

New Africa Pamphlet No. 3

LABOUR AND THE NEW  
ECONOMIC POLICY

BY

ELEANOR HAWARDEN

A COMMENTARY ON THE THIRD INTERIM REPORT OF THE  
INDUSTRIAL AND AGRICULTURAL REQUIREMENTS COMMISSION.



South African Institute of Race Relations,  
P.O. Box 97, Johannesburg.

---

1942.

---

The NEW AFRICA PAMPHLETS are contributions to a wider knowledge and better understanding of the problems of Africa, more particularly those which affect the relations between the various races in Africa.

As the writers in THE NEW AFRICA PAMPHLETS are free to present the results of their studies and observations, as they think fit, any views expressed by them should not, unless expressly so stated, be taken to represent the views of the South African Institute of Race Relations, the publishers of the series.

*NEW AFRICA PAMPHLET SERIES*

- No. 1—*The Union's Burden of Poverty* by Senator J. D. Rheinallt Jones and Professor R. F. A. Hoernlé. A critique of Government policy towards Non-Europeans.
- No. 2—*The Basis of Trusteeship* by General Smuts. An address delivered under the auspices of the South African Institute of Race Relations, in the City Hall, Cape Town, in January 1942.
- No. 3—*Labour and the New Economic Policy* by Eleanor Hawarden. A commentary on the Third Interim Report of the Industrial and Agricultural Requirements Commission.
-

THE new economic policy that we have been waiting for has now been outlined for us. It is described in the Third Report of the Industrial and Agricultural Requirements Commission that has just been published. This Report is the most important document presented to Parliament in the last fifteen years. It gives us a policy that reflects the economics of plenty, not of scarcity. It suggests ways in which we may increase our wealth and distribute it better. It gives us a basis for political discussion in terms of the welfare of the people, rather than in those of competition for racial domination. The Report should be studied and discussed by every public-spirited citizen in the country, for it offers to us all the sternest challenge and the greatest opportunity in our history.

The Commission's recommendations fall into four groups :

1. Those directed to bringing about the most efficient use of our natural and human resources.
2. Suggestions for improving the position of low-income groups.
3. Long-term planning to ensure a steady rate of economic development, unhampered by the alternation of boom and slump.
4. The establishment of an economic advisory and planning council.

The third and fourth groups of proposals do not require much discussion, since they do not touch on controversial subjects. But the proposals in the first two groups offer both the greatest hope of substantial and rapid progress in national welfare, and the greatest danger of bitter division.

All the recommendations must be set against the background of the anticipated steep decline in gold production within about ten years ; and the further threat of the rapid deterioration of our meagre soil which, though it has not been estimated in terms of years, is nevertheless extremely serious. The Commission's first recommendation, therefore, is that "a most serious and early investigation be made into the best means of maintaining a stable gold production for the longest possible period".

#### 4 LABOUR AND THE NEW ECONOMIC POLICY

The Commission then points out that, in view of the dangers described above, "an acceleration of South Africa's industrial development is essential". This is to be achieved, on the one hand, by increasing the efficiency of industry by forms of licensing and supervision, and by directing its development into the most suitable channels. On the other hand, the Commission asks

- "(a) that a revision of the present classification of skilled labour categories and of apprenticeship conditions be undertaken by the State in consultation with employers, employees and others interested with a view to (i) a gradual adjustment of minimum wage rates to correspond more closely with differences in the period of training and the skill required for particular jobs, and (ii) a reduction in training periods where this is justified by changed conditions.
- (b) That a general increase in present skilled wages be not allowed until the position of the lower income groups has been materially improved and until the competitive position of our manufacturing industries has improved sufficiently to justify such increase ;
- (c) that an extension of training facilities be provided and that improved training should become the keynote of the Union's Labour Policy ; and
- (d) that the State encourage a larger and more effective use in industry of unskilled and semi-skilled workers."

The position of farming can be permanently improved, the Commission thinks, by making stock-farming the main activity rather than grain farming ; and, further, by encouraging a large movement of population out of farming into industry and mining. This means a large shift of the Native people from the country to the town, since the over-population of agriculture is almost entirely due to the fact that, according to the census of 1936, 82 per cent of the Natives are still on the land. Native over-population of the countryside is an important factor in the deterioration of the soil.

The Report suggests various steps to develop the mining and processing of base metals, to encourage

forestry and its related industries, to improve transport services, and to increase the efficiency and lower the cost of distributing various products, especially in respect of milling and baking, and of milk, meat and fresh fruit.

All these recommendations are intended to increase production. The next group deals with a no less important subject, namely, the more equitable distribution of the goods produced. "The low income groups", says the Commission, "at present receive an inequitable share of the national income and this both limits the local market for industrial and agricultural products and is the cause of serious social degeneration through malnutrition. . . . It is, therefore, imperative that the position of the low-income groups be improved."

In these circumstances, the Commission recommends :

- "(a) that unskilled industrial wages be gradually increased as the economic position of the manufacturing industry improves ;
- (b) that consideration be given to rendering the position of the Union's lower paid workers more secure and to the provision of improved housing, if necessary on a sub-economic basis, and an extension of free medical services ; and
- (c) that to combat malnutrition, which is widely prevalent, the State subsidise the food consumption of the low-income groups as an interim measure and until the economic position of the people has been sufficiently improved."

### **What is asked of the Trade Unions ?**

The recommendations concerning labour will have a sinister sound in the ears of Trade Unionists and the Labour Movement generally. To revise the categories of skilled labour and to adjust minimum wage rates means, in effect, to lower the wages of a large number of skilled workers. Reduction of wages has been the traditional method of dealing with economic problems. When in doubt, most economists and all business men have in the past usually turned to a lowering of wages as the simple solution of their difficulties. But the workers have not regarded this as a solution of *their* difficulties, and they

have always strenuously resisted any such attempts to reduce their incomes.

The Commission also recommends that, although an increase in industrial activity would obviously put the skilled workers in a very strong position to demand increases in wages, they should refrain from using their strength to achieve this end, and should accept a general "freezing" of wages at their present level.

Moreover, the workers have for long insisted on limiting the numbers of new workers entering skilled trades by enforcing long periods of apprenticeship. They have thus reduced the number of men competing for a limited number of jobs. If, in any trade, there are more men than jobs available, all the workers are likely to be faced with the grim choice of either accepting lower rates of pay, or failing to get work. Similar methods of protecting the interests of those already engaged in an occupation are, of course, used by professional men in their own spheres of work.

In spite of this, the Commission recommends that training periods for many types of work should be shorter, that training facilities be extended, and that improved training become the keynote of the Union's labour policy. This is a hard saying for men most of whose working life has been overshadowed by the fear of unemployment, that curse of modern civilization; and the Commission, (on which there was no Trade Unionist, or anyone familiar with the Trade Union point of view) does not seem to realise the full implications of what it asks.

The very existence of the Trade Union movement is due to the efforts of the workers to protect their interests just as the employers, through their organizations, protect theirs. Industrial history has consisted of alternate wage-cutting, when the employers were strong, and wage-raising, when the workers were in a position to enforce their demands. It has been much more difficult to organize workers than to organize employers. There are many more workers, and though collectively they may be strong, individually they are very weak. The history of almost every Trade Union is one of patient organization

alternating with desperate struggles, of exhilarating victories and heart-breaking defeats, and above all, of individual sacrifice in the collective cause.

It is clear, then, that the skilled workers are now asked to sacrifice established standards, defences which have proved their usefulness, and opportunities to increase their incomes still further. They have been asked to make sacrifices of incomes which, though they may be high in relation to the incomes of unskilled labourers, and high in relation to the poverty of South Africa, are still modest enough as judged by the standards of living of middle-class people.

**Why are these sacrifices asked for? Are they really necessary for the national advancement? If they can be shown to be necessary, upon what terms can Labour reasonably be expected to agree to make them?**

### South Africa's Poverty

Before we answer these questions, let us consider the economic condition of our country as a whole. The central fact that we must realise is that **South Africa is an extremely poor country.** When we add up all the wealth that is produced in one year, all the houses and shoes and bars of iron, all the mealies and milk and meat, all the services such as transport and education and selling things over the counter, and then value these in terms of money, we get a national income of about £400 million. Since our total population is about 9,500,000, this gives us an income for each person of roughly £45 a year. Figures which were worked out by a distinguished economist, for the period 1925 to 1934 showed the following national incomes per head expressed in International Units : \*

U.S.A. ... ..	1381	Norway ... ..	539
Canada ... ..	1337	Greece ... ..	397
New Zealand ...	1202	Japan ... ..	353
Great Britain ...	1069	U.S.S.R. ... ..	320
Australia ... ..	980	Egypt ... ..	300...350
Holland ... ..	855	South Africa ...	276

\* Colin Clark : *The Conditions of Economic Progress.*

Clearly, when our national income has bought the food, shelter, and clothing that are necessary for life, there is not much left for the social services, such as sickness and unemployment insurance, old age pensions and public health services, that every civilized country should have.

### **Why South Africans are poor**

Why is South Africa so poor? Why do we produce so little? One of the main reasons is that too many of our people are dependent on farming for a livelihood, and that their methods are so inefficient that they produce very little. In 1936, 64 per cent of the total population was engaged in farming, yet they produced only 12½ per cent of the national income. For the period 1925-34, Mr. Colin Clark estimated that in Australia the labour of one male worker can supply an optimum diet for twenty-five people. In Poland one man can feed only three people, and in Japan and Russia only two or less. Similar figures have not been worked out for South Africa, but since our national income during this period was lower than Japan's or Russia's, and since farming produced such a small part of it, it is reasonable to suppose that one man in South Africa could, on the average, produce an optimum diet for less than two people. Compare this with New Zealand, where the labour of one man in farming can produce an optimum diet for forty people!

Though the average efficiency of the European farmers, compared with other countries, is not very high, the efficiency of the Native peasants is a good deal lower. The Commission points out that there must be a very far-reaching re-organisation and improvement of farming if it is to produce all, or a great part, of the food needed to maintain the people of South Africa in health and strength. The main direction of this change must be to substitute efficient stock-farming, which will produce the milk, butter, and meat that we need, and market-gardening and orchards to give us enough fruit and vegetables, in place of the maize and wheat farming that are exhausting the soil of the country at present. This reformed agriculture will require more skilled farmers, and many fewer, but much more intelligent and reliable, labourers.



We should aim at the standard set by New Zealand, which can supply her population with an excellent diet with the employment of only 8·6 per cent of her labour force.

If we improve our farming in this way, we shall greatly increase our food supplies. If, at the same time, large numbers of the people now on the land are encouraged to leave it, the income per head of those left behind will increase, and their ability to buy the manufactured products of the towns will also increase.

But who are the people who will leave the land? Where will they go, and what will they do?

The great majority of the people now living on the land are Natives, and the greatest numbers of them are in disastrously overcrowded reserves. Therefore, in the main, **the people who must be encouraged to give up farming and come to the towns are Natives.** They will come to the towns to become permanent town-dwellers and they will work in the new industries—the manufacturing, base-metal mining and processing, and food processing industries that the Commission says it should be a main object of our national policy to establish. By these two parallel processes, the development of industries side by side with the improvement of agriculture and a large-scale shift of the Native population from farming into industry, our national wealth can be greatly increased, for in this way the Natives will be able to produce much more per head than they could in the Reserves, and therefore to earn a correspondingly higher income.

### **Industry must Expand**

How are industries to develop on such a scale as to absorb these large numbers of workers? Industries do not spring up out of the ground, fully equipped and organized, or drop like the rain from heaven. Many of them need natural resources to work upon. The Commission points out that we have a wide range of base metals and other resources that have not yet been properly developed. All industries need capital, that is, they need machines, buildings, and good transport, and the Commission is aware that there are large sums of money in

the country available for investments in these things. All industries need labour, skilled, semi-skilled, and unskilled in varying proportions. The war has shown us, that, apart from the absence of many skilled men on active service, any large and rapid development of industry would lead to an acute shortage of skilled and semi-skilled labour. And the development must be rapid ; we have the grim and definite time limit of the failing production of gold, and the less definite, but no less grim time limit set by the erosion and exhaustion of our soil. This is why the Commission asks for a shorter training period for skilled work wherever this is possible, and why it asks for largely increased facilities for training skilled and semi-skilled workers. We may expect, if the developments foreshadowed by the Commission take place, to see skilled work done by Europeans, as now, but by much larger numbers of them ; and the semi-skilled work done by as many Europeans as are physically capable of it, or who wish to do it. The Commission suggests that instead of employing Europeans, who have been driven out of farming, on unskilled work for Government Departments, they should be employed in industry and be given every opportunity for training and advancement in efficiency and pay. But it is probable that there will not be enough of these to supply the need for semi-skilled labour, and that the necessary numbers will have to be made up from the more advanced Natives and the other Non-European groups in the population. There will, of course, in these circumstances, be a big increase in the demand for unskilled labour as well and it is this demand which it is expected will chiefly absorb the Natives moving off the land.

But all this absorption of European and Non-European labour depends on the rapid expansion of industry. " Only if the recent rate of expansion in industry could be considerably increased," says the Commission, " would there be scope for diverting fit Europeans, now employed as unskilled workers on Government works, to industry, and for increasing the ratio of Non-Europeans in suitable industries ".

### Industry needs a Market

Finally, the most important thing industry needs is a market in which to sell its goods. And the most important kind of market, the very basis of industrial expansion in every country, is the home market.\* For too long we have overlooked this in South Africa. For too long have we been content to produce for that small portion of our people who could afford to buy, namely, the Europeans, though not even all of them have been able to buy all that they need for a healthy minimum standard of life. We have given no thought at all to increasing the power of our six and a half million Natives to buy the things they need. As a result, they spend on the average less than £5 a year per family for clothes, they do not live in proper houses, they often starve, and seldom eat enough food to keep themselves in good health.

Now a large industry can always produce more cheaply than a small one, and some industries cannot exist at all unless they produce on a large scale. But since our home market has been, in effect, restricted to better-paid sections of the Europeans, and has thus been less than a quarter of its possible size, we have as a result put a powerful brake on the development of industries. The further consequence has been that there has not been enough skilled and semi-skilled work to absorb all the European workers. They have therefore combined to keep the Non-European workers out of industry for fear that they would increase the competition for the jobs that already were not enough to go round, and, by accepting lower wages, reduce the hard-won European rates of pay, or drive the European workers out of employment. And

\* In the past South Africa has foolishly followed that will o' the wisp, an export market for agriculture. Some voices are now raised to suggest that a huge untapped market awaits our manufactured goods in Africa. The fact is that the Native people of the African territories to the north of us are even poorer than our own Natives, and are in no condition to buy our goods. The Europeans in the rest of Africa are so few in number that it would be foolish to believe that they are the market which, as some people seem to think, is to drop into our laps without any effort or sacrifice on our part. If there should be big developments in Central Africa as the result of really serious and far-reaching attempts to raise the standard of living of the Natives, we should still have to compete in that market with the manufacturers of Europe and America. We could only compete successfully if we had already built up, on the basis of our own home market, a large-scale and efficient industry, producing cheap goods of satisfactory quality.

here we complete the vicious circle ; for keeping Non-Europeans out of industry has kept them poor, so that they could not provide the market that alone could stimulate the growth of industry sufficiently to provide jobs for all the Europeans. How can we break this vicious circle ?

### **Increase the Purchasing Power of the Natives**

The most direct and effective way to break the circle is to bring about a large transfer of purchasing power to the lower income groups (which are, in the main, the Natives) to enable them to provide an immediate stimulus to industry. The best way to do this would probably be to organise, as the Commission recommends, large schemes of subsidised consumption, such as sub-economic housing schemes and subsidised food supplies, together with social security provisions such as old age pensions. The immediate effect of these would be to call into life a number of new industries, and to enlarge the old ones. A nation-wide sub-economic housing scheme, for example, would stimulate a whole chain of industries connected with building. Cement, earthenware and iron pipes, corrugated iron, tiles, baths and basins and sinks, sheet glass and steel framed windows, kitchen stoves, are only some of the things which would be needed and could be manufactured in South Africa.

The other almost equally valuable result would be to bring about great increase in the efficiency and therefore in the productivity of the Native workers. Especially would this be so if these schemes were accompanied by expansion and improvement in the education and industrial training of Natives, and in the health services available to them.

### **How to Pay for the Progress**

But large schemes of this nature demand very large Government expenditure. Where is the money to come from ? Both justice and expediency demand that it should come mainly from taxation of the higher income groups. It is a recognised principle of public finance, as well as common sense, that, say £400 taken from a man

whose income is £2000 a year in general causes less hardship than £50 taken from a man whose income is £500 a year.

Such taxation by itself will not be sufficient to provide all the services required on the scale necessary to establish a reasonable minimum standard of living for the whole Native population.

But the proceeds of this taxation, if directed into the most effective channels, such as a national housing scheme, would bring about a considerable increase in the national income, as a result of the stimulus it would give to industry. If this were continued, it would eventually give us a national income big enough to provide all the social security measures that are essential for the good life under modern conditions.

### **We Must Act Quickly**

It is only by such a rapid and large-scale re-distribution of purchasing-power that a sufficiently rapid and large-scale expansion of industry can take place. It is unlikely that the Commission's recommendations relating to improving the efficiency of industrial management, and lowering the costs of industry by cutting skilled wages, will by themselves bring about a large enough industrial development in a short enough time. We have to build up industry faster than our gold production declines ; faster than our soil is exhausted and eroded, faster than our population increases. The Commission estimates that " the European male labour force will be greater by 53,000 in 1945 and that manufacturing industry would only be able to absorb 28,000 of this number " if its rate of development remains at the same rate as in the years 1926 to 1938.

If taxation of the higher income groups is on a scale which will bring about a large enough transfer of purchasing power, it is likely to have the effect not only of " freezing " profits at, say, their present level, but further, of lowering both the profits of industry and the general income level of the middle classes. In this way these groups would be called on to make considerable sacrifices in the cause of national advancement, and, if other

groups were asked to make sacrifices, as the skilled workers have been asked by the Commission, the higher-income groups would be able to support such a demand by demonstrating that they have made proportionately heavy sacrifices, as befits the economically strongest group.\*

### **What Concessions should Labour Make ?**

As we have been shown, the Commission does ask for considerable sacrifices by the skilled workers, and it is now possible to discuss the case for these recommendations against the background of the economic position of the country as a whole.

Since South Africa is so poor a country, with a national income per head which ranks it far down in the scale by which the wealth of the countries of the world is measured, it is surprising that the level of skilled wages in the Union is roughly as high as the level of wages earned in the wealthiest countries, such as America, Canada and Australia. Skilled wage rates in South Africa are higher than in Great Britain. On the other hand, unskilled wage rates are very low. This wide gap between skilled and unskilled wage rates first arose because, in the early days of mining development in this country, high wages had to be offered to skilled men from overseas to induce them to travel so far from their homes and risk the hardships and uncertainties of life in a pioneer country. The gap has been maintained because the Trade Unions have been able to prevent any reductions in their rates of pay, and because they have supported Government policies which were aimed at keeping Natives out of industry and especially out of any work other than unskilled, and were also aimed at making it difficult for Natives to organise to improve their conditions.

\* The Natives, too, would be making their sacrifice. The great majority of them still have the ideals of the peasant and the desire for more land is stronger than the wish for higher wages. To abandon the country to become permanent town dwellers will involve them in considerable psychological strain, which we Europeans must attempt to mitigate as far as possible, in our own interests as well as in theirs. We must see to it that they come to towns, not barracks or slums.

The Trade Unions have been much criticised for this policy. It is, however, difficult to know how else any other group in the population would have behaved, if they had been faced with the threat of having to choose between unemployment on the one hand, or, on the other, a sharp decline in their standards of living as a result of the competition of lower-paid Native workers. This is not to say that the skilled workers have not been greedy and short-sighted on occasion ; but they have been no more so than all the other Europeans in South Africa. After all, skilled workers are not the only people who have clung to high rates of pay which were first established under pioneer conditions. Anyone who compares the rates of pay of professional and commercial men in Britain and South Africa knows that they are distinctly higher here. A Johannesburg City Councillor has produced figures to show that the return expected on house property in England is two or three per cent., while in Johannesburg landlords expect to get at least eight per cent. on their money.

But now the Trade Unions are asked, as part of a policy designed to bring about a very large and rapid development of industry, to make four concessions, namely, (i) to relax their restrictions on training and the rate of increase of skilled workers ; (2) to withdraw their opposition to the entry of Natives into industry, not only as unskilled workers, but also as semi-skilled ; (3) to agree to "freeze" their maximum wages at the present level ; and (4) to accept a re-classification of skilled categories which in effect means lower pay for some groups of workers.

### **Trade Union Policy and Planning for Plenty**

Now if there is in fact to be a very rapid and large development of industry, the reasons for the restrictions on training no longer exist, for we will be faced, not with the danger of too many men for too few jobs, but with the danger of a shortage of skilled workers which will slow up the whole rate of development—and for all our sakes, it is vital that this development should be rapid. If the Trade Unions continue to enforce, in an era of

planning for plenty, the rules they made to defend themselves in an era of planning for scarcity, they will jeopardise the future of their own children, for whom it will be impossible to find work at decent rates of pay in a poverty-stricken South Africa.

Further, they will plant themselves squarely in the path of the advancement of those Europeans who have had to abandon farming, who have been put on Government relief works as unskilled labourers, and whom the Commission recommends should be trained as soon as possible for skilled work in industry. Many of these men have gone into the Army, and it will do the Trade Unions great harm if such men, on their return from the war, are not allowed to learn the skills that are needed to build up our country, and that will give them a decent livelihood.

On the other hand, if the Trade Unions agree to make this concession, they have every reason to ask in return for fully adequate guarantees that there will in fact be an industrial expansion so rapid that it will absorb all the men trained, so that they will not be released into a limited labour market to threaten the standards of the workers already in employment.

The second concession that is asked of the Trade Unions is that they should withdraw their opposition to the entry of Natives into industry, not only as unskilled workers, but also as semi-skilled. The Commission expressly states that the industrial expansion it has indicated, with a much greater use of Natives in industry, "will not and must not create a European unemployment problem". Once again, the difference is between planning for plenty and planning for scarcity. The policies suited to the old days will not do for the new. But once again, if the Trade Unions make this concession, they are entitled to ask for guarantees of the promised expansion of industry.

The third concession asked for is that the skilled workers should not demand, or use their strength in a period of expanding industry to enforce, any increases in their rates of pay. The case for this request is that it is in the long-run interests of the skilled workers themselves, as well as in the interests of all the other people of the



country, that for some time to come all further increases in wages which industry may be able to pay should go to raise the wages of the unskilled workers. It is in the interests of the skilled workers because these large numbers of Native unskilled workers are to form the market for the goods that industry produces. But again, the Trade Unions are entitled to ask in return both that profits should also be frozen at or below their present maximum, and that there should be no general increase of the levels of income in the higher income groups.

The fourth concession that the Trade Unions are asked to make is a reduction of the wage rates for considerable numbers of their members. Now if it could be definitely established that this is essential for the big national development that is being planned, it would be the duty of the Trade Unions to accept it. But the Commission has not made out a strong case for this. No doubt lower skilled rates of pay would to some extent assist the growth of industry, but it is very doubtful if the advantages to industry would outweigh the hardships imposed and the bitterness to which these hardships would give rise. It is always very hard on people to lower their standards of living. It may be said in reply that the new economic policy involves a lowering of standards of the higher income groups. But we must remember two things : first, such a lowering of standards is much harder for smaller incomes to bear than for larger ones ; and second, that there are very many more people to suffer hardship in the smaller income groups than there are in the higher ones.

### **Conditions of National Progress**

The first three concessions asked for, however, seem good and reasonable, and it is to be hoped that the Trade Unions and the Labour movement will agree to them, provided they receive the guarantees, to which they are reasonably entitled, against stagnation or too slow a rate of expansion. These guarantees must be that the higher income groups will co-operate, by providing the necessary funds, in bringing about a large increase in the consuming-power of the poorest classes. If such guarantees are

given, we may be confident that the Trade Unions will not bar the path of progress.

If the guarantees are not forthcoming, the results may be serious. The Report does not exclude, unfortunately, a policy which would bring about a combination of employers with unskilled Europeans and Natives against the skilled workers. This would be a political disaster for every class in the community. The combination might be strong enough to defeat the skilled workers, at the cost of another and more bitter 1922. But whether it succeeded or failed, the result would be a legacy of race and class hatred and bitterness that even South Africa has never known. Such disastrous events might be precipitated by a blunt refusal of the skilled workers to make concessions in any circumstances. They may, however, just as easily follow from a blunt refusal of property-owners and the middle-class to make sacrifices of income and vested interests proportionate to those asked from the skilled workers.

For we must face the fact that it is with the higher income groups that the greatest responsibility rests to set in motion the chain of events which will lift South Africa out of the slough of poverty and ignorance where it has lain so long. And it is important to recognize, and accept, the implications of these events. They would involve a scaling down of the incomes of the middle-class in relation to the skilled working-class, and a scaling up of the unskilled and semi-skilled in relation to skilled workers. Such a policy would make possible a national effort in which all classes could share, and in which those who have most, contribute most, and those who have least, gain most. This is not only economically expedient ; it is just. And only by a call as to a crusade to secure justice and happiness for all can we hope to enlist the enthusiasm, the determination, and the self-sacrifice that will be necessary to bring about these great changes in our country.

---

## PAMPHLETS RECENTLY PUBLISHED

---

### The Basis of Trusteeship

By General J. C. Smuts - - - - - 1s.

### The Union's Burden of Poverty

By Senator J. D. Rheinallt Jones  
and Professor R. F. A. Hoernlé - - 1s.

### The Colour Bar in the Copper Belt

By Julius Lewin - - - - - 6d.

---

#### NOTE :

*Ten or more copies of these pamphlets (or any other published by the Institute) are sold on specially reduced terms to secretaries of organised public bodies, groups, or associations. For further information apply to :*

**The South African Institute of Race Relations,  
P.O. Box 97,  
Johannesburg.**