the Commission, in the course of which they set out the requirements of the agricultural industries in respect of additional labour. During the interval between the appointment of the Labour Commission and the passing of the Labour Importation Ordinance by the Legislative Council (in January 1904), the Boer leaders, and the Boer population generally, maintained an attitude which was practically one of neutrality. On more than one occasion the Boer leaders themselves declared publicly that the question of the necessity of Chinese labour was one upon which they were not competent to give an opinion. And although the meetings of ex-burghers at which the matter was discussed were generally opposed to the proposed importation, at a fair proportion of them resolutions in favour of the measure had been passed. As a matter of fact there was no real feeling among the individual Boers at this time on the subject. If the proposed importation of Chinese labour was brought before a Boer in a manner which associated it with a rise in the price of agricultural produce, he was at once in favour of the measure. If, on the other hand, as generally happened, he was told that the whole character of his beloved land would be changed by the appearance of a horde of Asiatics, he naturally expressed his disapproval of the ordinance which was to bring about so great an iniquity.

When, however, it became known that the Importation Ordinance would meet with an unexpectedly strong opposition in the House of Commons, the Boer leaders suddenly abandoned their neutral or lukewarm attitude, and, acting in concert with their political allies in England, published an official condemnation of the measure in the form of a "protest," cabled, at their desire, by Sir Arthur Lawley to the Secretary of State. The time of this change of attitude is significant of the close connection between the action of the Boer leaders and the proceedings of the chief opponents

of the Ordinance in England. The protest was sent to Sir Arthur Lawley on 10th February 1904. It was cabled at once to Mr Lyttelton, and his reply, communicated through Sir Arthur Lawley, was forwarded to General Botha on the 15th. On the day following, Tuesday, 16th February, Mr Herbert Samuel moved an amendment to the Address in the House of Commons, affirming that it was inexpedient that the King's sanction should be given to the Labour Importation Ordinance. This amendment was defeated on the following Wednesday evening by 281 to 230 votes. In commenting upon the "protest" on the previous Saturday (the 13th), the *Star* remarked that the time chosen for the despatch of the document was even more eloquent of its extreme unreality than the arguments which it contained.

"Why is it," this journal asked, "that the Boer leaders, after maintaining so studiously restrained an attitude for so long a time, have thus suddenly come before the English public with this very definite and resolute condemnation of the proposal to import Chinese labour? . . . The Boer protest was born, not on the veld, but in London. It is intended, not to assist Mr Lyttelton to arrive at a true knowledge of the state of opinion in the Transvaal, but to support the violent, and, as we believe, almost entirely fictitious, agitation of the Aborigines' Protection Society and its Parliamentary Allies."<sup>1</sup>

<sup>1</sup> It must be remembered that one of the chief objections to the Ordinance then taken in England was the belief that the Chinese would displace the native African labourers. The real operative objection to the measure—the equally mistaken belief that the Chinese would displace the British workman—did not come into play until a year later, when the agitation was revived, and, on these lines, contributed very materially to the overthrow of the Unionists in the general election of 1906.

The correspondence was as follows:—

"SIR,—In view of your cabled statement in the House of Commons that it was the desire of the Transvaal people to have Asiatic labour for the mines, we beg to remind you that the question has never been submitted to the approval of the people.

"Speaking in our individual capacities, but yet as very fully acquainted with the sentiments of the Boer population, we assure you that the overwhelming majority of them are unalterably opposed to the introduction of Asiatic labour into the Transvaal, under whatever restrictions.

"The Labour Commission was not an impartial or representative body, nor do we agree with its findings; many signatures to the petition presented to the Legislative Council were improperly obtained; the Legislative Council is, in no sense, representative of the Transvaal people; and it would be a fatal mistake to introduce Asiatic labour without full popular consent. It would prevent this from ever becoming a white man's country, and it would injure the native population

The main argument put forward in the protest—that neither the Legislative Council nor the Labour Commission by excluding them from participation in the industrial development of the country.

“In view of the grave issues involved, we are most anxious that His Majesty’s Ministers, who are directly responsible for the Administration of the Transvaal, shall not remain under the mistaken impression that the Boer population is in favour of a measure which it looks upon as a public calamity of the first magnitude, for which temporary depression forms no excuse.—We have the honour to be, etc.,

“S. W. BURGER,  
 “J. H. DE LA REY,  
 “H. A. ALBERTS,  
 “TOBIAS SMUTS,  
 “P. R. VILJOEN,  
 “C. H. MULLER,  
 “A. D. W. WOLMARANS,  
 “D. J. E. ERASMUS,  
 “HANS GROBLER,  
 “J. C. SMUTS,  
 “C. J. BRITS,  
 “LOUIS BOTHA,  
 “P. J. LIBBENBERG,  
 “EWALD ESSELEN.”

The above was accompanied by the following covering letter :—

“PRETORIA, BOX 1092,  
 “10th February 1904.

“His Excellency Sir Arthur Lawley, Lieutenant-Governor of the Transvaal.

“YOUR EXCELLENCY,—I have the honour to request your Excellency to be so good as to cable over without delay, *in extenso*, the enclosed communication to the Right Honourable the Secretary of State for the Colonies. Your Excellency will notice, from the subject matter of the communication, that it is most urgent, and I shall be pleased if your Excellency will let me know as soon as it has been cabled, as I intend to communicate a copy to the Press.

“The gentlemen who have not signed in person have authorised me to add their names to the cable.

“I need scarcely remind your Excellency that the signatures include the most important representatives of the Boer people.

“I enclose a blank cheque to cover the cost of the cable.—I have, etc.,  
 “LOUIS BOTHA.”

Mr Lyttelton’s reply was this :—

“HIGH COMMISSIONER’S OFFICE,  
 “JOHANNESBURG, 15th February, 1904.

“SIR,—I am directed by His Excellency Sir Arthur Lawley to forward you the enclosed letter in reply to your telegram to the Secretary of State for the Colonies of the 10th inst.

“I am further directed to inform you that it is the intention of the Secretary of State to lay your telegram and his reply thereto with other papers relating to the labour question on the table of the House of Commons this (Monday) afternoon.—I have the honour to be, Sir, your obedient Servant,

“G. GLYN, *Private Secretary*.

“Louis Botha, Esq.,  
 “Pretoria.”

“LIEUTENANT-GOVERNOR’S OFFICE,  
 “PRETORIA, 15th February 1904.

“SIR,—I am directed by the Secretary of State for the Colonies to inform you

could be considered to be representative bodies, because they did not include any of the official Boer leaders among their members—admitted of an effective rejoinder. The Government had invited the Boer leaders to serve both on the Legislative Council and on the Labour Commission.

and the other signatories to your telegram of the 10th February that the same has been received by him.

"I am further desired to state that your telegram is of the same character as that conveyed to his predecessor by a resolution passed at a meeting at Heidelberg on 2nd July last, at which several of those who have signed this telegram were present. The resolution represented that a measure for the introduction of Asiatics into the country as a labouring population was one which ought not to be adopted until such time as the white population of the Transvaal should be able to decide thereon under self-governing institutions especially as no conclusive proof had been given that the labour capacity of South Africa was not sufficient for the demands then existing.

"Since this resolution was forwarded the Labour Commission has reported; and the report and the evidence of Boers, as well as of other witnesses before the Commission, proved incontestably that there is a shortage of labour for the farms as well as for the mining industry in the Transvaal.

"The Secretary of State states that his opinion is fortified by the speeches and votes in the Legislative Council of all the Boer members who were present at the debate and division on the subject.

"The remedies for the shortage of labour recommended by Boer witnesses who appeared before the Commission were the enforcement of the Squatters Law, the breaking up of native reserves and locations with a view to compelling the natives to work on farms, or the adoption of some form of forced labour.

"Having regard to the competition of the mines, the real effectiveness of the first expedient is not assured, and the two latter are obviously impossible.

"In the case of the mining industry, the mainstay of the prosperity of the country, it is abundantly clear that the supply of labour now, and in the near future, cannot be obtained from existing South African sources.

"This being so, the Transvaal Government could not sit still and do nothing till a decision could be taken under self-governing institutions.

"The critical nature of the existing circumstances does not admit of the delay involved in the adoption of this policy, and on the urgency of the situation is based the strong demand for Asiatic labour by the majority of the white population, to whom the Transvaal Government, in fulfilment of the promise of His Majesty's Government that they would be guided in this matter by the opinions of the Transvaal, has given every available opportunity of expressing its views.

"In the absence of stronger evidence than is furnished by this telegram, the Secretary of State cannot admit the claims of its writers to speak on this subject on behalf of the overwhelming majority of the Boer population, and whatever weight might attach to their opinion is greatly reduced by the fact that they have abstained from coming forward until it is no longer possible to subject their views to the test of public discussion. Nor can he recognise as well-founded the grounds on which they base their objections to Asiatic labour. Both in debate and in the evidence before the Commission it has been shown that the effects which you apprehend cannot reasonably be anticipated, and that there is, on the contrary, good reason to hope that the success of this experiment will largely supplement the supply of native labour on the farms, and materially improve the position and prospects of the Boer population.—I have the honour to be, Sir, your obedient Servant,

"A. LAWLEY,  
 ("Lieutenant-Governor)."

"Louis Botha, Esq.,  
 "Pretoria."

If fault there were, it was the men who refused to avail themselves of the Government's offer, and not the Government, that were to be blamed. "The Boers," wrote the *Star*, "first refuse to take any part in the machinery of administration, and then complain that they are not granted the very privileges they refused to accept."

Two months later an important development took place in the policy of the Boer leaders. They determined to hold at Pretoria a congress of delegates representing the entire Dutch population of the Transvaal, and for the purpose of electing these delegates the old Commando organisation was called into life. By this means the business was conducted with the same formalities as an election to the Volksraad. At a meeting convened at Fordsburg on 24th April 1904, to enable the Dutch inhabitants of the Rand to elect representatives, the Chairman, Mr C. H. Muller, justified their action, in the following words:—

"The mining interests are organised, the merchants have organised, and it is now high time for the Boers in Johannesburg to organise. Our friends in the outside districts have their old officers, but we in Johannesburg are as lost sheep without a shepherd."

But the shepherd, in the person of General Louis Botha, had now come to resume his charge over this part of his flock. At the Congress, which was to meet in the following month, he explained, certain matters were to be discussed which he and the other Boer leaders desired to bring to the notice of the Government. They wished to protest against the Diamond and Precious Stones Ordinance of last year, and the draft Gold Ordinance now before the Legislative Council. Both of these "infringed upon the people's rights." They had complaints to make in respect of the system of Public Education. There was also the compensation question, and, in particular, the fact that the men who had served under the Republican Government as police and artillerymen were now unable to obtain employment. After repudiating the suggestion that the Boers had taken any part in the disturbances in the

Lydenburg district,<sup>1</sup> General Botha proceeded to define the official attitude of the ex-burghers on the promised grant of self-government, and to show that their purpose in holding the Congress had no connection with this question.

“Gentlemen, I wish to say this—I have an intimate knowledge of the outside districts, and I say emphatically that there is no intention on the part of a single one of our burghers to cause a revolution, or that we have entertained such an idea. I will say this, further, that at the right time and in the right manner we will make our voices heard. We will assuredly get our vote, but we will not allow our people to be made a plaything of. I have said clearly what I mean. We have heretofore remained quiet and silent, and when we assemble to discuss matters, it is purely and simply with the idea to strengthen the hands of the Government, and help them in the rather unfortunate position they are at present placed in.”

Lord Milner, as on former occasions, accepted these declarations at their face value. When a month later (23rd to 26th May) the Boer Congress met at Pretoria, not only was everything done by the Government to enable it to accomplish its avowed purposes, but the Boer leaders and the delegates were hospitably entertained by the municipal authorities of the capital and received in the friendliest manner by the Lieutenant-Governor. In the meantime a document had found its way into the newspapers, which disclosed a course of action on the part of the Predikants somewhat difficult to reconcile with the spirit of General Botha’s public declarations of the friendly intentions of the Boer leaders towards the Government.

The document in question, entitled “Open Letter to the Councils of the Dutch Reformed Congregations,” and dated Johannesburg, 23rd March 1904, marked the failure of the negotiations which had been proceeding for some weeks previously between Mr Fabian Ware, the Director of Education, and the Christian National Education Committee. The original was, of course, in Dutch, and

<sup>1</sup> For an account of this affair *see* chap. xvi. p. 160.

a copy was forwarded to the congregation of every Dutch Reformed Church throughout the colony while the negotiations were still in progress. Upon the discovery of this fact Mr Fabian Ware naturally decided that any further attempt to arrive at an agreement would be useless, and himself broke off the negotiations. The "Open Letter" commenced with the words "Beloved in the Lord," and the first among the names of the signatories was that of the Rev. H. S. Bosman, the recognised head of the Dutch Reformed Church in the Transvaal.

The comment by which the *Star* accompanied the publication of the translation of this document, as received from its Pretoria correspondent, on 16th May 1904, serves both to record accurately the substance of its contents and to indicate its significance as a demonstration of Boer sentiment in its extreme form. The signatories, wrote the *Star*,

"claim to be influenced by the highest motives of human conduct. Their mission in conjunction with the Christian National Education Committee is to 'keep a vigilant eye on the interests of education and the instruction of the children of their Church.' And one of the methods by which they propose to accomplish this mission is, by means of the 'Open Letter' in question, to communicate a certain decision at which they have arrived to the councils of the Dutch Reformed congregations of the Transvaal. 'The general meeting,' they write, 'after a lengthy discussion, declared that our Church cannot co-operate with the Government in matters of education, unless and until the Government recognise the rights of parents in the appointment of teachers.' In justification of this decision they point out that 'no parent bearing in memory the baptismal obligation and the future of his child dare be content with less. . . . No parent, much less a Christian parent, may entrust the development of his child to an unknown and possibly undesirable tutor.' And they assert that although they 'by no means desire to convey that the Government Schools in every case, or even as a general rule, have such incapable or untrustworthy men and women as teachers,' yet the principle of State nomination, without reference to the judgment and the wishes of the parents, remains 'wrong and highly dangerous.' And with even greater emphasis they add, 'the principle is unhealthy,



dangerous, and in conflict with the sacred duty of the parents, and it must be opposed even to the shedding of blood.' They also express the opinion that, in spite of the assurances of the Government on this head, justice is not done to 'the language of their Church' in the Government schools. The operative clauses of the document are these:—'To sum up, we desire to impress upon the hearts of members of Church Councils to consider it their sacred duty to do their utmost in their respective wards to promote the establishment of schools independent of the Government.' And, 'Finally, we would ask the members of Church Councils to do their best to prevent School Boards from entering into negotiations with the Education Department or by means of correspondence, or verbally, with the inspectors of schools.'

"Thus the object of this manifesto is stated in terms that are wanting neither in definiteness nor precision. The leaders of the Dutch Reformed Church desire to have the educational machinery of the country, so far as the Dutch inhabitants are concerned, in their own hands. There is nothing remarkable in the fact that the ministers of the Dutch Reformed Church should desire to keep the education of the Dutch inhabitants under their own control; still less that they should appeal to their Dutch fellow citizens to support them in giving effect to this desire. But what is extraordinary, and therefore deserving of attention, is the manner in which they have chosen to make their appeal, and the grounds upon which they have based it. Instead of contenting themselves with a plain, straightforward statement, they have thought it necessary to wrap up a perfectly intelligible and mundane proposal in a covering of religious sentiment. What is, in point of fact, a political proposal, they have taken upon themselves to enjoin as a sacred duty, inevitably imposed by the Christian Faith. In so doing they have not hesitated to make utterly unjustifiable reflections upon the moral character of a large section of their own Dutch fellow subjects, and on a profession which is certainly not the least entitled to the public esteem. While arrogating to themselves a monopoly of Christian motive and Christian doctrine, they have shown neither scruple nor hesitation in imputing the lowest motives and the deepest ignorance to others. Forgetting that charity is the 'greatest' of Christian virtues, they have brought railing accusations against their own Dutch fellow subjects, and against the public teachers of the colony. By what right do these ministers of the Dutch church impute to some of the Dutch

parents of the Transvaal who send their children to the Government schools a 'total indifference' to the moral welfare of these children? 'It is of little importance to them,' write these exponents of Christian principle, 'who or what the teacher of their children is, whether he be atheist or sceptic, so long as the child can attend school without payment and learn to read and write.' By what right do these Dutch ministers impute so gross an ignorance to the Dutch parents that they thus boldly assert that they, and not the parents, are the better qualified to decide as to what method of education is or is not most calculated to further the moral and material well-being of their children? And, again, by what right do they thus brand by innuendo the members of an honourable profession as 'atheists or sceptics'? And, once more, what is the evidence upon which they base the allegation that, under the Education Department 'there is absolutely no guarantee that the trustworthy teacher will not be replaced by a less desirable one, to whom the children could not be entrusted without fear'? Or the further allegation, that a 'competent and zealous Dutch teacher very soon finds his position so unpleasant and insignificant that he gradually loses all interest in his work'?"

The concluding paragraph of the leading article is interesting as presenting the steady progress of the Administration in sharp contrast with the atmosphere of querulous complaint and unreasoning opposition in which it was accomplished.

"The educational returns for February and March last," the *Star* continued, "which have just been published, form an opportune and instructive commentary upon this strange and most distasteful communication. During these two months the total number of scholars attending the Government Schools amounted to 28,700 and 29,040 respectively. This is the highest school attendance so far recorded, and the significance of the figures will be understood by remembering that the average total attendance under the late Government was 14,700. That is to say the attendance in the Government schools in the Transvaal has been doubled during the two or three years which have passed since a system of national education was first inaugurated by the new Administration. Our correspondent adds that a still further increase of the school attendance is expected, especially in those country districts where new schools are

being erected ; and that during the last three months no less than twenty-three of these additional schools have been built to 'meet the constantly increasing demand for educational facilities in the outlying districts.'"<sup>1</sup>

This manifestation of open hostility on the part of the Predikants was not, however, allowed to interfere with Lord Milner's determination to give the representations of the Boer Congress a careful and sympathetic hearing. The delegates, to the number of about one hundred and sixty, met at Pretoria on Monday, 23rd May, in that part of the Caledonia Buildings which formed the premises of the Boer paper, the *Volksstem*. Of this assemblage General Louis Botha was chosen Chairman and General Schalk Burger vice-Chairman ; and among other prominent members were Commandant J. C. Smuts, Generals Beyers, De la Rey, and Tobias Smuts, Messrs A. D. Wolmarans, Piet Viljoen, J. K. Munnik, Du Toit, Barend Vorster, and Mr Advocate Esselen. On Tuesday evening a reception in honour of the Congress was given by the Mayor. At this gathering the Boer leaders and a considerable proportion of the delegates met in friendly converse Sir Arthur Lawley and the chief Government officials, the Bishop of Pretoria, the General commanding in South Africa (Sir Henry Hildyard), three of the High Court judges, and many of the principal townspeople. On the next day, Wednesday, the delegates marched in a body from the Caledonia Buildings to the old Raadzaal, now the Government Buildings, where, at 11 o'clock, they were received by the Lieutenant-Governor in the Legislative Council Chamber. It was here—the actual chamber of the Volksraad — that the notable interview between Mr Chamberlain and the Boer leaders had taken place in January 1903 ; and the present scene inevitably recalled that event. After a few well-chosen words of welcome from Sir Arthur Lawley, the resolutions and reports of the Congress, of which copies had been previously forwarded to the Government, were formally brought before him with such comments as the various speakers deemed desirable. When

<sup>1</sup> For the actual effect of the Christian national schools upon the Government schools (in both colonies), see chap. xvi. p. 87.

this business was completed, Sir Arthur announced his intention of replying to the points raised after the adjournment for lunch had taken place, and the assemblage accordingly dispersed to meet again at half-past two.

While Sir Arthur himself replied to the majority of the resolutions in a speech admirable alike for its cogency and tactfulness, the justification of the Gold and Diamond Ordinances, which involved a knowledge of many technical matters connected with the mines and Mining Laws, was left to the Attorney-General, Sir Richard Solomon,<sup>1</sup> whose complete mastery of such matters enabled him to dispose with ease of the Boer complaints against these measures.

In this way, by a wise determination, loyally and skilfully put into effect by Lord Milner's subordinates, the danger of the revival of Boer national sentiment—a revival which certainly took place at this time, and was largely the outcome of a returning confidence begotten of the improvement in the material conditions of the ex-burgher population then making itself apparent — taking shape as an obstructive and reactionary force, was avoided; and, whatever may have been the ulterior motives of the Boer leaders, the interchange of views, which the Congress brought about, had none but good results.

“By furnishing an occasion for the speech which Sir Arthur Lawley delivered yesterday,” wrote the *Star* on the following day, “the conveners of the Dutch Congress have done an excellent service both to the Boer people and the colony at large. We wonder where else in the world such a speech could have been delivered by the Lieutenant-Governor of a new province within two years after the cessation of hostilities which had resulted in a change of flag. And, indeed, it would be instructive to compare this speech, in point of tone and substance, with, say, a pronouncement of the Governor-General of Elsass-Lothringen delivered two years after the conclusion of the Franco-German war. However this may be, it is at least evident that all that patient explanation — patient almost to the point of colloquialism—a complete mastery of the facts, and a ready sympathy could do, was done yesterday by Sir Arthur Lawley.

<sup>1</sup> Sir Richard had practised for many years at the Kimberley Bar.

“ Many of the specific grievances of which the Congress complained were found to have arisen simply out of ignorance or misunderstanding of the actual facts. The statement that the Government was debarred from purchasing Transvaal farming produce was shown to be entirely erroneous. ‘It is quite true,’ said Sir Arthur Lawley, ‘that, in accordance with the traditional policy of the Colonial Office, the Government is requested to make its purchases as far as possible through the Crown Agents in London; but these instructions do not apply to stuffs and produce grown in South Africa.’ The Congress complained that the £3,000,000 grant, promised under the Vereeniging Terms of Surrender, had been eaten up by expenses of administration. Sir Arthur Lawley was able to show the delegates not only that ‘not a penny of the original three millions had gone in the cost of administration,’ but that, excluding four and a half millions received through the military authorities for the compensation of ‘protected burghers’ and the liquidation of military receipts, a sum of no less than £10,000,000 had been ‘devoted to the restoration of this country from the ravages of the war.’ And of this sum four-fifths has been, or is being, spent to the exclusive benefit of the Dutch population. Again, the Congress had complained that the long delay in settling the compensation claims could have been avoided by a cash payment to each burgher at the close of the war. Sir Arthur Lawley showed that under such an arrangement each of the 60,000 burghers concerned would have been entitled to exactly £50. ‘Now, I ask you,’ he said, ‘would it have been humanly possible for these people, if they had received at the close of hostilities a sum of £50, to have been in the position which they are in to-day, even if it had been physically possible to divide the amount of three millions among them?’ Again, the Congress had recommended that the farmers should be asked to advise the Government officials in carrying out the regulations for preventing the spread of cattle disease. Here, again, the Government had already taken the very course suggested. ‘I may say that long ago,’ said Sir Arthur Lawley, ‘we appointed advisory committees in most districts in the Transvaal in which disease was rife. We have committees now in no less than sixteen different districts, who are and have been most energetic and helpful to the Government.’ This statement was accompanied by a word of warning. ‘Remember that one or two obstinate

men, unless we have power to overcome their ignorance and prejudice, may keep this disease alive in this country for years.' In dealing with the request of the Congress that the burgher population in native districts should be protected with arms, Sir Arthur Lawley made the pertinent observation:—'I confess I do not presume that it is suggested that the whole population should be armed, because, so far as I am aware, there is no civil population in any country generally armed with military rifles.' On the other hand, Sir Arthur Lawley was able to assure the delegates that it was certainly not the desire of the Government that any individuals should go in danger of their lives, and that any reasonable request from such persons would be favourably considered. At the same time he expressed the belief that the possession of rifles had been allowed in cases of necessity under the sixth clause of the Terms of Surrender, and he added that in such districts as Pietersburg, Lydenburg, and Waterberg, many hundreds of rifles were held by the inhabitants.

"On the important question of Education Sir Arthur Lawley was able to make it perfectly clear that the responsibility for the dissatisfaction of the burgher population must be held to rest, not on the shoulders of the Government, but on those of the Christian National Education Committee. Negotiations in respect of proposals intended to meet the wishes of the Boer population, both in respect of School Committees and the teaching of Dutch, were commenced in September last, but, after they had proceeded for some six months, they were suddenly nullified by the Committee.<sup>1</sup> In Sir Arthur Lawley's words, the Government's proposals were absolutely rejected—'the door was shut in our faces.' But he added, 'I hope it may be opened again some day.'

"Sir Arthur Lawley left the treatment of the points raised by the Boer Congress in respect of the Gold and Diamond Laws to the Attorney-General. Here, again, Sir Richard Solomon was able to show that even assuming that the interests of the Dutch landed proprietors had been adversely affected by these measures—an assumption the truth of which he, naturally, did not admit—the Government could scarcely be held responsible; since both of these measures had been based upon a large body of evidence, to

<sup>1</sup> The change of attitude on the part of the Christian National Committee, and the despatch of the "Open Letter" previously noticed, was believed to have been occasioned by the receipt of a sum of £20,000 from Holland for the purposes of their campaign.

which all classes of the population of the colony had been invited to contribute. If there had been any neglect of special interests, it was due not to any lack of endeavour on the part of the Government to obtain the views of all sections of the community, but to a want of interest on the part of the individual members of the community. Valuable evidence had, however, been brought before a Select Committee, which had been appointed to consider the provisions of the Draft Gold Law, and when the recommendations of this Committee were brought before the Legislative Council, there would be a sufficient opportunity for the Commission appointed by the Dutch Congress to bring forward any questions which they might desire."

To this general account of the matters brought before the Government by the Congress, and of the Government's reply thereto, it will be convenient to put on record the actual opinions expressed by the Boer leaders on one or two cardinal questions of policy.

On the subject of the recent Boer protest against Chinese labour, on the question itself, and in reply to Mr Lyttelton's complaint that the Boer leaders had left their protest until the eleventh hour, when it was impossible to alter the decision in favour of the immigration, General Botha said:—

"The protest was made solely on our own behalf, but we stated that we were fully instructed with regard to the feelings of the Boer population. After the importation of Chinese had been suggested, I, as you are aware, presided over a large and important meeting at Heidelberg, when the people unanimously declared themselves against the importation of Chinese. This resolution was, at my request, forwarded by the Government to the Secretary of State for the Colonies [Mr Chamberlain]. We were against the importation of Chinese, as we did not think it necessary, and, moreover, were afraid the Chinese would rob the white labourer of his livelihood, and also drive the natives, who are large tax-payers and deserve to be worked up to higher services, out of the labour-market, and also because the Chinese would introduce their pernicious morals among the natives, and, like leeches, drain the money from the country. The protest was made solely in consequence of the urgent desire of our people, who, from every quarter, insisted that public meetings should be held; and, on account of a fear

that such meetings might be construed as a mode of agitation and cause vexation and dissension, we handed the protest in, firmly convinced that we were acting in the true interests of our section of the population, which has always supported a Government in the framing of laws against Asiatic immigration. I trust, therefore, that the Delegates will explain to the people why public meetings were not held throughout the country at that time."

General J. C. Smuts (who was afterwards the Minister responsible for the Education Law accepted by both Dutch and British in 1907 as affording a settlement of the language and other questions hitherto in dispute between the representatives of the two races) stated the position of the Christian National Committee in the sentences following :—

"The establishment and growth of this system [*i.e.* the non-Government Boer Schools] appeared dangerous to the Government, and made it appear to them as if the Boers were working against the Government. Their leaders went to the Government, and for nearly six months negotiations were carried on, the basis of the negotiations on the part of the former [the leaders of the Christian National Schools movement] being equality of the two languages, because although English was the official language, the majority of the people were Dutch. The second principle which they insisted on was that the State should not tell the people what their children should learn, or how they should be educated, but that the care of their children and their education should, under God's providence, be left to the parents. They, therefore, negotiated with the Government on the basis of the equality of the two languages, and that the children should be educated by School Committees appointed by the people ; in other words, the parents themselves. These negotiations, as was well known, amounted to nothing. The Government always wanted to appoint members to the School Committees. There was always an excuse made, and the thing was practically at a standstill. They wanted equality of the two languages, and the rights of the parents guaranteed, and the Government would not consent. That was the position to-day. . . . The Government must acknowledge the justice and reasonableness of their attitude, and in the future acknowledge that they were right in their demands,"



Sir Arthur Lawley's reference to this statement in his reply was this:—

“When the Government instituted a system of education it undertook the responsibility of giving free education. At the same time it made a definite point in its policy, that it should retain in its hands the appointment of teachers. We felt that so long as we undertook the financial responsibility, we should retain that power. But we adopted that policy more for the reason that in that way we could secure greater efficiency among the teachers. I know that in the old days we have always had small local school committees, and you have urged us to revert to that policy. We have pointed out that in our opinion a small local committee is too much subject to small local prejudices and local interest, and that if a system of school committees is adopted with full preliminary powers, they should be appointed over a wider area than has hitherto been covered by the school committees. We believe that the objections which I have mentioned will thus be reduced to insignificance, and in the negotiations to which Mr Smuts referred this morning, which passed between the Christian Education Committee and the Government, we endeavoured to meet the wishes of the Committee by the proposal that if committees were appointed, they should be appointed over wider areas than has hitherto been the practice. The negotiations began in September last (1903), and it was certainly given to me to understand that this question of the School Committees with power to appoint teachers was really the crux of the whole situation, and that the question of the quantity of Dutch taught in the schools was not an issue standing in the way. I know that great emphasis was laid upon the fact that Dutch should be the medium of instruction, at least in the lower standards; and, as a matter of fact, that is at present being done. Now, we got as far as that in December last, and as I say, the Government endeavoured to meet the views of the Committee by a compromise in the matter of the area over which the Committees should hold jurisdiction, and on the question of Dutch being the medium of instruction in the lower standards. The Government spent hours in trying to embody these principles in a draft memorandum. I am only sorry, gentlemen, that I have not had time to have the correspondence printed and translated into Dutch, so that each one of you might have had a copy. I do not propose to go into the various points raised in that memorandum. It was very long and very detailed, but it

was, we hoped, possible to make it the basis of a compromise between ourselves and the Christian National Education Committee. We endeavoured, so far as we could, to make it clear to the members of that Committee that this was not a final proposal of the Government—not an ultimatum. It was put forward as a draft proposal upon which it might be possible to arrive at some compromise. But I am sorry to say that our proposals were absolutely rejected—that the door was shut in our faces; but I hope it may be opened again some day, because we hold very strong opinions on the question of Education; and, while we recognise that you also have strong opinions, yet I cannot help hoping that, sooner or later, we may find a way of working together on this great question. I can only say that, if it appears good to members of the Committee to re-open the question, we will be very glad to do so.”<sup>1</sup>

On the subject of the £30,000,000 war contribution General Botha declared himself in the following terms:—

“When Mr Chamberlain was here an address was handed to him by the last Boer Congress, asking that no war tax be laid upon the country until full Responsible Government had been granted, and, though he met us personally, he did not think the request worth while answering. Yet after conferring with only a section of the inhabitants, he found it reasonable to lay upon our country this enormous debt at a time when the whole country was a mass of ruins and the people suffering dire poverty. This action, without the wishes of the inhabitants of the country being consulted, is unjust and in conflict with English traditions since the secession of the American colonies, and lays down a principle which I trust our people to a man will disapprove of. We have no objection to the country being burdened with a debt of thirty millions, provided a reasonable compensation out of this amount were paid for losses suffered during the war to all who have actually suffered damages during hostilities. This would assist the people financially, put them on their feet again, and at the same time be the right way to ensure conciliation and unity in the country. Certainly it would be the least

<sup>1</sup> This and the other extracts are taken from the proceedings of the Congress as reported in the *Star*.

costly and most suitable policy which the Government could follow; for in such matters a Government and its subjects should be in perfect accord with each other."

With regard to this presentation of the Boer view of the financial settlement, it must be remembered that Mr Chamberlain had the consent of the representatives of the great majority of the tax-paying population of the Transvaal to the war contribution as much as to the Guaranteed Loan. As the ex-burgher population contributed only one-eighth of the Transvaal revenue, they were not, in point of fact, greatly affected by the matter. The figures by which Sir Arthur Lawley exposed the absurdity of this erroneous and ungrateful account of the Boers' share of the repatriation expenditure, are given in the leading article of the *Star* quoted above.

In the week ending 3rd December 1904, a similar congress of the representatives of the Boer population of the Orange River Colony was held at Brandfort, a small town on the railway line about forty miles north of Bloemfontein. Much the same subjects were discussed as at Pretoria, but the language of the speakers was less restrained and the resolutions were more trenchant. The repatriation relief and methods were declared to be "insufficient and unsatisfactory," and further large grants to the ex-burghers were required from the Government. The recognition of Dutch on equal terms with English in all official documents and proceedings was demanded. Owing to the unsatisfactory state of the Government Education system, the Congress resolved that it "had become necessary for the Afrikaner natives to establish independent schools."<sup>1</sup> The South African Constabulary was condemned root and branch as a burdensome and inefficient institution; and in respect of the British agricultural settlements it was laid down, that "the Government has no right to import from outside the colony one single new settler and to support the same in the manner in which this has been done heretofore."

<sup>1</sup> As a matter of fact a few months later the negotiations between the Education Department and the Christian National Committee in this colony were brought to a successful termination, and a compromise was arranged. See chap. xvi. p. 87.

And finally "the granting at the earliest possible date of complete self-government" was demanded. General Hertzog, the Attorney-General in the late Government, was Chairman of the Congress, and General Christian de Wet, who was present as a "visitor," also addressed the delegates.

Here, as in the Transvaal, it was the desire of the Government to give a full hearing to the representations of the Congress, and the Lieutenant-Governor, Sir Hamilton Goold-Adams, invited a delegation from the Congress to visit him at Government House, Bloemfontein, for this purpose. The invitation was, however, refused; and the Boers of this colony resolved to carry their grievances directly to the Imperial Government, by handing a copy of the resolutions, "accompanied, if necessary, with documents," to the Lieutenant-Governor, "with a polite but earnest request, to take the necessary steps to have the same laid before His Majesty." The determination of the Boer leaders in the Orange River Colony not to give the Government this opportunity of justifying and explaining its action to the mass of the ex-burgher population, is to be attributed to two considerations. In the first place, the full and complete reply given by Sir Arthur Lawley to the complaints of the Boer Congress of the Transvaal had produced an impression wholly favourable to the Government, and they had no desire, naturally, that a similar result should be brought about on this occasion. In the second, they were irritated at the announcement made by Mr Lyttelton that the Orange River Colony was not to receive the grant of a Representative Constitution concurrently with the Transvaal. This irritation was revealed very plainly in the eighteenth clause of the Resolutions, which stated what the Boers would do if the Imperial Government should fail to accede to their demands.

"Finally, this Congress is of opinion," the clause ran, "that unless His Majesty's Government complies in the aforesaid manner with the views of their subjects, there can be no reason to suppose that the people of the Orange River Colony will ever be able to co-operate of their own free will with His Majesty's Government, which co-operation this

Congress would heartily desire in the interests of the country, of the people, and of the Government, but which is impossible with the ever-growing discontent."

The Brandfort Congress was closely followed by an event which placed its querulous complaints and empty threats in direct contrast with Lord Milner's quiet assurance that no real discontent existed among the ex-burgher population of either colony. This event was the funeral of ex-President Kruger which took place at Pretoria on Dingaan's Day, 16th December 1904, with every manifestation of respectful sympathy on the part of the British population and the British authorities throughout South Africa. Paul Kruger died at Clarens on 14th July, and after consultation with Lord Milner the Imperial Government had given freely their permission for the public interment of his remains in the Transvaal. The body was accordingly embalmed, and ultimately conveyed from Rotterdam in the ss. *Batavier* iv., furnished by the Government of Holland, to Cape Town. Here on 29th November, the coffin, with the relatives and friends who had accompanied it,<sup>1</sup> was received by General Botha and other prominent Boers in whose hands the management of the public arrangements for the funeral had been placed. From the docks to the railway station the coffin was carried in state through streets lined with respectful crowds, and placed in the saloon of the special train provided by the Central South African railways. During the journey from Cape Town to Pretoria, which occupied from the 6th to the 10th of December, the coffin on its draped bier, covered with memorial wreaths, received at frequent stopping-places the homage of British and Dutch alike. At Pretoria it lay in state at the Suzannah Zaal until the day of the funeral. On this day a great assemblage of the Boers, after they had listened to addresses from Mr Schalk Burger, and Generals Botha and C. de Wet, accompanied the body to its last resting-place in the cemetery of Pretoria, where the remains of the ex-President were laid beside those of his wife. Among the procession

<sup>1</sup> Among them was Dr Leyds, who, however, was not permitted to land in South Africa.

was a guard of honour formed of men who had once belonged to the Staats Artillerie and the Police of the Republic. The High Commissioner was represented by Major Deane, the Military Secretary ; the Acting Lieutenant-Governor, Sir Richard Solomon, was present in person with his staff, and the members of the Executive and the chief officials followed the coffin, draped with the *Vierkleur*, to the cemetery gates. In accordance with General Botha's request, the bells were tolled in all churches throughout South Africa for half an hour in the morning and evening of the funeral day, and although the offer of military honours had been declined by the Boer leaders, a salute of twenty-five guns was fired from the fort at the express desire of King Edward VII., as the cortège passed from Church Square to the cemetery.

On the day of the funeral, the *Star* commented upon the event in terms which may fairly be taken to represent the attitude of the great majority among the British inhabitants of the new South Africa.

“The two primary associations of Dingaan's Day—the victory over Dingaan, the son of Tshaka, in 1838, and the raising of the Vierkleur on the uplands of the Witwatersrand in 1880—are essentially warlike. To-day, in the solemn ceremony which takes place at Pretoria, a new memory is added which is full of peace. Paul Kruger, who is now to be laid in his last resting-place, by the side of his wife, and on the soil of the land which he served with an almost life-long devotion, was in no ordinary degree an epitome and type of the Franco-Dutch people of South Africa. He has joined the great throng of those of his faithful burghers who laid down their lives for the cause of Dutch supremacy in South Africa. But in his burial we see not so much the passing away of a lost cause, as the birth of a new and less tumultuous era in the history of his people. It is just because Paul Kruger stands for all that was most characteristic in the burgher population, that we find in the circumstances under which he is laid to rest to-day a real significance, and a genuine augury of future good for this land of South Africa.

“Those who are responsible for the arrangements of the funeral have preferred to decline the offer of the British Government to accord military honours to the last remains

of the ex-President; but in all else every tribute of respect due to a leader of men will be paid equally by the representatives of the people of both races in the Transvaal. Two races, that have lately been sundered by the fierce passions engendered by a long protracted war, now stand with bowed heads by one grave, and, when they turn away, with the last solemn rites accomplished, who can doubt but that each will leave behind something of whatever rancour may have yet survived. Neither British nor Dutch can claim a sad monopoly of death or suffering, or even of the material losses of the war. Great sacrifices have been made—and not on one side alone. Yet, after all, the cause in which both Boer and Briton fell was one—the cause of South African Unity. Both Cecil Rhodes, who lies yonder in his own land, and Paul Kruger, who now comes back to rest here in Pretoria, fought for the same cause, and struggled each in their different ways to attain the same end. It is for us who are now living, who at the cost of these struggles, at the price of this blood and treasure, have become fellow-subjects under one flag, and fellow-citizens of one Empire, to see that these sacrifices have not been made in vain. The cause which the men who thus died have advanced so far, shall we not carry further? Is there no work to be done in this South Africa of ours that the collective energy of each race must be bent upon thwarting the purpose of the other? Is there no soil to be tilled, no water to be stored? Are there no farms to be stocked, and no mines to be worked? No grudging nature to be slowly taught to yield her wealth, no dark-skinned multitude to be trained to self-restraint and industry?

“Can we not bury in the grave of Paul Kruger all that in the past has kept the two races apart, and find a new starting-point from this Dingaan’s Day of 1904—a starting point from which we shall proceed upon the sure road of industrial progress to the goal of that perfect unity, when—

“‘ Later shall arise a people, sane and great,  
Forged in strong fires—by equal war made one’?”

On the morning following the ex-President’s funeral the Boer leaders had a private interview with Lord Milner, at which they laid before him their views on the impending change in the Constitution of the colony, announced by Mr Lyttelton in the House of Commons on the preceding 21st July. The party consisted of Generals Louis Botha,

De la Rey, J. C. Smuts, and Messrs Schalk Burger and A. D. W. Wolmarans, and the discussion lasted for two hours. The interview, apart from the characteristic expressions of opinion to which it led, was interesting as showing the general friendliness of Lord Milner's personal relations with the Boers.

General Smuts, who, as on other similar occasions, acted as spokesman and interpreter, used the English language, while his colleagues made incidental observations in Dutch. The attitude of the Boers generally, he said, with regard to the impending changes in the Constitution, was this. They pressed for no change at all, either to Representative or Responsible Government; but, if a change were to be made, then let it be to full Responsible Government. They asked for nothing, however: since, for all they knew, it might be best for the country that the existing form of government should continue for some time longer.

In reply to this Lord Milner, after pointing out that in this matter it was his duty both to lay his own suggestions before the Home Government, and to inform them of the feelings of the various classes of the community, asked how, on the assumption that the Home Government would agree to the direct change, was it proposed to bring the existing Administration into any sort of relationship with a new Government taken from an elected Legislature. In the course of the discussion which followed, the suggestion was made that the present members of the Executive—or such among them as were willing to do so—should offer themselves for election, as individuals. If they were elected, the Governor would retain them naturally in their present offices; while the gaps in the Executive would be filled by him from the ranks of other elected members.

Lord Milner then stated what, in his opinion, was the main objection to the immediate grant of Responsible Government. In the case of Representative Government there would be no racial division in the Assembly, since both the Dutch and British members would unite in criticising and opposing the Executive; but if Responsible Government were established, a division of the House on racial lines was inevitable.

From this subject the conversation passed to the question



of the formation of the parliamentary constituencies. The point of view of the Boer leaders was that of President Kruger—modified, however, by the momentous changes of the last four years. They feared that, with an equal distribution of electoral power, the rapid growth of the towns, especially Johannesburg, would lead to the complete subordination of the country districts, and of the agricultural interests, to the new comers. Lord Milner, in his reply pointed out that in this matter he was in a difficult position. His personal sympathies were with the country as against the towns; but they were also, not unnaturally, with the new comers as against the old population. This remark was followed by suggestions for increasing the relative representation of the country districts, and by a long and full discussion of the various electoral methods by which the purpose might be effected.

It remains to add that in the course of conversation General Smuts admitted that the country had made great progress since the war; and that on leaving all the members of the party expressed their satisfaction at Lord Milner's recent refusal to sacrifice the agricultural interests of the Western Transvaal to the "clamour" of the Rand.<sup>1</sup>

This interview was followed by an interchange of letters between General Smuts and Lord Milner (of the 13th and 17th of January respectively), in which the former made it plain that the Boers (1) objected to automatic redistribution without a periodic readjustment of the balance between the country and town constituencies, and (2) were in favour of manhood franchise for whites as against a low property qualification. The correspondence was published by agreement in the papers a few days later.

From a historical point of view, however, the most significant aspect of this exchange of ideas between Lord Milner and the Boer leaders is the circumstance that he affirmed, and they assented to his statement, that the establishment of a just and efficient electoral system was a matter of "far greater and more enduring importance than the controversy of Responsible *versus* Representative Government"; since the grant of Responsible Government

<sup>1</sup> For the circumstances in question *see* chap. xv. pp. 39-42.

would in any case come "in a year or two," while the electoral system "might have effects lasting half a century." This is a point to which the attention of the reader will be drawn subsequently in tracing the final development of the question of the constitution.<sup>1</sup>

At the end of the following month (January 1905) the Boers of the Transvaal were marshalled into the political organisation styled "Het Volk" or "The People," and a few months later a similar organisation, styled in this case "Oranje Unie," or "The Orange Union," was formed in the sister colony. These organisations, however, will be discussed in the chapter following, which is concerned with the new Constitution; since, from the moment that the Boers of the new colonies organised themselves to obtain the full advantages of the political rights to be conferred upon them in common with their fellow subjects of British race by the Imperial Government, their national existence came to an end. Henceforward their relations with the Governments of the two colonies were identical with those of any other section of the inhabitants similarly organised, and bent upon obtaining the same advantages. The formation of "Het Volk" and the "Unie" put into operation the pledge to accept a new allegiance which the remnant of the burgher forces had given formally at Vereeniging.

<sup>1</sup> See forward chap. xx. p. 393.

## CHAPTER XVIII

### THE LYTTELTON CONSTITUTION

As we have more than once had occasion to remark, Lord Milner had no illusions. Least of all did he fail to realise the inevitable unpopularity of Crown Colony Government, and the political odium which would attach to him as the chief agent of this unpopular system. In a most sympathetic letter, written in November 1903, to a member of the Transvaal Executive whose resignation had just taken place in rather painful circumstances, he puts the matter in the plainest language.

“ Personally I expect the Transvaal to become impossible for me before very long, yet I shall not, on that ground, think my career ended, or consider it anything but a temporary set-back.”

A fortnight later, when the present writer saw Lord Milner for the first time—it was on the day before the latter sailed for South Africa after the so-called holiday in the course of which he had declined Mr Balfour's offer of the Colonial Office—this subject was touched upon among other South African questions. Responsible Government was hanging over the Administration like a sword of Damocles, which might descend at any moment and put an end to its vitally important activities. The most that could be done was to postpone the change as long as possible; in other words, to give the Administration time to establish and expand the beneficent agencies which it had set in motion. In the meantime come what might, one thing had been gained by Lord Milner's continued presence in South Africa. For the first time since the catastrophe of Majuba

there was a British party in South Africa—the loyalists, whose confidence he had secured, and who, through him, had learnt once more to trust the British Government.

In short Lord Milner knew, when he went back to South Africa on 28th November 1903, that in this matter “he had to play against time”; and this knowledge added tenfold to the necessity for Chinese labour, as the sole means whereby the resources of the gold industry could be made available for the development of the new colonies during the all important period of Crown Colony Administration. The reader has been told already how, within a few weeks of the Vereeniging surrender, leading Englishmen, including the late Mr J. W. Leonard, commenced an agitation for the immediate grant of Responsible Government; and, how after Mr Chamberlain’s wise pronouncement on the subject at Pretoria, in January 1903, this agitation had died down. The growing absorption of the whole commercial and industrial community of the Rand in the problem of how to supplement the insufficient supply of African labour accounted largely for the fact that the constitutional question remained in the background until April 1904. But it was not forgotten by Lord Milner. On 21st February of the same year, when the Home Government’s decision not to disallow the Labour Importation Ordinance had been announced, in writing to thank Mr Lyttelton for his strenuous and successful efforts on behalf of the Transvaal, he then said:—

“I have been, and am, so desperately busy that I have no time to write about other things. But when the meeting of the Inter-Colonial Council is over, I hope I shall find time to give you, once for all, a sort of sketch of the lines on which I think we should try and work for the next two years. The odd thing about us all—so English this—is that, so far as I know, there is no definite plan anywhere as to the future government of South Africa, and yet it is a problem so complicated that by no human possibility can it be satisfactorily treated on the *solvitur ambulando* principle.

“I have got my own views, having thought about the thing at every spare moment for years past. The difficulty is to get time to put them down. Hitherto one has been so immersed in the many conundrums presented by the chaos

left after the war, that there has been no time for anything else. Meanwhile people are beginning to fuss about the future. They are perfectly nebulous, and can be led, I think. But we must give them a lead, and what most weighs upon my mind now, is the necessity of a thorough understanding with you, as to the kind of lead I should try and give them.

“The best laid plans of mice and men gang aft a-glee,’ and, however perfect our scheme, circumstances may wreck it. But while plans *may* end in failure, planlessness *must*. This is a criticism of myself, but I will try to remove the reproach shortly.”

In April (1904), however, two causes served to revive interest in the constitutional question. In the first place, the exaggerated criticisms of the Railway Administration, both in the press and in the Inter-Colonial Council, had given substance to the chronic allegation of the incapacity of the Crown Colony officials; and in the second, the narrowness of the majority in the House of Commons which enabled Mr Balfour's Government to sanction the Labour Importation Ordinance, made many persons desire the immediate grant of Responsible Government, as providing the only way by which the Transvaal could be secured from the reversal of the Ordinance by the Liberal Party upon its accession to power. This latter was known, of course, to be not only a highly probable contingency, but one that might happen at any moment, although the Unionists were generally credited with another year of office. At the same time a practical obstacle to the establishment of the machinery of parliamentary government was removed. It had been agreed at the Bloemfontein Conference of March 1903 that a census should be taken simultaneously in all the South African colonies at the first convenient date in the following year; and on the night of 17th-18th April this decision was put into effect. In the case of the Transvaal the preliminary returns were issued on 18th May, and thus the population data, indispensable for the formation of electoral divisions, was in April well within sight. On the 23rd of this month the cry for Responsible Government was raised by the spokesmen both of the British Radicals (who afterwards became the “Responsible Government”

party, and subsequently co-operated with the Boers under the name of "Nationalists") and of the Boers. At Fordsburg General Botha, in speaking at the gathering of Rand Dutch then held for the purpose of electing delegates to the Boer Congress,<sup>1</sup> declared that the Boers were not certain that any change was necessary, but what they were certain about was that if a change of constitution were necessary, then that change must be the grant of full self-government. At Potchefstroom Mr Harry Solomon, M.L.C., in addressing a mixed Dutch and British audience in the Court-house, demanded the dismissal of the "imported officials," repudiated the war contribution, and declared that nothing but Responsible Government would satisfy either Boers or British.

In a letter written on the same day Lord Milner told the present writer, then Editor of the *Star*, that in view of the early completion of the census returns he would soon be taking up the question of the change in the Constitution. Three days later Mr Lyttelton, who, no doubt, had not failed to notice the cabled reports of the Fordsburg and Potchefstroom meetings, wrote to Lord Milner on the same subject. After remarking that the Government was reasonably certain to weather the session, but that a dissolution was expected in the following spring, when almost inevitably the Unionists would be beaten at the polls, he proceeded:—

"When the other side come in they will be confronted with their dishonest and insincere utterances about Chinese labour by the ignorant and sincere of their followers, and I am convinced that they will extricate themselves from a painful dilemma by granting self-government to the new colonies *sans phrase*.

"Under these circumstances I should very much like to know whether you think it in any way desirable that we, in our remaining year, should make a cautious move in that direction safeguarding our steps most rigorously.

"It would have been far better if the whole thing could have been left alone for a time, but the question now is whether the first step towards self-government had not better be taken under your and our guidance than under that of men who seem very reckless of the essential interests of South Africa."

<sup>1</sup> See chap. xvii, p. 238.

While this letter was on its way, two despatches, dated 2nd and 9th May respectively, in which the whole question of what constitutional changes were possible and desirable in the existing circumstances of the new colonies was fully discussed, had been written by Lord Milner and forwarded to the Secretary of State. In the first of these Lord Milner began by stating that the time had come for him to

“receive some indication of the views of His Majesty’s Government with regard to the course of our future policy in the two new colonies. With the end of this year,” he continued, “the huge task of dealing with the immediate after-effects of the war, so far at least as material conditions are concerned, will have been completed, or nearly completed. The several sums allotted, as free grants or out of loan, for relief or compensation, to various classes of the population, will have been fully disbursed. Industry and agriculture will have resumed their course. If the labour question can be solved, or even partially solved, we may hope that industry at any rate, and very likely agriculture also, will have attained a higher degree of development than any yet known in the country between the Orange River and the Limpopo.

“So far so good. But towards the solution of the still greater, though less urgent, problem—I mean the political status and condition of the new colonies—little advance has yet been made. It is true that, even in this respect, we have done, in one sense, a great deal. Elective municipalities or Local Boards have been established in all the towns and larger villages of the Transvaal, while in the Orange River Colony, where similar institutions existed before the war, they have been in full operation since its conclusion. In all their domestic affairs the urban centres of both colonies are completely self-governing communities, and the system works well. The creation of Elective Boards for the rural districts is now under consideration, and it is possible that, before the end of the year, I may be in a position to make definite proposals to you with regard to it.<sup>1</sup> But every extension of local self-government only brings us nearer the much more difficult and dangerous problem of self-government for each colony as a whole.”

<sup>1</sup> This possibility was not realised as we have seen (chap. x. p. 262); since the extension of local self-government to the rural districts was postponed in deference to the wishes of the Boers.

In addressing himself to the solution of this problem, Lord Milner, in the course of this and the succeeding despatch, first stated the governing factors of the situation, and then outlined the course of action which he would himself advise the Imperial Government to pursue. Where Responsible Government is established, he pointed out, the people choose the Legislature, and the Legislature appoints the Government, which is in all respects and purposes independent. Before Responsible Government was granted, therefore, it was necessary to make sure (1) that the new colonies would remain members of the Empire, and (2) that the payment of the war contribution (not necessarily in the form of the £30,000,000 as at present arranged) and of the interest on the Guaranteed Loan would be secured. A colony with Responsible Government, he wrote, could not "remain for any length of time a part of the Empire, if its citizens were ill-affected or desired separation. . . . For this reason it should be our policy to try to defer Responsible Government in the new colonies, until the Boers, or at least a large proportion of them, had learnt to acquiesce—it must needs be many years before they rejoice—in membership of the British Empire, or until the British element of the population had been so strengthened as to make separation impracticable."

But at the same time it must not be deferred too long. In the Transvaal, indeed, with its large British population, the immediate grant of self-government would be more possible than in the Orange River Colony, and in one respect would exercise a beneficial influence.

"There is no white population more impatient of control or more lacking in the political experience and training, which self-government is best calculated to teach, than the people of the Transvaal, and in particular the British inhabitants. They have many splendid qualities. They are among the most vigorous and promising of the young communities of European origin. But they are politically inexperienced and thoughtless to a degree. . . ."<sup>1</sup>

<sup>1</sup> This criticism of the British population as a whole is not inconsistent with the facts, noted above, that the Rand community contained a large proportion of singularly able professional and business men, and that some of its leaders had held prominent public positions in England or in other colonies. See chap. vii., and note at p. 147 (vol. i.).



Responsible Government, therefore, would be good for the Transvaal as an educative force, but, since under existing conditions the Legislature of the colony might consist largely, or mainly, of men hostile to Great Britain, it would be a very dangerous experiment. On the other hand there was a limit to its postponement. For prolonged delay in the grant of self-governing institutions

“would cause a large section of the British to throw themselves into the arms of the Boers . . . and result, when self-government ultimately came, in an anti-British Administration, all the more formidable because largely composed of British people.”

To add to the complexity of the situation, the early grant of Responsible Government, always difficult, had been made more difficult by the shortage of labour, and the industrial and commercial depression which had followed it. Up to 30th November 1903, 31,025 immigrants, of whom 26,946 were of British origin, had entered the Transvaal; but between this date and 31st March of the current year (1904) the number of British immigrants had been only 800 per month, while the British persons leaving the colony were probably as numerous, if not more numerous. At the same time the opposition manifested in England to the importation of Chinese labour had given a new argument to the advocates of the immediate grant of self-government; and thus, while the desire for Responsible Government had been increased, the growth of British population, which would make the change safe, had been sensibly retarded.<sup>1</sup>

In this dilemma Lord Milner suggested that recourse should be had to the half-way house of Representative Government.

“There is an unmistakable cleavage,” he wrote, “among the advocates of change between those who favour the immediate establishment of ‘Responsible’ Government and those who would prefer to reach that goal gradually through some form of representative institutions, under which the executive power would still remain, for some time longer, in the hands of men directly appointed by the Crown. If

<sup>1</sup> As noticed before, the seriousness of the loss of population was not known until the census was taken (18th April 1904). See forward p. 278.

we do nothing I fear that the former section will continue to gain strength at the expense of the latter. On the other hand if the Government were at an early date to declare its intention of proceeding without delay to establish some kind of representative legislature, I believe that a great majority of both sections would be satisfied for the time being."

Two circumstances afforded practical reasons for initiating the change at the present time. The census returns would be completed in a few months; and the members of the Transvaal Legislative Council were appointed for two years from April 1903. The last session of this latter, therefore, would probably be concluded in the following July or August (1904). Assuming that the constituencies returned Dutch and British members to the Council or Assembly in about equal proportions, as would probably be the case, the Executive, with a few nominated members, if necessary, would be able to command a majority for all essential measures, and the present nominated Council, with its official majority, could be safely abandoned in favour of an elected Legislature.

In the event of the Government approving of this general line of policy, the first step for bringing about the change of Constitution would be an invitation to Lord Milner from the Home Government to make suggestions as to the form of representative institutions most desirable. This would involve the settlement of many questions; and of such questions, while those which were constitutional in character could be dealt with best by the Colonial Office "with its archives full of precedents," others, such as the nature of the constituencies, the distribution of seats, the qualifications of voters, and generally the details of the whole machinery of elections, must be decided in the light of local conditions and local knowledge. The first proposals for an electoral system should, therefore, be framed in the new colonies.

Even this limited measure of self-government must, however, in Lord Milner's judgment, be confined to the Transvaal; since the simultaneous grant of similar institutions to the Orange River Colony would lead to great embarrassments.

In the despatch of 9th May, Lord Milner dealt with the financial aspect of the problem. Great Britain was vitally interested in the finance of the two colonies by reason of the Guaranteed Loan and the war contribution.

His Majesty's Government, he wrote,

"could not be expected to hand over the control of the finances of the Transvaal before the war contribution, in its present or some other form, was secured . . . any great expansion of the mining industry would make the Transvaal a very rich colony. . . .

"The war contribution is in abeyance, but I can see no reason for abandoning it altogether, though, as I have stated, it is but necessary caution under present circumstances not to bind ourselves to the position that it must inevitably take the form of thirty millions in cash. . . . What seems to me self-evident is, that we cannot grant 'Responsible' Government; that is to say, virtual independence, until the contribution, whatever form it may take, has been paid, or its payment secured, and placed beyond the power of any Parliament, having complete control of the Legislature and Administration of the colony, to meddle with it."

The half-way house of Representative Government would give an opportunity of getting this matter put on a more satisfactory basis. At present it might be said that not the people, but certain individuals, had pledged themselves on the subject; but

"this could no longer be said if the obligation, whatever its form, had been undertaken by a clear majority of the elected members in a Representative Assembly. And if the grant of full Responsible Government was made dependent upon such an undertaking, I believe that the undertaking would be given by a Representative Assembly, as soon as the colony could really afford it."

As regards the actual form of the contribution, the colony could either raise a loan on its own credit, and pay over the proceeds to the Imperial Government, or it could pledge certain assets for the satisfaction of the war debt. If it were proposed subsequently to revoke this

legislation, the Imperial Government could justly veto the revoking measure.

The Guaranteed Loan was a less difficult matter, because it was secured on the common assets of the two colonies, and its service was provided for out of the income of certain federalised assets. All that was necessary, therefore, in this case was to establish the finances of the Inter-Colonial Council once for all, and before complete self-government was given to either of the colonies, upon a thoroughly sound and self-sufficing basis, and to secure the continuance of this body as a separate authority, responsible not to the Colonial Governments but to the Imperial Government through the High Commissioner.

Lord Milner further advised that the representative institutions for the Transvaal should be established by Order-in-Council, and not by an ordinance of the local Legislature.

These two full and closely reasoned despatches, which replied by anticipation to Mr Lyttelton's letter of 26th April, were written, it must be remembered, in the midst of the anxieties and demands of the Importation Ordinance, the British Indian agitation, and the outbreak of the plague. They were confined to the question whether a change of constitution was desirable, and if so, what form of change. Was Responsible or Representative Government to be established? and were the two colonies to be treated alike? In answering these questions, Lord Milner advised the grant of the "representative institutions leading up to self-government," promised in the Terms of Surrender, to the Transvaal, but not as yet to the Orange River Colony. The actual *modus operandi* recommended for putting his advice into effect was this. First, an announcement of the intentions of the Imperial Government, and a formal invitation to him to furnish "proposals" on the subject. Second, the preparation of the general lines of the Constitution by the Colonial Office at home, and the framing of the specific details by Lord Milner in the Transvaal. Third, the granting of the new Constitution by Letters Patent and Order-in-Council. Thus, while the prompt announcement of the change would in a measure placate

the whole British population in the colony, and strengthen the hands of those who were in favour of "Representative" as against "Responsible" Government, the time required for the settlement of the details of the Constitution would afford a welcome period of delay, during which the Administration could proceed untrammelled in its work of political and economic reconstruction. More than this, it would secure that the electoral system of the Transvaal should be worked out quietly by Lord Milner himself, and worked out upon lines which would make it a safe foundation for the political freedom and the economic progress of the colony. These despatches, therefore, left the actual framework and details of the new Constitution to be the subject of a future correspondence, which was to follow, not immediately, but after the expected period of grace had elapsed.

Matters fell out very much as Lord Milner had anticipated, but on the whole the demand for Responsible Government was less vigorous and less effective than might have been expected. It was not until the end of the year that any decided manifestation of interest in the question of the relative merits of the two systems was shown by the general public. During the intervening six months the success of Chinese labour, the Delagoa Bay question and the proposed readjustment of the through railway rates, the reorganisation of the railway administration of the two new colonies, the Railway Agreement, the Civil Service Commission, the new railways for the Western Transvaal, the status of British Indians—all in turn distracted public attention from the constitutional question. And when at length the issue was joined, the advocates of Representative Government, although numerically inferior to the supporters of Responsible Government, proved to be more influential and better organised.

On 20th May Lord Milner acknowledged by telegram the receipt of Mr Lyttelton's letter of 26th April "partly answered by anticipation" in the two despatches, the first of which would reach him on the following day. And in a further telegram he added that the census returns for the Transvaal showed that on any fair basis of representation

the Boers would have a small majority. If, however, the official members were one-fourth or even one-fifth of the Assembly, the Government would command a majority on any vital political question, as, in such an issue, the British Members would side with them. In the Orange River Colony, however, at least one-third of the Assembly would have to be official members, otherwise the Government would be in an impossible position.

With reference to the all-important economic experiment he telegraphed:—

“God be praised this Chinese business is settled at last. We owe you everything. All we want now is a little luck. If the importation is reasonably successful and prompt, it will alter the whole situation.”

As we know, thanks to the admirable arrangements made by the leaders of the gold industry, it was both; and from the time of the arrival of the Chinese onwards Lord Milner had no further anxiety on the subject of the Transvaal finances.

On 6th June Lord Milner telegraphed a request to Mr Lyttelton not to make any declaration on the subject of the proposed grant of representative institutions, except in the most general and guarded terms, until there had been an opportunity for a further exchange of views between them. But a month later (4th July) he telegraphed, with reference to his despatches of 2nd and 9th May:—

“The controversy in the papers here about Representative and Responsible Government shows no signs of abating, and I am afraid that unless we make some move, the agitation will assume a troublesome aspect. On the other hand, if you were to authorise me to make, or were yourself to make, some declaration to the effect that a change in the direction of Representative Government was imminent, that would at once satisfy a very large number of people here, and would not in my opinion involve taking action any sooner than contemplated in my despatches.”

What had given sudden vitality to the “controversy” was this. Mr (now Sir) E. P. Solomon, who was subsequently chairman of the organisation known as the

Responsible Government Association, published in the press two letters, respectively dated the 18th and 23rd of June, in which, after criticising the Administration somewhat bitterly, he asked for an elected Legislative Council.

“All I claim as a first step,” he wrote in the second of these two letters, “is representation on our Councils by men elected by the people; and the removal from these Councils of the official element, or, as an alternative, Responsible or Self-Government. . . . Then I claim also that the Government should stop the introduction from abroad for employment in the Civil Service, no matter from what part of the British Empire, of persons whose positions can be filled here quite as well, if not better, by those who are here already.”

The personality of the writer of these letters was significant. Mr Edward Solomon was the oldest of the three distinguished brothers all born in the Cape Colony, of whom the second, Sir Richard Solomon, was the Attorney-General, and the third a Judge of the Transvaal High Court. Sir Percy Girouard, the agitation for whose removal from the post of Commissioner of Railways was at this time at its height, as the son-in-law of Sir Richard, was, therefore, closely connected by family ties with Mr Edward Solomon. This latter, moreover, was solicitor to the Railway Administration. The circumstances in which Sir Percy resigned the Commissionership of Railways have been set before the reader in the chapter treating of the railway development in the new colonies.<sup>1</sup> In the account of this incident the attention of the reader was drawn to the influence which it may have exercised upon Sir Richard Solomon's attitude on the question of the relative advantages of Representative as against Responsible Government. The virtual dismissal of Sir Percy, in circumstances analogous to those in which a minister “responsible to Parliament” would be dismissed, may well have led Sir Richard to the conclusion that under Representative Government the Executive, although nominally holding their offices during the pleasure of the Sovereign, would in reality be no more secure than if, as “Responsible”

<sup>1</sup> Chap. xv. pp. 27 *et seq.*

ministers, they held office at the will of the majority of the electorate. That, in short, Representative Government would bring to the officials all, or nearly all, the odium of the present Crown Colony system, with very little of its supposed security. In any case, Sir Richard Solomon's preference for Responsible Government was expressed in private to Lord Milner and the Secretary of State with perfect official decorum; while Mr Edward Solomon, who shared it, was free to give publicity to his opinions on the question, and became the recognised leader of the British advocates of the immediate grant of full self-government.

On 23rd June the Legislative Council met at Pretoria, and Sir Arthur Lawley, in his opening address, took occasion to remark that the session then commencing would probably be the last meeting of this body. At the same time the Lieutenant-Governor announced that a permanent Commission was about to be appointed by the Government, to report generally on the status of officials, and in particular to advise what reductions in the *personnel* of the several departments could be effected, in view of the fact that the abnormal demands of the immediate political and economic reconstruction had been largely satisfied. This event, which was synchronous with the appearance of Mr Edward Solomon's second letter, and with the arrival of the first contingent of Chinese labourers on the Rand,<sup>1</sup> was made the subject of an article in the *Star*, in which, under the heading "Progress in Two Ways," the policy of a cautious extension of political privileges was thus vindicated.

"The determination of the present Administration to make the establishment of the future industrial development of the colony their first concern, and then to build up the constitutional fabric upon this secure foundation has been curiously misinterpreted as the manifestation of a desire to retard the enjoyment of privileges universally associated with the citizenship of the Empire. Nothing could be further from the truth. Neither now nor at any time has there been any doubt as to the desirability of

<sup>1</sup> The Chinese came on 22nd June.



introducing, first, the practice of government by representation, and then the institutions necessary for Responsible Government, in the two colonies at the earliest possible moment. The only question is how to introduce the machinery of representation without delaying the work of material development, the accomplishment of which is essential to bring about the conditions under which full self-government can be enjoyed. What is wanted, therefore, is not an assertion of the intention of the Administration to extend the practice of government by representation—this we have had from the first—but the creation of the machinery by which this further application of the principle of local self-government can be successfully carried out under the existing conditions of the Transvaal and Orange River Colony. And now that the elementary basis of information necessary for any scheme for elective representatives of the people has been provided by the census, we may expect that proposals both for the extension of local self-government to the rural districts, and for the introduction of elected representatives into the Councils of the Central Government, will be put forward in due course.”<sup>1</sup>

On 20th July the Secretary of State sent the despatch in which, on behalf of His Majesty's Government, he formally invited Lord Milner to furnish proposals for the establishment of Representative Government in the Transvaal; and on the following day the announcement of the Government's intentions was made in the House of Commons, when the colonial vote was being taken. The statement, which had been previously telegraphed to Lord Milner, was to the effect that, in view of the general progress of the colony and the successful inauguration of municipal institutions, the further step of amending the Constitution by the introduction of elected members into the Legislative Council had been decided upon by His Majesty's Government. This declaration was followed by the mention of the intended grant of representative institutions to the Transvaal in the King's speech upon the prorogation of Parliament on 15th August; and a month later Reuter was authorised to state that the measure of representation would be an ample one, and moreover that the settlement

<sup>1</sup> *Star*, 23rd June 1904.

of the British Indian question would be postponed in order that the new Representative Assembly might deal with it.<sup>1</sup>

On 17th November Sir Henry Campbell-Bannerman, in a speech at Dundee, announced that if, and when, the Liberal Party came to power, they would make it their business to give "a full and honest measure of self-government" to the new colonies. The alliance between the British Radicals or "Nationalists" in the Transvaal and the Liberals in England was marked by the delivery, two days later, of an energetic appeal for Responsible Government by Mr Harry Solomon at the Goldfields Club at Johannesburg. Within a week of the declaration of the Leader of the Opposition in England the British inhabitants of the Transvaal were sharply divided into two political parties, of which the one advocated "Representative," and the other "Responsible" Government. November 21st saw the formation of the Transvaal Progressive Association, the members of which accepted the half-way house of Representative Government. The programme of this organisation, the germ of the future Progressive Party of the Transvaal, was:—

- (1) The maintenance of the British flag.
- (2) The immediate fulfilment of the promise contained in the King's speech of the 15th August last, by the establishment of Representative Government on liberal and fair lines, with a view to preparing the way for the grant at as early a date as expedient of the freest and fullest form of Responsible Government.
- (3) The recognition of the principle that all voters should have the same privileges, and their votes the same value.
- (4) A firm and just Native and Asiatic policy in accordance with South African ideas.
- (5) The support of every measure that tends to make the Transvaal a white man's home.

<sup>1</sup> The Ordinance for the restriction of Indian traders to "locations," which had been passed by the Legislative Council, had been vetoed by Mr Lyttelton.

- (6) The opposing of interference in the affairs of the Transvaal by party politicians elsewhere.

On 24th November a manifesto drawn up and signed by Messrs Quinn, Pim, Wybergh,<sup>1</sup> Creswell,<sup>2</sup> Shanks, Whiteside, and others, was issued, in which the immediate establishment of Responsible Government was advocated on the grounds that:—

- (1) Political stability and contentment could only be secured by a full admission of the principle that the wishes and interests of the people of the colony must prevail, subject only to the highest Imperial considerations. And
- (2) The growth of a vigorous and independent spirit of political life would inevitably be retarded by the establishment of any system short of complete Responsible Government.

It was understood that this statement represented the opinions of the members of the Responsible Government Association, which now came before the public eye for the first time, and a little later elected Mr Edward Solomon for its President.

In order to complete this brief account of the political machinery of the parties into which the British population of the Transvaal was thus divided, it must be added that the organisation of the Progressive Association was extended throughout the colony during the next three months, and completed on 24th February 1905, when the members of the General Council of the Association elected Sir George Farrar as their first President.

In the meantime Lord Milner had at last found time to reply to the invitation of the despatch of 20th July to furnish "proposals" for the new Constitution. How difficult this was may be seen from the record, furnished elsewhere in the pages of this book, of the constant and engrossing administrative claims by which he was beset. At length,

<sup>1</sup> Late Commissioner of Mines.

<sup>2</sup> The leader of the anti-Chinese movement on the Rand.

however, thanks mainly to a week's retirement, snatched with difficulty in the third week of November, and spent at Muizenberg<sup>1</sup> in the Cape Colony, the whole of the facts and figures relevant to the formation of an effective system of representation for the Transvaal were compiled. This information was accompanied by a statement of the electoral principles and methods recognised in the practice of advanced democratic states, and by an explanation of the manner in which the adoption or rejection of one or other of them would affect the distribution of political power as between the two sections of the white inhabitants of the colony. The despatch, the third of the series—for it contained the promise of a fourth and concluding communication on the financial position of the Inter-Colonial Council—left the High Commissioner's office at Johannesburg on 5th December. The document, as it stands, is a complete and valuable study of what may be called the "technique" of the electoral machinery of parliamentary representation.

After a reference to the Secretary of State's despatch of 20th July, and a recital of the reasons which had led to the decision to grant representative institutions to the Transvaal, Lord Milner declared that he was satisfied, that it was wise to adopt a "liberal measure of representation." The elected representatives of the people, he wrote,

"must be numerous enough not only to voice popular opinion, but to determine the character of the laws, and, except where vital Imperial interests are concerned, practically to direct the policy of the administration."

He, therefore, proposed that the new Legislative Council should be composed of from six to nine members of the Executive, and of thirty, or slightly more than thirty, elected members. The franchise was to be wide, with a monetary qualification so low that none but the "absolutely indigent" would be excluded. And he subsequently recommended that provision might be made for allowing the elected members of the Council to be appointed to the Executive.

In respect of the apportionment of the thirty, or more,

<sup>1</sup> The seaside village near Cape Town where Rhodes died. Sir Starr Jameson had put Rhodes's cottage at Lord Milner's disposal.

elective seats, the first question to be considered was the possibility, or the reverse, of maintaining the electoral areas of the late Republic. On this point the evidence of the census was conclusive. Apart from the virtual exclusion of the Uitlanders from the franchise, the census returns disclosed the gravest inequalities in the Boer electoral system as a whole. On this point Lord Milner wrote:—

“At one end of the scale is Barberton, with a white population of 2,642, of whom 1,143 are adult males; at the other end, Standerton, with a white population of 11,192, of whom 3,267 are adult males. The whole policy of the late South African Republic was in the direction of giving altogether disproportionate power to the country population, of which a striking proof is afforded by the disfranchisement of towns in 1886. Even in the last year of the Republic only one representative was allotted to Johannesburg, with a population at that time of 76,500, while the districts of Rustenburg and Lydenburg, with populations of 13,000 and 3,500 respectively, each possessed two. It is difficult to justify in a new country, in which there are no constituencies dating back to a distant past, the perpetuation of an electoral system which would allot to constituencies such as Barberton, with 1,143 possible voters, equality of representation with (say) Standerton, which has 3,267, and would add to these inequalities the grave anomaly of new urban constituencies, deliberately created, which would have necessarily as their basis the maximum electorate of the rural constituencies.”

It remained, therefore, to create a new system of constituencies, and one which would permit the distribution of political power to be made in accordance with the latest and most enlightened electoral principles. Among such principles, that of the equality of voting power, embodied in the phrase “one vote, one value,” was the most important and the most universally recognised. But the principle could be applied in more than one way; and it was necessary, therefore, to determine which of these possible methods of application was most likely to secure the desired result in the case of the Transvaal—*i.e.*, to provide equality of representation for both sections of its (white) inhabitants. In the first place, were the con-

stituencies to be equal, or proportionately equal, in point of population or voters? And in the next, to what degree of exactness was this numerical standard of equality to be maintained? Should it be subject to modification by regard to (a) geographical area, or (b) existing administrative units, such as the districts of the Resident Magistrates and the municipalities?

The social and industrial conditions of the colony being what they were, important political issues were involved in the manner in which these points were respectively decided. The census gave the number of the white population as 297,277. The returns were disappointing. They showed that the 30,000 excess of European population, gained in the period immediately following the peace, had been lost through the exodus of the six months preceding the date of the census (18th April 1904). Moreover, the loss had fallen almost entirely on the British section. The (white) population of Johannesburg, which was 76,500 before the war, had increased only to 83,363. Out of the total white population of 297,277, there were, in round numbers, 90,000 adult males. While, however, the Rand district had a total population of 115,000 as against the 300,000 total population of the colony, the number of its adult males was 40,000 as against the 90,000 adult males of the colony as a whole. That is to say, the ratio of the adult males to the total population was far higher among the British than among the Dutch inhabitants of the colony.

The choice between accepting the total population or the voters only as the basis of the numerical equality of the constituencies was, therefore, by no means merely an academic question. The decision would affect materially the respective electoral prospects of the British and Dutch sections; and the fact had been long recognised on the Rand, where, before the war, the Uitlander leaders had united the "voters' basis" with "automatic redistribution" in their programme of constitutional reform.

The point was put by Lord Milner to the Secretary of State with perfect impartiality. There is, he wrote, a strong body of opinion in favour of distributing the

seats, not according to population, but according to the number of voters; and a great deal can be said in support of this view. In Australia, Canada, and the United States it does not make any practical difference whether population or voters is adopted as the basis of numerical equality, but in South Africa, and especially in the Transvaal, it makes a great difference. Which basis is the more equitable?

“On the one hand it may be urged that those districts, and those sections of the people, where the proportion of the population to the number of adult males is normal, are the most stable, that the fathers of families, and especially of large families, have more permanent interests in the country than the unmarried men, and that they are, therefore, entitled, man for man, to a greater share of political power. The mere fact that in a particular district the number of adult males is abnormal, indicates, it may be said, the existence of a floating population having no real ‘stake in the country.’ It is certain that this argument will be urged for all it is worth. But it would be easy to attach too much importance to it. No doubt there is a floating population in the more populous centres. But, apart from the fact that members of it would, in many cases, never get on the register, it is certain that the number of the birds of passage—especially among British subjects—is apt to be greatly over-estimated. Of the unmarried, or newly married, men, who have come into the country of recent years, and whose presence causes the abnormal population of adult males in certain parts of it, the vast majority have come to stay. They contribute fully as much to the progress of the colony, they are quite as deeply interested in its welfare and prosperity, as the older inhabitants, and they probably contribute, man for man, much more to its revenue. Indeed, if wealth, energy, and enterprize constitute any claim to consideration, or if the power of controlling taxation should rest with those who bear the burden of it, the districts which have a large proportion of adult males will in any case have some cause for complaint with regard to the distribution of political power. That cannot altogether be helped, but there is no reason why we should aggravate the disadvantage, at which they will, in any case, be placed, by adopting the principle of distribution most unfavourable to them.”

In view of the fact that the Dutch were employed

mainly in agriculture, and were therefore to be found scattered over the country districts, while the British were aggregated in the towns, a lesser, but still appreciable, difference in their respective electoral prospects would be produced by allowing the numerical equality of the constituencies to be modified by regard to geographical area. In favour of the admission of this ground of modification, and the consequent adoption of a lesser quota (whether of population or voters) for the rural, than for the urban, constituencies, it could be urged with reason that in the sparsely populated, and therefore geographically large, country constituencies, a lesser proportion of the electorate might be expected to go to the polls, than would be the case in the densely populated, and therefore geographically small, constituencies of the towns. But against giving this gain of representation to the rural constituencies, and thereby to the Dutch section of the population, there was to be set the consideration mentioned above, that the mainly British town population contributed many times more per head to the income of the State than the country population. The British section, therefore, might be held justly to be entitled to whatever additional political power would accrue to it from the geographical smallness of the urban constituencies.

As the Republican system of constituencies had to be abandoned in any case, the way was free for a distribution of seats on the most approved lines. In respect of the size of the constituencies, therefore, the question arose whether, in lieu of single-member constituencies with a majority vote, provision should be made for the representation of minorities by the formation of multi-member constituencies in districts where the political conditions were such, that without such provision a considerable body of electors would be excluded virtually from obtaining any representation at all. The class especially affected were the British residents in the country districts; but the Dutch in the towns would benefit also, though to a lesser extent, by a system of proportional representation. On this head Lord Milner wrote:—

“ Under the system of single-member constituencies, one



class, and one class only, of the inhabitants, and that class certainly not very progressive in its ideas, and representing a disproportionately small share of the wealth of the community, will carry every country seat except Barberton."

While, on the Rand the British electors would be able similarly to monopolise the representation. At the same time, multi-member constituencies with minority representation would "give rise to certain practical difficulties," and "had few advocates," and "popular opinion was in favour of universal single-member constituencies." If, therefore, minority representation had to be abandoned, because the multi-member constituencies in the sparsely populated rural districts must have included so large an area as to be almost unmanageable, or on other grounds, Lord Milner was "clearly of opinion," that "the universal adoption of the single-member constituency was for the best."

Since there was no question as to the desirability of giving as wide an application as practicable to the principle of the equality of voting power, it followed, as a matter of course, that provision must be made for securing the permanency of this equality by an automatic redistribution of seats. In the Transvaal, where the movement of population was both rapid and eccentric, such a system, as the experience of the past had shown, was plainly necessary to secure the electoral rights of the present and future British inhabitants. The original increment of the British element, gained immediately after the war, had been lost through the disastrous results of the labour shortage; but at the time this despatch was being written (November 1904) the efficiency of the Chinese labourers on the mines had been practically demonstrated, and there was every reason to believe that a large access of British population would result from the additional supply of unskilled labour. This belief was justified by events, as we have noticed elsewhere; and between the census of 1904 and the end of 1905, when the voters' lists were compiled, the adult male population of the Rand alone increased from 43,000 to 56,000. And, it may be added, the South African census of 1911 showed that, within the intervening seven years, the municipality of Johannesburg itself had gained an access of 37,484 white

inhabitants ; while this rate of increase (44.44 per cent.) was exceeded largely in the case of Boksburg (with a percentage of 177.75) and other lesser municipalities of the Rand.

Lord Milner's statement of these electoral questions, and of the issues dependent upon them, was accompanied by two detailed schemes for the apportionment of the elective seats in the new Legislative Council among the white population of the colony. Under the first, Scheme A., the qualifications for the franchise and the number of the elected members having been determined, a register of voters was to be framed for the whole country, and a commission to be appointed to divide the colony into electoral districts, in such a manner as to give, as far as possible, an equal value to every vote. Three-member constituencies, with a minority vote, could be adopted throughout ; or they could be combined with single-member constituencies in cases where these latter were more convenient. The basis of numerical equality was the number of voters ; but in applying the quota, the Commission was to be allowed a margin of from 5 to 10 per cent. deviation, in order that the electoral districts might be created without cutting up the existing administrative units more than was absolutely necessary. A fresh registration of voters, and a consequent redistribution of seats, was to take place every two years. That is to say, if the first registration gave a total of 72,000 voters, and the number of seats to be allotted was 36, then the quota of voters would be  $[\frac{72,000}{36} = ]$  2,000. If the next complete registration showed 80,000 voters, then the country would be redivided into 40 constituencies of as near as possible 2,000 voters each.

"This," said Lord Milner, "is theoretically the most perfect plan ; but it evidently involves frequent changes, and we should have to provide the machinery for carrying them into effect. The greater simplicity of the process by which additional seats could be created under the system of multi-member constituencies is a fresh reason in favour of that system if Scheme A. is adopted at all."

The second scheme of apportionment, Scheme B., was "a compromise, which would to some extent preserve the old electoral divisions . . . yet make large concessions to the

numerical principle" of equality. Under it (as set out in a subjoined table) separate representation was given to every actual unit of population—whether a town or a district, already endowed with a corporate existence—unless it fell, in point of numbers, below a certain minimum. These existing units were (1) the magisterial districts, and (2) the new municipalities. The former corresponded to one or more of the districts of the former Boer Landdrosts, which were the electoral, as well as the administrative, districts of the late Republic. The claims of every such unit to a greater amount of representation—*i.e.*, to two or more members—was determined

“by reference to a certain standard number—either of people or of voters—such a number, that is to say, as would entitle it to a seat if the whole country were to be cut up *de novo* on the purely arithmetical principle, without reference to history, to sentiment, or to the actual grouping of the population for administrative purposes.”

Under this scheme it was essential to have single-member constituencies in all cases: but the basis of the numerical equality of the constituencies could be either population or voters. If the population basis were adopted, the “standard number,” or quota, would be 10,000 [ $\frac{300,000}{30}$ ]. Additional seats were to be apportioned as required by the increment of population.

“The proper plan,” Lord Milner wrote, “is that which prevails in the United States and in several of our colonies, namely to draw the dividing line half-way between each multiple of the standard number, and to give for instance an additional seat to any unit, when it exceeds 15,000, and a second additional seat when it exceeds 25,000, and so on.”

If the number of voters were adopted as the basis, then 2,500 would be the standard number. In both cases the additional seats must be added by reference to the electoral unit—*i.e.*, the original district or municipality, and not the constituency; otherwise a town might increase largely, and yet not secure an additional member, because there was no sufficient increase in any one of its constituencies, taken

singly. The despatch also contained suggestions for the payment of members at the rate of £3 a day, with an upward limit of £300, for the reservation of the salaries of the Lieutenant-Governor, members of the Executive, judges, etc., and for dealing with other matters of detail. The question of finance, in relation to the Inter-Colonial Council, was, however, reserved for a separate despatch.

By this reasoned and explicit exposition of the subject Lord Milner secured, once and for all, that the British population in the Transvaal, whether forming a majority or a minority of the white inhabitants, should at least obtain in any elected Legislature that proportion of representation to which they were entitled as citizens of the Empire. It will be observed that Lord Milner personally would have preferred the formation of large multi-member constituencies, in which any considerable minority would have obtained representation, to single-member constituencies in which only the representatives of majorities were elected to the Legislature. He felt, however, that it was useless to press for the more theoretically perfect system in the face of the almost universal local preference for the system of single-member constituencies—a preference which was based largely on the fact that this latter secured the return of a representative chamber with clear-cut divisions upon party lines. On the question of the degree of strictness with which the principle of the equal value of votes was to be applied, he had at this time an open mind; but he stated with precision the significance of each departure from the principle, and the manner in which it would affect the respective electoral prospects of the Dutch and British sections of the population. Every one recognised that the principle of “one vote, one value” must be applied in the broad sense, that the constituencies must return one or more members by reference to a common quota, whether of population or voters, and that each elector was to be entitled to cast one vote and no more, and that only in one constituency. But on the question of the basis of the numerical equality, or proportionate equality, of the constituencies—whether population or electors—and on the further question whether the “equality” in either case

was to be absolute or relative, he saw that there was room for more than one opinion. If the basis were "population," and one member were assigned to every, say, 10,000 inhabitants of the colony, the country, or mainly ex-burgher, population would have an advantage over the urban, or mainly British, population; since the number of women and children, being non-voters, was greater among the former than among the latter. If, on the other hand, the basis of equality were that of "voters," and one member were assigned to every, say, 2,000 voters, then the urban, or mainly British, population would obtain a slightly larger measure of representation per head of population than the country population. And the adoption of either basis could be supported by valid considerations. In favour of the population basis, with its bias towards the Boers, it was pointed out that the country population was the more stable, and that the father of a family had a greater claim upon the State than a single man. On the other hand it was urged with no less force that the voters' basis alone gave a strict application of the principle of "one vote, one value," and that the mainly British population of the towns, although it was less permanent, and contained a smaller proportion of married men, was more intelligent and more enterprising, and, as against the country population, contributed many more times per head to the revenue of the State. The section of the population which provided seven-eighths of the income of the State was at least entitled to the full measure of representation that any application, however strict, of the principle of "one man, one vote" would give it.

And whether the basis of equality in the distribution of electoral power was that of population or voters, there remained another practical difficulty to surmount. To divide the colony into constituencies of absolute numerical equality (whether of inhabitants or electors) would involve an entire disregard of the boundaries of existing districts and municipalities, which would sacrifice in some cases the convenience, and in others the sentiments, of the inhabitants. It was agreed, therefore, on all sides that the electoral divisions should follow, within a certain margin of numerical

variation, the aggregations of population, as at present organised. This general agreement was expressed in Scheme B.; and with reference to the choice of basis of which it permitted, Lord Milner, in his despatch of 5th December, had declared that he personally would recommend the adoption of the population basis in preference to that of voters, as he regarded the country population as containing more stable elements than that of the towns, and saw no objection to giving the Boers the benefit of the slight electoral advantage which it would bring to them. But the question was decided in favour of the more logical basis of equality—that of voters—by the determination of the British population to combine their demand for the principle of “one vote, one value” with a no less resolute demand for automatic redistribution.

Two great meetings held at the Skating Rink of the Wanderers' Club,<sup>1</sup> and convened respectively by the Transvaal Progressive Association and the Responsible Government Association, both passed unanimous resolutions in favour of the establishment of the principles of equality of voting power and automatic redistribution in the electoral system of the new Constitution; although on each occasion a considerable minority, by declaring themselves in favour of “Representative Government,” showed that even the industrial classes of the Rand were by no means unanimous in supporting the naturally popular demand for the immediate grant of full self-government. Now everybody, including the Boer leaders,<sup>2</sup> recognised that in a country subject to such sudden fluctuations of population as the Transvaal a frequent redistribution of seats was necessary; and in view of this general agreement it was impossible to resist the contention of the Transvaal Progressive Association, that the basis of the numerical equality of the constituencies must be that of voters and not of population, since the practice of automatic redistribution could only be applied effectively to constituencies of this order. If population were the measure of equality, redistribution could only take place conveniently once in ten years; that is, after

<sup>1</sup> On 19th January and 9th February respectively.

<sup>2</sup> See chap. xvii. p. 257.

each decennial census. In ten years a village might grow into a town; or a mining centre might be abandoned by its former inhabitants. With the voters' basis, on the other hand, the roll of electors, annually revised, would allow redistribution to take place as often as was required to keep pace with the movement of population. And it was generally held that even a biennial redistribution would not be unnecessarily frequent.

On 24th December Lord Milner sent a further despatch to the Secretary of State on the constitutional question, in which he enclosed a draft Order-in-Council prepared by the Attorney-General giving effect in substance to the recommendations contained in the despatch of 5th December, and making provision for a distribution of seats in accordance with the second of Lord Milner's two alternative schemes, namely, Scheme B., in which the existing administrative units were followed as far as practicable, and the basis of the equality of the constituencies could be either population or voters. At the same time Lord Milner sent to the Secretary of State, with a covering letter, a memorandum by Sir Richard Solomon on the actual proposals thus embodied in the draft. This document was written at Lord Milner's request, and without any desire on the part of Sir Richard that it should be made public; but, said Lord Milner, "his views are entitled to such consideration that His Majesty's Government ought to know them." In it Sir Richard Solomon wrote that, assuming that a system of Representative Government was to be established, there was very little in the recommendations of the despatch of 5th December from which he differed. This "very little," however, included the question of automatic redistribution of seats, to which Sir Richard objected as being "foreign to England and South Africa." If provision for the practice were made in the Letters Patent conferring the new Constitution, he, like General Smuts, was of opinion that "an additional member should be given on a smaller increase in rural constituencies, than in urban." But on the question of the policy of the half-way house of Representative Government Sir Richard Solomon's memorandum disclosed "a fundamental but

perfectly amicable difference" between himself and Lord Milner. He wrote:—

"I think, however, that it is my duty to point out that in my opinion it would be better to wait for a year or eighteen months without making any change in the Constitution, and then to grant a full measure of self-government to this colony, than to make a change at present in the direction of Representative Government. . . . The people both Dutch and British want self-government . . . and would wait for it for a year, or a year and a half, if they knew it was coming. . . .

"I feel confident, however, that at the first election of members for the Legislative Council under a representative form of government the majority of the members returned would be in favour of the immediate introduction of Responsible Government, and would make the position of the Executive almost impossible, until they succeeded in obtaining what they wanted."

On 10th January 1905 a deputation of the Transvaal Progressive Association waited upon Lord Milner at the High Commissioner's Office, with the object of laying before him the views of their Association upon the question of the new Constitution. It was now understood that Lord Milner would make it his business to convey to the Secretary of State the judgments formed by the various representative political organisations, in order that the Cabinet might be correctly informed as to the state of public opinion in the colony. The Progressive Association urged the supreme importance of the adoption of the voters' basis as the measure of the equality of the constituencies, from the point of view of the British population, both on the ground that, as the main tax-payers of the country, this section of the inhabitants was entitled to the full advantage of a strict application of the principle of "one man, one vote," and also because the automatic redistribution of seats—a process no less essential to the attainment of this object—could only be put into effective operation by making the register of qualified electors the instrument of enumeration. The deputation also desired that provision should be made in the Constitution for the appointment by the Crown of non-official members to the



Executive. With this proposal Lord Milner expressed his agreement, provided, however, that the power to include an unofficial element in the Executive was "facultative" and not "compulsory."

The deputation of the Progressive Association was followed by a second deputation, representing in this case the Responsible Government Association. The proceedings of this latter were not made public; but the views put forward were those of the manifesto of 24th November.<sup>1</sup> Like the Boer leaders, the recognised heads of the Responsible Government party refrained from committing themselves to the opinion that an immediate change from the Crown Colony system of government was necessary, or desirable, although curiously enough they were very emphatic in denouncing the alleged incapacity of the Crown Colony officials.

These deputations were succeeded by appeals to the mass of the Rand population which culminated in the two great meetings, respectively convened by the rival Associations, as already noticed, on 19th January and 9th February. In this popular campaign the Responsible Government Association relied upon the demand for "the immediate grant of full self-government," and by so doing elicited the clamorous support of the large majority of the industrial classes of the Rand.

While the British inhabitants of the Transvaal were thus exhibiting the divergency of aims and opinions by which they were divided, the Boer leaders quietly took a step which brought the whole of the ex-burgher population in a solid phalanx under their immediate control. On 28th January 1905, at a meeting held at the Empress Theatre, at Pretoria, under the presidency of General Louis Botha, the Boer organisation of "Het Volk" was formally inaugurated by the establishment of the first two wards of the Association. The statutes of "Het Volk," or "the People's Union," were twenty in number. The unit of the organisation was the "ward," which was to consist of at least fifty ordinary members of the Association. Above the ward, with its Committee and Secretary, was the District Committee, consisting of the chairmen of every Ward Committee within

<sup>1</sup> See above, p. 275.

the district, together with one member from each ward elected by a majority of the respective members of the several Ward Committees. The supreme control of the organisation was vested in the Head Committee; and this Head Committee was to be appointed by the annual assembly of the Dutch inhabitants of the colony, entitled "the People's Congress." This latter body was to consist of (a) the Head Committee, and (b) delegates representative of each ward, elected, however, not directly by the ward, but by the District Committees. Statute 17, which set out the conditions of membership, stated that all white persons of sixteen years of age and upwards, permanently domiciled in the colony, were permitted to join the Association. They were required, however, to obey the twenty statutes, and sign the following declaration:—

"The undersigned, hereby declares that he will support the People's Union, and binds himself to observe faithfully the obligations connected with its membership."

The statutes themselves were silent as to the nature of these obligations, but Statute 14 gave the Head Committee power to dissolve summarily any Ward or District Committee in which, in its opinion, an influence adverse to the attainment of the objects of the Association might be at work. That is to say, the Head Committee took power to exclude arbitrarily from the Association any section of the members which did not fall into line with its decisions. The only hint that the organisation might be intended for any other purpose than that of enabling the Dutch inhabitants to make their voice heard effectively in the internal affairs of the colony, was that which was contained in Statute 11, under which the Head Committee was empowered, if necessary, "to call conferences elsewhere concerning the interests of South Africa." The Head Committee for the current year was composed of: General Louis Botha (Chairman), Mr S. J. Burger (Vice-Chairman), Generals De la Rey and C. F. Beyers, Messrs Ewald Esselen and A. D. W. Wolmarans, and General J. C. Smuts—all of whom had been appointed by the People's Congress held at Pretoria in the preceding year.

At this meeting in which the two first wards, embracing the town of Pretoria, were established, General Botha in his presidential address made a specific declaration of the policy to be pursued by "Het Volk" with reference to the impending grant of Representative Government. "I cannot honestly advise the people to accept it," he said. And at Volksrust on 4th February he explained that "Het Volk" did not want either Representative or Responsible Government then; but that when the time came for a change, only Responsible Government would satisfy it.

In the course of the next month branches of "Het Volk" were formed throughout the Colony, and meetings were held at which this declaration was repeated in language that was not always marked by the propriety of General Botha's utterances.

This then was the Boer political machine. Its purpose was to provide the ex-burgher population with a separate chamber—the People's Congress—and a separate franchise—the right to send delegates to this Congress—which would take the place of the elective chamber and the electoral system of the new Constitution. Whether the Boer leaders would, as a matter of fact, have been able to exercise the power necessary to compel the rank and file of their people to carry out this policy of abstention, is uncertain. But the policy was laid down; and no political machine better calculated to give effect to it than "Het Volk" could have been provided by the shrewdest of professional organisers.

With this demonstration of Boer solidarity before him, Lord Milner's hesitation to recommend the voters' lists as the measure of the equality of the constituencies disappeared.

"I did prefer Scheme B. with the population basis," he telegraphed to Mr Lyttelton on 30th January, "because I thought it would make the proposed system more acceptable to the Boers, but since then events show that there is nothing to hope for from the Boers. Their leaders have taken up the position that they will have nothing less than complete self-government . . . therefore, we may as well content ourselves with giving the Boers absolute electoral equality, especially as the British population desire it."

To complete the account of the conflicting political forces at work at this time, some mention must be made of the co-operation of the Liberal Opposition in England with the advocates of Responsible Government, both Dutch and British, in the Transvaal. In the preceding November, Mr Hull,<sup>1</sup> an unofficial member of the Legislative Council — afterwards Treasurer in the first Responsible Government Ministry of the Transvaal and again Treasurer in the first Union Ministry — visited England for the purpose of laying the case for the immediate grant of Responsible Government before Mr Lyttelton and others. Having failed to convince the Secretary of State, whom he saw on 3rd November at the Colonial Office, that the Transvaal was ripe for Responsible Government, he turned his attention to the Liberal leaders. Here he met with full sympathy; and Sir Henry Campbell Bannerman's declaration of 17th November at Dundee was followed by the more precise statement contained in Lord Spencer's letter to Mr Corrie Grant, published on 10th February—*i.e.*, the day after the Responsible Government meeting at the Wanderers'. In this considered manifesto of the immediate aims of the Liberal Party, Lord Spencer wrote on the subject of the new colonies:—

“We must earnestly work towards giving the new colonies the fullest measure of Representative and Responsible Government, and towards fulfilling all the financial arrangements made with the colonists at the close of the war. We shall thus ultimately obtain the surest and soundest means of settling many questions of policy, which have been the subject of bitter contention and have stirred so deeply the moral sense of England and the colonies. Until this end is achieved, the Home Government must promote the real interests of all the South African Colonies, without continuing, beyond the obligations of the existing contracts, any system of indentured labour.”<sup>2</sup>

<sup>1</sup> Mr Hull was a Cape Colony solicitor. He was a contemporary and associate of the three brothers Solomon, Mr Philip Schreiner, Messrs J. W. and Charles Leonard, and Sir James Rose Innes—a legal circle of colonial-born men who were all starting professional life in the Cape Colony in the early eighties.

<sup>2</sup> This was drawn up by the Liberal leaders as the result of a private conference at Lord Spencer's house.

Thus Mr Lyttelton's forecast of six months ago was confirmed; and the publication of this document made it known to all and sundry in the Transvaal, that, if and when the Liberals were returned to power, Responsible Government was to be had at the price of the abandonment of Chinese labour. In the meantime the Unionist Government had been strengthened by its successful handling of the Russian crisis, and by the establishment of the *Entente Cordiale* with France; and the dissolution of Parliament was no longer expected to take place in the spring (of 1905). Two considerations gave weight to Mr Balfour's intention to remain in office as long as he could command a majority in the House of Commons. The Anglo-Japanese treaty, then under negotiation, must, if possible, be carried through by Lord Lansdowne; and the new Constitution for the Transvaal must be put into operation under a High Commissioner and Governor who would be in sympathy with the aims and policy that it embodied.

The arrangement for giving effect to Lord Milner's recommendations in respect of this latter were, therefore, completed without any unnecessary delay. The Cabinet having approved of them in principle, as set out in the despatch of 5th December and the Draft Order-in-Council prepared by Sir Richard Solomon, and the fundamental question of the measure of the numerical equality of the constituencies having been settled by Lord Milner's ultimate adhesion to the voters' basis, the few points of detail left undecided were adjusted by telegraphic communications between him and the Secretary of State, and on 25th March the Letters Patent and the Order-in-Council, embodying the new Constitution, were completed.

In this last stage, when the Constitution was before the Cabinet (5th February to 25th March), Lord Milner, acting in consultation with the leaders of the Progressive Association improved the provisions of the original draft Order-in-Council in certain particulars. The most important of these amendments were those which prevented certain classes of British subjects from being disqualified from exercising the franchise on technical grounds. The classes

in question were Government servants, police, South African Constabulary, railway employees, etc.; persons who received payment partly in kind and partly in money; and the small but influential class who went to England periodically for some months in each year, although they were permanently resident in the colony. Lord Milner also obtained the insertion of a provision in the Letters Patent securing what was tantamount to the recognition of English as the official language—*i.e.*, that the records of the proceedings of the Elective Council should be kept in English, although Dutch could be used in debate by permission of the President of the Council. It was also arranged that all ex-burghers, over the age of 21, who had been entitled to vote for members of the First Volksraad, should be deemed “qualified voters” under the new Constitution. No provision was made for the representation of the coloured subjects of the King, whether African or Indian, on the ground that any such provision would have been a breach of Article VIII. of the Terms of Peace:—“The question of granting the franchise to the Natives will not be decided until after the introduction of self-government.” Lord Milner himself did not assent to this interpretation of Article VIII., holding that the words “natives” and “coloured persons” were perfectly distinct terms, which indicated respectively the “native Africans,” and the “mixed Africans or Asiatics.” On the other hand he knew that any proposal of the sort would have been repugnant to the sentiment of both the Dutch and British inhabitants of the colony. In the circumstances, Mr Lyttelton decided to make provision for the protection of the interests of the “coloured persons” and other races not represented in the Legislature by requiring the Governor of the colony to reserve for the Royal assent “any Bill whereby persons not of European birth or descent might be subjected to any disability or restriction to which persons of European birth were not also subjected.”

In the course of these communications only one serious difference of opinion, as between Lord Milner and the Balfour Cabinet, arose; but on this one point Lord Milner expressed himself with great decision. On 8th March the

Secretary of State telegraphed to say that the Cabinet was contemplating the insertion of a provision for securing the payment of the war contribution in the Letters Patent. The proposal was in effect to ear-mark all revenue other than such as was required for the bare necessary expenses of administration for the purpose in question. This course Lord Milner replied on the 13th, would make the Transvaal worse off next year (1905-6) than if the £10,000,000 instalment of the war contribution had not been postponed. It would arrest the development of the colony; since many urgently needed public works could only be provided for out of surplus revenue, as the funds available from the Guaranteed Loan had proved insufficient. On this last point Lord Milner telegraphed:—

“It was called a Development Loan, but in fact only about one-seventh of it at best is available for new development in the Transvaal, and even that, as you know, is threatened with curtailment.”

The political effect of pressing the colony for a war contribution at the moment when the new Constitution was being launched would be very bad. It would

“throw the game into the hands of the Responsible Government party. . . . I am firmly convinced,” he continued, “that the best chance of a satisfactory settlement of the war contribution is to leave an elected Legislature free to deal with it, and to appeal to their honour and their regard for the credit of the colony, which would obviously be greatly impaired by Repudiation. I foresee difficulty in any case, but, if the matter is firmly and tactfully handled, I believe we can get something substantial without force or threats. . . .”

And in a more private telegram to Mr Lyttelton he expressed himself with even greater vigour.

“Between ourselves, I think the proposal perfectly mad. If we want to damn the new Constitution from the start, this is, in my opinion, the best way to do it . . . it is the right principle that we should share our windfalls with His Majesty’s Government as we get them, rather than having the dead weight of a big debt hanging round our necks.

That was my original idea, and I greatly regret that I was ever induced to abandon it in favour of a lump sum."

In the face of this protest the proposal was not pressed any further, and in the event Lord Milner's advice was followed.

"In dealing with this question of a change of Constitution," Mr Lyttelton wrote in his covering despatch of 31st March, "His Majesty's Government have not overlooked the fact that the United Kingdom has a great financial interest in the political stability of the Transvaal, because as part of an arrangement whereby the British Exchequer guaranteed to the colony the interest and principal of a loan of 35,000,000*l.*, certain prominent and representative persons undertook that the colony should make a contribution of 30,000,000*l.* towards the cost of the war. The colony has reaped the advantage of the guarantee, which has enabled the tax-payers to obtain the resources necessary for the development of the country on considerably easier terms than would otherwise have been possible.

"His Majesty's Government are aware that it would be competent to them to ask the existing Legislative Council to pass the necessary legislation for the purpose of raising a war contribution loan, and that the issue of the first instalment of 10,000,000*l.* might then be made as soon as the financial position of the colony enabled it to meet the charges of the additional debt; but they are anxious to avoid any appearance of imposing or exacting this contribution by compulsion. They desire that the contribution should be made—not so as to arrest the sufficient development of the colony, or to impose undue taxation upon its citizens, but in the same willing spirit in which it was promised, reflecting the worthy desire to share the immense burthens which have fallen, as the result of the war, on all classes in the Motherland.

"Actuated by this desire, and relying on the loyal spirit of their fellow-subjects in the Tranvaal, His Majesty's Government have decided not to press forward the necessary legislation in the Legislative Council which is so shortly to expire, and have deliberately left the matter to the new Representative Assembly, in the assured belief that they will do what is right and just."<sup>1</sup>

<sup>1</sup> Cd. 2400.



Two other incidents must be mentioned as coming within this final stage of the evolution of the Constitution. Towards the end of February the outlines of the proposed constitution, as telegraphed to Lord Milner by Mr Lyttelton after the approval of the Cabinet had been obtained, were communicated confidentially to the members of the Transvaal Executive Council by Sir Arthur Lawley, with the High Commissioner's concurrence. At an interview subsequently granted in accordance with their desire, on 23rd February, they laid before Lord Milner their individual opinions on the constitutional changes in question. While they disagreed on many of the details, on one point they were all alike unanimous. It was desirable that a Commission should be appointed by the Home Government to enquire into and report on the basis of representation, the franchise, and the divisions of electoral areas most suitable to the colony, before the Constitution was granted; and that pending the report of such a Commission the present form of Government should remain. This general view was embodied in a formal resolution, to which all members of the Council assented with the exception of the Lieutenant-Governor, and two days later the resolution and the more distinctive expressions of opinion were duly communicated to the Secretary of State for the information of the Home Government.

Early in March Lord Milner was able to inform Mr Lyttelton that he had made good the necessity, mentioned in the second of the despatches on the constitutional changes (9th May 1904), to place the finances of the Inter-Colonial Council on a "thoroughly sound and self-sufficing" basis. This, as he then pointed out, was one of the things which had to be done before any system of representative Government was established; since it was necessary to secure the Council, as the direct agent of the Imperial Government for the expenditure of the £35,000,000 of the Guaranteed Loan, against any interference on the part of the Elective Chamber of the Transvaal calculated, however remotely, to impair its capacity either to provide for the service of the loan or to fulfil the administrative purposes for which it was established. These latter, it must be remembered, included the management of the joint railway

system—the actual source from which the payment of the interest and sinking fund of the loan was provided—the administration of the Constabulary, of the lesser common services of the two colonies, and in particular of the British agricultural settlements in both colonies, and the provision of the funds necessary to meet the administrative expenses of the Repatriation.

The first necessity for the financial stability of the Inter-Colonial Council was, of course, the efficient management, and consequent productiveness from a revenue point of view, of the joint railway estate. This primary requirement was secured by the reorganisation of the Railway Administration, gradually brought into operation during the financial year 1904-5, of which the successive steps have been duly narrated in the chapter on railway development. It only remains, therefore, to add on this point that formal constitutional effect was given to these changes by a final Order-in-Council dated 10th May 1905, and published, therefore, shortly after Lord Milner had left the Transvaal. And apart from thus securing the ultimate financial capacity of the Council, Lord Milner, in conference with the Lieutenant-Governors and Treasurers of the two colonies and Mr Duncan, the Acting-Commissioner of Railways, discussed and formulated the arrangements necessary to make sure that no temporary shortage of funds should prevent, in particular, the new railway lines from being built, and, in general, the development undertakings in the two colonies which were dependent upon loan funds, from being carried out in essential completeness.<sup>1</sup>

So soon as the Cabinet had given its approval to the substance of the constitutional changes, Mr Lyttelton communicated to Lord Milner the nature of the instruments by which he proposed to bring them into effect. They were, as stated in a telegraphic despatch of 13th February:—

(1) Letters Patent containing provisions determining the character of the constitution in all essential points.  
In this instrument

(a) The number of the elective members of the

<sup>1</sup> It was at this Conference that the scheme for the distribution of the £3,000,000 free grant was adopted.

Legislative Council was to be fixed at 30 to 35, and that of the official members at from 6 to 9.

- (b) Provision was to be made for the appointment of a Commission to divide the colony into constituencies having an equal number of voters with a margin of, say, 10 per cent., and, subject to this, conforming to existing administrative areas as nearly as might be.
  - (c) Provision was to be made for automatic redistribution every two years.
  - (d) The Civil List, and the supplementary contribution of the Transvaal to the Inter-Colonial Council, were to be reserved.
  - (e) Money Bills were to be introduced only by the Executive.
  - (f) Power to legislate by Order-in-Council was to be reserved.
  - (g) Regulations for the election of the unofficial members of the Council were to be made either by Order-in-Council or by Ordinance of the new Legislative Council, as might be expedient.
- (2) An Order-in-Council, which was to be promulgated immediately after the Letters Patent. This was to contain provisions for the preparation of voters' lists, to lay down the qualifications for the franchise, and to provide for the division of the colony into electoral areas by the Commission to be appointed under the Letters Patent.
- (3) A despatch covering the transmission of the Letters Patent and the Order-in-Council to the Governor, in which Mr Lyttelton would set forth the reasons by which His Majesty's Government had been guided in granting the new Constitution in this form, and summarise the facts and opinions contained in Lord Milner's despatches on the subject. In this way the necessity for publishing the long correspondence between Lord Milner and the Secretary of State would be avoided.

This method was in the event pursued, with, however, one important modification and a few minor changes. The important modification was to insert the provisions fixing the qualifications of voters in the Letters Patent instead of the Order-in-Council. By this change all the fundamental principles and necessary details of the electoral system were embodied in the Letters Patent; and nothing was left to be done in the Transvaal except to put the machinery of the system in motion. This latter was to be effected by the preparation of the voters' lists, as provided for in the Order-in-Council which dealt exclusively with this matter, and by the appointment of the Commission which was to divide the colony into electoral areas, on the terms and conditions set out in the Letters Patent, directly the voters' lists had been prepared.

It will be observed that it was Lord Milner's wish that nothing should be left to be decided by local discussion and initiative; and the Home Government followed his advice. In this matter, as we have seen, he placed himself in direct conflict with the opinion of the whole of the Executive with the single exception of Sir Arthur Lawley. Their view was that where so much divergence of opinion was manifested on questions such as the proper basis for the "equality" of voting power, qualifications for the franchise, and so on, no constitution would be acceptable unless it was based upon an agreement on these points, previously reached by means of a Commission empowered to take evidence throughout the colony. Lord Milner, on the other hand, believed that the wishes of the general mass of the people had been sufficiently made known in the course of the recent public discussions of the constitutional question in all its aspects, and that the report of such a Commission would lead no further in the direction of agreement, while the delay would keep the colony in a condition of political unrest for many months to come, and thereby retard the economic and industrial progress of all classes of the community.

A few changes other than those already mentioned were introduced at the last moment mainly to meet the wishes of the Home authorities. The franchise qualifications were made somewhat lower than those of the existing Transvaal

municipal franchise, but still stopped short of manhood suffrage. The duration of the elected Legislature was limited to four years—a compromise between Lord Milner's three, and Mr Lyttelton's five years. The words "Assembly" and "Law" were substituted for "Council" and "Ordinance," and the payment of the members of the Assembly was reduced to a maximum of £200 per annum, as against Lord Milner's £300.

It was further arranged that Mr Lyttelton's despatch, with the Letters Patent and Order-in-Council for the preparation of the voters' lists, should not be made public until Lord Milner had left the Transvaal. This event took place on 2nd April, but the Constitution was not published until some weeks later.<sup>1</sup>

The Lyttelton Constitution was never brought into effect, since the expected change of government in England, which occurred in December of the same year, came before the necessary machinery for the election of the members of the new Assembly had been completed. The circumstances in which Lord Milner's decision in favour of Representative Government was reversed, and Responsible Government was granted to both the new colonies, will be related in a subsequent chapter. Here it must suffice to remark that the care, thought, and labour so ungrudgingly bestowed upon the preparation of these instruments by Lord Milner, and to a scarcely less extent by Mr Lyttelton, were by no means wasted. The electoral system, the permanent and essential element in the Lyttelton Constitution, was based upon principles so just, and its details were adjusted to the needs and conditions of the Transvaal with so ripe an experience, that it withstood every test of hostile criticism and reappeared almost unaltered in the Responsible Government Constitution founded upon the report of the West Ridgeway Committee, and granted in December 1906 by the Campbell-Bannerman Cabinet.<sup>2</sup>

<sup>1</sup> The Letters Patent and Mr Lyttelton's despatch were dated 31st March, and the Order-in-Council 27th March, 1905.

<sup>2</sup> The text of the Lyttelton Constitution is to be found in Cd. 2400, and that of the new (Elgin) Transvaal Constitution in Cd. 3250.

## CHAPTER XIX

### WRITING "FINIS"

IN this chapter an endeavour will be made to present the main results of Lord Milner's administration of the new colonies during the three years 31st May 1902 to 1st April 1905. A summary of his work and aims, so far as the actual reconstruction of the two colonies is concerned, is provided by the three farewell speeches which he made upon the eve of his departure from the Transvaal. This cannot be improved upon; but it needs to be supplemented by some account of those aspects of his action and policy in which the new colonies were not exclusively concerned, but their interests were mingled with those of the rest of South Africa, or with those of the Empire as a whole.

Among the questions to be included under this head the arrangements made for the solution of the problem of Swaziland may claim priority—a matter about which nothing has been said as yet. The explanation of this silence is to be found in the fact that, although the status of Swaziland was a question of almost domestic concern to the Transvaal, it was one that did not enter directly into the subject matter of the reconstruction of the two new colonies. Lord Milner's opinion that Swaziland ought to be administered by the Transvaal Government was accepted by Mr Chamberlain at the time of his visit to South Africa,<sup>1</sup> and in the June (1903) following an Order-in-Council was promulgated, under which all the powers and rights of the Crown were vested in the Governor of

<sup>1</sup> For the position of the question at that time *see* chap. vii. p. 143 and chap. viii. p. 188.

the Transvaal, who was authorised to appoint a Resident Commissioner and other officials necessary for the due exercise of these powers and rights. The order, however, was not brought into effect until another fifteen months had elapsed, during which a further exchange of views passed between the Transvaal Government and the Colonial Office. Ultimately, in October 1904, by proclamation of the High Commissioner, provision was made for the establishment of a Civil Government in Swaziland, identical in character to those adopted for Basutoland and the Bechuanaland Protectorate, and in particular for the appointment of the Commission to unravel the tangled skein of Umbandine's concessions, which was a necessary preliminary to any administrative or industrial progress. Lord Milner, however, wisely obtained the assent of the concessionaries to certain general principles, before he allowed the Concessions Commission to embark upon its difficult task. Thus it was agreed that all concessions that invaded the legitimate sphere of the Government, or withdrew from the Swazis any material resources necessary for their sustenance and reasonable prosperity, were to be expropriated at the actual cost price, or upon such other terms as might be awarded; and that concessions of land in all cases were to be subject to the reservation of at least one-third of their several areas, and the lands so reserved were to become the inalienable property of the Swazi people. The Commission began its labours without delay, but its work was not finally accomplished until some years after Lord Milner had left South Africa. In the meantime, and upon the grant of Responsible Government to the Transvaal, Swaziland by Order-in-Council of 1st December 1906 was placed once more under the High Commission; and by a proclamation of the High Commissioner (Lord Selborne), issued in March 1907, provision was made for the appointment in the territory of a Resident Commissioner, with Assistant Commissioners, and for the establishment of a police force and a Court of Justice. The Concessions Commission subsequently completed its report, and the work of adjusting the numerous and conflicting claims of the concession holders, and of the parties

interested in such claims, has at length been accomplished. The demarcation of the native reserves was carried out by a special Commission, appointed for the purpose in 1910. Since that date considerable progress has been made by the small white community in working the gold and tin mines, and in the development of the pastoral and agricultural resources of the territory; while at the same time the material well-being of the Swazi population has been substantially advanced by the introduction of an orderly and enlightened system of administration.

Lord Milner, as he declared himself at the Navy League meeting at Johannesburg, was "an Imperialist, out and out." It was his settled resolve that in the treatment of questions in which the other colonies of South Africa, or other parts of the Empire were concerned, the Governments of the new colonies should give the utmost consideration to the interests of these potential co-partners as was consistent with their obligations to the particular communities for whose well-being they were primarily responsible.

Mr Chamberlain had said that the Home Government would treat the Transvaal in matters which concerned it and the Mother Country alone, as a self-governing colony. Lord Milner endeavoured in his dealing with the sister South African States and with other members of the Empire, to adopt the complementary principle, treating the rest of South Africa as already forming with the new colonies one country and other members of the Empire as though they were already parts with South Africa of a single administrative system. In the case of South Africa his action was destined to bear fruit at a much earlier period than he had anticipated. In this, as in other ways, he "builded better than he knew." The more important steps by which he sought to promote directly the attainment of administrative unity by the South African colonies formed an integral portion of the fabric of events, and as such they have been recorded, as they occurred from time to time, in the preceding pages. As regards these conspicuous instances in this field of action, it will suffice, therefore, merely to recall them to the memory of the reader. As in Australia, during the ten years in which the Commonwealth Constitution was in the



making, it was found possible to secure a measure of concerted action in matters of common concern by frequent conferences, so in South Africa during these three years Lord Milner lost no opportunity of promoting inter-state action by employing the same agency. And in this connection it may be noticed that the new High Commission issued to Lord Milner on 6th October 1900, in view of his "prospective administration" of the Transvaal and Orange River Colonies and the consequent severance of the High Commissionership from the Governorship of the Cape of Good Hope, made special provision for such action: since under this instrument, and for the first time, the High Commissioner for South Africa was specifically empowered to invite the Governments of the several colonies and protectorates to appoint representatives to confer with him upon matters of common concern.<sup>1</sup>

The first example, and one which brought South Africa a long step nearer to the goal of unity, was the Inter-Colonial Conference which sat at Bloemfontein from 10th to 23rd March 1903. With the main circumstances and results of this significant gathering the reader is familiar.<sup>2</sup> Out of it came (1) a common Customs Tariff for all five British colonies of South Africa, with a preference of 25 per cent. for United Kingdom imports, and an offer of reciprocal treatment for imports from other members of the Empire; (2) an affirmation of the legitimacy of the importation of State-regulated Asiatic labour by any colony in the then economic conditions of South Africa; (3) the Inter-Colonial Native Affairs Commission; (4) the census of all British South Africa; and (5) an affirmation of the principle of administrative union with the expressed hope "that the day might not be far distant, when it might be possible to summon a conference to consider . . . the union under one central federal administration of the whole of the colonies and territories under British rule."

In the two years which followed the Bloemfontein Conference the method of inter-state consultation and action

<sup>1</sup> This and the Commission for the administration of the new colonies upon Lord Roberts's return to England, were enclosed in the despatch of 18th October 1900. Cd. 547.

<sup>2</sup> See chap. x., "Administrative Development," pp. 234-45.

was applied by Lord Milner with greater or less success to the solution of the Delagoa Bay and the Shipping Ring questions, to the regulation of Asiatic and other alien immigration, to the creation of facilities for the movement of native African labourers from colony to colony, to special questions of native administration such as the Ethiopian movement, to the prevention and extermination of animal diseases and insect pests, and to the promotion of scientific agriculture, stock-raising and forestry. Among the public manifestations of these efforts towards concerted action, was the informal conference of the Prime Ministers and Public Works Ministers of the two self-governing colonies with Lord Milner, which took place at Sunnyside on 25th to 27th June 1904, with its sequel the Railway Amalgamation, or Railway Rates, Conference of 2nd to 9th February 1905. The importance of these Conferences both as a means of promoting good relations with Portugal, and as a direct act of preparation for the union of the railway systems of South Africa, has been already explained at length.<sup>1</sup> It is sufficient, therefore, to recall the fact that of all the financial adjustments preparatory to the act of union, that which related to the several railway properties of the respective colonies was the most difficult. In the Railway Rates Conference, therefore, the problem of South African unity was attacked in its most difficult and vital aspect; and though no binding decisions were reached, the basis of a working agreement for amalgamation was formulated, and henceforward each of the colonies knew the market value of their respective railway interests. In other words the terms upon which the various states would have to treat were made known, and each state had the data upon which it could make up its mind as to whether in its own case the gain or loss, involved in the creation of a common Railway Administration, would be the greater. And this Conference, it must be remembered, followed closely upon the Railway Agreements with the Cape and Natal Governments, which had afforded a practical example of the value of inter-state action in the field of railway extension. The

<sup>1</sup> For a detailed account of these meetings, and for the dominant part which Lord Milner played in originating them, and in making them fruitful of results, see chap. xv., "Railway Development," pp. 45 *et seq.*

ground upon which the acceptance of these agreements was especially recommended by Lord Milner to the Inter-Colonial Council, in November 1904, was that the agreements themselves, by enabling the Central South African Railway system to be extended not merely as the needs of the new colonies required, but also with a view to the improvement of the railway communications of South Africa as a whole, would constitute a "step, and a great step, forward on the long road which leads ultimately to a United South Africa."<sup>1</sup>

Two other applications of the same instrument—the Inter-Colonial Conference—may be mentioned. On 23rd August 1904 there met at Johannesburg a Conference of delegates representing respectively the five colonies of South Africa to consider the question of the charges for ocean freights, commonly called the "Shipping Ring" question. The fruits of this Conference, as presented in the Interim Report published in the following October, were two interdependent proposals which were recommended for the approval of the various colonial Governments. First, that the South African Governments, acting in co-operation, should call for tenders for a five years' contract to carry all the goods required for Government purposes, together with such other cargoes as might be guaranteed under a system of co-operation between the colonial Governments and other public bodies and importers generally. Second, that a South African Shipping Convention should be formed, under which the separate colonial Governments would mutually bind themselves to put into effect certain measures, which, in the opinion of the Conference, would be sufficient to protect the tenderer for the five years' contract against "unfair competition," and ensure stability of shipping rates. Here, again, no concerted action, was found possible at the time; but the Conference had shown what must be done, and seven years later, in the first session of the Union Parliament, the measures which it had recommended for remedying the most injurious features of the Shipping Ring were put into effect.

The second application of the principle is the meeting of a Conference of delegates from all the South African

<sup>1</sup> For these Agreements, see chap. xv. pp. 38 *et seq.*

Agricultural Societies at Pretoria. The Associated Chambers of Commerce of South Africa had for some time past held an annual meeting, but the gathering of the representatives of agriculture was a new departure, due to the impetus given to agricultural progress in the new colonies by the activity and efficiency of the Departments of Agriculture established by Lord Milner. And in this connection it may be added that a system of co-operation between the Agricultural Departments of the various colonies, which included the inter-change of the results of scientific observations and experiments as well as the arrangement of concerted action for the destruction of insects and the prevention of cattle diseases, was largely originated, and carefully fostered, by Lord Milner himself.

As a work of direct preparation for the administrative unity of the British colonies in South Africa the Report of the Inter-Colonial Commission on Native Affairs is second only to that of the Railway Rates Conference. The more important among the general conclusions to which the Commissioners were led by their lengthy and complete investigations, have been mentioned in the chapter dealing with the work of the Native Affairs Departments in the new colonies. But this much may be added here to the information already placed before the reader. In recommending the appointment of this Commission it was intended by the Bloemfontein Conference that data on the varying policies and systems of the several colonies should be collected and presented in a form directly serviceable to those who might be called upon to frame a federal constitution for South Africa: but it was due to Lord Milner's personal influence and effort that, in spite of the *laissez-faire* attitude afterwards assumed by the Cape Government, this intention was put into effect. As a matter of fact the main findings of the Commission, especially those which relate to the questions of Land Tenure and Parliamentary representation, were cast in a form directly suitable to assist in the establishment of a common system of Native Administration. And the whole of the voluminous evidence taken by the Commissioners was grouped and classified in the report with a view to making it easily accessible for the same purpose.

But the Inter-Colonial Conferences and Commissions do

not represent the sum of Lord Milner's work in preparing the way for the administrative unity of South Africa. His personal and private efforts in this cause were continuous. His private correspondence with the South African Governors, with the Prime Ministers of the self-governing colonies, and with leading men whether politicians, journalists, merchants, or ministers of religion, affords evidence of his constant endeavours to harmonise the conflicting interests and unify the administrative methods of the various South African colonies. Even the two Governments directly under his control were not always ready to work in co-operation. "After long struggles," he writes to Sir H. Goold-Adams in November 1904, "I have succeeded in getting our conservatives at Pretoria to agree to the appointment of an Irrigation Commission. . . ." Then he asks, whether it would not be possible to have one Commission for the two colonies. He points out the difficulties, but hopes that the Lieutenant-Governor will be able to overcome them, for "the prize is great. I want the Commission to have a majority of men who really mean to do something. . . ."

In this case the joint Commission was constituted, but more than once the "localism" of the South African states, characteristic of scattered communities in a vast area inadequately furnished with means of communication, had obtruded itself even into the relations of the Orange River Colony and the Transvaal to their mutual disadvantage. Against this spirit of localism—the desire to cut off one's nose to spite one's face, as he once called it—Lord Milner waged a ceaseless warfare. It was a baneful influence that permeated the entire fabric of the political life of South Africa; but he lost no opportunity of fighting it, wherever and in whatever form it appeared—from a municipal squabble to a war of railway rates. In these efforts to bring the colonies closer together, he was assisted by the return of the Progressives to power in the Cape general election of February 1904. From the time when Dr Jameson thus succeeded Sir Gordon Sprigg as Prime Minister of the Cape Colony onwards, the Governments of the two self-governing colonies worked in complete accord

with Lord Milner's general policy and with the Administration of the new colonies. This circumstance did not, of course, remove the conflict of interests between the inland and the coastal colonies, or between the Cape and Natal; but it brought to the consideration of the problems which arose out of it, a group of South African statesmen who each and all desired to remove it, and were ready to work cordially for this very purpose. Indeed Lord Milner's influence at this time was so widely established that he held the threads of South African administration no less completely in his hands than if the Cape Constitution had been suspended.

At the same time, Lord Milner in thus preparing the way for the ultimate union of South Africa was careful neither in his private efforts nor in his official action to repeat the mistake of Lord Carnarvon and Mr Froude. With reference to the statement that he was "hurrying on federation," he wrote in the second of his despatches on the constitution question, that while he thought it right to do everything to prepare the way for it, as, for example, by the Inter-Colonial Council, he saw many obstacles to immediate union. "I cannot conceive," he added, "why we should desire to see the establishment of a Federal Government, until we are quite sure that it cannot fall into the hands of men opposed to the Imperial connection." And at an earlier date he had pointed out that there were two views of federation in South Africa. The first was that of a Federal Government to take the place of Downing Street as the upholder of the Imperial connection; the second contemplated a Federal Government which would secure the virtual independence of South Africa, and defy the Home Government as no merely local Government could dare to do. He was careful, therefore, to promote only such federal tendencies as were not inconsistent with the first of these two views.

And last, but by no means least, among the agencies which Lord Milner set in motion for the preparation of South Africa for union was the creation of the Inter-Colonial Council. This institution served as an object lesson in the benefits of administrative union not only to the two new colonies, but to the Cape and Natal. The Orange River

Colony gained—as its Treasurer was able to show conclusively in the account-taking that preceded the termination of the Crown Colony Administration—several millions of capital expenditure by uniting its railways with those of the Transvaal. Both colonies were able, by acting in concert at the Bloemfontein Conference, to obtain from the coastal colonies a reduction of the through railway rates—that is to say, a remission in part of the taxation thus levied upon them by these colonies—which neither would have been able separately to have secured. These were facts which were not forgotten by subsequent political negotiators either in the new colonies or in the Cape and Natal.

From his first entry into political life Lord Milner had been convinced of the urgent need for organising and consolidating the military and industrial resources of the British Empire by the creation of a common administrative authority in which all its members should be duly represented; and during his tenure of the High Commissionership for South Africa he lost no opportunity of giving practical effect to these convictions. Mr Chamberlain emphasised those aspects of the war, and the settlement after the war, which made these events affairs not of England but of the Empire. The exclusion of the British population in the Transvaal from citizen rights was as much an affront to the democracies of Australasia and Canada as it was to the people of the United Kingdom. The war was an improvised and defective application, but none the less an application, of the principle that the forces of any one member of the Empire were available for the defence of any other member and of the Empire as a whole. And from this it followed that in arranging the Terms of Surrender the Governments of the Cape and Natal, the members of the Empire most nearly concerned, were fully and directly, and those of Canada, Australia, and New Zealand indirectly, consulted. In all this Lord Milner was in complete accord with Mr Chamberlain. But Lord Milner had at this time a more detailed knowledge of the working of the Federal principle in relation to the British Empire in its then existing conditions, and a more reasoned and profound conviction of the efficacy of this principle as an instrument for the attainment of political

and industrial solidarity, than his official chief. He had been detached from English party influences early in his career; and his practical experience of the political problems of this order had been gained, first, in Egypt, the one field of British over-sea administration where the operation of such influences had been restrained with admittedly good results, and, second, in South Africa, where, as was notorious, the see-saw of English parties had persistently wrecked the work of its most capable administrators. Lord Milner, in short, was an Empire statesman and not a party leader. His greater knowledge of the technique of Imperial administration, and his freedom from the class of considerations habitual to statesmen whose power of action was immediately dependent upon majorities at the polls, led him to apply the principle of Imperial interdependence on the one hand with more discrimination, and on the other with greater completeness than Mr Chamberlain. He would have hesitated to admit the competency of the over-sea Premiers to assist in determining the question of the suspension of the Cape Constitution, and he altogether denied the claim of the New Zealand and Australian Governments to veto the employment of Asiatic labour in the Transvaal. In the first case there was no sufficient basis of knowledge, and in the second there was a failure to see that the same object for which the Chinese had been excluded from Australasia—the increase of the British population—was to be attained in the Transvaal not by excluding, but by admitting them. Since in the Transvaal the Chinaman, employed, of course, under the conditions of the Labour Importation Ordinance, instead of displacing British skilled workmen, supplied the unskilled labour without which more British workmen could not be employed. And, moreover, both questions were domestic matters, and as such to be reserved for the decision of the people of the particular state concerned. Otherwise, the right of each individual member of the union of states to manage matters in which it was primarily concerned would be impaired; and a principle no less important than the complementary principle, that in matters of common concern it was for the union of states and not the individual state to decide, would be violated,



The completeness with which Lord Milner was prepared to apply the federal principle to the British Empire stands revealed in the only two of his public speeches in South Africa in which he touched directly upon this subject. At the Navy League meeting (29th May 1904), at Johannesburg, he said :—

"I sincerely trust that when the day comes [for the Transvaal as a self-governing colony to take its share in the upkeep of the Navy], you will come forward and contribute—contribute largely : but you must also demand that you will have a voice in the control of the Navy as well as contribute money to its support, not for your own sake, for the sake of all of us : for the sake of the whole great scattered disorganised British race, that great race which is possessed of so deep a desire for co-operation, and yet has hitherto been so far from finding the proper means, the proper organisation, to give practical effect to that desire for unity and co-operation. Ladies and gentlemen, let us realise the fact that mere scattered paltry contributions, and even contributions that are not paltry, if they mean nothing more than handing over a certain amount of money, will not do all that we want to do. We want not only that in money all parts of the Empire should contribute to the Navy, but that it should be absolutely as much the Navy of South Africa, as much the Navy of Australia, as much the Navy of Canada, as it is the Navy of Great Britain. . . . I am an Imperialist, out and out ; and by Imperialist I do not mean that which is commonly supposed to be indicated by the word. It is not the domination of Great Britain over other parts of the Empire that is in my mind at all, when I call myself an Imperialist out and out. I am an Englishman, but I am an Imperialist more than I am an Englishman, and I am prepared to see the Federal Council of the Empire sitting at Ottawa, sitting at Sydney, sitting in South Africa, sitting anywhere, so long as in the great future we all hang together. Now, that is looking forward a long way, but at the same time it is the only ideal, the only great ideal in this matter. Nothing else is really any use at all. And it is not only for the immediate value of the Navy, not only for its great achievements and traditions, which we cannot think of without a glow of pride, but because [of its value] as a political instrument to bring about, if anything can bring about, that effective, live, organised union of all the scattered members of our race, that I am an enthusiast for the Navy.

And if I were ten times busier than I am—and I am about as busy as any man—I should still have esteemed it my pleasure and my duty to come here and do what little I can to support a cause to which I am so entirely—and have been all my life—devoted.”<sup>1</sup>

The second passage occurs in the last of the three speeches in which Lord Milner bade farewell to the Transvaal and to South Africa, and will be found later on in the present chapter.<sup>2</sup>

The one direct act for the promotion of Imperial unity which marked Lord Milner's High Commissionership was the grant of a preference of 25 per cent. to British imports by the five colonies of South Africa under the Customs Convention of 1st July 1903.<sup>3</sup> Lord Milner, knowing the difficulties which had to be surmounted before the representatives of the five colonies could be brought to agree to this step at the Bloemfontein Conference, and realising to the full the importance of thus bringing South Africa into line with Canada and New Zealand, was surprised at the time to find that the significance of the measure was apparently overlooked in England.

“I am rather alarmed at the apparent complete indifference at home,” he telegraphed to Mr Chamberlain<sup>4</sup> on 17th March 1903, “to the proposed adoption by South Africa of preference to British goods. Our difficulty was the Cape, which feared German reprisals against its large wool export to Germany. Now our telegrams from Europe speak only of dissatisfaction and threats in Germany. England seems absolutely indifferent. It is, I know, too much to expect that England should protect her colonies against being punished by foreign nations for going out of the way to do Great Britain a good turn. But they do expect some decided mark of appreciation. Any reciprocal advantage, however small, or even the hope of it some day, would encourage the sentiment here which is very strong, but will not live permanently on nothing. At present there are no South African exports to Great Britain which are taxed, therefore reciprocity is impossible. But I believe

<sup>1</sup> The *Star*, 29th May 1904.

<sup>2</sup> At p. 351.

<sup>3</sup> For this *see* chap. x., “Administrative Development,” p. 241.

<sup>4</sup> Mr Chamberlain had just returned home from South Africa.

it would be quite sufficient if something, however slight, was done for Canada. This would recognise the principle of reciprocity, and South Africa might hope to benefit from that some day. But it is not really the small and hypothetical advantages which anybody worries about, but proof that England cares."

Mr Chamberlain at once (28th March) sent a sympathetic reply to this message, but he pointed out that the Cape and Natal Premiers had promised a measure of preference for British trade at the Colonial Conference of the preceding year (1902). He also made the interesting statement that the preference to British trade was offered by the colonies "as a recognition of the immense burden borne by the Mother Country for the colonies, and not as a bargain where we were to contribute something additional." The fact was, as the striking political events of the next few months were to exhibit, that Mr Chamberlain's policy of Imperial consolidation had suffered an unexpected and unwelcome set-back. Up to the time that the Secretary of State for the Colonies left South Africa, he believed that the Balfour Cabinet would support the policy of giving a preference to colonial imports in the United Kingdom market. At Madeira, when on his return voyage, he learnt by telegram that what he believed to be a decision on the part of the Cabinet to this effect, had been reversed. The immediate sequel—Mr Chamberlain's pronouncement of May 1903, in favour of such a reform of the British tariff as would admit of the adoption of a system of inter-Imperial preference, and enable the United Kingdom to protect her own industries from the State-aided competition of foreign states, and his retirement from the Balfour Cabinet in order that he might be free to advocate the cause of Tariff Reform without embarrassing the Unionist leaders—is too prominent an episode in contemporary history to need recital.

The views which Lord Milner held on the question of the military forces to be maintained in South Africa, was based upon the same under-lying regard for the needs of the Empire as a whole. Although his proposals failed to meet with acceptance by the War Office at the time, their

intrinsic merit gives them more than a passing interest. In substance they were these:—

(1) A complete Army Corps was to be kept in South Africa as a part of the Home establishment, and younger troops in training were to be substituted for the older troops at present forming the South African garrison.

The main objection to this proposal was the greater cost of living in South Africa, as against the cost of living in England, and the consequent necessity for giving a higher rate of pay to men of all ranks while in South Africa. But this extra cost of maintenance per man would, in Lord Milner's opinion, be counterbalanced by the greater efficiency, both physical and professional, of the young soldier trained in South Africa, as against the young soldier trained in the United Kingdom, and the consequent possibility of reducing the total number of the standing army as a whole. The factors which would produce this greater efficiency were the healthier physical conditions under which the soldier would live, and the far better opportunities for training large bodies of men in the field afforded by the vast unenclosed areas of the sub-continent. The South African Governments in general were ready, Lord Milner believed at the time of writing, to co-operate with the Imperial Government in thus making South Africa the finest training ground for troops in the Empire. Certainly the Governments of the new colonies were prepared to pass manœuvre acts which would render the greater part of these colonies available as manœuvre areas; and they would be able to make arrangements for providing employment for a definite number of Reservists, so that the South African "Home Regiments," if called upon for service elsewhere, could be filled up on the spot. Thus, in addition to its other advantages, the arrangement would secure a gain of British population; since some at least of the soldiers might be expected to acquire a sufficient liking for the country to make them wish to adopt it as a permanent home.

The political effect of thus putting South Africa on the Home establishment would be wholly good.

"If South Africa were a permanent training ground for

a part of the British Army," Lord Milner wrote, "the political effect would be such that, if in say five or ten years the whole, or nearly the whole, of the Force here were called on Foreign Service, I should regard the result, as far as South Africa is concerned, with equanimity. Not so, if we are to rely upon a gradually diminishing garrison, which will constantly keep alive hopes, and perhaps secret preparations for a successful revolt."

(2) The South African Governments were to keep a portion of their local forces prepared for service in any part of the Empire. As a means of carrying out this proposal Lord Milner suggested that efficient volunteers should be given a special retaining fee of £1 per month, in return for engaging to serve abroad, if required; and that the terms of enlistment of the South African Constabulary, and other semi-military police forces, should be altered and made to include a liability for service elsewhere than in South Africa. If the Home Government were prepared to pay the retaining fee for the volunteers, so much the better; but if not, Lord Milner believed that in the new colonies at least public opinion would support a provision out of the colonial revenues for the purpose.

"Provided always," he added, "that the Imperial Government was keen about the matter, and that the local military authorities threw themselves heartily into the matter, which I believe they would do."

And a year later, when progress had been made in the organisation of the volunteer force in the Transvaal and in the development of the cadet system in Natal and the new colonies, in writing to a correspondent in the Cape Colony he thus summarised his aims:—

"What I want to do is, (1) to work towards the ultimate amalgamation of the local armed forces of South Africa under a Federal Government; (2) to try and develop some organic connection between them and the Imperial forces."

But of all the questions involving considerations of inter-Imperial relationships with which Lord Milner was called upon to deal, that of the status of British Indians in the

Transvaal was the most difficult. Before the war the British Government had claimed from President Kruger on behalf of this class the full privileges of entry and residence intended to be secured to all British subjects by Article XIV. of the London Convention. In view of this action the only logical course for it to pursue after the annexation was, of course, to rescind the whole of the anti-Indian legislation of the South African Republic, of which it had complained as constituting a breach of the Convention. What prevented it from following this course was the fact that the practice of restricting the entrance, and regulating the conditions of residence, of Asiatics followed by the late Republic was found to be identical in principle with that of the self-governing British colonies of South Africa, and was moreover unanimously approved by the European population of both races in the new colonies. The ground of natural right upon which this approval was based was the imperative necessity of maintaining, and by all practical means of augmenting, the European population of South Africa in view of its great numerical inferiority to the native African races. Indian labour, to be employed under the same conditions of repatriation, etc., as were imposed upon the Chinese by the Asiatic Labour Importation Ordinance, would have been welcomed in the Transvaal; and its employment, mainly for railway construction, would, in Lord Milner's opinion, have been mutually beneficial to India and the Transvaal. Indians of this class would not have competed with Europeans, but on the contrary, by assisting in the development of the resources of the colony, would have helped to provide new homes for fresh British settlers, and a more ample means of livelihood for the existing white population. But, as we have seen, the Indian Government refused to allow Indian labour to be employed in the Transvaal at all under these conditions. The Indians who were affected by the restrictive legislation in question were of a quite different class. They were traders, and not labourers, and as such they would have displaced Europeans in the Transvaal, as they had done in Natal, in which colony they had possessed themselves of almost the whole of the retail trade.

"The Asiatic immigrant, if admitted," wrote the *Star*, "will trench upon fields of activity which the political conditions of South Africa imperatively require to be reserved for the European. South Africa is a country where people of European race can live and thrive, and yet the census<sup>1</sup> returns show how little has been done to lessen the numerical inferiority of the European as against the Bantu population. In the Transvaal, more than elsewhere in South Africa, it is necessary that every form of employment by which a European immigrant can earn a livelihood should be jealously reserved for Europeans."

Never was a more complete instance of the complexity of an Imperial problem. On the one side was the integrity of British statesmanship with the key-stone of the Empire: "The protection of the law in letter and in substance" is to be extended impartially to all alike "without any distinction or disqualification whatever founded on mere distinction of colour, origin, language, or creed." On the other, the irrefragible right of a separately organised community to secure its own existence—*salus populi, suprema lex*. The manner in which the British Indian question was handled by Mr Chamberlain, Mr Alfred Lyttelton, and Lord Milner is, therefore, something more than a mere episode in the reconstruction of the new colonies. It is an example of the complexity of the interests of the separate members of the Empire, and affords conclusive evidence of the necessity for the creation of an Imperial Council upon which all members should be duly represented. Even in the absence of such a representative Council, it is somewhat extraordinary that Mr Chamberlain should not have been cautioned before the war by the permanent officials of the Colonial Office—some of whom knew, or ought to have known, that the Boers were by no means alone among the European inhabitants of South Africa in objecting to unrestricted Asiatic immigration—against the contingency of his championship of the British Indian traders exposing the Imperial Government to a charge of inconsistency. As it was, when he consulted with Lord Milner, during the latter's visit to England in 1901, on

<sup>1</sup> *I.e.* of 19th April 1904.

the removal of the disabilities placed on the British Indians in the Transvaal by the Government of the Republic, he found that this obvious course was by no means a simple matter. It was, therefore, decided that Lord Milner should consider the question in all its bearings on his return to the Transvaal, and then submit formal proposals of the course to be pursued by the Transvaal Government for his approval. This was done by Lord Milner on 3rd April of the following year; that is to say on the eve of peace. The proposals then telegraphed were in effect these:—

- (1) That all Asiatics, whether then resident in the Transvaal or subsequently entering it, unless specially exempted should take out a certificate of registration to be annually renewed at a charge of £3.
- (2) That registered Asiatics, unless living with a European employer, should be obliged to reside and carry on their business in special quarters of the towns to be set apart for them.
- (3) That certificates of registration should be refused to undesirable persons.
- (4) That exemption from registration should be granted to educated and civilised Asiatics.
- (5) That the prohibition against holding real property should be repealed, but that the right of Asiatics to acquire such property should be restricted to town areas and a period of five years.

To these proposals Mr Chamberlain refused his consent on the ground that "it would be impossible to defend what would practically be a continuance of the system of the South African Republic against which His Majesty's Government had so strongly and repeatedly protested." He added that the measures of restriction to be adopted "must be limited to those which could be justified on sanitary and other reasonable grounds." Before any such measures could be formulated in the rush of the Repatriation, Mr Chamberlain had made known his intention of visiting South Africa, and given a promise to the advocates of the Indian cause



in Parliament to investigate personally the position of affairs on the spot.

In the meantime the Transvaal Administration was placed in a very difficult position. The Republican law had to be administered ; but while this law was rigorous in all other respects, it gave no sufficient power to the State to refuse admission to Indian immigrants who were ready to comply with the existing regulations. The British Indians resident in the Transvaal before the war believed that they would be freed from the disabilities of which the Imperial Government had complained, and other Indian immigrants hoped that by entering the colony before the question of their status was settled, they would establish a claim to the same privileges. The seriousness of the situation may be gathered from the figures contained in the following letter, written by Lord Milner to Sir Arthur Lawley on 24th November in the same year—just a month before Mr Chamberlain landed at Durban (26th December 1902).

"I find the total number of permits granted to foreigners of all nationalities, including Americans, is 310 per month. I am informed that the number of permits given to Asiatics is 200 per week. The disproportion is enormous. Possibly we may be increasing our foreign permits to, say, 400 a month. I do not think the Asiatics should be as numerous, certainly not more numerous, and from what I gather the class of Asiatics at present being admitted is far from a desirable one. I have much more sympathy with the Asiatics who are returning to the Transvaal than with the new comers. Is any attempt being made to discriminate between them?"

While Mr Chamberlain was in Johannesburg, he received deputations in favour of restrictive legislation on the lines of the proposals already put forward by Lord Milner ; and on these and other occasions he appealed to the British population to bear in mind the difficult position of the Imperial Government, and to recognise that their Indian fellow subjects were entitled to fair and honourable treatment. As the result of the discussion of the question by Mr Chamberlain with Lord Milner, and with the object of meeting the requirements of the Government of India in all possible respects—an object which was specially desired by

Lord Milner in view of the negotiations which he was then conducting for the importation of indentured Indian labour for the railways—the proposals of 3rd April 1902 were modified in certain particulars, and these modified proposals were embodied in a notice issued by the Transvaal Government on 8th April 1903.

In this notice it was announced :—

- I. That the Government would take immediate steps to have bazaars in every town set apart, in which alone Asiatics might reside and trade ;
- II. That no new licenses to trade elsewhere than in bazaars would be granted to any Asiatic ;
- III. That in the case of Asiatics who held licenses to trade outside bazaars at the beginning of the war, licenses to trade under the same conditions during the residence in the colony of the licensee would be granted, but would not be transferable ; and
- IV. That educated and respectable Asiatics would be exempted from all special restrictions.

In forwarding this notice to the Secretary of State in a despatch of 11th May 1903, Lord Milner pointed out the absolute necessity, on sanitary grounds, of segregating the low-class Asiatics from the white population of the Transvaal, and in particular the danger arising to the people of Johannesburg from the circumstance that an Indian quarter had been allowed to grow up in the heart of the town. He stated that it was the intention of the Government to select for these bazaars in every town healthy sites suitable for trade in the place of the unsuitable sites which had been selected by the late Republican Government ; and he drew attention to the facts (1) that vested interests acquired before the war would be respected, but (2) no new vested interests were to be allowed to be acquired, and that in pursuance of this principle Asiatics who had been trading outside bazaars since, but not before, the war, were being granted renewals of their licenses up to 31st December 1903, and warned at the same time that after that date they would be required to move into bazaars. Lord Milner further emphasised the application

of the principle upon which he depended for the solution of the question as an Imperial problem—viz.: that civilisation and not colour should be the test of admission to citizen rights in the case of the British Indians as in that of the African natives. All Asiatics who had reached the white man's standard of life in social and sanitary matters were to be exempted from all special restrictions.

These revised proposals were submitted through the Colonial Office to the Government of India, with the result that this latter declared itself ready to allow the introduction of indentured Indian coolie labour into the Transvaal, provided that certain further conditions relating to resident Indians were fulfilled. Of these the most important was that *all* Indian traders who had established businesses outside locations under the late Government, whether licensed or not, should be allowed to retain their present places of business.

To this offer, telegraphed to him on 4th January 1904, Lord Milner replied in a despatch of 1st February. He then informed Mr Lyttelton that the Transvaal Government, although their action was opposed to the sentiment of the European population of the colony, proposed to meet the wishes of the Indian Government to the extent that unlicensed traders, who had been *bonâ fide* carrying on businesses outside locations before the war, should be allowed to remain outside the bazaars. The Government further proposed to regulate the immigration of Indians by legislation identical with that of the Cape and Natal, and to recognise Indian as well as European languages in the education test to be imposed by the proposed ordinance.

The difficulties of the situation from the point of view of the Transvaal Administration are revealed in the following summing up of the case, as made by Lord Milner at this time.

"The cross fire to which we are exposed on this subject and the interminable ramifications of it, are such, that unless one from time to time pulls oneself together and lays down a clear rule or body of rules, one is perfectly certain to come to awful grief. . . . There are any number of points in this Asiatic question, but the pressing point at present is the settlement of this Bazaar business. I think we should on the one hand carry out our proposals

with regard to unlicensed traders who had established businesses before the war however great the European clamour against it, and on the other hand refuse to let men who have started business since the war trade elsewhere than in Bazaars, however great the Asiatic clamour against it. I think both parties are trying to bounce us, and on a road so full of pitfalls our only chance is to refuse to be bounced and to take our own line and to stick to it. . . . My impression is that the Asiatics licensed since the war have deliberately neglected to make preparations to go into bazaars in order to induce us to abstain from sending them there by *ad misericordiam* arguments about the resulting hardships. Where we have not actually set apart land for them, or where the land is not suitable, they have a case, but where they have a suitable place to go to (I do not mean a place which they will admit to be suitable, for, of course, they will not admit any to be so, but one which appears to be suitable to a reasonable man) I do not think they should be allowed to postpone going there by a lot of flimsy excuses. In other words, I would not renew the licenses of the men who have had plenty of notice that they would be expected to go into bazaars."

As the Indian Government assented to this discrimination between the *bonâ fide* and colourable claims to vested interests of immigrants who had entered the Transvaal before the war, and was further prepared to admit the necessity of Asiatics being prohibited from acquiring land other than such as was required for the practice of their religion, it seemed as though an agreement was at last in sight, and that the Transvaal would after all be allowed, if it desired it, to obtain indentured Indian coolie labour for its railways. When, however, the negotiations as between the Government of India and the Transvaal Administration had reached this hopeful stage, they were suddenly interrupted by the outbreak of bubonic plague in the Indian coolie location at Johannesburg, on 19th March. This event gave so terrible an example of the danger to which a European community was exposed by the presence of Asiatics living under insanitary conditions in its midst, that the Transvaal Government felt that it could no longer delay to provide itself with the full powers

necessary to regulate the existing Indian population of the colony, and to restrict effectually the entrance of further immigrants of the same class. A complete statement of the facts of the case, and of the legislation proposed by the Administration, was, therefore, prepared in the form of a despatch from the Lieutenant-Governor to the Governor of the colony; and this statement with a covering despatch from Lord Milner was forwarded to the Secretary of State on 18th April. Three days before this date, that is to say while the proposals of the Transvaal Government were being moulded by Lord Milner in consultation with the Executive officials and the most responsible exponents of the opinions of the British and Dutch inhabitants, he telegraphed in reply to a point raised by Mr Lyttelton, that he

"feared that the proposal that Indian languages should be admitted in the education test to be imposed under the Immigration Law would conflict with the principle of uniformity of legislation with regard to non-European persons, which had been approved by the Inter-Colonial Conference at Bloemfontein."

And added that the Transvaal Government was now opposed to this proposal. Another circumstance, and one which in itself made prompt legislative action necessary, must be mentioned. In pursuance of the notice of 8th April 1903, Indian traders who had carried on business outside of locations were not permitted to renew their licenses after they had expired on 31st December 1903. The ground of refusal, as stated by the revenue officials under instructions from the Government, was that, being Asiatics, they were disqualified by the law of the colony from trading anywhere outside a location duly set apart for people of their race. In taking up this position the Government relied upon a decision of the High Court of the late South African Republic, in which it was held that Law 3 of 1885, as amended by Volksraad Resolution No. 1419, of 12th August 1886, although only the word "residence" was employed, properly interpreted, enacted that Asiatics could not *trade*, any more than they could

*reside*, outside of locations. In short, that, so far as this law was concerned, a place of "residence" was a place of "trade."

The Indian traders, the renewal of whose licenses was thus refused, in view of the fact that two of the judges of the late Transvaal High Court had dissented from this judgment, determined to bring a test case before the Supreme Court of the colony. Nabob Motan, who carried on businesses outside locations both at Pretoria and Pietersburg, accordingly came to the Supreme Court to ask for a declaration that the instructions under which the revenue officials had acted were illegal, and that he was entitled to have the license for which he had applied. The Supreme Court, in accordance with the honourable traditions of English Courts of Law, considered this application purely on its legal merits. The Chief Justice, Sir James Rose Innes, decided (1) that this Court, although in a sense the successor of the High Court under the late Government, was not bound by the decisions of that tribunal. "Such decisions," said Sir James, "though we regard them with the highest respect, and would differ from them only with the greatest reluctance, do not stand, so far as we are concerned, on the same footing as our own." The matter, therefore, was *res integra*; and the Chief Justice "failed to see any ground for holding" that the words "for residence" (*ter bewoning*), whether the original Dutch or the English equivalent, in any way prohibited trading outside the residential locations. "A man's residence is where he lives, where he sleeps, where his family dwell—not necessarily where he works," he said. The plaintiff therefore obtained the declarations for which he prayed, and in this judgment Mr Justice Solomon and Mr Justice Curlewis both concurred.

Judgment in the case of Nabob Motan *v.* the Transvaal Government was given on 11th May 1904; but some weeks before this date the Attorney-General had ascertained that the Court would decide in this sense, and had duly informed Sir Arthur Lawley of the fact. At the time, therefore, that the Lieutenant-Governor's despatch was being prepared, it was within the knowledge of the Transvaal Government

that before many weeks it would be rendered unable to carry out its own declared intention of refusing to renew licenses to trade outside locations granted to Asiatics, when such licenses had not been originally issued in respect of businesses *bonâ fide* established before the war.

The despatch of 18th April, which was written in these circumstances, contained a temperate but complete presentation of the case for restrictive legislation from the Transvaal point of view, and a clear and definite statement of the nature and effect of the new legislation to which the assent of the Imperial Government was requested. In it Sir Arthur Lawley

"dwelt strongly on the danger with which the continued existence of the European commercial community in the Transvaal towns was threatened by the continued influx of Asiatic traders, with whom, owing to their lower standard of living, Europeans could not compete, and on the consequent violent prejudice against Asiatics which existed in every town of the Transvaal. He pointed out how in towns like Pietersburg the small European traders had been completely swamped by Indians, and contended that it depended upon the decision of the question of the position of Asiatics whether the Transvaal should remain in any sense a white man's country."<sup>1</sup>

The legislation which the Transvaal Government proposed to introduce into the Legislative Council at its next sitting in June was this:—

- (a) An Immigration Restriction Law on the lines of the Cape and Natal Acts, providing, *inter alia*, an education test for would-be immigrants for the purpose of which Indian languages would not be accepted.
- (b) A measure dealing with Indians on the lines of the Government notice of 8th April 1903, and providing:
  - (1) That those Asiatics who should satisfy the Colonial Secretary of the colony that their

<sup>1</sup> Cd. 2239. Sir Arthur also replied *seriatim* to the statements and contentions put forward by Sir M. Brownaggee, M.P., on behalf of the British Indians in the Transvaal.

mode of living was in accordance with European ideas should be allowed to live, with their servants, outside locations, but not to trade outside locations, unless they fell under (2).

- (2) That those Asiatics who had established businesses outside locations before the war should not be disturbed.
- (3) That with the two exceptions mentioned above all Asiatics should be required to live and trade in locations, and should be prohibited from holding land outside. This provision, however, was not to apply to land already set aside and used for religious purposes.
- (4) All Asiatics entering the Transvaal, unless specially exempted, were to take out a certificate of registration at a charge of £3.
- (5) No restriction was to be put on the issue of hawkers' licenses, provided that the Immigration Law (as above) was passed.

Mr Lyttelton replied to this despatch on 20th July 1904. The Imperial Government refused to assent to the proposed legislation unless it was amended in such a manner as to limit the application of the provisions relating to residence and trading in locations, to low-class Indians—*i.e.*, to persons who could not be allowed on sanitary grounds to live side by side with Europeans. And British Indians of the superior class must at least have the right to acquire property in the premises which they occupied for business purposes. In particular the Imperial Government refused to “set aside by legislation, a Judgment of the Supreme Court which had given to the British Indian rights for which His Majesty's Government had strenuously contended.”

Upon receiving Mr Lyttelton's despatch, the Transvaal Government at once determined to withdraw the proposed legislation, and at the same time made a further proposal for the settlement of the question. In the course of the last



few days, said Mr Duncan, the Colonial Secretary, in the Legislative Council on 16th August,

"we proposed to the Imperial Government that, with a view to satisfying themselves as to the strength of local feeling, and the grounds upon which that feeling was based, they should send out a Commission, to be nominated by themselves, to enquire fully into the matter; and that, pending the report of that Commission, the Transvaal Government should be authorised to introduce an Ordinance suspending the further issue of trading licenses to Asiatics."

This proposal had, however, also been refused by the Imperial Government. In these circumstances a resolution approving of the proposal had been brought forward by Sir George Farrar, an unofficial member of the Council, and it was in speaking to this resolution that Mr Duncan made this statement. The danger of the situation, Sir George Farrar pointed out, lay in the fact that while the Government had power for the present to exclude fresh Asiatic traders, there were large numbers of Asiatics in the country, the majority of whom would apply for, and obtain, trading licenses, and they would create vested interests. This would not prevent the ultimate exclusion of the Asiatic trader—for the European people of the colony would not alter their determination in this matter—but it would create a number of vested interests which would have to be bought out, and bought out at a high price, when Responsible Government was established. If, therefore, dangerous friction and needless expenditure were to be avoided, immediate action was necessary. The Government was perfectly alive to the need for such action, but its proposal for a Commission of Enquiry had been refused. Hence Sir George Farrar's motion; the object of which was to send this proposal once more to Downing Street, but no longer merely as a proposal of the Government, but with the "authority and weight of the whole Legislative Council." The resolution was then put to the Council and carried unanimously.

In commenting two days later (18th August) upon Mr Lyttelton's despatch, and upon the proposal contained in

this resolution of the Legislative Council, the *Star* wrote of the despatch itself:—

“It is a document that is worthy of the best traditions of British statesmanship; and it is impossible to read it without realising to the full the truth of the remarks made by Sir Richard Solomon on Monday, when he urged the members of the Legislative Council, however convinced they might be of the necessity of the course upon which they had unanimously resolved, not to forget the difficulties by which the Imperial Government was beset in dealing with this matter. . . .

“The main contention of the Imperial Government is the impossibility of its departing from the attitude which it took up before the war, without a sacrifice of political consistency, and even of national honour. . . . And this contention is enforced by an appeal in which it is assumed that the same considerations of right and justice that bind the action of the Imperial Government will have no less weight in determining the action of the British community in the Transvaal. ‘His Majesty’s Government,’ writes Mr Lyttelton, ‘have repeatedly protested before the Empire and before the civilised world against the policy and laws of the late South African Republic in relation to this subject. Those laws, indeed, were only partially enforced; yet His Majesty’s Government is now asked not merely to sanction their strict enforcement, but to set aside by legislation a judgment of the Supreme Court which has given to the British Indian rights for which His Majesty’s Government have strenuously contended. His Majesty’s Government cannot believe that the British community in the Transvaal appreciate the true nature of the proposition which some of its members are pressing upon you [Lord Milner]. They as Britons are as jealous of the honour of the British name as ourselves, and even if material sacrifice were necessary to vindicate that honour, I feel assured they would cheerfully make it. His Majesty’s Government hold it derogatory to the national honour to impose on resident British subjects disabilities against which we had remonstrated, and to which even the law of the late South African Republic, rightly interpreted, did not subject them, and they do not doubt that, when it is perceived, the public opinion of the colony will not any longer support the demand which has been put forward.’ No more powerful argument could have been found than this. It admits of only one reply. While we recognise the perfect integrity

of purpose by which the Imperial Government is inspired, we feel that this Asiatic question is one of those matters which are so vitally and intimately bound up with our well-being as a community, that we cannot afford to trust any judgment upon it which is not based upon an actual knowledge and observation of the circumstances and conditions of this colony and South Africa as they are to-day. We believe, therefore, that in asking the Imperial Government to 'appoint a Commission of influential persons in England to visit this country,' the Transvaal Government has provided the one means by which the Imperial Government may find it possible to accede to the wishes of the European inhabitants of this colony, and yet retain its political integrity. The essence of the contention of the Imperial Government is this. 'We cannot do anything now—and you cannot ask us to do anything now—that we would not have done before the war.' Now the proposal that a Commission should be appointed to decide the question upon the actual facts of the case as they are to-day, is one that satisfies the requirements of the situation as embodied in this contention. If the late Government of the South African Republic had proposed a Commission of Enquiry, similar to that which is now proposed, as a means of settling the dispute on the Indian question, that would have been an offer which the Imperial Government might quite well have accepted. Why, then, should Mr Lyttelton refuse to accept the same proposal when it comes from a British Executive, endorsed by the unanimous vote of the Legislative Council of a British colony?"

The proposal for the Commission, however, was not accepted by the Imperial Government in spite of the unanimous vote of the Legislative Council. Mr. Lyttelton was both extremely anxious to spare Lord Milner any unnecessary worry, and fully conscious of the danger of further complications to which the Transvaal and Imperial Governments were alike exposed by his refusal; but he felt that this was just one of those matters upon which the Imperial Government could not recede from the position it had taken up, without loss of honour. The Transvaal Government, on the other hand, refused to put on the Statute Book of the colony measures which it

knew to be at once inadequate and contrary to public sentiment.

In these circumstances the Imperial Government announced that the British Indian question, like that of the war contribution, would be allowed to stand over until the new Constitution of the Transvaal had been set in operation. By means of the Representative Chamber soon to be established, it would be possible to obtain a more binding expression of the will of the people of the colony, and one which, to some extent, at least, would remove the burden of responsibility in the matter from the shoulders of the Imperial Government.

There is one other matter upon which the reader must be informed before he is introduced to the farewell speeches. The question of the appointment of the new High Commissioner occasioned some anxious thought both to Lord Milner himself and to Mr Lyttelton. When the Unionist Government had successfully weathered the session of 1904, the latter wrote, in the middle of August, from Scotland to ask what were Lord Milner's views on this subject. Should the Government appoint at all with the prospect of their nominee being recalled by the Liberal Government? Lord Milner would certainly be recalled, even if he were willing and able to stay a little longer in South Africa. The Government was safe now until February or March of next year; but they could not depend upon remaining in office longer than February. If, therefore, it were agreed that they ought to appoint Lord Milner's successor, the appointment must be made as soon as possible, and Mr Lyttelton must set about finding the right man at once.

When this letter reached Lord Milner, the success of the importation of Chinese labour, as an economic experiment, had been assured. The returns from the mines where the Chinese were at work had shown that the men who had taken service were more efficient labourers man for man than the African natives. By the end of the year there would be an accession of some 25,000 capable men to the unskilled labour supply of the mines, and the consequent expansion of the gold industry would quicken

—indeed, was already quickening—the industrial life of the colony as a whole. The economic progress of the new colonies was, therefore, assured ; and, when once the question of the new Constitution for the Transvaal had been settled, there was nothing that could not be left safely in the hands of the new High Commissioner. Lord Milner, accordingly, was able to give an immediate and unhesitating reply to the points raised in Mr Lyttelton's letter. He had considered the question for some time past, and was satisfied that it would be best for him to retire in time to make it certain that the Unionist Government would appoint his successor. As regards the personality of the future High Commissioner, on the assumption that Mr Lyttelton himself was not available, he thought that no better man than Lord Selborne could be found for the post.

On Monday, 24th October, the Empire was startled by the news that Russian warships had surrounded and fired on a fleet of British fishing boats two hundred miles eastward of Spurn Point. This North Sea outrage, as it was called, was handled with equal coolness and firmness by the Balfour Cabinet ; and the peaceful, but yet honourable termination of an affair that in clumsy hands might have led to a European war, brought an access of prestige which prolonged the existence of the Government for some months beyond the limit set by Mr Lyttelton. In the second week of December, therefore, when Lord Milner had, upon his return to Johannesburg from Muizenburg, sent off the working details of the new Constitution in the despatch of 5th December, he was able to propose a definite date for his resignation. Subject to the understanding that he was ready to go at any time if political exigencies required it, he then suggested that he should leave South Africa some time in the beginning of March.

When Parliament met in February, however, it was found that the Government had gained strength in the House of Commons, and, as there seemed every likelihood now of Mr Balfour's remaining in office until the end of the session,<sup>1</sup> it was arranged that Lord Milner should postpone his resignation for a few weeks longer. Accordingly, on the evening of

<sup>1</sup> In the event he retained office until the following December.

1st March, it was announced formally in London that Lord Milner would leave the Transvaal at the end of the month, and that Lord Selborne, then First Lord of the Admiralty, would succeed him as High Commissioner for South Africa and Governor of the new colonies.

“The announcement of Lord Selborne’s appointment as the successor of Lord Milner,” wrote the *Star* on the following morning, “will be received throughout South Africa with the highest satisfaction, and, indeed, with no little sense of relief. Lord Selborne’s administrative ability will insure that the work of material development initiated by Lord Milner will be carried on both energetically and successfully; whilst his high character and his known courage will secure that during his tenure of office the great name of England will command a fitting respect.”

To Lord Milner himself the news that Lord Selborne, after all, had accepted an appointment which involved a considerable risk of reputation and an immediate sacrifice of personal convenience, brought a very real feeling of thankfulness. And although he was actively engaged in anxious business, as we have seen, almost up to the last moment, from this day onwards his demeanour and the expression of his face underwent a change. He had always shown himself calm and cheerful even in times of the greatest difficulty and danger; but the burden of the eight dark years of ceaseless labour and heavy responsibility had left their mark upon his face. Now the strained look disappeared from his features, and before the day of his resignation had come, it was noticed that the High Commissioner was as full of spirits as a boy leaving school for the holidays.

Just a fortnight after this formal announcement of his resignation, Lord Milner delivered the first of that trilogy of speeches, which, taken together, were to contain his final counsels and farewell greetings to South Africa. Primarily addressed to audiences at Germiston, Pretoria, and Johannesburg, his words were heard by the Transvaal, by South Africa, and by England; and history finds in them a fitting interpretation and embellishment of a work of constructive statesmanship for which no precise parallel is to be found in the annals of the British, or any other, Empire.

At Germiston Lord Milner reviewed the financial position of the Transvaal, and took occasion to refer first to that aspect of the subject in which the Rand was specially concerned. Everywhere throughout the colony there was need of the "plant" of a civilised country, but on the Rand, more than anywhere else in the Transvaal, the "innumerable things" that older communities had "gradually accumulated over the course of years" were wanted—and wanted at once. For here an "advanced community had suddenly been dumped down in the middle of what was virtually a barren wilderness"; and in proportion as it was progressive in spirit, did it chafe the more against the insufficiency of its "outfit of civilisation." And here, too, the original difficulty of the equipment problem was complicated by a special factor. The gold industry had made the community, but in the process of development each had acquired separate and sometimes conflicting interests. In principle, indeed, the obvious necessity for co-operation and mutual concession was admitted.

"No man of sense could deny that the vital and fundamental interests of the town and the mines were absolutely and indissolubly linked together. . . . But people were not always wise even in their own interests." And, "there was no country in the world in which small differences about matters of business were more apt than they were in South Africa to obscure that community of interest which was of far higher importance, and to divide for some trumpery issues men who ought to stand together for some great public good."

At Germiston, indeed, "an exceptionally good feeling existed between the directors of the great industry, which had made the town, and the representatives of its inhabitants." None the less at Germiston, as elsewhere in the colony, the administrator of public affairs had to choose one out of two difficult paths.

"If he turned a deaf ear to the demands with which he was constantly assailed on every side for works of public improvement, he would be abused for incompetence and lack of enterprise. If he listened to them, he was equally, nay, he was more, certain to be abused for rashness and extravagance."

Turning to the colony as a whole, Lord Milner was able to say that happily there was nothing in its financial position to prevent the administrator from taking the path of "progress and development." Only a year ago there had been cause for anxiety.

"At that time," he said, "we seemed to be threatened with a general smash. That was the reason for which I returned to South Africa at a time when very strong pressure indeed was brought to bear upon me to remain at Home, and I have never regretted the decision."

Now, however, although the sky was by no means cloudless, the ship of State was in perfectly safe waters.

"I am not prepared to contend," he said, "that there never has been cause for financial anxiety. When we had to make that terrific effort to drag this country out of chaos, directly after the war, many things had to be done in a hurry, and many things had to be done in a manner frightfully costly, if only to avoid delays which would have been more costly still. But now, as we stand to-day, the finances of the country, including the finances of the railways, which have formed one of the most difficult jobs of all, are in absolute order, and are perfectly under control . . . and I shall leave this colony a few weeks hence, not indeed without many anxieties, but without a vestige of anxiety as to its ability to pay its way."

The financial problem of the future was, in fact, not how to provide for the "everyday needs of the colony out of everyday revenue," but to decide upon which among the many works of public improvement urgently required the available funds could be spent to best advantage.

It was at this point that Lord Milner passed by a natural transition to the question of the war contribution. The capacity of the Transvaal Government to carry out development works was directly affected by the

"obligation, which might only be one of honour, but which for that very reason no statesman, no colonial statesman at least, with any regard for the public credit, could possibly ignore—the obligation of the colony to contribute to some extent to the war burden of the Mother Country."



But there was no reason why the finances of the colony should be unduly burdened by the honourable fulfilment of this obligation.

"I do not doubt," he said, "having regard on the one hand to the steadily improving financial position of the colony, and on the other to the great consideration which His Majesty's Ministers have always given to the difficulties of the colony, that a solution of the problem will be found, which, even if it does not satisfy every one, will yet show due regard for the various conflicting interests and claims. Indeed, I am myself of opinion that the problem will appear less puzzling twelve, or even six, months hence than it does to-day."

This speech, the first of the three, closed with a passage which was characteristic of Lord Milner's habit of clothing his weightiest thoughts in a garment of light words and unstudied diction.

"I felt there were one or two things I was anxious to say before making my final bow; things mostly of a somewhat dry character. I had not the courage to inflict them all on one single audience, and I have taken the liberty of firing off the first pellet at you, and you have borne it with admirable fortitude."

In his second speech delivered at Pretoria on 22nd March, Lord Milner held tight to the skirts of the muse of comedy; but his words contained none the less an impressive vindication of the Crown Colony Administration, and a weighty, yet genial, rebuke of that ungracious and injurious criticism which had come with such wearisome reiteration from the men "who were, or ought to have been, its friends." Speaking in the "administrative centre" of the Transvaal, it was natural enough that he should give some account of the efforts of the preceding three years, of which he had been at once the responsible head and the energising force. Before, however, he addressed himself to his main theme, he told his audience why he was leaving the Transvaal "on his own initiative" indeed, but yet "with deep regret." Warnings, "increasingly frequent and increasingly urgent," had come to

tell him that his physical strength would not permit him to carry the burden of his work in the new colonies indefinitely—"not at least without impaired energy." And Lord Milner held that "a man has no business to go on working until he breaks down."

"The breakdown itself," he said, "may matter only to himself. But the gradual decline in energy, in judgment, in temper, which precedes it, are a nuisance to his neighbours, and may be of fatal injury to the State. No doubt there are two exceptions to the rule. . . . The first is this. In a moment of supreme crisis you must stick to your job at all hazards. I have never doubted about that. I regard a man in my position as a civilian soldier of the State; and he must take a soldier's chances. And there have been such moments, several of them, during my day in South Africa. But the present time is not such a moment. . . . And now for my second exception. A man may feel that he ought to stick to his post, even though conscious of failing powers, if he believes that he cannot be adequately replaced. But that again is not the case here. Great Britain is not so poor in men that she cannot find another High Commissioner for South Africa. As a matter of fact, as you see, she has found one, a man of the highest character, of proved ability, a man who has already served his Sovereign with conspicuous success in one of the highest offices of the State at Home, and who, I venture to say, when you come to know him, will be both respected and beloved throughout the country. If there is one thing more than another which could soften for me the blow of having to leave the work into which I have put my whole heart and soul, it is the absolute confidence with which I hand it over to so competent a successor."

This generous tribute to Lord Selborne was accompanied by an unreserved identification of himself with the whole *personnel* of the Crown Colony Administration—an identification characteristic of his whole attitude to his subordinates, and significant in view of the Chinese flogging incident of a year later.<sup>1</sup> Apart from the Boers, the critics of the Crown Colony *régime* had generally thought it desirable to limit their fault-finding by making a distinction between the acts and policy for which Lord Milner was to be held personally responsible, and those which, in their

<sup>1</sup> For this see pp. 360 *et seq.* (vol. ii.).

opinion, had been left solely to the discretion of his subordinates. This distinction he entirely repudiated.

"The carping at the Administration to which I refer," he said, "is quite frequently accompanied by apologies and even compliments to myself. It is not my fault that everything is wrong, but the fault of my subordinates. Now that is a position which I absolutely refuse to accept. For the general policy, at any rate, I am in the main responsible, while as to its execution I say with perfect sincerity that I have been most loyally and most ably served. I merit no commendation, and I desire none, to the exclusion, much less at the expense of, my fellow-workers. Before the tribunal of posterity, as in the struggles of to-day, we will stand or fall together. And I, for one, have no fear whatever of the verdict which any impartial chronicler will pronounce on our work as a whole."

The rest of the speech was, for the most part, in a lighter vein. In dealing with the charges to which the Crown Colony Administration — this Administration "with its enormously long life of two and three-quarter years"—had been ceaselessly exposed, Lord Milner drew a distinction between two classes of fault-finders. There was, first, the abuse of the people "who attacked the present Government, merely because they hated all it represented." Against this sort of criticism Lord Milner brought no complaint. It was simply "political business, disagreeable, perhaps, but natural, and to be expected." What he did complain of was "the trick of perpetual fault-finding, the steady drip, drip, of depreciation, only diversified by occasional outbursts of hysterical abuse," which had come from those "who were, or at least ought to have been," the friends and supporters of the Government. This criticism had been alike barren of useful results and injurious to the public interests.

"What help," asked Lord Milner with a fine irony, "what encouragement, what instruction have we got in our Herculean task from the people who know our business so much better than we do, including some who were asked to assist us and would not? . . . What benefit have we derived from that atmosphere of captiousness and cavilling? Is it possible to sum up its lessons? Oh, yes! First of all, directly after the war there was a fierce demand that every-

thing should be done at once. It was no use saying that even this rich country had not unlimited resources, that everybody was already being worked to death, that there were some things which could not be done well, or done at all, without a large amount of previous study and investigation. All these were the miserable excuses of an idle, unenterprising, unsympathetic bureaucracy, which knew nothing about South Africa. But presently there was a slump; and, Good Heavens! what a slump that was according to our great and wise and far-seeing instructors. Never in the history of the world had there been anything so dreadful. Deficit was not the word for it. There were going to be at least half a dozen deficits. We were rushing helter-skelter into bankruptcy. And it was all due to the reckless extravagance of the Administration, to its rashness, to its optimism, to the bad way in which officials had been engaged, and enterprises started, without previous experience.

"It was no use saying that reactions of this kind had occurred before, that they were the common experience of all countries and governments, that the right thing was, while taking in sail, to keep steadily on our course. Such arguments were the devices of discredited gamblers trying to conceal the extent of their over-speculations. But once again times have begun to change. Things generally are not mending very fast, but they are decidedly mending. The revenue of the State once more begins to show signs of elasticity. And so with the return of the old conditions, up pops again the old piece. Our sins of commission are being allowed to sink into the background, and the stage is being cleared for another good sound rampage over our sins of omission. It is no longer our extravagance and our recklessness which are the subject of the burlesque; it is once again our parsimony and our sloth. Shameful indeed, and calculated to bring a blush to the face of every Briton, is the spectacle of an Administration which, in its enormously long life of two years and three-quarters, has failed to endow this vast, raw country, which it took over devoid of everything, with conditions in every respect similar to those of old civilised countries, which have accumulated their stock for centuries."

And there was justification for this half-scornful, half-humorous rebuke. Such criticism might be only "froth on the surface"; but if these extravagant and noisy critics, though they might be few in number, and far from represent-

ing the sober, silent majority of the community, were simply ignored, they "would end by falsifying history," as indeed they had already "created a wrong impression on the minds of hundreds of people who were too busy to study official records." And yet if the quiet people would only find a little time to examine things for themselves, they would be astonished to realise how far the country had travelled in a short time.

Of the conditions under which the political and economic reconstruction of the two colonies was accomplished, he said :—

"Mistakes have been made; no doubt, not a few. I myself could point out more mistakes than any of the cavillers. . . . It is rough work, no doubt, a great deal of it. There has been no time for trimming or polishing. But if rough and showing many traces of haste, it is solid, and bears few traces of scamping. Much of it has been costly work, but then one has always to pay extra for extra pace; and we have been going full steam ahead the whole time. The one thing essential, the one thing imperative, when we took over this country, a total wreck, with half its population in exile, with no administrative machinery whatever, and as far as the plant of Government was concerned, with the scantiest equipment of any country in the world, was to make it a going concern again as soon as possible. We could not stand fiddling over small economies, while people starved. We could not pause to think out the precise form and size of our future permanent establishments. We had to restart everything at once—to get the indispensable material at any price, to employ as many hands as were necessary at the time, and the best we could get; there was no possibility for elaborate selection—and to leave the drilling, the grading, the weeding-out for a period of greater leisure. I say the work has been rough, and the work has been costly. But, after all, the great feature of it, the fact that will stand out in history, and which has in our day at any rate no parallel, is the colossal amount which has been done in the time. It is just because it is so enormous in extent that it presents so many points to criticism."

And of the work itself :—

"People take many things as a matter of course," he said, "which nevertheless are only the result of the most constant watchfulness, of the most strenuous labour: the profound

peace which reigns throughout a country so lately the scene of a devastating struggle; the Statute Book no longer an unintelligible jumble, but reduced to reasonable proportions and an orderly form; the steady, incorruptible administration of justice under a Supreme Court which has no superior in any British colony; the return of our principal industry to its old prosperity; the new life which is being infused into agriculture, the starting of experimental farms, the introduction of high class stock, the planting of forests; the municipal institutions, as liberal as any in the world, which have now been created throughout the whole of the colony; the free schools containing twice as many children as at any previous period, the new provisions for higher technical training; the ensuring of an adequate water supply for your greatest centre of population, the careful scientific study now for the first time being devoted to the great problem of irrigation in all its branches."

That these things should be treated as a matter of course was the "highest possible compliment"; but the deficiency of the public works of the new colonies was a "favourite theme of comment." Therefore Lord Milner asked his hearers "to look at some of the work which had been accomplished in that single line."

"We have completed," he said, "275 miles of new railways—I am speaking now of both colonies—311 miles are in course of construction, and 488 miles are arranged for. Or to turn to the Transvaal only, nearly £300,000 has been spent in the renewal and improvement of telegraphs and telephones. Partly, no doubt, as a result of that expenditure, the services under the Postmaster-General will in this year, for the first time, show a surplus. £420,000 has been spent on schools, orphanages, and teachers' quarters, including half a dozen very large town schools, between 20 and 30 town schools of average size, and no less than 152 farm schools. The Lunatic Asylum, which was a disgrace, is being replaced by one of exceptional excellence. Several new hospitals have been built, several existing hospitals have been improved, and a large further sum has been allotted for hospital construction. New prisons have been built, and existing prisons have been enlarged, though the construction of the big central prison, an urgent necessity, has proceeded slowly, mainly owing to the failure of a contractor. Immense sums have been spent on the improvement of roads in the country districts, which

were never good, and at the end of the war were in a really shocking condition; more than 1,300 miles of road having undergone a certain amount of repair. Twenty-two solid permanent bridges have been constructed. Add to this the innumerable minor works which are going on in every part of the country; the police barracks, the Government offices, the Magistrates' houses, and so on, and you will not be surprised that in three years we have spent on these objects £1,100,000 out of the loan, and £1,035,000 out of revenue, while we are committed to a further expenditure of at least half a million. . . . Even if we had had more money, I do not believe that we could have done much more with the hands at our disposal."

While Lord Milner had been concerned mainly at Germiston with finance and at Pretoria with the actual record of work accomplished, he had reserved the discussion of wider political issues for his final speech, which was made at the Johannesburg farewell banquet, held in the Drill Hall on 31st March. In it are found, accordingly, some noteworthy passages dealing with the attitude of the Home Government in the change of constitution, the relations of the British to the Dutch, the native question, Imperial unity, and his own work in South Africa. It also distinguishes those aspects of the reconstruction of the new colonies which he regarded as peculiarly his own.

"There are," he said, "many things which I have been instrumental in doing which any man in my place would have done just the same . . . and the work having been once done is now generally accepted, and because it is in accordance with a recognised pattern, it runs no risk whatever from subsequent attack. But there are some other enterprises which owe their origin almost entirely to my own personal initiative and insistence, and those are all more or less in danger."

And it was on behalf of these unpopular but original enterprises that he made the appeal, "If you believe in me, defend my works when I am gone. Defend especially those which are especially mine."

In view of its importance as historical evidence, the portion of the speech referring to these enterprises—Milner's

fads, as he subsequently called them—will be considered first. Under this category he placed land settlement, afforestation, the scientific study of agriculture and irrigation, the South African Constabulary, and the Inter-Colonial Council.

Of the policy of land settlement he said :—

“I have always contended, and I still contend, that it is a vital and essential part of our constructive work. It was not adopted, as some critics have said, with a view of ousting or out-numbering the old population on the land—I never had such a crazy idea—but rather with a view of quickening it with a new leaven, of strengthening the progressive element amongst the farming class—which is greatly in need of strengthening—and of forming a link between town and country, and between Boer and Briton. And all these things the much abused experiment is doing to-day, though undoubtedly to a lesser extent than I had hoped or wished. But that is due to the inherent difficulties of the enterprise—certainly I was never under any illusion that it was easy to effect—to the fact that we were hustled into beginning before we were ready, and to a rather exceptional amount of bad luck at the start. But all that is over now. The work is proceeding in both of the new colonies slowly but successfully, unsensationally, and on a sound basis. The only thing needed is to go steadily on; and instead of perpetually raking up and exaggerating and gloating over the difficulties and mistakes of the first beginnings, to make up the lee-way now that these mistakes have been rectified. But the experiment has many enemies, and unless I can secure for it active friends, it has a troubled future before it.”

Of afforestation, scientific agriculture, and irrigation he said :—

“Take again the question of afforestation. That is another of Milner’s fads. I am as certain as I stand here that nature intended wide tracts of South Africa to be forest country. If you could persist in spending £100,000 a year for thirty or forty years in planting forests, you would find yourselves in the possession of undreamed-of wealth when your mines were exhausted; and of wealth which, unlike the mines, was itself inexhaustible. Yet even the small provision made for planting forests in last



year's Budget was cut down by the Transvaal Legislature; and I am absolutely certain that, unless the people of this country can be awakened to their vital permanent interests, the first Responsible Government which has any difficulty in squaring its Budget will starve the whole thing to death.

"And the same danger threatens our arrangements for the scientific promotion of agriculture—using that word to cover all production from the land, whether stock or crops—and the scientific study of irrigation. These things are going on in this colony to-day; but they are not receiving anything like the amount of attention or appreciation which they deserve. The work of experts in subjects of that character takes years to make itself felt. It is largely negative work—the prevention of diseases of stock, the saving of money that otherwise would be wasted in ill-digested experiments—as it has been wasted by hundreds of thousands in South Africa on schemes of irrigation which were devoid of scientific foundation—and generally speaking in the elimination of quackery. But though the work is slow, its ultimate effect will be enormous. Yet without more public support—perhaps I may in my last moments have some success in arousing it—I am not confident of its fate at the hands of party politicians."

Of the Inter-Colonial Council, the Railway Administration, and the South African Constabulary he said:—

"Last, but not least, of these unpopular enterprises is the amalgamation of the railways and the creation of that object of so much ill-considered criticism, the Inter-Colonial Council. I have seen that body described as a cloak for extravagance; yet it is absolutely demonstrable that it has contributed greatly both to the efficiency and to the economy of the services placed under its control. I venture to assert that those services have been better and more closely looked after by a body constituted expressly for that purpose than they could ever have been, if they had been left to take their chance amongst the mass of miscellaneous work which fully, and more than fully, occupies the time of either of the Legislative Councils. I know it is the fashion to decry the South African Constabulary, especially among people who know least about it. In going about the country, where its work is known, I am in the habit of hearing a perfectly different

story, and that from the very people whom you might consider were the last to be favourably disposed to the body in question. The truth, I believe, is that the Constabulary—though, like some other things, it did not come into the world in a state of complete perfection—has now attained a degree of efficiency equal to that of any similar force in the British Empire; and that it does with little fuss an immense amount of good work in many directions. As a defensive force, it suffers from its own efficiency. So complete has been its success in preventing even the suggestion of trouble, that many people, who do not know what I know, seem to forget the ever-present causes of possible trouble in a country peopled as this is.

“But after all the principal and permanent work of the Inter-Colonial Council is the control of our railways. In that respect it has a brilliant record. It is not the fault of the Council that our railways were in such a deplorable condition after the war; but it is directly due to the influence of the Council, and to the hard work of its organ, the Railway Committee—the most successful illustration hitherto known of a co-operation of official and unofficial forces—it is directly due to these influences that the efficiency of the railways has been restored, their equipment immensely augmented, their accounts reformed, and their revenue greatly increased by the reduction of working expenditure. If the Council came to an end to-morrow, its existence would have been fully justified by what it has accomplished in this respect. But it will not come to an end yet awhile, because the necessity still exists that the railways of the two colonies should be worked as one system, with an eye to their efficiency as a whole, in the greatest interest of the greatest number on both sides of the Vaal, not as competitive systems, developed wastefully, because antagonistically, and for ever fighting one another for diversion of traffic and division of rates. We are never, I hope, going backwards in the direction of the separate ownership of the railways. Indeed, I comfort myself by reflecting that it is practically an impossibility. Rather ought we to look in the exactly opposite direction of an amalgamation of all the railways in South Africa—which might even precede a political union—and placing them under a permanent Commission, representative of all the colonies but outside political influences, which would run them as a business concern, remove the chaos of rates at present existing, and prevent the eternal clash of interests between one

railway system and another. That, indeed, would be a great and permanent boon for the whole sub-continent. When that day has come, the Inter-Colonial Council will have done its work."

In his treatment of the wider political issues, South African and Imperial, appropriate to the occasion, Lord Milner had nothing to do (in his own words) with "preaching bull points." What he said of the restoration of the gold industry—the pivotal industry of South Africa, which that year was "likely to reach its highest rate of production ever yet known—applied throughout. He was not thinking of "next week or next month"; his judgments and forecasts took note only of permanent social and economic factors, and depended for their validity upon the operation of "the slow and sure processes by which are moulded the destinies of nations. He had never yet feared to speak his mind; but that night, with the trappings of office all but laid aside, it seemed to those who heard him that it was more truly than ever the man himself who spoke—the man himself in all the fulness of his wide administrative experience, with all the force of his splendid intellectual energy, and with the deep conviction of one "who cared not to be great, but as he saved or served the State." Moreover, although Lord Milner disclaimed any aptitude as a "phrase-maker," some of his sentences are, as it were, formulae for the solution of Imperial problems; and one among them might well be engraved upon the walls of every South African Council Chamber—"The true Imperialist is also the best South African."

The reasons for the introduction of self-government, he said, were not to be found in any expectation, that "popular elections and a party system were the panacea for all the defects" from which the Crown Colony Administration suffered. In any case there would be an improvement; since the machinery of administration was getting into better working order, and the disastrous consequences of the war were gradually dying out. These reasons, good and sufficient reasons, were of a totally different order.

"People naturally prefer," he continued, "to manage

their own affairs—or to think that they are managing them—though the management of the affairs of a minority by a majority which does not agree with it, may not in all respects represent self-government for that minority. But government is such an imperfect business at the best, that it is more important that people should have the system which they like than, if possible, a better system which they like less.

“Moreover, if things go wrong in a self-governing colony the blame does not fall on the Imperial Government or its representative. There is no excuse left for hammering poor old Downing Street. The good relations of the colony and the Mother Country are not affected; and after all the maintenance of those good relations is of far greater moment than any slight change in the efficiency of your administration. These considerations are so plain that I am puzzled to understand why anybody should think that the Imperial Government needs any pushing in this matter. Obviously the interest of the Mother Country is to introduce self-government as fast and as completely as possible. Obviously the inclination of every Secretary of State for the colonies must lie in the same direction. Just imagine the relief, when he is badgered about some trumpety incident at Paulpotpietersfontein, to be able to reply, ‘That is the business of the Responsible Government of the colony.’ Imagine the immense advantages to Imperial interests, even more than to a colony itself, of being able to prevent colonial business being, for mere party purposes, dragged up and down the floor of the House of Commons. And what the Minister at Home feels, his advisers out here feel just as strongly. The temptation to both is to proceed too fast, rather than too slowly, in the process of transferring the responsibility from their own shoulders to those of the people of the colony. And if, nevertheless, they proceed rather less rapidly, rather more circumspectly, than some would desire, is it not reasonable to assume that they have some good grounds for action so contrary to their own interests and inclinations?”

From this point Lord Milner passed on to consider the character of the new constitution, and in doing so he took occasion to refer to the attitude of the Balfour Ministry towards the Transvaal.

“The present advisers of the Crown—and I speak now not

as an official, which I shall soon cease to be, but as a private citizen—have shown themselves good and loyal friends to this colony, and its people, and to South Africa. They have not hesitated to risk defeat in the defence of unpopular measures, which they believed necessary for the restoration of your prosperity. They have lost seat after seat because of their faithfulness to what they believed to be your interests, and have not been deterred by it. Moreover they have refused, in spite of gibes and sneers, to use the power which they undoubtedly possessed to put the burden of a war contribution on your shoulders at a time of difficulty, and have preferred to leave that question to the free arbitrament of the people of the colony themselves, and to trust entirely to their sense of honour. I say such generosity and confidence deserves recognition, and the best way in which you can recognise them is to use your efforts to make a success of the Constitution which His Majesty's Government is about to confer upon you. . . ."

A reference to the declared intention of the Dutch to have nothing to do with any system of Representative Government then led Lord Milner to the general question of the relations between Dutch and British.

"Perhaps, while on this subject," he said, "I may be allowed to say without offence, that I think we British are apt to be rather too fussy about the attitude of the Boers. It is, no doubt, disappointing that whatever we do the other party maintain an attitude of aloofness, I will not say of sullenness; but, after all, is not that very much what you might have expected? After all, three years is a very short time in the history of a country. It is a mistake to keep on girding at them because they do not express a friendship which they cannot as yet reasonably be expected altogether to feel. But it is no less a mistake, in my humble opinion, to try to coax them by offering them something more than they are entitled to: something that we know in our own hearts that we ought not to give. Courtesy and consideration for their natural feelings—always; compromise on questions of principle, and suppression of our own natural and legitimate sentiments—never. There is a want of wisdom—worse still, there is a want of self-respect, in that sort of kow-towing, which is the last way to impress or to win over a strong, a shrewd, and an eminently self-respecting people.

"Mutual understanding, sympathy, a common ideal,

must be the growth of years; but in the meantime there is much to be done in working together for the material development of the country. That is the safest sort of meeting ground. Politics, pure and simple, I greatly fear, will continue for some time to accentuate, rather than obliterate, racial differences; but the extension of railways, the development of agriculture, the promotion of irrigation, and of all other works of public improvement, are so many bonds of union—and there is so much to be done in making this country a fitting home for civilised men, in making it yield anything like what it is capable of yielding in wealth, in attractiveness, or in comfort.”

On the native, or the “colour,” question Lord Milner said:—

“You know I am, in the opinion of the vast majority of the people in this room, a heretic on this subject. And I am an unrepentant heretic. I continue to hold the view that we got off the right lines in this matter when we threw over the principle of Mr Rhodes—equal rights for all civilised men. At the same time I am prepared to rely for the return to the true path upon a gradual change in the opinion of the people in South Africa itself. This is a South African question. Nothing could be worse in principle, or more unfortunate in result, than to try and influence this decision even in the right direction by any kind of external pressure. . . . People are much too inclined to dispose of the native question with a few slap-dash platitudes, or with a contemptuous reference to that long extinct bogey, Exeter Hall. To those who are so disposed I would say, read and read thoroughly [the report of the Native Affairs Commission] and [its] evidence. You will then see how much more complicated this subject is than you imagine; and how much more many-sided, and, at the same time, how much less uniformly dark. You may learn, too, that the essence of wisdom in regard to it is discrimination; not to throw all people of colour, the highest as well as the lowest, into one indistinguishable heap—but to follow closely the difference of race, of circumstance, and of degrees of civilisation, and to adapt your policy intelligently and sympathetically to the several requirements of each.”

The speech rose to its highest level in the final passage, in which he dealt with the question of Imperial consolida-

tion, and in the few but impassioned sentences in which, at an earlier point, he referred directly to his work in South Africa. In the farewell telegram, in which the Home Government declared publicly their grateful appreciation of his services, Mr Lyttelton expressed the hope that Lord Milner's strength would be speedily renewed "by the rest which his devotion had earned, and that at no distant date his splendid talents would again be available for the Empire in whose service they had been so lavishly bestowed." And the final passage acquires an added interest in association with Mr Lyttelton's words. Since a man who sees in the "organic union" of the Dominions and the Mother Country at the same time both "one of the noblest conceptions that has ever dawned upon the political imagination of mankind" and a solution of the nationality difficulty in South Africa, is one whose counsels and action can do much to bring about this great consummation.

"I have come to the last point of my appalling list," he said. "But it is the point which I care most about, because it is over all and embracing all. What I pray for hardest is that those with whom I have worked in a great struggle, and who may attach some weight to my words, should remain faithful, faithful above all in the period of reaction, to the great ideal of Imperial Unity. Shall we ever live to see its fulfilment? Whether we do or not, whether we succeed or fail, I shall always be steadfast in that faith, though I should prefer to work quietly and in the background, in the formation of opinion rather than in the exercise of power.

"The question as I see it, the question of the future of the Empire, is a race, a close race, between the many influences manifestly making for disruption and the growth of a great but as yet very imperfectly realised conception. The words 'Empire' and 'Imperial' are perhaps in some respects unfortunate. They seem to suggest domination, ascendancy, the rule of a superior state over vassal states; but, as they are the only words available, we must just make the best of them, and try to raise them in the scale of language by giving them a new significance. When we who call ourselves Imperialists talk of the British Empire, we think of a group of states, all independent in their own local concerns, but all united for the defence of their own common interests

and the development of a common civilisation ; united, not in an alliance—for alliances can be made and unmade, and are never more than nominally lasting—but in a permanent organic union. Of such a union the dominions of our Sovereign as they exist to-day, are, we fully admit, only the raw material. Our ideal is still distant, but we deny that it is either visionary or unattainable.

“And see how such a consummation would solve, and, indeed, can alone solve, the most difficult and the most persistent of the problems of South Africa ; how it would unite its white races as nothing else can. The Dutch can never own a perfect allegiance merely to Great Britain. The British can never, without moral injury, accept allegiance to any body politic which excludes their motherland. But British and Dutch alike could, without loss of integrity, without any sacrifice of their several traditions, unite in loyal devotion to an Empire-State, in which Great Britain and South Africa would be partners, and could work cordially together for the good of South Africa as a member of that greater whole.<sup>1</sup> And so you see the true Imperialist is also the best South African.

“The road is long, the obstacles are many, the goal may not be reached in my lifetime—perhaps not in that of any man in this room. You cannot hasten the slow growth of a great idea like that by any forcing process. But what you can do is to keep it steadily in view, to lose no opportunity to work for it, to resist like grim death any policy which leads away from it. I know that the service of that idea requires the rarest combination of qualities, a combination of ceaseless effort with infinite patience. But then think, on the other hand, of the greatness of the reward ; the immense privilege of being allowed to contribute in any way to the fulfilment of one of the noblest conceptions which has ever dawned on the political imagination of mankind.”

And of his work in South Africa he had said :—

“I shall live in the memories of people here, if I live at all, in connection with the great struggle to keep this country within the limits of the British Empire. Certainly I engaged in the struggle with all my might, because I was from head

<sup>1</sup> The above passage (from the beginning of the paragraph) is slightly altered from the *Star* report. The alterations were made by Lord Milner himself early in 1906—*i.e.*, when the speech was still fresh in his memory.



to foot one mass of glowing conviction of the rightness of our cause. But a frightfully destructive conflict of that kind is at the best a sad business to look back upon. I should prefer to be remembered for the tremendous effort, wise or unwise, in various particulars, made after the war, not only to repair its ravages, but also to restart the new colonies on a far higher plane of civilisation than they had ever previously attained. To that work I devoted myself with equal energy, and certainly with far greater sympathy with what I had to do."

## CHAPTER XX

### EPILOGUE

THE Johannesburg banquet, at which the last of the three farewell speeches was made, was held in the Drill Hall on the evening of Friday, 31st March, and two days later Lord Milner left by train for Delagoa Bay. The one brief ceremony that remained, the presentation of an address by the Municipality, was fixed to take place in the Wanderers' Grounds at five o'clock on the same day, and the time and place of this ceremony and the actual day of departure, Sunday, 2nd April, were arranged in the belief that a very large proportion of the British population of the Rand would desire to share in the final leave-taking. This belief was amply realised in a great popular demonstration of sympathy and admiration, to which, accidentally but none the less impressively, the occurrence of a brief but violent thunderstorm at the very moment of departure lent an added grandeur and solemnity.

On reaching Delagoa Bay Lord Milner sailed in an Austrian Lloyd boat by the East Coast route to Europe; and after lingering a few days in Egypt, and spending some weeks in rest and retirement on the Continent, ultimately arrived at his old quarters in St James' towards the end of July. In the meantime the long supremacy of the Unionist Party was drawing to its close. The utmost exertions of the Whips barely sufficed to keep together a majority for the Government during the session, but at last a jaded House of Commons was prorogued, leaving Mr Balfour and Lord Lansdowne free to consummate the Anglo-Japanese alliance, and, as it was hoped, to secure

a fair start for the Lyttelton Constitution in the Transvaal. The alliance was successfully carried through and placed alongside the *Entente Cordiale* to the credit of the Cabinet; the latter object, however, was not achieved, since Mr Balfour, under pressure of the widening cleavage of the Unionist Party on the Fiscal question, was compelled to resign office early in December.

In these circumstances Sir Henry Campbell-Bannerman, the official leader of the Liberal Opposition, was sent for by the King, and came into office on 12th December. The first Cabinet was held on the 20th, and an immediate dissolution having been determined on, two days later the Liberal chief addressed a great meeting of his supporters in the Albert Hall, at which he gave to them and to the country a statement of the policy of the new Government.

Among the announcements was one which brought the vast audience of 9,000 people to their feet in a wild burst of enthusiastic applause. Of South Africa, Sir Henry said,

“I have no general statement to make to you, for we have not had time adequately to examine [the difficulties and complications that exist in that country]. But one conclusion His Majesty's Government has arrived at, and it is this: to stop forthwith—as far as it is practicable to do it forthwith—the recruitment and embarkation of coolies in China, and their importation into South Africa; and instructions have been given to that effect.”

The general election of January 1906 gave the Government the unprecedented majority of 356, although the excess of the total number of votes cast in favour of Liberal candidates, as against the total cast for Unionist candidates, was only large enough to have entitled the Liberal Party to 20 more seats than their rivals. As it was, 379 Liberals, 51 Labour members, and 83 Irish Nationalists, giving a composite total of 513 supporters of the Government, and 157 Unionists, were elected to the House of Commons.<sup>1</sup> It was a defeat more severe than that which the Tory Party had suffered in the first election after the Reform Act of

<sup>1</sup> The total Unionist voting strength was 2,528,597—the total Liberal-Labour-Nationalist, 4,026,704. On a basis of votes cast (including uncontested elections) there should have been 258 Unionists and 412 Ministerialists.

1832. The causes to which it was to be attributed were, in the main, the swing of the pendulum, disagreement on the Fiscal question, and Chinese labour; and among them the latter worked with the most damaging results. There was naturally a strong prejudice, chiefly due to ignorance, among all working class electors against the Labour Importation Ordinance: but it was not this natural prejudice, but the utilisation of it by Liberal politicians of all ranks to fix upon their opponents the monstrous charge of having reintroduced slavery into the Empire, which made the employment of Chinese labour in the Transvaal so destructive to the Unionist Party at the polls. The practice of benefiting by the ignorance of the electors is one which is not confined to either party, but in the present instance the official agency of the Liberal Party, charged with the preparation and publication of electioneering literature for use by the party candidates, issued pictorial posters in which the Chinese coolies were portrayed as working in chains on the mines of the Rand. It is true that one particular poster was subsequently repudiated by the Liberal officials in charge of the publication agency, but the repudiation was only made public after the poster had been long enough on the hoardings to do excellent service to Liberal candidates in working class constituencies. When pressed in Parliament to make good the charge of permitting slavery to be practised in a British colony, the Liberal leaders denied that they had used this specific term, but Sir Henry Campbell-Bannerman maintained that the conditions in which the Chinese were employed were "semi-servile." The word "slavery" in this connection, said Mr Churchill, the Under-Secretary for the Colonies, in the House of Commons, was a "terminological inexactitude"; but in the House of Lords, Lord Elgin, his chief, dissociated himself from the charge in language which was both clearer and more becoming. I

"decline to take any responsibility for the use of that term. . . . I wish to express my deep regret—I have no hesitation in using that word—that this term [slavery] has been used, for two particular reasons. In the first place I regret exceedingly to find that men who have fought for us and suffered for us in the colony should think that their

personal reputation is impugned. . . . In the second place, I especially regret this incident because it might possibly seem to raise a suspicion that there was a difference of opinion between the two sides of this House, and the two parties of the country, on the great question of slavery itself."<sup>1</sup>

It is, however, unnecessary to set out all the verbal contortions by which British statesmen sought to escape the humiliating admission that they had gained office largely, though not entirely, by allowing political underlings to trumpet abroad a charge against their political opponents, which neither their intelligence nor their sense of truth permitted them to maintain in the presence of these same opponents. To pursue this unsavoury enquiry any further is, however, unnecessary, since the fictitious and dishonest character of the anti-Chinese agitation, as it was conducted in the interests of the Liberal Party in the United Kingdom, is now universally recognised by all unbiassed observers of English political life. So far as Sir Henry Campbell-Bannerman and his colleagues in the ministry were concerned, the fictitious character of the agitation against the Ordinance was immediately demonstrated by the inexorable logic of facts.

How could a ministry be held to have believed in the reality of the evils attributed by their supporters to the Labour Importation Ordinance both before and during the general election, who,

(i.) When challenged by the Opposition, through Mr Chamberlain,<sup>2</sup> to appoint a Commission to enquire into the moral and economic effects of Chinese labour in the Transvaal, refused to do so; that is to say, refused to allow these allegations to be put to the test of being proved or disproved by evidence on oath, taken before competent men and on the spot:

(ii.) Entered into a convention with France in pursuance of which indentured labour of both sexes (including children) was introduced into the New Hebrides under conditions of recruitment and employment, and restrictions upon liberty

<sup>1</sup> *The Times*, 27th February 1906.

<sup>2</sup> In the House of Commons, 21st March 1906.

during employment, admittedly more rigorous than those of the Transvaal Ordinance.<sup>1</sup>

In spite, however, of its refusal to appoint a Commission of Enquiry, the Liberal Government were driven by the indiscreet pressure of their Radical supporters to provide evidence of a direct and indisputable character on the two essential points in dispute; namely, whether the Chinese did, or did not, consider that they were well treated by their employers; and whether they were, or were not, forced into immorality by the conditions in which they lived on the Rand. Having determined that any Chinese coolie who wished to be repatriated, should be sent back to his home forthwith at the expense of the Imperial exchequer, the Government, acting through the High Commissioner, took the minutest precautions to ensure that their offer of immediate and free repatriation should be brought to the knowledge of each individual labourer. This action was in conflict with the advice of Lord Selborne; and, in view of the elaborate safeguards upon which Mr Lyttelton had insisted—safeguards which made it impossible for any coolie to enlist for service in the Transvaal without a full knowledge of the terms of his contract, and an entire willingness to accept all its conditions<sup>2</sup>—was a gross and indefensible interference between the coolies and their employers. With such fanatical insistence was the point pressed by the anti-Chinese extremists in the House of Commons that a charge of intimidation against the mine-owners was founded upon the utterly ridiculous assertion that the formal expression

<sup>1</sup> See Letter to *The Times* (18th February 1907) by Mr Alfred Lyttelton on "The Convention respecting the New Hebrides." Also compare the text of the Convention (20th October 1906) with that of the Ordinance on all points. Moreover the British Guiana Ordinance of 1894, which was sanctioned by the (then) Liberal Government, provided for a five-years' term of indenture. Under this Ordinance the (Indian coolie) labourer was not entitled to receive any part of the cost of his return journey until he had served ten years, and then only three-fourths of his homeward passage by sea: while, if he desired to leave before his five years' term of service was completed, he was compelled not only to pay for his passage home, but to refund to his employer the entire cost of his outward journey. The principle of the compulsory repatriation of labour imported under indenture was generally recognised. It was applied by the Queensland Legislature in 1886, and in the Rhodesian Ordinance (mentioned above in chap. xi.) of 1900.

<sup>2</sup> For those safeguards see chap. xiv. pp. 360 *et seq.* The Chinese were free, under the terms of this contract, at any time to return on payment of the expenses of their journeys to and from the Transvaal.

“tremblingly obey,” appearing at the end of the Repatriation notices printed in Chinese and posted in all the compounds, which were in fact a formula equivalent to “God save the King” on an English proclamation, would make the coolies afraid to come forward and claim the benefits of the offer. It may be doubted whether such an invitation, if it had been made to any other body of workmen, whether European or Asiatic, would not have produced, at least, an appreciable number of applicants. In the case of the Chinese on the Rand *not one per cent.* availed themselves of the offer.

This remarkable evidence of the material well-being of the Chinese was given in the closing months of 1906. It was accompanied by equally convincing proof that the morality of the Chinese labourers on the Rand, so far from being injuriously affected by the special conditions under which they lived and worked, was, if anything, of a higher standard than that of the average Chinaman of the same class when living in his own country. The Bucknill Report—so called from the name of the official of the Transvaal Law Department by whom the enquiry was conducted—was the product of a careful examination of the “headmen” and other persons to whom every particular of the life led by the Chinese on the compounds was known. Its contents were never made public, although they were communicated confidentially to Mr Frederick Mackarness, as the representative in the House of Commons of the extreme opponents of Chinese labour; but it was understood that the document showed that unnatural vice did exist to a very limited extent among the Chinese coolies, and further that such characters were punished, when detected, and, failing improvement, were sent back to China as undesirables. In other words, not only were instances of the vice in question shown to be very rare among the Chinese on the Rand, although it was known to be commonly prevalent among the low class population in China, but whereas in China it was restrained by no penalty, social or legal,<sup>1</sup> in the Rand it was punished with severity, and the community was purged of the presence of such offenders. In the face of this report, and the fact

<sup>1</sup> For the prevalence of this form of unnatural vice in eastern countries, and elsewhere, see “Life of Sir Richard Burton” (by Wright), p. 75 and note (2).

that unnatural vice was common among the native Africans—to say nothing of its being by no means unknown in England—the contention that the Chinese coolies would in these circumstances demoralise both the native and the European workers on the mines, was seen to be too coarsely hypocritical to have any weight with even the most ignorant or fanatical of the opponents of the Ordinance. The Bucknill Report was, therefore, kept by the Government in rigorous seclusion.<sup>1</sup>

But the Liberal majority in the new House of Commons showed itself, in this matter of Chinese labour, not merely ill-informed but vindictive. The incident which furnished the excuse for the veiled vote of censure on Lord Milner—passed on the motion of Mr Winston Churchill, then Under-Secretary for the Colonies, on 21st March 1906—was a breach of the Convention with China, which occurred immediately before Lord Milner's retirement, and for which Lord Milner took the responsibility upon himself. Although Lord Milner's share in the matter was very slight, the circumstance that an attempt to discredit him in the eyes of the nation was none the less founded upon it, makes it necessary to set out the facts with completeness and precision.

In a telegraphic despatch of 24th October 1905, addressed by Mr Lyttelton, as Secretary for the Colonies, to Lord Selborne, the new High Commissioner and Governor of the Transvaal, we read:—

“There is one matter to which no further reference is made in your despatch of 18th September, but which has formed the subject of recent communications between us, and which I think it necessary for me to mention here.

<sup>1</sup> On the other hand, it was endeavoured with some success to make political capital out of the crimes of violence committed by runaway Chinamen. These crimes were relatively small in number, as may be seen from the returns furnished by the Transvaal Government to (the British) Parliament. Attacks—in one or two instances resulting in murders—upon isolated Boer farmsteads formed the most serious feature; but these, and crimes of violence in general, were promptly suppressed directly the need for adequate measures for the purpose was realised. Such measures were taken within a few months of the first occurrence of the crimes,—*i.e.* in September 1905, when a special body of mounted police was established at the expense of the gold industry to protect the white population in the country districts in the neighbourhood of the mines. For the system of discipline, and general conditions under which the Chinese lived and worked, see Lord Selborne's “Despatch,” etc., Cd. 2786.



“ At the end of August I received from you a statement as to an arrangement which Mr Evans, the late Superintendent of Foreign Labour, had made on his own responsibility. There appears to be no record of this arrangement, and I accordingly referred to Mr Evans for his account of it.

“ He states that, realising as he did the impossibility of personally inquiring into every trivial offence, and the desirability of allowing the compound manager some authority over the men for whose order he was responsible, he informed the mine managers that in cases of breaches of discipline and trivial offences, for which it was not considered necessary to prosecute, he would not interfere if slight corporal punishment, limited in degree to punishment of such a nature as is permitted in schools in England, was administered after due inquiry, at which the offender should be present, before the Chinese-speaking compound manager.

“ He reserved to himself the right to take action on behalf of the labourer in the event of any such labourer complaining to him, or in the event of such punishment being in his opinion excessive or improper. It appeared to him that this was the only practical way of dealing with the question.

“ He informed Lord Milner of his action, and the latter took no objection.

“ Subsequently, on his departure from the Transvaal, Mr Evans informed Sir A. Lawley, the Lieutenant-Governor, who had recently returned from leave, to the same effect, and told him that the arrangement had received Lord Milner's sanction.

“ It appears that the inquiries, consequent on the various breaches of the peace which occurred in May, brought to light the fact that this permission to officials on the mines to inflict slight corporal punishment had been abused, and the Lieutenant-Governor accordingly cancelled the permission in June last, and I understand from you that since then the practice has been entirely stopped.

“ Your statement, which as I have already said reached me at the end of August, was the first intimation which I received from the colony that official permission for any corporal punishment had been given.

“ By the time I received this information from you the new arrangements for maintaining order and discipline in the mines had been approved by me, and the amending Ordinance for giving effect to them was already under

discussion and being passed through its various stages in the Legislative Council, and I was assured by you that the prohibition of the irregular arrangement had been strictly observed.

"But I profoundly regret that corporal punishment, however slight, was authorised without the safeguards of the law, and that the matter was not brought to my notice as Secretary of State before it was authorised.

"Mr Evans appears to have held that it was possible to draw a distinction between slight corporal punishment for disciplinary purposes and flogging, for which the Government was bound to prosecute if brought to its notice. Such a distinction cannot be maintained.

"I fully realise that as soon as abuses manifested themselves steps were taken to terminate the arrangement. I assume that in any case of serious abuse suitable action has been taken by the Government wherever possible. I heartily commend your promptitude in giving the whole question your close attention immediately after your arrival, and in having inaugurated upon the advice and with the assistance of the new Superintendent a system which has now received the approval of the Legislative Council, and I cordially affirm your declaration that 'the Government is firmly resolved to keep in its own hands all power of punishment, and that irregular punishment administered by mine managers, or persons acting under their orders, will continue to be absolutely prohibited.'"<sup>1</sup>

On 27th February 1906 this account of what had occurred was cited by Lord Portsmouth in the course of the South Africa debate in the House of Lords. At the conclusion of the quotation he continued:

"I confess that this is to me an astounding statement. Mr Evans stated that he had instituted an illegal system of flogging, and that Lord Milner had taken no objection to it. Is that true?"

To this question Lord Milner himself replied. His words as reported in *The Times* of 28th February were as follows:—

"Viscount Milner said it was no doubt true that he

<sup>1</sup> Cd. 2786.

was informed by the Superintendent of Foreign Labour—an official whose services had been placed at the disposal of the Transvaal Government by the Home Government because of his long experience in a colony where Chinese coolie labour was the rule—that he had found it necessary to allow the infliction of corporal punishment at the mines in certain cases. He understood from the Superintendent of Foreign Labour that the punishment inflicted was of the nature of caning, that it was never inflicted for offences such as desertion or refusal to work, or anything of that kind, but only for acts of violence and disturbance to order which it was thought necessary, even in the interests of the coolies themselves, promptly to repress, and that it was contemplated that it would be thus within the power of the Superintendent and his staff to prevent any abuses. That being the view of the man who was appointed to protect the interests of the coolies, and whom he had found on every occasion fearlessly zealous and devoted to the defence of their interests, he did not interfere. He fully recognised that he took upon himself the whole responsibility. He thought, in the light of subsequent events, that he was wrong, whatever might have been the drawbacks arising from there being no power promptly to repress certain abuses. This was immediately before he left the Transvaal. Shortly afterwards the Lieutenant-Governor, Sir Arthur Lawley, was informed that on one or two of the mines ill-treatment of the coolies had taken place, and he immediately forbade all corporal punishment whatever at any of the mines. If he himself had been there he should have done exactly the same.”

Upon the strength of this reply to Lord Portsmouth's question, on the following 21st March Mr (now Sir W.) Byles moved in the House of Commons:—

“That this House expresses its disapproval of the conduct of Lord Milner, as High Commissioner of South Africa and Governor of the Transvaal, in authorising the flogging of Chinese labourers in breach of the law, in violation of treaty obligations, and without the knowledge or sanction of His Majesty's Secretary of State for the Colonies.”

The Government, however, refused to accept this resolution,

and Mr Winston Churchill, by direction of the Prime Minister, moved the following amendment:—

“That this House, while recording its condemnation of the flogging of Chinese coolies in breach of the law, desires in the interests of peace and conciliation in South Africa to refrain from passing censure upon individuals.”

In moving this amendment Mr Churchill, under cover of a farcical pretence of defending Lord Milner, displayed an ingenuity of petty spite which provoked an almost universal feeling of astonishment and disgust. This speech, with the amendment, constituted what Mr Balfour described as “the insulting protection” accorded to Lord Milner by the Government. The veiled vote of censure was carried by a majority of 220. But Mr Churchill’s speech, in spite of its general bad taste and pettiness, did contain one relevant and important passage. There were two considerations, he said, which had led the Government to decide not to accept Mr Byles’s motion. One was that the “offence had been committed under another Government, and another House of Commons.” It was not, therefore, strictly the business of the new House of Commons to take notice of it. He then proceeded:—

“Secondly, it is, I think, contrary to usage and to right feeling to censure a man unheard. It is true that though Lord Milner is in Parliament we have no authority to bring him to our bar unless he desires to come; but this motion does not give him the chance or the option of coming. We have, of course, Lord Milner’s admissions contained in the Blue-book. We have moreover his statement and expression of regret which he made in another place; but although these statements and admissions establish Lord Milner’s acceptance of responsibility for a breach of the law, through which disastrous consequences resulted, I cannot help thinking that just-minded men, and I am sure my hon. friend, would say that before taking the serious step of placing this resolution on the journals of the House we should examine much more closely the circumstances attending the giving of this permission, not indeed for the purposes of clearing the noble lord concerned from the charge of having condoned wrong, or from the charge of having accepted the responsibility of wrong—for that is

beyond dispute, and the right hon. gentleman himself did not attempt to dispute it—but for the purpose of ascertaining how far really he was cognisant of what was taking place, and how far he realised to what excesses and improprieties his subordinate was committing him. I do not wish to try and put some measure of blame on Mr Evans; but I am bound to say that after a severe examination of Mr Evans on the subject at the Colonial Office by Mr Lyttelton his memory appeared to be singularly unretentive on several important points. He could not remember how, where, when, and in what terms this important permission had been given, how he had conveyed it to those in charge of Chinese coolies. In so far as he referred to memoranda and records his statements, so far from being confirmed, were upset. So doubtful and vague were his statements on the subject that Mr Lyttelton thought it to be his duty to write to Lord Milner and ask whether, in view of the vagueness of Mr Evans's statements, he could persist in his acceptance of responsibility for these transactions. Lord Milner, after careful consideration, proceeded to accept the responsibility of the statements made; and he gave an account to the House of Lords which not merely took the form of the statement that he accepted responsibility, but which purported to be almost a summary, or, at all events, a report of the conversation he had had with Mr Evans—an account which is so far conclusive that, as the right hon. gentleman himself has said, we cannot for a moment attempt to go behind it. I do not attempt to go behind Lord Milner's acceptance of responsibility. It is quite impossible for us in this House to attempt to do so; and yet I say there is just that element of doubt as to his real moral responsibility for the grave circumstances of this case which I think must tend somewhat to mitigate and also somewhat to suspend the severity of our judgment. But, whether or not, I say without hesitation that it would be peculiar and unprecedented if we were, after only three hours' debate, without hearing the person principally concerned, unfortified by the report of a committee, to record our censure on the noble lord in terms so solemn and unusual that they have only been employed, I think, twice in the last 100 years."<sup>1</sup>

This statement embodies more than one important fact.

<sup>1</sup> *The Times* report.

In the first place Mr Evans was unable, in Mr Lyttelton's opinion, to adduce evidence sufficient to show that any authorisation at all had been obtained by him from Lord Milner. So convinced was the Secretary of State of this that he wrote to Lord Milner to ask him whether, in view of the vagueness and contradictoriness of Mr Evans's statements, it was possible for him to persist in his acceptance of responsibility. In the second place, it was with a full knowledge of the fact that, in the opinion of a trained lawyer like Mr Lyttelton, there was no evidence to show that he had actually authorised Mr Evans to take the course complained of, that Lord Milner had accepted finally responsibility for the action of his subordinate.

Here, then, we reach the central fact which determines the nature of Lord Milner's conduct. To assume responsibility in these circumstances was an act of singular loyalty, and, as such, it was entirely characteristic of Lord Milner's dealings with all his associates and subordinates.

There is one other point which seems not to have occurred to Mr Lyttelton, distinguished lawyer though he was, nor to the late Lord Chancellor, Lord Loreburn, nor to any of those who took part in the debates, whether to denounce or to defend Lord Milner's authorisation of Mr Evans's action.

In the failure of the Chinese Government to appoint a Consul or Vice-Consul (as provided for in Article VI. of the Convention), the Superintendent of Foreign Labour, appointed by the Transvaal Government (as provided in Article IX. of the Convention), was accepted by China as its agent, or representative, for the purposes of the Labour Importation Ordinance.<sup>1</sup> So long, therefore, as this agent did not exceed the scope of his agency, he was able to bind his principal, namely the Chinese Government. Mr Evans, the Superintendent of Foreign Labour appointed by the Transvaal Government, was an officer of the (British) Imperial Government "lent" to the Transvaal Government on account of his long experience and special knowledge of Chinese labour in the Straits Settlements. In virtually authorising the mine managers to inflict the corporal

<sup>1</sup> See Cd. 2026, which contains the correspondence between the Colonial Office and the Foreign Office and the Chinese Ambassador on this point.

punishment, customary in the circumstances in question, upon the Chinese coolies, Mr Evans was acting, admittedly, not only in the interests of the mine managers, but also in the interests of the coolies themselves. The infliction of corporal punishment, except by order of a magistrate or judge, was undoubtedly a breach of the Convention; but it was a breach which the Chinese Government, through their agent, had themselves asked to be committed, and of which, therefore, they had no right to complain. That Mr Evans's action was correct in intention, though its immediate effect was wrong and hurtful, is shown by the fact that the substance of his proposal was subsequently put into operation by Lord Selborne with the full concurrence of Mr Lyttelton as Secretary of State. That is to say, inspectors, working under the new Superintendent of Foreign Labour, were created magistrates *ad hoc*, being invested by provisions in an ordinance amending the Labour Importation Ordinance with the powers of magistrates in order that they might deal on the mines, and at once, with these milder cases of insubordination, etc.

The veiled vote of censure and Mr Winston Churchill's offensive speech showed how little the Liberal majority in the House of Commons of 1906 were capable of understanding Lord Milner's chivalrous loyalty to his subordinate. But the country, and the Empire at large, gave evidence of a clearer and more generous judgment. From South Africa, and from every quarter of the Empire, came indignant protests against the greediness with which the British House of Commons had seized so slight a pretext to attempt to sully the reputation of a great servant of the State. On Thursday, 29th March, eight days after the Commons' resolution, the House of Lords resolved by 170 to 35 votes, "That this House desires to place on record its high appreciation of the services rendered by Lord Milner in South Africa to the Crown and the Empire." On 24th May—Empire Day—at a great banquet given in his honour in London, Mr Chamberlain, on behalf of the many representative and distinguished men there assembled, gave a dignified and eloquent reply to the petty malevolence of Mr Churchill's speech. In the meantime, Sir Bartle

Frere, who in Lord Milner's words,<sup>1</sup> was "the bearer of a name honoured in the annals of South Africa and the Empire — the name too of one who, in his day, was exposed to much undeserved, though transient obloquy, but whose fame now rests on very sure foundations"—had originated a plan which gave a fitting and permanent expression to the sympathy and admiration of the public at large. The text of the "Public Address to Viscount Milner," which was presented privately to him on 31st July 1906, was this:—

"To the Right Honourable Viscount Milner—

"We, the undersigned, desire to place on record our high appreciation of the services rendered by your lordship in Africa to the Crown and Empire."

It contained more than 370,000 signatures of adult males, and an analysis of 366,420 of these signatures showed the composition of this total to be as follows:—

Peers, and county and municipal authorities . . . . .	3,564
Ministers of religion and members of learned societies . . . . .	9,545
Professional men . . . . .	44,535
Bankers, brokers, merchants, shipowners, etc. . . . .	36,252
Landed proprietors and other independent gentlemen . . . . .	35,721
Farmers, county and parish officers, etc. . . . .	29,732
Clerks . . . . .	53,809
Tradesmen . . . . .	49,314
Tradesmen's employees . . . . .	14,769
Working men . . . . .	89,179

The actual sheets of signatures, when bound, formed a collection of thirty great volumes; but a short record of the address inscribed on silver tablets, and enclosed in a gold casket of graceful design, was also offered for Lord Milner's acceptance. It was accompanied by a separate address from Natal, bearing 3,000 signatures, which ran:—

"We, the signatories hereto, being residents in the colony of Natal, desire to express our appreciation of the great services rendered to South Africa and the Empire by Viscount Milner, and to place on record our conviction that, by his untiring devotion and conspicuous ability, this country was enabled to surmount the greatest crisis in its history."

<sup>1</sup> Letter to Duke of Somerset, 4th August 1906.



A further separate address, with over 25,000 signatures, coming from the Cape Colony was presented on 28th September. Its text was a reasoned statement of Lord Milner's work in South Africa—a work

“which had recently been attacked, in a manner as ungenerous as it was ignorant, in a quarter where continued misapprehension of its true character and tendencies might have had the gravest consequences both to South Africa and the Empire.”

One other incident remains to be mentioned before we leave the subject of the veiled vote of censure. On 12th June Lord Milner received the postponed honorary degree of Doctor in Law from Cambridge. Among his fellow recipients of this honour were the Prime Minister, Sir Henry Campbell-Bannerman; the Colonial Secretary, Lord Elgin; Lord Curzon; Sir Edward Fry;<sup>1</sup> and Lord (then Mr) Haldane, the Secretary for War. The exceptionally prolonged applause with which Lord Milner was greeted on this occasion, gave another proof that the action of the House of Commons was repellent to the conscience of the nation. Nor were the Public Orator's words unworthy of their subject.

“. . . Universitatis igitur totius nomine virum de imperio Britannico praeclare meritum, Scipionem nostrum Africanum, salutamus, qui non jam ‘domita,’ sed bene administrata ‘nomen ab Africa lucratus rediit.’”

The determination of the Liberal Cabinet to terminate the recruitment of further Chinese coolies for the Transvaal was followed by the announcement in the King's Speech, on 19th February 1906, of an even more direct reversal of Unionist policy. It was the intention of the Government to advise His Majesty to grant Responsible Government to both of the new colonies at an early date. A week later (26th February) Lord Milner delivered a striking speech in the House of Lords in which he condemned these changes of policy. To forbid the people of the Transvaal to employ Chinese labour, if they required it, was tyrannous, and

<sup>1</sup> The representative of England at the Peace Conference at the Hague.

tyranny was immoral. To give Responsible Government at once to the Transvaal was, in his opinion, to run an unnecessary risk ; but to give it to the Orange River Colony was more dangerous still. And, while recognising that it was within the power of the Government to do what they would, he yet urged most earnestly that their action in framing the new Constitutions "should not be withdrawn entirely from the cognisance of Parliament and of the country." Lord Elgin, in replying to this appeal, was able to inform Lord Milner that the Cabinet had considered the question of adapting the Lyttelton Constitution to a system of Responsible Government, but found that it was impossible to do so. The removal of the Letters Patent was to avoid complications ; "but," he proceeded, "I wish it to be distinctly understood that is entirely without prejudice to the consideration of the basis upon which that Constitution was framed, to every particular of which we shall give our attention."

This statement was followed shortly by the announcement that the Government intended to send a Commission to the new colonies to make enquiries on the spot, and to advise them as to the form of the constitutions to be granted respectively to the two new colonies. The Commission, formally styled "the Transvaal and Orange River Colony Constitution Committee," but better known as the West Ridgeway Commission, was composed of Sir J. West Ridgeway (Chairman), Lord Sandhurst, Sir Francis Hopwood (who soon afterwards succeeded Sir Montagu Ommaney as permanent head of the Colonial Office), and Colonel Duncan Johnson, R.E. It was constituted on 21st March 1906, left England a fortnight later, held its first meeting at Pretoria on 1st May, and its members, with the exception of Colonel Johnson, sailed from South Africa on their return voyage on 27th June. The appointment of the Constitution Commission was welcomed by both parties ; and although, as we shall soon have occasion to notice, the departures from the electoral system of the Lyttelton Constitution to which it led, were to the disadvantage of the British population of the Transvaal, in other respects it did excellent service. Its departure was

accompanied—or rather preceded—by reassuring statements of the immediate intentions of the Government in respect of the Chinese labour supply. The licenses for the recruitment of 16,000 additional coolies, issued in November last by the Transvaal Government, were not to be cancelled; since such action would make the Imperial Government responsible for any loss arising from the breach of the contracts entered into by the mining companies on the strength of the licenses so issued. And while the Government intended to cause the Labour Importation Ordinance to be amended in certain respects in which it was defective, in their own and Lord Selborne's opinion, and had already forbidden the issue of any further licenses beyond the 16,000 above mentioned, the question of the subsequent employment of Chinese on the mines was to be left to the decision of the elective Legislative Assembly of the Transvaal, which was to be constituted with as little delay as possible. In the event, however, of the Responsible Government of the colony determining to continue the importation of Chinese, the legislation giving effect to this decision would be reserved for the approval of the Imperial Government, and in order to secure approval it must contain no provisions imposing conditions of a semi-servile nature upon the coolies during their residence in the colony.

“The policy of His Majesty's Government in regard to Chinese labour,” said Mr Churchill on 21st March, in justifying the refusal to appoint the Commission of Enquiry for which Mr Chamberlain had asked, “has been laid quite clearly before the House. We have redressed, and we are redressing, those features of the Ordinance which we consider unsatisfactory. We desire to leave the decision of the question to the Transvaal Assembly, which will be formed as soon as reasonably possible, having regard to the most important constitutional issues at stake. It is not proposed by the Government to exercise over the Transvaal, when it is a responsible self-governing colony, any powers or restraints which are not now exercised, and which have not been frequently used over every self-governing colony of the Empire.”<sup>1</sup>

<sup>1</sup> *The Times*.

In point of fact the number of Chinese employed on the Rand increased from 47,250 at the end of 1905 to 53,000 at the end of 1906. It rose subsequently to some 56,000, before the determination of the Liberal Cabinet to stop further recruiting in China had begun to check the upward movement. From this point a gradual diminution, due to the expiry of existing contracts, set in; and ultimately the last Chinese coolies were repatriated in March 1910. Before, however, we trace the circumstances in which the first Responsible Ministry of the Transvaal decided to dispense with the supplementary supply of unskilled labour drawn from China, and the industrial and economic movements which made that decision possible, we must follow the West Ridgeway Commission to the new colonies.

When the Commission reached the Transvaal it found that it was called upon to deal not merely with the Progressive Association and "Het Volk," but with two other British organisations, the Responsible Government Association and the Labour Party. Both of these latter were opposed to the Progressive or main British Party, as being, in their opinion, dominated by the mine-owners, and were prepared on this and other grounds to co-operate with "Het Volk," or the solid Dutch party. Indeed, the differences between the "Responsibles" (or "Nationalists" as they were known subsequently) and the Progressives were deeper than those which separated the latter from the Boers.

It was the business of the Commission to learn the views of all sections of the population, to exercise an impartial judgment in drawing conclusions from the evidence which came before them, and, if possible, to formulate solutions of the matters in dispute which would be accepted as equitable by the representatives of all four parties. The Commissioners recognised that the public discussion of the Constitution question would have led to acrimonious controversies and possibly scenes of violence, and they, therefore, adopted a course of action by which this danger—a danger foreseen by Lord Milner—was avoided. The proceedings were absolutely private, the

testimony of witnesses was regarded as confidential, no public speeches were made, and no public meetings held. As the result of this procedure, the Commissioners claim that they were enabled by friendly negotiations, and without arousing racial passion, to arrange a settlement of the points in dispute, which was accepted by "Het Volk," by the "Responsibles," and by the Labour Party, and regarded as unsatisfactory by only a small minority of the Progressive Party.

At the outset of its enquiries the West Ridgeway Commission found that the Progressives were in favour of Representative Government, but that, if Responsible Government were to be established, they advocated: (1) The maintenance of the Lyttelton franchise, (2) representation on a basis of voters, not total population, (3) single-member constituencies, (4) automatic redistribution every four years, (5) payment of members, and (6) a nominated Upper Chamber. The validity of their contentions was recognised by the Commission on all points with the one exception that it was deemed equitable to substitute manhood suffrage for the Lyttelton franchise. In this respect, and on the not very material point of maintaining the Republican electoral areas, where possible, the judgment of the Commission was in favour of the Boers.

But while the electoral system of the Lyttelton constitution in all essentials commanded the approval of the Commission, the application of the voters' basis to the actual distribution of seats, as between the British and Dutch sections of the population, proved to be very difficult of adjustment. After the promulgation of the Lyttelton Constitution, it had been proposed to enlarge the number of the elected members of the Legislative Assembly from the original 30-35 to 59. The voters' roll, prepared in accordance with the provisions of the Order-in-Council of 27th March 1905, returned 44,903 electors for the Rand, excluding Krugersdorp rural (or 46,203 with it), and 42,120 for the rest of the colony (or 43,420 with Krugersdorp rural). On a quota of 1,500 electors, this return would have entitled the Rand to 30, Pretoria district to 6, and the rest of the colony to 23 seats respectively out of the

proposed total of 59. And such an allocation of seats, together with the presence of the 6 to 9 official members, would have ensured a British majority in the Legislative Assembly; since in population the Rand was predominantly British, Pretoria, part British and part Dutch, and the rest of the colony predominantly Dutch. In these circumstances it is not surprising that the Commission found "Het Volk" strongly, and apparently irrevocably, committed to the population basis, while the determination of the Progressives to maintain the voters' basis was no less resolute. With considerable difficulty, however, the Commission succeeded in inducing the Boer leaders to waive the population basis. It then proposed to take the number of adult males returned in the census of 1904 as the basis of distribution; since under manhood suffrage "adult males" were practically identical with "electors." But the Progressives naturally refused to accept this basis, in view of the fact that the adult male population of the Rand had increased largely since the date of the census. On the other hand, both the "Responsibles" and the Boers refused to accept the (then existing) voters' roll. In justification of their refusal they pointed to the fact that since the roll was compiled, as the result of the decision of the Liberal Government to stop the recruitment of Chinese for the mines, there had been a marked diminution of the British industrial population; and they further alleged that the names of many aliens and bogus persons had been used to swell the voters' lists prepared on the Rand. Although this allegation was strenuously denied by the Progressive Party, the Commission formed the conclusion that before the existing voters' roll could be adopted as the basis of the distribution of seats, its authenticity would have to be established by a scrutiny; and it found, moreover, that such a scrutiny would entail a delay of some ten or twelve months. At the same time the Boer leaders, rather than accept a voters' roll of doubtful validity, were prepared to return to their original position, and renew their demand for a distribution of seats upon a basis of population, which, as they pointed out, was after all the common practice throughout the British Empire.

In these circumstances the Commission set itself to effect a compromise between the parties; and in this it was at length so far successful that only one or two seats remained in dispute. The decision as to these doubtful seats was left to the Home Government; and, as the result of its verdict in favour of the Boers, two seats claimed by the Progressive Party for the Rand were allocated to the country, and mainly Boer, districts. Under this settlement the distribution of seats was based upon the voters' roll, somewhat modified; and out of a total of 69 seats, 33 (excluding Krugersdorp rural) were assigned to the Rand, 6 to Pretoria, and 30 (including Krugersdorp rural) to the rest of the Transvaal. In spite of the loss of the two seats (a loss of four votes on a division) due to the adverse verdict of the Home Government, the Rand fared far better under the compromise arranged by the Commission than it would have done if the population basis had been accepted, materially better than if the census had been taken as showing the number of adult males, but somewhat worse<sup>1</sup> than if the voters' roll, unmodified, had been the basis of distribution. At the same time, the electoral system formulated by Lord Milner in the Lyttelton Constitution, as a system, was maintained in all essential particulars.

The many lesser questions which came before the Commission for decision were settled practically to the satisfaction of all parties; and its recommendations were adopted without exception by the Home Government in framing the Elgin Constitutions for the Transvaal and Orange River Colony. Upon the departure of the Commission Colonel Duncan Johnson, one of its members, remained behind to delimitate the constituencies upon the lines of the settlement; and it was also arranged that before any subsequent elections were held a new voters' roll should be carefully prepared.

The West Ridgeway Commission returned to England in the middle of July, and at the end of this month the Government made public the outlines of the Constitution, which,

<sup>1</sup> Without the adverse decision of the Home Government, the Rand would have had 35, and the rest of the Transvaal (other than Pretoria) 28, seats.

with its advice to guide them, they now proposed to grant to the Transvaal. According to the statement of the Colonial Secretary, Lord Elgin, made in the House of Lords on 31st July, the main features of the new Constitution were these:—

- (1) Manhood suffrage and representation on a basis of voters not of population, with a six months' residence qualification.
- (2) The existing magisterial districts were to be divided into single-member constituencies.
- (3) Automatic redistribution of seats.
- (4) Quinquennial Parliaments.
- (5) The Legislative Assembly was to consist of 69 members, and of these 33 (excluding Krugersdorp rural) were to be assigned to the Rand; 6 to Pretoria, and 30 to the rest of the colony.
- (6) An Upper House was to be constituted, which would consist of 15 members nominated by the Governor for the life of the first Parliament, but subsequently of elected members.
- (7) The Inter-Colonial Council was to be maintained temporarily.
- (8) The existing British Land Settlements were to be administered by an Imperial Land Board, but further settlement was to be subject to the consent of the Responsible Government.
- (9) The Labour Importation Ordinance was to be annulled, and no law permitting conditions of a servile character was to be sanctioned by the Imperial Government.

The Letters Patent providing for the establishment of Responsible Government in the Transvaal were dated 6th December, and published on 12th December, 1906. Four days later (16th December) statements on the subject were made by Lord Elgin in the House of Lords and by Mr Churchill in the House of Commons, and in the course of the debates arising out of these statements considerable additional and explanatory information as to the precise intentions of the Government were given to Parliament. In respect of the Transvaal Constitution, the forecast of



31st July, Lord Elgin said, was faithfully carried out by the Letters Patent ; and it was intended to confer a Constitution, identical in its substantial features, upon the Orange River Colony at the earliest possible date.

In the latter colony the basis of representation was to be that adopted for the Transvaal ; and the Legislative Assembly would consist of 38 members, of whom 27 would be returned by district, or country, constituencies, and 11 by the towns. The Legislative Council would contain 11 members nominated in the first instance as in the Transvaal ; and the provisions for the temporary maintenance of the Inter-Colonial Council, for land settlement, and for the reservation of laws dealing with natives and Asiatics would be similar to those contained in the Transvaal Letters Patent. The delay in the grant of self-government to the Orange River Colony was due, Lord Elgin added, solely to the fact that in this colony no preparatory work, such as the provision of voters' lists, had been done, whereas in the case of the Transvaal this work had been done in view of giving effect to the Lyttelton Constitution.

In the House of Commons Mr Churchill gave further and more precise information upon the effect of the provisions in the Letters Patent dealing specifically with the crucial questions of land settlement and Chinese labour. With regard to the first matter, the existing British and other settlers would be placed under Land Boards, appointed by the Imperial Government through the Governor, which would be provided with adequate funds and be maintained for five years in entire independence of the colonial Governments. There was, however, no desire manifested in any quarter, British or Boer, sufficient to justify the establishment of machinery for the introduction of fresh agricultural settlers ; and in these circumstances the Government had decided merely to give power for the local Governments to create permanent Land Boards, capable of introducing fresh settlers, if they should desire to do so, before the termination of the five years.

“In regard to the existing settlers,” said Mr Churchill, we feel under a distinct obligation. We feel that a

sympathetic Administration was one of the essential conditions of their tenancies, and we feel that a Land Board, nominated and formed as outlined in the Transvaal Letters Patent, is the only effective way of introducing a screen between mortgagee and mortgagor. . . . Therefore we have decided to create a Land Board as described — a Land Board which will have no power to put any more new settlers on the land, which will last only five years to enable the existing settlers to take root, and which may be dissolved sooner if it is found satisfactory to all parties. . . . The moneys due from the settlers, by way of advances and rent, etc.,—amounting in the case of the Orange River Colony alone in the last year to £22,000—would be at the disposal of the Board, and form its income. . . . The extra £58,000 placed at their disposal was only to enable the Board to tide over the first period before the rent and instalments to which they were entitled naturally fell due.”

On the question of the Chinese and the Chinese reservation, Mr Churchill said:—

“In regard to Chinese labour we have scrupulously kept our promises to the House of Commons, but I do not think we have been guilty of breaking contracts or pursuing a course which must lead to breach of contracts. . . . The contract and the Ordinance must be taken together. As the Chancellor of the Exchequer [Mr Asquith] has pointed out, the Ordinance was entirely within the discretion of this Government while they were responsible for South African affairs. It will hereafter be entirely in the discretion of the local Government. It is obvious that the Ordinance can be amended and altered. . . .”

And on this point Lord Elgin said:—

“. . . if any fresh ordinance were proposed by the new Government of the Transvaal it would have to come home as a reserved Bill. This does not mean that if the Transvaal Government were to bring forward an Ordinance and submit it for approval to His Majesty's Government, and I still held the office I now hold, I would not give it the most careful consideration due to all measures deliberately sent home by any responsible Government of a colony.”<sup>1</sup>

<sup>1</sup> These quotations are taken from *The Times* reports.

Mr Churchill also dealt with other matters of interest in his speech.

Provision was to be made in the Orange River Colony Constitution, similar to that contained in the Transvaal Letters Patent, for securing the pensions of retiring officers of the Executive. In both cases the pensions would be calculated on the Treasury rule prevailing in England. There would be in both constitutions the same reservation for the approval of the Imperial Government of legislation which "imposed a difference between man and man on account of race." And in this connection Mr Churchill expressed regret that the Government had been debarred by the Vereeniging Agreement<sup>1</sup> from making provision for the representation of "coloured persons" in the Parliaments of the new colonies.

The proposed contribution from the Transvaal to the war debt "the Government fully and frankly forgave and obliterated." The report of the West Ridgeway Commission, the recommendations of which had been followed in framing the constitutions of both colonies alike, the Government regarded as a confidential document, and they declined, therefore, to accede to the request of the Opposition that it should be made public.

The elections of the members of the Legislative Assembly of the Transvaal under the new Constitution took place on 20th February 1907. They resulted in the return of 37 "Het Volk," 21 Progressive, 6 Nationalist, 3 Labour, and 2 Independent candidates. The outstanding features of the contest were the defeat of Sir Richard Solomon (Nationalist) by Sir Percy Fitzpatrick (Progressive) at Pretoria, and the general absorption of the Responsible Government, or Nationalist, Party into the ranks of "Het Volk." General Botha was thereupon asked by the Governor to undertake the formation of a ministry—a task which he successfully performed—and on 21st March the Parliament of the Transvaal was formally opened by Lord Selborne.

<sup>1</sup> For this point, and Lord Milner's refusal to admit this contention, see chap. xviii. p. 294.

On the subject of Chinese labour the Governor's speech contained the following sentences:—

“My ministers are resolved that the employment of Chinese labour on the mines of the Witwatersrand shall cease at the earliest possible moment. With regard to those Chinese labourers already employed on the mines my ministers will take no steps to prevent their repatriation at the end of their indentures, unless they are convinced that such repatriation will have to take place before an effective substitute, either in the form of other unskilled labour or improved mechanical appliances, has been found—in which case they will be prepared to recommend to Parliament such legislation as will render the temporary renewal of indentures possible. With the exception, however, of a small batch of 407 unskilled labourers whose indentures expire towards the end of June, there are none whose indentures will expire until next August. As it is proposed that Parliament shall reassemble for the main business of the Session early in June next, my ministers do not consider it necessary at this state to make any further announcement of policy on this matter.”

One other statement was significant. A Bill,

“indentical in terms with the Ordinance which was passed [for the registration of all Asiatics other than indentured labourers] in the last session of the late Legislative Council, and with respect to which His Majesty [had] not yet expressed his pleasure”

would be laid before Parliament at once.

In respect of Chinese labour, therefore, the Responsible Government upon taking office announced that it was its intention to repatriate the existing labourers if, and when, this could be done without injury to the mining industry. Three months later General Botha, when he was in London attending the Colonial Conference of 1907, obtained the Liberal Cabinet's consent to the issue by the Transvaal of a further loan of £5,000,000 upon the terms of the £35,000,000 loan; that is to say, with interest and principal guaranteed by the Imperial Government. There was nothing extraordinary in this; since Lord Milner had himself estimated the sum required for the development of the new colonies

at £40,000,000. But the Liberal Cabinet made no secret of the fact that, in granting this favour, they had been directly influenced by the consideration that the power to borrow, if necessary, up to £5,000,000 would enable the Transvaal Government to take the risk of a fall of revenue arising from the abandonment of Chinese labour, which it might not otherwise have been willing to do. And in pursuance of this understanding upon General Botha's return to Pretoria no legislative provision for the importation of new labourers was made. But at the same time the original Labour Importation Ordinance, as amended in 1905 and 1906, was re-enacted word for word, and, with the assent of the Imperial Government, provision was made that, notwithstanding anything to the contrary in the Letters Patent of the Elgin Constitution, the Chinese labourers already engaged should complete the full term of their three years' contracts.

By this decision the further development of the gold industry was menaced, and there ensued some months of severe commercial and industrial depression upon the Rand. The process of withdrawal was, however, a gradual one; and the Transvaal Government at once made energetic efforts, in co-operation with the other South African Governments, to increase the supply of native African labour. These efforts, which proceeded upon the lines laid down by the Crown Colony Administration, were in a large measure successful. By August 1910, the year of the Union, the number of coloured (mainly native African) labourers employed on the Witwatersrand gold mines had risen from 103,863 in March 1907, to 185,467. In place of the 53,679 Chinese employed in 1907, there were, therefore, in 1910 more than 80,000 additional natives.

But the satisfactory position indicated at first sight by these figures was largely illusory. In the first place, the Chinese were much more competent workmen than the Kafirs; and in the second, the gold industry, although it had developed steadily in the years 1907 to 1910, would have developed both more extensively and more economically, if the mining companies had been able to employ Chinese as well as native African labour. On this point Sir Lionel Phillips is entitled to be heard. Not only is he the first authority on the gold

industry of the Rand, but it was directly due to his efforts—efforts undertaken at considerable sacrifice of his personal convenience, and only after he had received explicit assurances that General Botha's Government would give him its active co-operation—that the industry was enabled to emerge successfully from the difficulties in which it was involved, mainly from this very cause, the abandonment of Chinese labour, in the closing months of 1907 and the opening months of 1908. In an article published in *The Times* of 5th November 1910 Sir Lionel wrote of the gold industry at that time:—

“The supply of native labour is still somewhat inadequate, and the industry would be more prosperous and its operations more extensive if the complete requirements in that connection could be satisfied. From the economic standpoint, the repatriation of the entire force of Chinese labourers was a blunder. When the Chinese were introduced the native labour supply was lamentably short, and the country was threatened with ruin. The depression was acute. Large numbers of white people were out of work and bordering upon starvation—so much so that a considerable exodus from South Africa took place. The Chinese proved themselves to be first-class manual labourers, and, on the whole, were eminently law abiding. Owing to the spurious agitation that was raised in England and the infamous falsehoods that were spread as to their treatment, as well as the inducements offered by the Liberal Government, the Transvaal Government decided to repatriate them; and although their places were ultimately filled by raw natives recruited through the strenuous exertions of the Governments of the various colonies, the industry suffered considerably through the inefficiency of their successors. In the course of time no doubt the native labour supply will be so developed that the needs of the industry will be fully met, but it is folly to suppose that because the number of Chinese engaged may have been replaced by natives there was no damage done. If 50,000, or even 30,000, Chinese had been retained for a time, the progress would have been so much greater.”

Moreover it must be remembered that the main source of the supply of native African labour for the gold mines

continued—and continues—to be Mozambique. That is to say, it was a supply imported from a foreign country under conditions of employment similar to those under which the Chinese had been imported. There was, however, from a political point of view, a very material difference in the two supplies. The Chinese supply placed the Government of the Transvaal in the position of a benefactor towards China; the Mozambique supply kept the Transvaal in economic dependence upon the kingdom of Portugal. The payment which Portugal exacted in return for the Mozambique labour supply was a heavy one. The proportion of the over-sea traffic to the Rand, required by the Portuguese authorities for the development of Delagoa Bay, was so large that this question threatened to break up the Customs Union, and, in its last phase, almost prevented Natal from becoming a component state of the administrative Union of South Africa created in 1910.

The circumstances of this “last phase” must be noted.

The *Modus Vivendi* was maintained up to 1st April 1909. Prior to this date the Transvaal had given notice of its intention to retire from the Customs Union, and had made a new treaty with Portugal, under which, in return for the Mozambique labour supply, it guaranteed to Delagoa Bay no less than 50 per cent. of its over-sea traffic for the next ten years. The acceptance of this compact was recommended to the National Convention of 1908-9 by General Botha; and in the almost brutal directness of his language we have a measure of the economic dependence upon Mozambique to which the Transvaal—and through the Transvaal, South Africa—was reduced by the rejection of Chinese labour. The report is taken from Sir Edgar Walton’s “Inner History” of the Convention.

“The Transvaal, [General Botha] reminded the Convention, had recently commenced to repatriate the Chinese labourers, and within a short time the mines would be dependent entirely upon native labour, and he could not consent to jeopardise the mining industry, nor could South Africa. . . . He regarded the treaty with Portugal as

essential, and he put it to the Convention to assent to it."<sup>1</sup>

As there was no alternative between acceptance and dissolution, the Convention naturally chose the former; but the publication of the Treaty produced so strong a feeling of resentment in Natal that its entry into the Union remained uncertain up to the actual announcement of the result of the Referendum by which—in the case of this colony only—the question was decided.

Nor does the matter end here. Since the date of the Transvaal-Mozambique Agreement the Portuguese authorities have become disturbed at the increasing tendency of the Mozambique natives to remain in the Transvaal after completing their period of service on the mines. The practice is not, of course, to be attributed to any failure on the part of the Transvaal officials to carry out the provisions in the Agreement which are intended to secure the immediate repatriation of the Mozambique labourers, but is due solely to the belief of these natives that they can find more favourable conditions of existence in the Transvaal than in their own country. With a view of checking this loss of native population to Mozambique, it was arranged in 1912 that only one-half of the wages earned by the Mozambique natives should be paid to them on the Rand, and that the other half should be deposited in the bank to the order of the Mozambique Government, and eventually handed to the natives upon their return to Mozambique by the Emigration Agent in the presence of an official of the Mozambique Government. Whether the arrangement will prove an effective remedy remains to be seen. But in any case the contingency of the Portuguese authorities refusing to allow the Transvaal mines to draw their main supply of native African labour from Mozambique after the expiry of the present agreement is one that demands the consideration of the Union Government. For it must be remembered that the development of Delagoa Bay, and incidentally that of the

<sup>1</sup> "The Inner History of the National Convention of South Africa," by Sir Edgar Walton, 1912, p. 258. "The subsidiary agreement . . . divided the Transvaal traffic as follows: Delagoa Bay 50 per cent., Natal 30 per cent., and the Cape ports 20 per cent." (p. 260).



Province of Mozambique as a whole, which is the consideration paid by the Transvaal for the Mozambique supply, itself produces an increasing demand for native labour within the Portuguese territories, and thereby hastens the time when the Union supplies of native African labour will be restricted to British areas.

Its economic dependence upon the Portuguese Province of Mozambique is, therefore, an appreciable disadvantage to the Union; and this disadvantage is due to a decision which, in all probability, would never have been taken by the Transvaal Government of its own initiative and uninfluenced by any considerations of English party politics. But putting this aspect of the question entirely on one side, it must not be assumed that, because in the three years succeeding the return of the last Chinese labourers (March 1910) British South and Central Africa, combined with Mozambique, have shown themselves able collectively to provide a largely increased supply of African labour for the gold industry, the importation of a supplementary supply of labour from China was unnecessary in 1903-4. Such an assumption would be utterly at variance with the facts. Valid arguments can be adduced to support the contention that the gradual repatriation of the Chinese in the years 1908-10 was, on the whole, beneficial to South Africa. But this contention is quite distinct from the allegation that the importation of Chinese labour in 1903-4 was unnecessary and injurious to South Africa. And it is only by proving this latter proposition that the agitation against Chinese labour in England, and the endorsement of this agitation by the Liberal Party under the leadership of Sir Henry Campbell-Bannerman, can be justified.

The fictitious character of the agitation is now generally recognised; but its effect upon the current of English politics was so considerable that the few paragraphs necessary to make the point absolutely clear will not be deemed superfluous.

In the first place, then, in spite of a large increase in the number of the native labourers attracted to the Rand, the gold industry has not succeeded up to the

present in securing more than some two-thirds of the unskilled labour which it requires, while there remains a considerable shortage of labour for other industries throughout South Africa.<sup>1</sup> The actual figures are as follows :—

Table showing the introduction and withdrawal of Chinese labour and the increase of native African labour on the Witwatersrand gold mines in each year from 1904 to 1910. The figures give the average number of each class of labourers for the complete year ; but it must be remembered that the Chinese were only employed for seven months in 1904, and for three months in 1910.

Year.	Whites.	Coloured.	Chinese.
1904	13,027	68,438	9,668
1905	16,227	91,084	39,952
1906	17,210	84,897	51,427
1907	16,755	105,915	49,302
1908	17,593	139,893	21,027
1909	20,625	161,795	6,516
1910	23,651	183,613	305

[From the Witwatersrand Chamber of Mines Report, 1911].

The average number of natives employed on the gold, diamond, and coal mines of the Transvaal in the year 1911 was 196,895, and the number required was 276,844. The supply in this year was, therefore, 28.89 per cent. short of the demand. In 1911 there was a shortage of 102,000 natives, or 34.25 per cent. The full returns for 1912 are not available at the time of writing, but it is believed that they will show an appreciable improvement upon those of 1911, mainly owing to the recent and severe drought in South Africa, which has compelled an unusually large proportion of natives to seek employment.

The territorial analysis of the 179,083 natives employed by members of the Witwatersrand Native Labour Association at 31st December 1910, shows that of this total 85,684, or 47.85 per cent., came from British territories; 93,069, or 51.96 per cent., from Portuguese territories; and 330, or .19 per cent., from German South West Africa, and other sources.<sup>2</sup>

<sup>1</sup> The whole question of the labour supply of South Africa is fully discussed in the chapter so headed in "The Union of South Africa" (Pitman), 1912, by the author.

<sup>2</sup> From the Annual Report of the W.N.L.A. for 1911.

The position, therefore, broadly stated, is this. Up to the present the Transvaal mining industries require one-third more native African labour than they can obtain; and of their present inadequate supply one-half is drawn from Portuguese territories.

In the second place, and again speaking generally, it is a gradual return from the abnormal labour conditions of 1902-5 to the more normal conditions now obtaining, that has produced the increase of native labour available for the gold and other mines in the Transvaal indicated by the above figures. It follows, therefore, that the causes which combined in 1906-10 to make it possible to replace the Chinese by African labourers, were causes which by the nature of things were not in operation in 1903-4; that is to say, at the time when the decision to import Chinese labour was formed and put into effect. Nor does this statement quite indicate how conclusively the circumstances in which the supplementary labour was abandoned establish both the necessity for, and the extreme utility of, the original importation. Since, among the causes which, by their collective action, brought about the return of South Africa to normal labour conditions, and the consequent possibility of dispensing with the Chinese, Chinese labour itself must be included — if, indeed, it must not be regarded as the most effective of them all.

The following, then, are the causes to which the relative and absolute increase of native African labour employed on the Transvaal mines since 1904, is to be attributed.

- (1) The importation of Chinese labour from 1904 to 1906. This raised the Gold Industry from a condition of arrested development, and thereby secured the financial stability of the new colonies, and, in a scarcely less degree, of the Cape and Natal. The Administration of the new colonies was thus enabled to carry out without interruption the large scheme of material reconstruction and development upon which it had entered upon

the termination of the war; and the Cape and Natal Governments, although they were hampered subsequently by falling revenues, succeeded in executing rapidly a large part of the new public works undertaken in these colonies in view of the increase of industries and population, which was expected to result—and did in fact result—from the establishment of British rule throughout South Africa. In short, the material destruction of the war was repaired, and the immediate requirements of a new era of industrial development were satisfied alike by the State and private enterprise, within a much shorter period than would have been possible without this additional labour supply; and the African labour thus employed was set free at a correspondingly earlier date.

In addition to this general result, the importation of Chinese for the gold mines directly stimulated the African labour supply both from British South Africa and from the Portuguese territories. The natives with characteristic perversity showed themselves much more ready to engage for European employment after, than before, the arrival of the Chinese; and the Portuguese authorities, being disturbed at the possibility of the Transvaal being rendered independent of the Mozambique labour supply, offered increased facilities for the recruiting of natives within this province.

- (2) The release for the Transvaal mines of an increasingly large proportion of the total native labour available in British South Africa other than Rhodesia, which accompanied the gradual completion of the extraordinary public and private works undertaken immediately after the war. Thus between the years 1906 and 1910 the increase in the native labour coming to the Transvaal from the Cape Colony and Natal was respectively 167.4 and 90.5 per cent., as against an increase of 45.9 per cent. in the supply from Portuguese territory. The bulk of the British increase came

from the Transkei, and the Cape Government returns in respect of the movement of Transkeian labour present a good example of the operation of this cause. In 1903 the number of natives leaving this territory (which constitutes the main reserve of African labour for the Cape Colony) was 75,026; and of this total 60,588 were absorbed by the Cape and South Africa in general, and 14,438 sought employment in the Transvaal. In 1908 the number of native labourers leaving the Transkei was only 61,475; but of this total the Transvaal secured no less than 39,943. And in the year ended 31st December 1910, 50,886 (out of a total of 79,377) natives left the Transkeian territories to seek employment on the Rand mines.

- (3) The increase of the total native labour available in British South Africa other than Rhodesia due to (a) the recovery of the native population, as a whole, from the moral and material disturbances of the war, (b) the expenditure of the surplus wages earned from the British military authorities during the war, and (c) natural increment. During the seven years intervening between the census of 1904 and that of 1911, the native population of the Union of South Africa alone—*i.e.*, as distinct from the “other than white” population—increased by 565,978; or at the rate of 16.19 per cent. as against the 14.44 per cent. rate of increase on the part of the European population.<sup>1</sup>
- (4) The beneficial results produced by the improvements effected by the Crown Colony Administration in the accommodation and conditions of employment of native labourers on the Transvaal mines, in the system of recruiting, and in the arrangements for travelling to and from the Rand. These improvements were developed under Responsible

<sup>1</sup> This was the first time in the history of European South Africa that the native African population had shown a more rapid rate of increase than the white population (*i.e.* by natural increment *plus* immigration). The population and labour figures given in the text are taken from the Government returns.

Government; and in this connection must be mentioned the special efforts made by General Botha's ministry, in view of the repatriation of the Chinese, to obtain the co-operation of other South African Governments for the more effective recruiting of native labour for the Transvaal from the Transkei and other centres of African population.

To the above must be added two fortuitous causes, which operated in the years 1908-9—*i.e.*, while the repatriation of the Chinese was actually in process.

- (1) The check to the spending capacity of the South African Governments, municipal, and other public bodies, and the promoters of private enterprises, given by the actual and potential interference with the development of the gold industry embodied in the repatriation decision, set free a considerable volume of manual labour in the years 1907-9, of which a large proportion flowed to the Rand.
- (2) The commercial depression in the United States in 1907, by greatly diminishing the American purchase of South African diamonds, caused the diamond mines in the Cape and the new colonies to restrict their output in 1908; of the many thousands of native labourers thus set free the majority sought employment on the gold mines.

Owing to the combined operation of these causes it was possible for South Africa to dispense with the additional and extraneous labour supply obtained from China, in the gradual manner adopted between the years 1907 to 1910, without once more involving herself in the abnormal economic and industrial conditions of the period 1902-5. This, and this only, is the conclusion which the facts support. It in no way implies either that Chinese labour was not wanted in 1904, or that such labour would not have benefited South Africa materially had it been retained for the time being. The contention that the Chinese would

have been repatriated independently of the influence exercised by the Liberal Party leaders upon the Botha ministry, is negated by the terms in which General Botha mentioned the loss of Chinese labour at the National Convention,<sup>1</sup> and by his admission, made at Standerton in March 1909, that if the question had been submitted to a referendum, the Chinese would not have left the Rand. And since the establishment of the Union more than one of General Botha's "back-veld" supporters have not scrupled to say, that "when the Government sent away the Chinese, they made a whip for their own backs." In other words, by increasing the competition for native labour between the mines and the farms, they had injured the very class with whose well-being they were most closely identified.

Returning to the Constitution question, in the Orange River Colony Responsible Government was introduced some nine months later than in the Transvaal. The new, or Elgin, Constitution was promulgated in July 1907, and the elections for the Assembly were held in the following November. The victory of the Dutch was a foregone conclusion. Of the members elected to the Legislative Assembly, 29 were "Oranje Unie," and only 9 Progressive candidates. Mr Abraham Fischer was thereupon asked by the Lieutenant-Governor to form a ministry; and in the Responsible Government thus formed, apart from Mr Fischer, the Prime Minister, General Hertzog (Attorney-General), and General C. de Wet (Minister of Agriculture) were prominent members.

These facts bring us to a point at which it will be convenient to state briefly in what particulars, and to what extent, the action of the Liberal Government constituted a reversal of the Unionist policy in the new colonies—a policy which, in all essentials, had followed the advice of Lord Milner.

To take the Transvaal first, under Mr Lyttelton's arrangements the "half-way house" of Representative Government would have been established early in 1906, and succeeded in "a year or two" by (presumably) full

<sup>1</sup> See above, p. 383. His words implied a full consciousness of the risk to which the measure exposed the gold industry.

Responsible Government. Under Lord Elgin the Crown Colony Administration was prolonged for an additional year, and then Responsible Government, subject, however, to certain considerable restrictions, was introduced at once. The restrictions imposed by the Elgin Constitution included provisions for a nominated Upper Chamber; for the reservation of laws affecting Chinese labour, the British Indians and the natives; for the independent administration of the British agricultural settlers, the temporary continuance of the Inter-Colonial Council, and the pensioning of Crown Colony officials discharged by the new Government. By far the most important limitation of the power of self-government was the declared intention of the Cabinet to disallow legislative provision for the employment of further Chinese labourers under the conditions of the Labour Importation Ordinance. In thus leaving the Transvaal Legislature free to decide this question only within the limits imposed by the British Government's "moral sense," the Liberal Cabinet, while professing to give the colony full freedom, did in fact deprive it, in Lord Milner's words, "of the right of deciding the most urgent and vital of all the questions affecting its immediate existence."<sup>1</sup>

In the distribution of electoral power as between the British and Dutch, the Elgin Constitution inflicted a direct loss upon the British community. Under the Lyttelton Constitution the Transvaal electorate would have consisted, in round numbers, of 90,000 persons, of whom, 50,000 were British; and a British majority in the Legislative Assembly was assured by the presence of the official members. Under the Elgin Constitution the voters' roll was raised to a total of 105,368. The increase was due in part, to the growth of population; but it was also due to a circumstance which materially increased the Dutch poll—namely, the removal of the slight monetary qualification of the Lyttelton

<sup>1</sup> House of Lords, 31st July 1906. And Mr Lyttelton five months later in the House of Commons said with excellent point: "These reservations in reference to Natives, British Indians, Land Settlement, and Chinese labour, touch the matters upon which the colony has the most vital and permanent interest. Would it not have been more straightforward and frank for the Government to have honestly admitted that they could not grant to the colony absolute self-government upon these points?"



franchise and the consequent inclusion of bywoners and unmarried sons of the Boer farmers in the list of voters. Under the Elgin Constitution, therefore, while the Milner electoral system was in other respects maintained, the adoption of manhood franchise, and a final allocation of seats gratuitously favourable to the Dutch localities, converted a probable British majority even of elected members—and an assured majority of elected combined with official members—into an almost certain Dutch majority in the Legislative Assembly.<sup>1</sup>

Turning to the Orange River Colony, under Mr Lyttelton it was not proposed (in 1905) to grant even Representative Government here, until the effect of the establishment of that system in the Transvaal had been ascertained. Under Lord Elgin the Crown Colony Administration was maintained up to July 1907, when Responsible Government was introduced upon practically the same conditions as in the Transvaal.

It may be contended with justice that the grant of self-government to this colony was an indispensable preliminary to the creation of the Union; and that at the time in question the idea of Union, as was shown by the publication of Lord Selborne's Federation Despatch, had begun already to take shape. That, however, the grant of Responsible Government was premature in other respects can hardly be denied. Subsequent events have shown that the dangers attending the reinstatement of the Boer leaders in power were not exaggerated by Lord Milner. The masterful personality of General Hertzog made the Orange River Colony a centre and rallying-point of extreme Dutch sentiment; and, apart from the injury done to the education system of this colony, the movement associated with his name has exercised, for a time at all events, a retrograde influence upon the policy of the first Union ministry.

In the case of the Transvaal, on the other hand, if we recall Lord Milner's remark to the Boer leaders—made in the course of the interview of 17th December 1904—that

<sup>1</sup> The prospects of the Dutch were, of course, materially improved by the political divisions of the British. In the event, as we have seen, "Het Volk" secured a clear majority of 5 over the combined Progressive, Nationalist, Labour, and Independent members.

the electoral system was all important, since Responsible Government was certain to come within a year or two,<sup>1</sup> it will be seen that the year's extension of the Crown Administration brought the constitutional arrangements of the Liberal Government very nearly into line with the Unionist policy on this head.

But even before the Elgin Constitution was promulgated in the Transvaal, a movement had begun which was destined to make the grant of Responsible Government to the new colonies a matter of merely temporary importance in the evolution of South Africa. Strange as it may seem at first sight, it is none the less the fact that Lord Milner's influence attained its zenith after he had left South Africa, and at a time when his opponents were sedulously representing him as politically powerless. The explanation is to be found in two circumstances. The material agencies of regeneration which he had set to work were now attaining their full force, and the appeal which he had made primarily to the members of the Civil Service of the new colonies, but in a secondary degree to all his political associates in South Africa, "If you believe in me, defend my works when I am gone,"<sup>2</sup> had not fallen upon deaf ears.

The steps by which the long sought goal of South African statesmen was at last reached, in the creation of a single administration for the four self-governing colonies, can only be given in outline. But the two aspects of this event which directly connect it with Lord Milner's tenure of office, as Governor of the new colonies and High Commissioner for South Africa, will receive the full consideration to which they are entitled, on account alike of their intrinsic interest and of their close association with the main subject matter of this work. In estimating, then, the extent of Lord Milner's contribution to the birth of the Union we have to trace his influence in two directions. There are, first, the results produced by the administrative preparation for union effected by his action, and by the agencies which he set in motion, during the years 1902-5; and, second, the part actually taken by the Curtis Committee, as the heirs of his

<sup>1</sup> See chap. xvii. p. 257.

<sup>2</sup> Johannesburg, 31st March 1905.

administrative principles, in the Closer Union movement of 1906-9 by which the creation of the Union was immediately brought about.

In the preceding chapter an account has been given of the many instances in which concerted action on the part of the South African Governments was initiated or encouraged by Lord Milner; and this account, taken in conjunction with the incidental references to other unifying tendencies that have appeared from time to time in the foregoing pages, will have shown how largely the idea of South African unity entered into the general fabric of his administrative efforts. Here, therefore, it will suffice to draw attention merely to the one or two measures which, upon the meeting of the National Convention, stood as parts of the actual framework of the Union. Under this head the entry of the Transvaal into the Customs Union, achieved by the Bloemfontein Conference of March 1903, must stand first. For this event, and the consequent adoption of a common tariff by all the South African colonies, removed from the path of South Africa what in other countries has proved to be an obstinate impediment to administrative union. The lengthy and laborious efforts which would have awaited the Convention, if at the time of meeting the Transvaal had maintained its separate tariff, may be measured by remembering for how many years the fiscal cleavage between New South Wales and the rest of Australia remained an insuperable bar to the establishment of the Commonwealth. The removal of the customs difficulty was, therefore, a fundamental advance in the direction of Union; and it was one which could scarcely have been secured, if any one except Lord Milner had been President of the Bloemfontein Conference. Next in importance was the establishment of the Inter-Colonial Council, regarded both as a federal organ in being and as the instrument for the amalgamation and joint administration of the railways of the two new colonies. It is quite true that under Responsible Government the Council, as such, was abolished; but the discharge of its main function was maintained by the constitution of a Railway Committee of five members, three representing the Transvaal and two the Orange River Colony, under which the administration of the railways of

the two colonies as a single undertaking was preserved. The Inter-Colonial Council not only reduced the number of separate railway systems from four to three, but, as the sequel will show, provided the Convention with a working model of the form of railway administration which was applied to the railways of the Union.

The work of the Railway Amalgamation Conference of 1905 and of the Native Affairs Commission of 1903-5 entered less conspicuously into the framing of the Union Constitution; but the conclusions and data thus provided assisted materially in the solution of questions, which, in the absence of any such basis of agreement, might well have brought the Convention to a deadlock. The former not only established the relative value of the three separate railway systems as profit-earning undertakings, but showed that even a united British South Africa could not afford to ignore the claim of the Port of Delagoa Bay to the largest individual share of the Transvaal traffic. The latter provided the knowledge of the varying conditions of the native element in the several colonies, which made it possible to bridge, by a workable compromise, the fundamental divergence between the Cape and the rest of South Africa on the question of the admission of natives to the Union franchise.

The work of the Curtis Committee runs through the whole Closer Union movement; but before the narrative of this movement is begun a few words are necessary to define the relationship of the Committee to Lord Milner. It is difficult in the light of the foregoing pages to reject the conclusion that the source of what was most vital in the aims and methods of its members is to be found in the close personal association with Lord Milner, which the majority of them had enjoyed during the Crown Colony Administration. On this ground, therefore, they may be regarded justly as "the heirs of Lord Milner's administrative principles." On the other hand, it is no less true that, at the actual time when their activity developed, Lord Milner did not share their hope of an immediate realisation of the idea of South African unity. He believed, indeed, that Responsible Government having been granted to the new colonies, the

sooner union came, the better it would be for all concerned. But he was unable, then as now, to recognise that the British-minded majority, without which the creation of a united and self-governing South Africa would have been a betrayal of the loyalists, and the new dominion a source of weakness and not of strength to the Empire, was well in sight ; being brought into existence not so much by the expansion of the British element of the population, as by the growing willingness of the Dutch to accept frankly the duties and privileges of citizens of the Empire. It was an instance of the not uncommon phase of human affairs which is embodied in the homely adage : "Lookers on see most of the game." And it may well be that Lord Milner, himself the chief agent and dominating influence in the work of transformation, will be the last to realise either the completeness or the rapidity with which the whole moral atmosphere and mental outlook of European South Africa is changing. While therefore, the Curtis Committee, consisting mainly, as we have noticed before, of members of the "Kindergarten" group of officials, derived their original enthusiasm for the cause of South African unity, as well as their familiarity with the methods of constructive statesmanship, from their period of office under Lord Milner, it was to Lord Selborne that they owed assistance and encouragement, and the opportunity to utilise their ability in the original projection and subsequent promotion of the movement which was destined to result in the actual consummation of their plans.

To attempt to apportion the merit of bringing about the union of South Africa, would be as invidious as it would be futile. But this much may be said without entering the field of debatable matter. By Lord Milner the new South Africa was cast deliberately in a mould from which it could take on readily the form of union. Lord Selborne took opportunity by the forelock. General Botha, Sir Starr Jameson, Mr Malan, General Smuts, and other political leaders, in subordinating local and personal interests to the attainment of a national cause, displayed unexpected qualities of practical statesmanship, which showed how much they had learnt in the school of adversity. The work of the Curtis Committee lies apart

from these official efforts. With one honourable exception,<sup>1</sup> the labours of these brilliant volunteers in the service of South African unity have received no public recognition. The records of the Convention and of the first Union Parliament are utterly silent in respect of them. The statement of the successive steps in the formation of the Union, which now follows, is accompanied by a full account of the acts of Mr Curtis and his associates. The question of the exact relationship of their action to the "official" efforts by which the Union was finally constituted, is one upon which, in the nature of things, no sufficient evidence is at present available.

In March 1906 the Customs Union Convention, concluded at Bloemfontein in March 1903, was (with slight changes of tariff) renewed for another two years—*i.e.*, from 1st July 1906 to 30th June 1908. The arrangement was admittedly temporary; and the discussions of the Inter-Colonial Conference, by which it was made, brought into prominence once more the irreconcilable character of the conflicting claims of the coastal and inland colonies in matters of railway and fiscal policy. To Mr Lionel Curtis, than whom no one knew more of the evils of "localism" in all its forms, this condition of affairs seemed fraught with danger. South Africa was threatened not only with the loss of the improvements in the mutual relations of the Colonial Governments effected since the Peace of Vereeniging, but with a revival of the immediate fiscal quarrel which in the nineties had brought the Cape Colony and the Transvaal to the verge of war. Moreover, the position was aggravated by the approaching establishment of Responsible Government in the two new colonies. Mr Curtis's opinions were shared by Mr Patrick Duncan, Mr W. L. Hichens, Mr R. H. Brand, and Mr Philip Kerr; and this group of Crown Colony officials, with whom were associated Mr Feetham and Mr D. O. Malcolm,<sup>2</sup> set about to discover some means of averting the evils which they apprehended. As the outcome of their consultations they went to the High

<sup>1</sup> The reference is to the specific mention of them in Lord Selborne's Federation Despatch. See forward, p. 400.

<sup>2</sup> Then private secretary to Lord Selborne.

Commissioner, Lord Selborne, and said in effect: "We must sit down and find out what the situation is. Will you help us?" In response to this appeal Lord Selborne readily promised his active co-operation. To him, no less than to them, it was patent that a solution of the fiscal and railway difficulties could be found only in some form or other of administrative union; and in the course of the meetings which followed this interview, the Curtis Committee—as this group has been called—formulated a complete and convincing statement of the case for South African union, with precise details of the conflicting financial interests of the several colonies. To this statement, or rather to the authenticity of the body of facts which it contained, Lord Selborne resolved to give the *imprimatur* of the Imperial Government.

The official ball was set rolling by a minute of Dr (now Sir Starr) Jameson, the Prime Minister of the Cape, dated 28th November 1906, in which the Cape Ministry, through the Governor of the colony, invited the High Commissioner to "review the situation"—the "situation" being the existence of a number of disputes between the various South African Governments which could be settled by the creation of a common administration, but not otherwise. In response to this Lord Selborne wrote his Federation Despatch, which, with the enclosed Memorandum, was communicated to all the South African Governments on 7th January 1907, and made public in the following July. The material of the Memorandum was in the main the joint product of the members of the Committee, as focussed by Mr Curtis<sup>1</sup>; but the second half of it (dealing with the subject of railway rates) was the separate work of Mr Philip Kerr, and Lord Selborne, in addition to editing the whole, himself added some paragraphs which were entirely his own. What distinguished the Federation Despatch from other similar documents was not its composite character—for Governor's despatches are generally the work of departmental officials and secretaries—but the circumstance that its main contents were the outcome of

<sup>1</sup> Mr Curtis, owing to the fact that his retirement took effect some months prior to the termination of the Crown Colony Administration, had more leisure at his disposal than other members of the Committee; and on this and other grounds he had assumed the rôle of Secretary.

a purely voluntary effort. The only fitting reward for such voluntary service, as Lord Selborne no doubt felt, was to give it public recognition. But be this as it may, he made no secret of the secondary part which he himself played in the preparation of the "case for Closer Union." At the banquet given to Mr Curtis on 27th October 1906 upon his relinquishment of his office in the Crown Colony Administration of the Transvaal, Lord Selborne said:

"I can only say in Mr Curtis's presence that the work he has done in the Transvaal will outlive him and all of us; and if your children in the future reckon up the men to whom they are indebted for the foundation of a great people, Mr Curtis's name will be one of those which they will most delight to honour."<sup>1</sup>

And in the despatch covering the Federation Memorandum he wrote:

". . . I accepted the co-operation volunteered by some gentlemen who have devoted much study to the investigation of the causes of the difficulties which beset the British South African Administrations, and the Memorandum which I enclose with this despatch, and which is arranged on the same general plan, embodies the result of their labours. . . . I have personally edited their work and thrown it into the form of a memorandum of my own, for which I accept the entire responsibility; the credit, however, for the thought and work which this memorandum represents belongs to them."<sup>2</sup>

Apart, however, from the generosity with which Lord Selborne acknowledged his particular indebtedness, it stands to his credit that he used the whole weight of his personal and official influence to bring Mr Curtis's facts and reasoning effectively before the mind of European South Africa.

In 1907, the year of the publication of the Federation Despatch, the Elgin Constitutions were brought into operation, and the necessary elections of members of the respective representative assemblies were held in both the new colonies. In February of the following year, 1908, a general election put Mr Merriman and a Bond ministry in office at the Cape,

<sup>1</sup> See chap. xvi., *Personnel of the Administration*, p. 219.

<sup>2</sup> Cd. 3564, p. 9.



in place of the Progressive ministry of which Dr Jameson had been the head : but the new Cape Government, of which Mr Malan was a member, was no less favourably disposed than its predecessor to the policy of "closer union." At this juncture Mr Curtis, who had gone to England after his retirement from the Transvaal Administration, returned to South Africa ; and during the next twelve months he devoted himself exclusively to the promotion of the Closer Union movement, which he had initiated with such marked success in 1906. The organisation thus established consisted of (a) a Central or Closer Union Committee at Johannesburg and (b) Closer Union Societies founded in various centres throughout South Africa. The Central Committee, which was composed of Mr Curtis and his former associates, discharged two functions. They acted as a committee of consultation to whom special questions might be remitted for consideration, and whose advice was at the disposal of the members of the Closer Union Societies, or other persons interested in the movement ; and they employed themselves in the preparation and presentation of the facts necessary for the comprehension of the various phases of the problem of South African unity. In the discharge of the latter function, a complete and detailed account of the political institutions of the various colonies, entitled "The Government of South Africa," was produced. Originally issued at short intervals in five parts to the Closer Union Societies, the whole work was subsequently revised and reissued in two quarto volumes ; and the publication of the book in this form was completed just in time to allow of its being placed in the hands of all the delegates a week before the National Convention held its first meeting at Durban. At the same time an ancillary work, styled "The Framework of Union," which contained the five principal federal constitutions of the world—those of the United States, Germany, Canada, Australia, and Switzerland—with some account of their characteristic features, had been prepared by Mr B. K. Long, a member of the Legislative Assembly of the Cape Colony ; and this volume, which was published by the Closer Union Society of Cape Town, was also available in time to be of service to the National Convention. Through the Closer Union Societies a

systematic propaganda, in which the agencies of the press and platform were fully utilised, was organised and set in operation.

The subsequent and more direct efforts, collective or individual, of the Curtis group do not admit of separate treatment. They will appear among the events, now to be related, which led to the actual drafting of the Union Constitution, and to its adoption by the four constituent colonies.

Reverting then to the beginning of the year (1908), it will be remembered that the period of two years, for which the Customs Convention had been renewed in 1906, was due to expire on the approaching 30th June. In the meantime under General Botha's ministry the Transvaal, as was portended by the Conference proceedings of 1906, had denounced the Convention. The meeting of the Inter-Colonial Conference, the authority upon whose decision the fate of the Customs Union depended, was arranged to take place at Pretoria in the first week of May; and in addition to this question, the further adjustment of the through railway rates to the Rand area and other Inter-Colonial business awaited its consideration. When, however, the time of meeting arrived, the conviction of the necessity for some form of union had assumed such a hold upon the public mind of South Africa that the normal programme of the Conference was abandoned; and its two sittings, held at Pretoria 4th to 9th May, and at Cape Town 26th to 29th May, were occupied almost exclusively with the consideration of this one subject. Having at its very first meeting decided to give priority to "Item 3, South African National Union" of the Agenda, the Conference on its second day passed a series of resolutions, in which the delegates (who in the case of the four self-governing colonies were the Prime Ministers with other important members of the respective governments) pledged themselves to carry out the preliminary measures necessary for the creation of a Central Government.

Of these resolutions the first was an affirmation of the principle of closer union. It ran:—

"That in the opinion of this Conference the best interests and the permanent prosperity of South Africa can only be

secured by an early union, under the crown of Great Britain, of the several self-governing colonies :

“That to the union contemplated in the foregoing resolution Rhodesia shall be entitled to admission at such time and on such conditions as may hereafter be agreed upon.”<sup>1</sup>

In subsequent resolutions the members of the Conference agreed (1) to submit the foregoing resolutions to the Legislatures of their respective colonies, and to obtain their consent to the appointment of delegates to a National South African Convention ; (2) that the Convention should meet as soon as convenient after the next sessions of the several Parliaments ; (3) that the Convention should publish a draft Constitution, and determine, in consultation with the various governments, the further steps to be taken in reference thereto. They also settled the number of delegates which each colony was to send, and that the voting should be *per capita* and not by states. The Cape was to send not more than twelve, the Transvaal not more than eight, and Natal and the Orange River Colony each not more than five delegates.

These resolutions were passed on the motion of General Smuts. Then, on the motion of Mr Merriman it was further resolved that the resolutions should be published at an early date after the rising of the Conference, and that the following *Communiqué* should be issued to the press at once :—

“The delegates from the self-governing colonies have adopted the principle of closer union and undertake to submit certain resolutions to their Parliaments in reference thereto. They also undertake to recommend to their Parliaments the appointment of delegates to a National Convention for the purpose of framing a draft constitution.”

After arriving at this far-reaching decision the question of the division of the traffic of the competitive area of the Transvaal between the various railway systems was naturally adjourned ; and it was subsequently agreed that the existing Customs Convention, subject to certain minor adjustments, should be continued until the 30th June 1909, and thereafter for periods of twelve months. At the same time the

<sup>1</sup> “Inter-Colonial Conference. Minutes.” Pretoria, 1908

Transvaal withdrew the notice of its intention to retire from the Customs Union on 30th June 1908. These steps were taken, in the words of the Conference, in view of "the practical impossibility under existing conditions of reconciling the differences in the financial requirements and economic policies of the various South African Governments."

Events now moved with dramatic precision and rapidity. The Closer Union resolutions were adopted by all the Parliaments, and the Governments thereupon proceeded to appoint their respective delegates to the National Convention. For the Cape Colony were appointed Mr Merriman, Mr Sauer, Mr Malan, three members of the Government; Dr Jameson and Dr Smartt, two members of the late Government; Sir Henry de Villiers, the Chief Justice, and six others. Natal sent Mr F. R. Moor, the Prime Minister; Mr Smythe, the late Prime Minister, and three others. Among the eight Transvaal delegates were General Botha, the Premier, General Smuts, Mr Schalk Burger, and General De la Rey, all members of the Government; Sir George Farrar and Sir Percy Fitzpatrick, leading members of the Progressive Party, and two others. From the Orange River Colony came Mr Fischer, the Prime Minister, General Hertzog, and General de Wet, members of the Government; Mr Steyn, the ex-President; Mr A. Browne, the Treasurer of the colony under the Crown Administration,<sup>1</sup> and one other. The delegation from Rhodesia was composed of the Administrator, Sir William Milton, and Sir Lewis Mitchell. Mr Hofmeyr, the veteran leader of the Bond, had refused to serve among the Cape delegates, on the ground, it was believed, that his preference for federation, as against unification, conflicted with the views of the delegates as a whole.

The Convention met at Durban on 8th October, and after sitting for a month adjourned to meet again at Cape Town on 23rd November. Sir Henry (now Lord) de Villiers was elected President, and Mr Steyn Vice-President, of the assemblage.

<sup>1</sup> Mr Browne would appear to be the only member of the Crown Colony Administration of the new colonies to be a delegate to the National Convention. He was appointed Financial Adviser to the deputy Administration of the Orange River Colony in 1900, and before this was a member of Lord Milner's (High Commission) staff at Cape Town.

The force which coerced the thirty-three delegates into agreement upon the draft Constitution was the financial predominance of the Transvaal, and this force was wielded by Generals Botha and Smuts. The plain speaking of the former on the new agreement between the Transvaal and Portugal provides a sufficient example of its potency. Nothing could have been more repellent to the Cape and Natal delegates than this agreement, under which, upon the very eve of the union, 50 per cent. of the Rand traffic was assured to Delagoa Bay for ten years in return for the Mozambique labour supply. None the less, the compact was accepted; since, in the words of Sir Edgar Walton's report,<sup>1</sup> General Botha told the Convention that he "could not consent to jeopardise the mining industry, nor could South Africa"; and that in view of the repatriation of the Chinese labourers, then in operation, "he regarded the treaty with Portugal as essential, and he put it to the Convention to assent to it." But not only was it the crack of the Transvaal whip that rounded up the stragglers; the driving power and the practical initiative of the Convention, and, in large measure even the actual draftsmanship of the Constitution, all came from the Transvaal. The delegates from this colony, in which the electoral details embodied in the Lyttelton and Elgin Constitutions had been keenly debated for three years, were naturally more conversant than their fellows with the technique of parliamentary representation; and the Transvaal delegation was alone in entering the Convention as a body of men specially trained and adequately equipped for the work in hand. General Smuts did not attend any of the meetings of the Closer Union Committee, but he had been engaged for six weeks, prior to the meeting of the Convention, in the study of the same administrative problems, and had himself drafted a Constitution, which he took with him to Durban. The conclusions of the Committee, however, were placed before him and other delegates by Mr Brand, who, as secretary to the Railway Committee of the two new colonies, was the only member of the Curtis group to have official relations with the Transvaal Government: and a week before the Convention the whole of the delegates met

<sup>1</sup> As cited above.

together for consultation. So far as the proposals of the Committee went, while they were prepared to give a general acceptance to its recommendations, they were agreed absolutely upon only one point, which was, however, the main plank of the Curtis platform—that the Central Government must be a “unification,” and not a “federation,” of the existing Colonial Governments. But—and this was perhaps even more important—they determined to make use of the services of two members of the Committee in the actual business of the Convention. Mr Patrick Duncan was attached to the delegation as one of its two legal advisers, the other being Mr N. J. de Wet; and the Hon. R. H. Brand was appointed to be its additional, or non-official, secretary.<sup>1</sup> And thus, in addition to other technical advisers and necessary subordinates, the Transvaal delegation was furnished with what was in effect a staff of skilled parliamentary draftsmen. Moreover, while the Convention was in session, unlike the other delegations, whose members were scattered abroad in various quarters, it made a practice of lodging under one roof; and to this practice, together with its preparatory consultations in the Transvaal, is to be attributed the fact that it never wholly lost its solidarity of action, even in cases in which the racial sympathies of its individual members must have been sharply divided.

The superiority of the Transvaal delegation in equipment and *morale* told heavily within and without the National Convention. While it was in session General Smuts more than once secured the acceptance of general principles by resolution, and then employed Mr Duncan, Mr de Wet, and Mr Brand to embody these principles in the full and precise terms of a legislative enactment. Although the clauses giving effect to the resolutions had, of course, to be submitted subsequently to the Convention, and adopted by it with or without amendment as the case might be, it is obvious that a great economy of time and effort was thus effected. But apart from this contribution, the extent of which is to be seen in the actual text of the South Africa Act, 1909, all the more original features of the Union Constitution bear

<sup>1</sup> Each delegation had an official secretary who was admitted to the meetings of the Convention, but had no power, of course, to speak or vote.

the stamp of their Transvaal origin. Upon its first assembling the Convention decided that its proceedings should be conducted in strict privacy, and that no official record of them should be kept. Three years later the veil was partly lifted by the publication of Sir Edgar Walton's "The Inner History of the National Convention of South Africa." The author was one of the Cape delegates, and a member of the Progressive Party in that colony, of which Dr Jameson was the head; and the work itself, which was approved by the authorities concerned, contains the substance of the more important debates, as recorded in Sir Edgar's shorthand notes, and a general account of the circumstances in which the cardinal decisions of the Convention, as embodied in the draft Constitution, were arrived at. It remains, however, for this information, valuable as it is, to be supplemented by a trustworthy record of what happened outside the doors of the Convention chamber before any complete and adequate picture of the labours of the thirty-three delegates and their official and unofficial subordinates can be presented to the public eye. To take a single instance, no mention at all is made of "The Government of South Africa." And yet, without this particular piece of "spade-work" on the part of the Closer Union Committee, it is doubtful whether even the determination and preparedness of the Transvaal delegation could have prevented the Convention from meeting only to disperse again after a few days of futile discussion or academic debate. The second of these two large quarto volumes contained 423 pages of statistical tables and precise statements of administrative details, together with an ample supply of maps and illustrative diagrams. The work as a whole, usefully supplemented by Mr Long's "Framework of Union," provided the basis of exact information which was indispensable to the success of an assemblage such as the Convention. Mr Curtis and his colleagues of the Closer Union Committee were well aware of the fact; and they had worked hard to prepare these volumes in time for the Convention to use them: since their previous experience had led them to believe that if the Convention met without this indispensable data, the delegates would either break up in hopeless disagreement or appoint a commission to obtain

the required information, and then adjourn. Of these alternatives even the second would have involved a delay which might have proved fatal to the cause of unity. As it was, with the population diagrams of Volume II. before them, the delegates were able to agree, within three days of meeting, that the only possible basis for the apportionment of the relative representation of the several colonies was that of adult white males. And there are less justifiable omissions; since even the matters which come within the limited scope of Sir Edgar Walton's "Inner Life" of the Convention are not always adequately treated. In particular, it does not follow by any means that a record of the days, or occasions, on which the cardinal decisions embodied in the Constitution were formally registered by vote of the Convention, is sufficient to tell us how these decisions actually came to be accepted by a majority of the delegates. Since in this, as in other similar assemblies, the necessary business of negotiation and discussion was chiefly carried on outside the chamber of formal deliberation, when it could be pursued under the more elastic conditions of private conversation or social intercourse. There is mention, of course, of committees being appointed and reports brought up; but of what took place in the committee rooms, or of the play of personality, or of the methods and considerations which brought the several committees to agree upon their respective recommendations, we are told little or nothing.

But even with these reservations Sir Edgar Walton's "Inner History" is of undoubted importance: since it provides an account of the culminating moments of the main events of the Convention, and a record of the order in which its cardinal decisions were formally incorporated into the draft Constitution. Following this authority, then, we find that the form of government was the first question to be settled. As already mentioned, this was the one point upon which the Transvaal delegation had reached a decision before they went to the Convention. They advocated a Central Government which would itself delegate certain of its powers to the Provincial Administrations, as against a Federal Government deriving its authority from the component states, and transacting only so much of their common affairs as



they might agree to hand over to it. In thus preferring a process of "unification" to that of "federation" the Transvaal delegates, speaking largely through the voice of General Smuts, carried the Convention with them. The discussion began on Tuesday, 13th October, and the decision was reached by the following Thursday evening. The language question came next. On Monday, the 19th, General Hertzog, of the Orange River Colony, moved a resolution, the effect of which, had it been carried, would have been to make the use of both English and Dutch compulsory for all public servants of the Union. On the following day Sir George Farrar, one of the Transvaal delegates, brought forward a counter-resolution, the principle of which is embodied in the Constitution. It represented an agreement upon the basis of "equality, but no compulsion." That is to say, both languages were to be recognised as equal in all official dealings; but no servant of the State was to be penalised by reason of his inability to use either the one or the other.<sup>1</sup> On the same day (20th October) the question of the admission of the natives to the Union franchise was discussed, and two days later a Committee was appointed to draft a resolution on this subject. The committee reported on 2nd November, and the agreement embodied in the Constitution was reached on the 4th. The question was a difficult one, since the practice of the Cape was in conflict with that of the three remaining colonies. Neither party would adopt the practice of the other, and the attempt to formulate a native franchise acceptable to all four colonies failed; it was agreed, therefore, to leave the solution of the problem to the future, by determining that under the Constitution the existing franchise qualifications of each Colony should be maintained unaltered. As no native possessed the franchise in the Transvaal and Orange River Colony, and practically none in Natal, the result of this decision was merely to secure for the qualified natives of the Cape Colony the right to vote for candidates for election to the Union House of Assembly.

<sup>1</sup> To make it quite clear it was specifically enacted by the Constitution Act, that no official in the service of the constituent colonies at the establishment of the Union was to be dismissed "by reason of his want of knowledge of either the English or Dutch languages."

While the subject of the native franchise was being debated, the constitution of the Senate and House of Assembly and the crucial question of the electoral system of the Union were also brought up for discussion. Here again the Transvaal delegation was able to impose its views upon the Convention. General Smuts proposed that the number of registered parliamentary voters should be the basis of the representation of the colonies, as provinces, in the Union Assembly. Mr Merriman held that the voters' basis was unsound, and that the votes of the country population should have a higher value than those of the town population. Lord (then Sir Henry) de Villiers expressed the opinion that the total number of members might be divided between the provinces on a basis of population, but that in the provinces themselves the electoral divisions should be determined on the basis of the voters' rolls. A Committee on this question was appointed on 28th October; and it reported on the following day. In the event the Transvaal principle of "one man, one vote," was adopted by making the number of voters, and not of total population, the basis both of the relative representation of the several provinces and of the numerical equality of the constituencies within each province; but it was applied with such modifications of the strict letter of the principle, as were required, having regard to the special conditions of the individual provinces, and of the individual areas within the provinces, to give substantial effect to its spirit. Thus the statistics showed that the ratio of the voters to the total population varied considerably in the several colonies, and in particular as between the Cape Colony and the Transvaal; the ratio being in the Cape 1 to 4.4, in the Transvaal 1 to 2.7, and in the Orange River Colony and Natal 1 to 4. And on the strict basis of voters in a chamber of 120 members the Cape would have been entitled to 52, the Transvaal to 43, the Orange River Colony to 15, and Natal to 10 seats. In view of the fact that in the census of 1904 the white population of the Cape was returned as being almost twice as large as that of the white population of the Transvaal—579,741 to 297,277—it was recognised that, even making allowance for a relatively greater rate of increase in the Transvaal, the strict voters'

basis could not be used equitably to apportion the relative representation of these two colonies. The committee, therefore, recommended that the number of adult white males should be taken as the basis of the division of seats as between the several colonies. As, under the Elgin Constitution, the franchise was granted to all adult white males in the new colonies, the effect of this proposal was to give the Cape and Natal a numerical advantage equivalent to the accession of voters which they would have gained respectively if their franchises had been lowered to the level of the new colonies. The principle of equal rights, as thus applied, was adopted by the Convention, and on 30th January General Smuts gave precision to the method of application by moving that, for the purposes of the Constitution Act, the respective number of the adult white males in the four provinces should be taken to be: for the Cape, 167,546; for Natal, 34,784; for the Transvaal, 106,493; and for the Free State, 41,014. But the relative representation of the colonies was naturally a very delicate question, and it was not adjusted in all particulars until the final meeting of the Convention at Bloemfontein (May 1909). Even the basis of accepted figures was subjected to further modifications, and in the end the Transvaal was the only province to receive the exact number of seats in the Union Assembly to which it was thus entitled. Out of an original house of 121 members, the Cape was allotted only 51, although it was entitled numerically to 57; the Transvaal received its due number, 36; while the two lesser colonies, in order to induce them to enter the Union, were both over-represented; the Orange River Colony being allotted 17, instead of the 14 seats to which it was entitled, and Natal 17 instead of 12. In the division of the representation within the several provinces, however, the voters' basis was maintained, subject only to a variation of not more than 15 per cent. from the actual provincial quota (*i.e.*, the number of registered voters within the province divided by the number of seats assigned to the province as a whole); the variation being intended to permit of the areas of individual constituencies being adjusted to meet the special conditions of particular localities.

This application of the principle of "one man, one vote"

was accompanied by the necessary provisions for the complementary system of an automatic redistribution of seats (both within each province, and as between the several provinces) after each quinquennial census of the Union. Indeed, so determined were the Transvaal delegates in their advocacy of the principle, that they proposed the introduction of proportional representation, with multi-member constituencies and the single transferable vote; and won the adhesion of the Convention on 4th November even to this extreme and logical method of securing to each elector his full voting power. This original decision, which would have made the electoral system of the Union theoretically perfect, was subsequently revoked, however, at the concluding session at Bloemfontein, when the application of the system of proportional representation to the election of members of the House of Assembly was abandoned as an incident in the dangerous conflict which was closed by the final apportionment of the representation of the several provinces in a manner especially advantageous to Natal and the Orange River Colony. In the draft Constitution as accepted by the Colonial Legislatures, therefore, while the system of proportional representation was maintained for the election of the elective<sup>1</sup> members of the Senate, it was provided that the members of the House of Assembly should be elected by a majority vote in single-member constituencies, these constituencies being numerically equal on a basis of voters, and subject to an automatic redistribution of seats at five-year periods.

The Railway and Harbour Board, which is an even more distinctive feature of the Union Constitution, is also of undoubted Transvaal parentage. The necessity of placing the railways under a Board of Commissioners, independent of immediate party influences, and of separating the profits earned by the railways from the general revenue of the

<sup>1</sup> The Senate is provisionally constituted for ten years. It consists of forty members, of whom eight were nominated by the Governor-General in Council, and thirty-two (eight for each province) were elected by the two houses of the respective colonial legislatures, sitting as one body, prior to the establishment of the Union. It will be observed that each colony obtained virtual equality of representation in the Union Upper House: and it may be added that of the eight nominated members, one-half were to be "selected on the ground mainly of their thorough acquaintance . . . with the coloured races in South Africa."

Union, seems to have been tacitly accepted by the delegates from the first. But the provisions of the Constitution, besides satisfying these primary requirements, apply specifically to the Union the economically correct, but hitherto unattainable, principles of railway administration advocated by the leaders of the British industrial population of the Transvaal. Thus, not only are the railways and ports of the Union to be managed as a single industrial undertaking and on "business principles," but the system of State railways is to be employed as an instrument for "agricultural and industrial development," and in particular for the "promotion, by means of cheap transport, of the settlement of an agricultural and industrial population in the inland portion of all provinces of the Union."<sup>1</sup> At the same time, in view of the large reduction in the cost of Government expected to result from the substitution of one central administration for the four separate administrations of the component colonies, the economically unsound, but hitherto necessary, practice of using the State railways as agencies of taxation is to be terminated within four years of the establishment of the Union. In other words, the Convention decided that, after a necessary period of adjustment, railway taxation was to become a thing of the past, and the people of the Union were to be supplied with transport by rail at cost price. This bold economic decision, while undoubtedly intended to benefit the country as a whole, was especially advantageous to the two inland provinces; and in particular it provided the Transvaal with some appreciable return for its relatively large contribution to the general revenue of the Union. For it must be remembered that while the revenues of the new colonies, and especially that of the Transvaal, were yielding large surpluses, the Governments of the Cape and Natal could barely pay their way. The provisions thus embodied in the Constitution, therefore, did not merely provide South Africa with an enlightened system of railway administration. Taken collectively, they removed the necessity for ascertaining what precise revenue value was to be assigned respectively to the separate State railways in each colony, considered as potential parts of the common

<sup>1</sup> Section 127; South Africa Act, 1909.

railway system of the Union—a process which might have led to an insurmountable conflict between the representatives of the fiscal interests of the several colonies.

To avoid connecting this admirable piece of constructive statesmanship with Lord Milner is impossible. By placing the railways of the new colonies under a joint administration and a common authority, the Inter-Colonial Council, he had removed the only dangerous source of friction between the two Governments. And in his farewell speech at Johannesburg, on 31st March 1905, he had recommended that the same course should be followed in the creation of a central Government for South Africa.

“We are never, I hope, going backwards in the direction of separate ownership of the railways [of the Transvaal and Orange River Colony]. . . . Rather ought we to look in the exactly opposite direction; in the direction of the amalgamation of all the railways in South Africa—which might even precede a political union—and of placing them under a permanent Commission, representative of all the colonies, but outside political influences, which would run them as a business concern, remove the chaos of rates at present existing, and prevent the eternal clash of interests between one railway system and another. . . . When that day has come the Inter-Colonial Council will have done its work.”

It was by the adoption of this method, as applied by the Transvaal delegation to the new conditions, that the National Convention was enabled to surmount an obstacle to administrative union which was more serious than any other except the fundamental impediment removed by the entry of the Transvaal into the Customs Union at Bloemfontein.

The remaining and less characteristic features of the Constitution can be treated more briefly. But before approaching them, we must return for a moment to the work of the Curtis Committee. After the first session of the Convention at Durban (8th October to 4th November), Mr Kerr retired from his position as Assistant-Secretary to the Railway Committee of the Transvaal and Orange River Colony, in order that he might directly promote the cause of unity by editing a periodic journal, *The*

*State.* A sum of £5,000 was given by Mr (now Sir) Abe Bailey to defray the expenses of publication; and this journal was issued as the official organ of the Closer Union Societies until the passage of the draft Constitution through the various colonial Parliaments was secured. During the same critical period (November 1908 to June 1909) Mr Curtis himself was engaged actively in the organisation of public meetings, and in otherwise directing a concerted effort of propaganda on the part of the Closer Union Societies. It was nothing less than to instruct the South African public upon the essential features of the proposed Constitution, in order that the decisions of the Convention, when once made, might be readily understood and accepted by the electorates of the several colonies.

The delegates reassembled at Cape Town on 23rd November; and on the 7th of December, on the motion of General Smuts, a Committee of Trade and Finance was appointed. It consisted of four representatives of the inland and coastal colonies respectively, with Sir Lewis Mitchell—nine delegates in all. Its first report, which recommended the system of railway administration described above, was brought up on 17th December; and these and other financial matters came up for consideration on 14th January. Provision was made for the apportionment of the existing sources of revenue, other than railway receipts, as between the Central Government and the four Provincial Administrations by a Financial Relations Commission, which was to be appointed after the Union had been established. And here it may be noticed that not only in this, but in other respects, the Convention, in framing the Constitution, left the completion of the administrative machinery of the Union to the Central Government which the Constitution Act would itself create. While, therefore, the constitution, powers, and duties of the Central Government on the one hand, and of the four Provincial Administrations on the other, were fixed and determined, only the broad principles and methods of the readjustments, necessary to convert the machinery and *personnel* of the four separate colonial administrations then existing into the new administrative system of the Union, were laid down. Thus the

Railway Board was allowed four years to effect the gradual elimination of taxation by railway rates; and the formation of the Union and Provincial constituencies, the unification of the Government Departments and Civil Services of the four colonies, and the arrangement of the financial relations of the Union Government and the Provincial Administrations, were all provided to be carried out by Commissions, of which the first only—consisting of four judges, one to be appointed by each of the Colonial Governments—was to be constituted prior to the Union, and the remaining two, together with the Railway Board, were to be appointed by the first Union Government.

The selection of the Union capital was naturally a matter upon which each colony held its own opinion. The terms of the compromise were ingenious. Pretoria became the administrative, and Cape Town the legislative capital; Bloemfontein was made the seat of the Judicature, while provision was made for the financial reimbursement of any colonial capital which could show that it had suffered material injury from its loss of status; and in the event both Bloemfontein and Maritzburg received some monetary compensation.

The Convention reported on 2nd February 1909, and the draft Constitution was published a week later. It was considered in special sessions by all the Parliaments at the end of March. The Parliaments of the Transvaal and Orange River Colony accepted the Draft Act as it stood; that of Natal proposed various amendments on matters of detail, and obtained an undertaking that the question of entering the Union should be submitted by a referendum to the electorate, before the colony was pledged officially to accept the Constitution; while the Cape Legislature, under the dominating influence of Mr Hofmeyr, insisted upon amendments that would have completely invalidated the basis of "equal rights" which the Transvaal delegates considered essential to the electoral system of the Union. The changes proposed by the Cape Parliament were admittedly<sup>1</sup> intended to give the Dutch electors an advantage

<sup>1</sup> Statistics were prepared by the Bond—and circulated among the Bond members of the Cape Parliament—to show how largely the proposed amendments would increase the strength of the Dutch Afrikaner party.



over those of British birth. Proportional representation and multi-member constituencies were to be maintained in urban districts, where the minorities to be represented were Dutch; but in the rural districts, where the minorities were British, single-member constituencies with the majority vote were to be created. In rural constituencies, again, the 15 per cent. variation from the provincial quota was always to be used to reduce the number of electors to be entitled to return a member of the Assembly, while in urban constituencies it was to be used to increase it. In short the votes of the Dutch population, alike in town and country, were to be of greater, not equal, value, as compared with those of their British neighbours.

The Convention met again at Bloemfontein on 3rd May, for the purpose of considering the amendments proposed by the Parliaments of the respective colonies. The Dutch members of the Transvaal delegation remained faithful in supporting what had been the collective decisions of this delegation, but the Dutch Orange River Colony delegates, under the leadership of General Hertzog, exerted themselves actively to secure the changes in the electoral system advocated by the Cape Afrikaner party. The Dutch delegates of the Cape and Orange River Colony accordingly urged that in the provision for the delimitation of the Union constituencies a definite meaning should be attached to the terms "sparsity" and "density" of population. In effect the Commissioners were to be directed to consider all country districts "sparse," and as such entitled to one member for 15 per cent. less, and all urban districts as "dense," and entitled therefore to one member for 15 per cent. more, than the provincial quota of electors. Had this proposal been adopted by the Convention, the vote of the individual elector would have been 30 per cent. more "valuable" in the country, or mainly Dutch-peopled, than in the urban, or mainly British-peopled, constituencies of the Union. On Friday, 7th May, the question was referred to a committee; and on the recommendation of this committee the course suggested by Lord de Villiers—namely, that the application of the terms "sparsity" and "density" should be left to the discretion of the Delimitation Commission of Judges—was

adopted by the Convention. It was in these difficult circumstances, when the entire results of the Convention were in jeopardy, that the Transvaal delegates abandoned proportional representation and multi-member constituencies for the election of members of the Union Assembly, and allowed the Convention to return to the familiar single-member constituencies with the majority vote; while at the same time they acquiesced in a fresh apportionment of the seats in the Assembly as between the several colonies, by which, as before noticed, a further advantage was conceded to the two lesser colonies. On the other hand, the permanence of the voters' basis and other essential features of the electoral system was secured by the inclusion of bills for the repeal or amendment of the provisions dealing with this system, or with the House of Assembly, among the measures which were directed in the draft Constitution to be reserved for the Royal Assent.

The Convention, having at length reached agreement upon all points, concluded its meeting at Bloemfontein on 11th May, reported the Draft Act of Union, as now amended, to the Governments of the several colonies, and then dissolved. The final draft was accepted at once by all the colonies with the exception of Natal. Here, in accordance with the pledge given by the Prime Minister, the question was submitted for decision to the direct vote of the electorate. A favourable verdict was by no means assured, since public opinion was affronted by the sacrifice of the trading interests of the colony involved in the Convention's acceptance of the Transvaal-Mozambique Agreement. In this final crisis the organised energy of the Closer Union Committee was again brought into play. The necessary funds having been provided by public subscription in the Transvaal, the acceptance of the draft Constitution was systematically advocated by Closer Union speakers throughout Natal. The Referendum was held on 10th June, and 11,121 votes were recorded for, and 3,701 votes against, acceptance. The unexpectedly large majority—7,420—afforded conspicuous evidence of the reality of the assistance rendered by Mr Curtis and his associates to the cause of South African unity.

The Draft Act, carried to England by delegates from the four colonies for submission to the Imperial Parliament, was introduced into the House of Lords on 22nd July and the House of Commons on 19th August, and received the Royal Assent on 20th September. One amendment was made at the instance of the Colonial Office. The control and administration of "matters specially or differentially affecting Asiatics throughout the Union" were vested in the Union Government, as well as, and in addition to, "native affairs."<sup>1</sup> A proclamation of 2nd December declared 31st May 1910, the eighth anniversary of the Vereeniging Agreement, to be the date upon which the "South Africa Act, 1909" should come into force. General Botha was entrusted by Lord Selborne with the task of forming the Provisional Government sworn in on this day. The candidates for election to the Union House of Assembly were nominated on 19th August, and the elections were held on 15th September.<sup>2</sup> The constituencies gave General Botha a clear majority of thirteen over all other parties combined in the House of Assembly. The numbers of the party candidates returned were:—

Nationalists ("Het Volk," "Oranje Unie" and Afrikander Bond)	67
Progressives . . . . .	40
Natal Independents . . . . .	10
Labour Members . . . . .	4

The first Union Ministry, although it included four British Afrikanders, was predominantly Dutch; and, in the absence of Mr Merriman (who was unwilling to join it except as Prime Minister) the most important offices went to members of the late Transvaal Government. The Union Parliament was formally opened by the Duke of Connaught on 4th November.<sup>3</sup> With this event the new and happier era, made possible by the eight years' service of one "civilian soldier of the State," at length dawned upon South Africa.

<sup>1</sup> Sect. 147 South Africa Act, 1909.

<sup>2</sup> The Provincial Council elections were held on the same day in the Cape and Natal, but on 12th October in the Free State and Natal. The Orange River Colony entered the Union by its former name—the "Orange Free State."

<sup>3</sup> It had been arranged that King George V., as Prince of Wales, should open the Union Parliament; but this was prevented by the death of King Edward VII. in May 1910.







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