

**INFLUX CONTROL POLICY AND THE INTERESTS OF MANUFACTURING AND COMMERCE
IN SOUTH AFRICA IN THE 1950S**

by

Deborah Posel

Unlike the mining industry, manufacture has no preference for the migratory type of labour, and indeed other conditions being equal, finds the stable urbanised worker more of an asset to production than the migratory labourer.

Federated Chamber of Industries (FCD), 1951.

Employers prefer this class of worker (migratory) to the urban Native.

Johannesburg municipal Non-European Affairs Department (NEAD), 1955.

State-controlled access to African migrant labour has been an important component of the Apartheid system in each stage of its evolution. Even before the Nationalists' accession to power, however, organized commerce and industry - both English- and Afrikaans-speaking - denounced the migrant labour system as a costly and wasteful source of African labour. Although opposed to any sudden or drastic measures, the AHI, FCI and ASSOCOM alike¹ called for the gradual phasing out of the migrant labour system as a means of "stabilizing" the African work force in secondary industry and commerce, and improving its productivity. Yet, at the same time, industrial and commercial employers often exhibited a marked preference for migrant labour over allegedly more "stable" and productive urbanized workers. Throughout the 1950s, municipal administrators country-wide reported that

frequently strong prejudice is expressed by industrialists against the employment of Native labour already domiciled and housed within the confines of the particular town,² and strong efforts are made to import rural labour.

Organized commerce and industry, and municipal administrators - both familiar with the urban labour market - thus presented apparently incompatible assessments of the relationship between the migrant labour system and the interests of secondary industry and commerce during the 1950s. Can they both be right? And how did the paradox arise? And, since the entrenchment of the migrant labour system was an integral feature of the state's influx control policy in the 1950s, what does this paradox signify about the relationship between industrial and commercial interests and state policy in the 1950s?

These questions, about the nature of urban capitalist interests, on the one hand, and their relationship to the state's influx control policy, on the other, are amongst the central issues dividing so-called "liberals" and "revisionists" in the "Apartheid-Capitalism Debate". In the early 1970s, revisionist scholars such as Harold Wolpe and Martin Legassick elaborated an important critique of the view, prevalent amongst many Liberals, that the Nationalists' policy on migrant labour was economically irrational and starkly at odds with industrialists' interests. Wolpe and Legassick drew attention to the striking economic growth rates of the 1960s as prima facie evidence of the functional compatibility between Apartheid policies and

capitalist interests. In their view, the Nationalists' entrenchment of the migrant labour system provided secondary industries with an abundant supply of cheap labour, which contributed profoundly to the profitability of the country's industries.³

Merle Lipton's book, Capitalism and Apartheid, attempts to rebut the revisionist argument about the merits of the Nationalists' migrant labour policy for the expansion of secondary industries and commerce. Like Ralph Horwitz, for example, Lipton argues that the migrant labour system burdened industrialists with "unstable", inefficient and unproductive workers. Although she recognizes at one point that the "owners of the small, inefficient factories set up during the war"⁵ had different priorities, the thrust of her argument is that employers "generally favoured higher wage levels"⁶, linked to improvements in productivity, made possible by substituting "stable" urbanized for migrant labour.

The opening paradox presents both Lipton's thesis and the original revisionist position with difficulties. Lipton's analysis is supported by the FCI's indictment of the migrant labour system. However, the municipal reports that employers actively asserted a preference for migrants to fill unskilled positions sit uncomfortably with her largely unqualified assertion that "manufacturing and commercial capital did not need, and indeed opposed, most apartheid labour policies", including the migrant labour policy. If the tendency to prefer "rural labour" was sufficiently prevalent to have dominated municipal assessments of employers' interests, then clearly Lipton's analysis is limited.

Wolpe and Legassick's thesis, on the other hand, has the inverse problem: strengthened by the municipal reports, it takes no account of the opposition mounted by organized commerce and industry against continued recourse to migrant labour. If the migrant labour system was wholly in line with industrial interests, why would organized industry have issued repeated criticisms of it?

Doug Hindson's analysis of the interests of manufacturing capital in the 1950s⁷ is an advance on both positions, and points to their common failing: neither takes account of industry's and commerce's interest in a **differentiated** work force, which was part migrant and part urbanized, with different pros and cons attaching to the employment of each. For Hindson, therefore, the apparently contradictory assertions about employers' interests presents no problem.

However, Hindson goes on to argue that industrialists' interest in differentiated forms of African labour power was thoroughly compatible with, and indeed a principal determinant of, the state's migrant labour policy in the 1950s.

His case on this issue is often confusing and unclear, but one strand of argument seems to run as follows: the processes of industrial expansion during the 1940s had generated a growing demand for more "stable", semi-skilled labour, in addition to the demand for cheap, unskilled labour. While industrialists were content to draw on migrant labourers for unskilled work, urbanized workers were more "stable" and therefore a preferred source of semi-skilled labour. The Nationalists' influx control policy, which restricted the access of migrant workers to the cities, served both facets of this differentiated labour demand. Firstly, he argues, state intervention restricting the supply of migrant labour to the towns was necessary to resolve "a crisis of the reproduction of African labour power"⁸ in the cities. Employers looked to the urban proletariat to meet the growing demand for "stable" semi-skilled labour power. But, by the late 1940s, large numbers of migrant workers had swamped the urban labour market, competing with the urbanized proletariat for jobs. The result was that urban wages were depressed "below a level sufficient to maintain a proletarian family without supplementary sources of income". Therefore,

the reconstitution of the urban proletariat to meet the changed requirements of industrial production necessitated the erection of barriers against the competition of temporary migrant workers.⁹

The Nationalists' influx control policy addressed employers' need to reproduce the "stable", urbanized work force by restricting the number of migrants entering the cities in search of employment, and thereby reducing the economic

capitalist interests. In their view, the Nationalists' entrenchment of the migrant labour system provided secondary industries with an abundant supply of cheap labour, which contributed profoundly to the profitability of the country's industries.

Merle Lipton's book, *Capitalism and Apartheid*, attempts to rebut the revisionist argument about the merits of the Nationalists' migrant labour policy for the expansion of secondary industries and commerce. Like Ralph Horwitz⁴, for example, Lipton argues that the migrant labour system burdened industrialists with "unstable", inefficient and unproductive workers. Although she recognizes at one point that the "owners of the small, inefficient factories set up during the war"⁵ had different priorities, the thrust of her argument is that employers "generally favoured higher wage levels"⁶, linked to improvements in productivity, made possible by substituting "stable" urbanized for migrant labour.

The opening paradox presents both Lipton's thesis and the original revisionist position with difficulties. Lipton's analysis is supported by the FCI's indictment of the migrant labour system. However, the municipal reports that employers actively asserted a preference for migrants to fill unskilled positions sit uncomfortably with her largely unqualified assertion that "manufacturing and commercial capital did not need, and indeed opposed, most apartheid labour policies", including the migrant labour policy. If the tendency to prefer "rural labour" was sufficiently prevalent to have dominated municipal assessments of employers' interests, then clearly Lipton's analysis is limited.

Wolpe and Legassick's thesis, on the other hand, has the inverse problem: strengthened by the municipal reports, it takes no account of the opposition mounted by organized commerce and industry against continued recourse to migrant labour. If the migrant labour system was wholly in line with industrial interests, why would organized industry have issued repeated criticisms of it?

Doug Hindson's analysis of the interests of manufacturing capital in the 1950s⁷ is an advance on both positions, and points to their common failing: neither takes account of industry's and commerce's interest in a *differentiated* work force, which was part migrant and part urbanized, with different pros and cons attaching to the employment of each. For Hindson, therefore, the apparently contradictory assertions about employers' interests presents no problem.

However, Hindson goes on to argue that industrialists' interest in differentiated forms of African labour power was thoroughly compatible with, and indeed a principal determinant of, the state's migrant labour policy in the 1950s.

His case on this issue is often confusing and unclear, but one strand of argument seems to run as follows: the processes of industrial expansion during the 1940s had generated a growing demand for more "stable", semi-skilled labour, in addition to the demand for cheap, unskilled labour. While industrialists were content to draw on migrant labourers for unskilled work, urbanized workers were more "stable" and therefore a preferred source of semi-skilled labour. The Nationalists' influx control policy, which restricted the access of migrant workers to the cities, served both facets of this differentiated labour demand. Firstly, he argues, state intervention restricting the supply of migrant labour to the towns was necessary to resolve "a crisis of the reproduction of African labour power"⁸ in the cities. Employers looked to the urban proletariat to meet the growing demand for "stable" semi-skilled labour power. But, by the late 1940s, large numbers of migrant workers had swamped the urban labour market, competing with the urbanized proletariat for jobs. The result was that urban wages were depressed "below a level sufficient to maintain a proletarian family without supplementary sources of income". Therefore,

the reconstitution of the urban proletariat to meet the changed requirements of industrial production necessitated the erection of barriers against the competition of temporary migrant workers.

The Nationalists' influx control policy addressed employers' need to reproduce the "stable", urbanized work force by restricting the number of migrants entering the cities in search of employment, and thereby reducing the economic

in the countryside. After selling his **appanage** in 1927, Champion came increasingly to rely on the ICU itself for his source of income. As Detective Arnold noted, "if the ICU ceased to function tomorrow (Champion) would have to work pretty hard to make a living".³⁸ Macebo, as the third son of a Groutville farmer who owned 15 acres of land, abandoned the hope of retaining access to a rural income and sought work in Durban. Jim London, despite being the son of a wealthy landowner at Italeni, came to depend on work as a compositor and then as a compound **induna** in Durban for his income. If it was as refugees from the narrowing economic horizons of rural life that some of the key ICU **yase** Natal leaders entered Durban, it was often as frustrated semi-skilled and skilled wage-earners that they entered the Union.

The salaried positions of ICU **yase** Natal officials represented one way of retaining a brittle economic independence. An ICU official, depending on the state of Union funds, could earn at least £8 a month. In 1929 Champion himself was drawing a relatively handsome salary of £20 a month.³⁹ There was a variety of other ways in which ICU organizers in Durban could harness the Union to recoup for themselves more secure positions within the ranks of the middle classes. The clearest example of this is to be found in the establishment of the All African Co-operative Society in 1927. The Co-operative Society, described as the "greatest step to economic emancipation of the African Workers"⁴⁰, attempted to attract £1 subscriptions from workers. By June 1928 the Society, having been incorporated into the ICU **yase** Natal, had only 400 subscriptions and operated under the name of the Star Clothing and Shirt Factory. This enterprise provided work for over fifty men and women, including Bertha Mkize and her brother (one of Durban's first African tailors), who were supplied with an outlet for their down-graded skills.⁴¹ It is small wonder that the ideology of this frustrated petty bourgeoisie should have taken the form of economic nationalism which owed more than a little to Garveyite notions of black self-improvement. Caleb Mtshali, for example, exhorted workers at a mass meeting to:

be independent, commence small stores yourselves, and make it a strict rule to deal no where but from your own colour ... we have one sound trading concern now, that is a clothing factory ... we will model our plans on the system of the American Negroes.⁴²

The African Workers' Club set up by Champion in 1925 was, in spite of its name, inspired by the desire to create a sense of community amongst this aspirant middle class. Certainly the philosophy behind the Club - "Ask for what you want, Take what you can get, Use what you have" - would have struck a chord amongst its members, who were drawn predominantly from the ranks of the "shoemakers, bicycle menders and stall holders".⁴³

Whereas the first Branch Secretary came to rely on the sale of chickens to supplement his income, Champion proved more ambitious in this regard. By 1928 he had established two businesses: a general dealer's store and the Natal Boot and Shoe Repairing Hospital. The name of Champion's store, **Vuka Afrika** (Africa Awake), was certainly a symbolic acknowledgement of Union officials' indebtedness to the separatist vision of black Americans.⁴⁴ It seems that Champion was not averse to financing these businesses, both of which collapsed in 1929, with Union funds. Furthermore, Union members were increasingly exhorted to underwrite a constellation of Union-based ventures such as the African Workers' Club and the local ICU paper, Udibi lwase Afrika, with subscriptions from their meagre wages.

Perhaps it was the uneven reception of these appeals which encouraged more peremptory forms of Union recruitment. As Charles Khumalo recalls, organizers fostered the belief amongst the more credulous migrant workers that Union membership was a prerequisite for obtaining employment.⁴⁵ Yet high-handed leadership styles might have resonated with workers' experience of an older political culture which assigned individuals particular places within an hierarchical social order. The generational gap between prominent Durban Unionists (many of whom had been born during the 1880s) and younger workers could have strengthened rather than diminished leadership's authority. Certainly Jacob Cele, a young harness-maker at the time and later Ladysmith Branch Secretary, saw nothing wrong in the fact that "because we were

pressures which had depressed urban wage levels to "crisis" proportions. At the same time, by restricting all new entrants to the towns to the status of temporary migrants, the Nationalists' influx control policy also served employers' interest in "unskilled migrant labour"¹⁰ (although he devotes little attention to this facet of employers' interests and its relationship to the influx control policy).

However, Hindson's case that industrial capital recognized the necessity for influx control barriers to resolve the "crisis of the reproduction" of urbanized labour power is unconvincing. If industrialists were so concerned that urban wages were so low as to jeopardize their labour supply, they would surely have raised wages of their own accord, without depending on the state to erect influx control barriers to achieve the same end.

This paper re-examines the design and application of the state's influx control policy in the 1950s, and takes issue in several respects with Hindson's understanding of the relationship between this policy and industrialists' interests.

Hindson claims that the state's administrative differentiation between urbanized city-dwellers and temporary migrants was functionally compatible with the economically differentiated demand for African labour, both **by design** and **in practice**. A closer look at the design of the influx control policy will reveal that the state's intention was to **overrule** the market forces which tended to concentrate migrants in many unskilled jobs to the exclusion of urbanized workers. As far as the architects of state policy were concerned, it was necessary to minimize the numbers of Africans entering the cities to take up employment, by placing urbanized Africans in both unskilled and semi-skilled jobs ahead of migrants. The administrative differentiation between urbanized city dwellers and temporary migrants was intended thus to cut across the economically differentiated demand for semi-skilled and unskilled labour, not to fall in line with it, as Hindson claims. The decade therefore saw a continuing conflict between the state's interest in restructuring the urban labour market and employers' interest in retaining existing patterns of employment.

The relationship between employers' interests and the **practice** of influx control depended on how this conflict was resolved. In most cases, employers' interests prevailed, reproducing the tendency for urbanized and temporary migrant workers to concentrate in semi-skilled and unskilled jobs, respectively. However, in those cases where the original intentions of the policy were realized, employers' demands for "rural labour" were frustrated and unskilled labour shortages ensued.

It is argued, finally, that the employers of urbanized labour had little, if any, economic interest¹¹ in the state's influx control policy - either as it was designed or in the form in which it was applied in practice.

This discussion begins with a brief description of the design of the state's influx control policy in the 1950s, followed by a summary of employers' interest in "differentiated forms of labour power". The third and fourth sections of the paper then assess how these interests compare with the design of the influx control policy, on the one hand, and its practical application, on the other.

1. The Design of Influx Control Policy

Legassick has argued that one of the distinguishing features of Apartheid in the 1950s was the state's systematic extension of the migrant labour system operative on the mines to secondary industry and commerce in the urban areas.¹² But, as it stands, his thesis is incomplete because it omits to take account of the particular **form** of this migrant labour policy. By 1948, the use of migrant labour in secondary industries and commerce was already a well established practice. The architects of the Nationalists' "Native" policy set out to entrench the migrant labour system in the towns, but by imposing wholly new restrictions and regulations governing employers' access to migrant labour.

The substance of this policy was shaped by the pursuit of two equally fundamental objectives in respect of the urban areas. The first was to remedy the alleged "maldistribution" of African labour between the white farms and urban businesses, without starving urban employers of a (numerically) adequate supply of labour. That is the supply of African labour to the cities was to be "rationalized", so as not to exceed the "legitimate" demand. The state's second objective was simultaneously to restrict the size of the urban African population as far as was economically "practical".

Policy-makers' efforts to synthesize these objectives relied heavily on an influx control policy which was two-pronged. First, Africans' access to the towns would be restricted as far as possible to bona fide work-seekers, on a temporary basis only, unaccompanied by their families. The size of the urbanized African population would thus be frozen, the numbers of Africans in the towns swollen by migrant workers only. Second, however, even the numbers of migrants entering the towns as temporary residents were to be restricted, in terms of an **urban labour preference policy** (ULPP). The ULPP was designed as a means of eliminating the presence of "large surpluses"¹³ of African labour in the cities, which white farmers condemned as one of the causes of agricultural labour shortages. Declaring the need "to employ every possible Bantu legally domiciled in a town"¹⁴, the state intended the ULPP to ensure "the placement of the city Bantu in jobs which are now in practice reserved for migrant labourers".¹⁵ White employers in any given town would therefore be compelled to exhaust the resident labour supply before being permitted to import additional, migrant, labour from outside the town.

It is essential that measures be instituted to utilise available supplies in the urban areas ... until all permanent urban sources of labour ('werkskragte') have been used, further influx ('toestroming') is undesirable.¹⁶

The ULPP occupied a central position in the design of the influx control policy, since it would, supposedly, serve multiple purposes. By ensuring the "improved economic utilisation" of the resident urban African population, the ULPP would limit the number of migrant workers necessary to meet the urban demand for African labour. In this way, employers in the towns would be guaranteed the number of workers they required, the exodus of African labour from the farms would be reduced, and the growth of the urban African population would be limited as far as possible without damaging the interests of urban employers.

The 1952 Native Laws Amendment Act (which amended, *inter alia*, the 1945 Urban Areas Act and the 1911 Labour Regulations Act) gave legal substance to the new influx control policy. The amended Section 10(1) of the Urban Areas Act recognized three categories of "urbanized" Africans who qualified for the "residential right" to remain in a particular prescribed (urban) area on a de facto permanent basis: 1) Africans who had been born and continuously resident in the area - 10(1)(a) qualifiers; 2) Africans who had served one employer for ten years, or several employers within the same prescribed area for fifteen years - 10(1)(b) qualifiers; and 3) the wives and dependants of a 10(1)(a) or (b) qualifier, who were "ordinarily resident" with him - 10(1)(c) qualifiers. Any African who did not fall into one of these three categories - such as migrant workers with less than ten years' service - were treated as "temporary sojourners" in a prescribed area, their sojourn there dependent on securing official permission - in terms of section 10(1)(d).

The terms of section 10(1), then, provided the legal vehicle for the ULPP. According to the Labour Bureaux Regulations, published in the wake of the 1952 Act,

unless a Native was born and is permanently resident in an urban area, or is otherwise legally entitled to remain permanently in the area (i.e. qualifies under 10(1)(a), (b) or (c)), the Native will not be allowed to register for, or take up, employment in the urban area while there are unemployed workseekers¹⁷ in the area who are legally entitled to be there.

The 1952 legislation also provided for the creation of a national network of labour bureaux, empowered to exercise comprehensive and systematic control over the allocation of African labour to urban employers. All work seekers were required to register with labour bureaux¹⁸, while urban employers were instructed to register all vacancies for African labour with their local labour bureaux. In this way, labour bureaux officials could ensure that urban work seekers were placed in employment ahead of migrants.

One further facet of the state's influx control policy which had an important bearing on manufacturing and commerce was the singularly strict restrictions on "foreign" Africans' access to employment in the towns.¹⁹ According to the Tomlinson Commission, by 1951 approximately 215,000 "foreign" workers were employed in secondary and tertiary industries (as compared with 210,000 in agriculture and 225,000 in mining).²⁰ However, in a determined bid to diminish the number of "foreigners" entering the towns, the Secretary of Native Affairs stipulated that, "with certain exceptions, Extra-Union Natives are prohibited from working in urban areas anywhere in the Union".²¹

How, then, did this influx control policy, and the restrictions it imposed on urban access to ("foreign" and Union-born) migrant labour, square with manufacturing and commercial interests of the day?

2. Manufacturing and Commercial Interests in African Labour During 1950s

The demand for African labour in manufacturing and commerce was structured by at least two principal variables: firstly, the level of skill required for the job; and, secondly, the perceived differences between migrant and urban workers. A brief survey of the effects of each variable in turn will then explain the manner in which they tended to intersect.

2.1 Factors Influencing Relative Demand for Unskilled and Semi-Skilled African Labour

Having received an immense boost during the war, manufacturing expanded dramatically until the late 1950s. Between 1948/49 and 1957/58, the number of private manufacturing establishments rose from 13,879 to 16,838, and the value of their gross output grew from 610 to 1,503 million pounds.²² The war effort also engendered a fundamental change in the structure of manufacturing: whereas, "at the outbreak of the Second World War what secondary industries there were could, with few exceptions, by no means be classed as capital-intensive"²³, the war effort stimulated a massive injection of capital into manufacturing, which sponsored an unprecedented degree of mechanization and modernization.²⁴ This process of capital-intensification continued to accelerate during the 1950s, as is indicated by the fact that between 1948/49 and 1955 the annual percentage rate of growth of fixed capital per establishment (between 13% and 19%) was significantly higher than the annual percentage rate of growth in the number of employees per establishment (about 4 per cent).²⁵

This expansion and restructuring of secondary industry had a profound effect on the demand for African labour. A shortage of skilled artisans opened up new avenues for Africans, although these were narrowed by pressure from white trade unions and ideological barriers amongst employers.²⁶ The more significant development was the incorporation of increasing numbers of Africans into semi-skilled operative positions, created as new machinery was installed and erstwhile skilled tasks were deskilled. According to J Sadie, between 1936 and 1960, the percentage of skilled and semi-skilled workers²⁷ in the African manufacturing work force rose from 10.5 per cent to 16 per cent.

While continuing capital-intensification was an important feature of manufacturing development during the decade, it is also important to recognize the constraints on that process. Despite the concentration of manufacturing capital in a growing number of large concerns, the average size of industrial establishments remained small. In 1953/54, 65% of these employed fewer than 9 workers, and 92%

fewer than 49 workers.²⁸ The smaller the concern, the greater the difficulties in raising the capital necessary to mechanize its operations. On the other hand, cheap unskilled African labour was abundantly available, its bargaining position weakened by the denial of African trade union rights and by the fact that barriers on Africans' entry into skilled work intensified competition for unskilled jobs.

Therefore, while the proportion of Africans in skilled and semi-skilled positions continued to rise during the decade, the large majority of Africans employed in manufacturing - 84 per cent in 1960 - remained unskilled workers.

African employment in commerce expanded even more dramatically than in manufacturing: between 1946 and 1960, the African work force in commerce increased by approximately 99.5 per cent, from 69,281 to 138,240.²⁹ But the proportion of unskilled workers was still higher than was the case in manufacturing. According to research conducted for the Tomlinson Commission, 89 per cent of Africans working in wholesale and retail trade were unskilled in 1952.³⁰

2.2 Factors Influencing Relative Demand for Urbanized and Migrant Labour

The existence of the migrant labour system also had important effect in structuring the demand for African labour. Demographically, the system created three categories of Africans working in the towns: (1) urbanized workers; (2) those who had recently migrated to the towns with the intention of settling there; and (3) temporary or oscillating migrants, who maintained a permanent home elsewhere (usually in a rural area). However, industrialists' categorization of the urban African work force typically differentiated only two³¹ distinct categories - "tribal or territorial, and urban or detribalised".³²

The pros and cons which employers attached to taking on "tribal" migrants, as opposed to urbanized workers, derived as much from ideological constructs and stereotypes as from real differences in work patterns. "Tribal" migrant workers were held to be "more obedient, harder working, and ... more easy to satisfy and control"³³ than "detribalised" workers. While still steeped in their "tribal" ways, migrants were deemed to be far less susceptible than permanent city-dwellers to "communistic" influences, and generally more docile, disciplined and submissive to authority. "Rural labour" - and Zulus in particular³⁴ - were also purportedly "better suited to heavy industrial work", their strength uncorrupted by the "decadence" of city life. Employers and municipal administrators reported that the so-called "raw" migrant worker, inexperienced, untrained and vulnerable, was less likely than the city-dweller to refuse "obnoxious" employment on the grounds of low wages or poor working conditions.³⁵ According to the FCI, "foreign" migrants were the least "choosy" of all: "experience has proven that foreign natives are more than willing to accept ... obnoxious employment".³⁶

However, it was widely conceded that employing migrants also had its disadvantages. Large numbers of migrants returned to the Reserves annually for about three months during the ploughing season, and their return to the same job could not be guaranteed. Also, migrants were often less literate and numerate, with an initially poorer command of English or Afrikaans than workers born and bred in the towns.

"Detribalised" work seekers, on the other hand, were widely type-cast as "cheeky", "lazy"³⁷ and unreliable, especially when "semi-educated". In the words of a senior compound manager for Union Steel Corporation,

The detribalised ... group has today become a problem. He (sic) is the young, semi-educated, arrogant, demanding and won't work type. He is difficult to handle because he is very prone to disobedience and has, invariably, no inclination to work unless forced to do so ... The result is you have a worker performing a task which he is forced to do and does so inefficiently ... Industries in my area have discovered

that this group has become unsound and uneconomical labour to employ because they leave when they wish, and for the slightest provocation or reprimand.³⁸

Urbanized workers, particularly the school-leavers, were also labelled as "job choosy" and "work shy", because they tended to refuse the notoriously unpopular jobs, involving long or irregular hours and paying poor wages - such as hotel or dairy industry, domestic service, heavy manual jobs in the engineering industry or stone quarries. As the FCI noted,

Native workers ... especially the permanent urbanised Native ... are becoming³⁹ more selective as to their employment occupations.

In the majority of cases, manual or menial work will only be accepted by Natives of the migratory type.⁴⁰

2.3 Resultant Dual Tendencies in Urban Demand for African Labour

No doubt individual employers attributed different importance to the relative pros and cons of taking on migrant, as opposed to urbanized, workers. But, on the whole, two overall tendencies were evident.

1) First, when employers required African labour for more skilled work, they generally (although by no means invariably) preferred urbanized workers. As the FCI explained,

the increasing productivity and specialisation of Native labour in semi-skilled and operative categories ... is dependent on stability of labour and maintenance⁴¹ of training and occupational advancement.

The efficiency of the training process depended, moreover, on what the FCI called "the quality of labour"⁴², which improved with prior industrial training or experience, fluency in English or Afrikaans, literacy and numeracy.

Migrants therefore tended to be regarded as unsuitable for more skilled work, either because of the "quality" of their labour and/or because their periodic departures during the ploughing season rendered them an "unstable" source of labour. For the same reason, training migrant workers was generally not considered a cost-effective investment.

However, there are several important caveats to this argument. In some cases, employers ranked the advantages attaching to "rural labour" above those of urbanized labour, irrespective of the level of skill or training involved. This generalized prejudice was directed particularly against the younger and "semi-educated" Africans from the townships. Instead of welcoming several years of township schooling as an asset in the training process, employers were often suspicious that education bred "agitation" by heightening awareness and expectations.

Also, employers' experience did not always confirm the widespread belief that migrant workers were "less stable" than their "detrribalised" counterparts. As the Tomlinson Commission reported, its evidence on this issue was "contradictory in nature".

Some data reveal the settled labourer as a more steady worker, while others suggest⁴³ that the migrant labourer is superior in this regard.

Some further studies on the subject during the course of the decade indicated that age and marital status were also relevant variables: labour turnover amongst "detrribalised" male workers⁴⁴ was generally higher among young, single men than among older, married men.

Lastly, in areas where the proportion of urbanized to migrant labour was relatively small - such as Durban - employers often had little option but to employ migrants, irrespective of the sort of work involved.

Overall, however, as the FCI reported in 1957,

the need for specialisation, and increasing and improved training is resulting in the establishment of a labour pattern whereby ... the semi-skilled operative positions⁴⁵ are usually occupied by permanent urbanised workers.

2) The second tendency, widely reported by municipal and NAD officials, was a preference for "tribalised" labour for unskilled work. For, different priorities tended to dominate the recruitment of labour for a range of unskilled, as opposed to semi-skilled and skilled, work.

Economists of the day, along with organized commerce and industry, exhorted industrialists repeatedly to improve the productivity of African labour (unskilled and semi-skilled) by means of

better selection and placement of workers ... better supervision, better opportunities for advancement and promotion of workers, systems of wage payment which provide incentives to increase output, more attention to physical working conditions and welfare facilities and to industrial safety and health.⁴⁶

But, in most cases, these calls fell on deaf ears. As the Institute of Administrators of Non-European Affairs put it in 1957,

employers jib at modernising their old-fashioned organisations ... Planned training of employees and cultivating a sympathetic attitude is absent in most cases.⁴⁷

For, amongst the majority of industrial and commercial concerns, securing cheap, docile, unskilled labour was demonstrably⁴⁸ more of a priority than "stabilising ... the workers". For much of the decade, industrialists resisted calls to increase unskilled wages, on the grounds that these could be afforded only if labour productivity was improved - but paid little, if any, attention to ways of promoting these improvements.⁴⁹ Instead, persistently poor wages and working conditions reproduced a high labour turnover, which in turn hindered labour productivity and thereby reinforced the original barriers to labour "stabilisation" and wage increases.

Employers locked into this cycle had some compelling reasons to choose "tribalised" migrants in preference to "detrribalised" workers. As F J Language, Brakpan's Manager of Non-European Affairs, explained,

many employers of unskilled labour prefer to engage the 'raw' Native who does not belong to any trade union, who is unaware of industrial legislation and wage regulations, and who is quite content, temporarily at least, to submit to the stipulations and demands of the employer in all respects concerning an ordinary contract of service. There is a tendency among private employers of native labour, especially in the big towns, to prefer the immigrant labourer to the town

native, the deciding factor here being the fact that the wage of the former is much lower than that demanded by the town native.⁵⁰

Since most manufacturing concerns in the 1950s were still small and primarily labour-intensive, this tendency was numerically the most predominant and conspicuous. Hence the consensus amongst municipal administrators that overall "employers prefer this (migratory) class of worker to the urban Native".

To what extent was this differentiated labour demand compatible with the design of the NAD's influx control policy and the particular form thereby imposed on the migrant labour system?

3. Relationship between Employers' Interests and Design of Influx Control Policy

In order to recognize the conflict between employers' interest in unskilled migrant labour and the design of the state's influx control policy in the 1950s, we must examine the assumptions underpinning the "logic" of the ULPP.

The state offered little in the way of an economic explanation or defence of how the ULPP would work. The exponents of the ULPP glibly referred to it as an economically "rational" policy on the grounds that it facilitated the matching of labour supply and demand. But this process was crudely conceived in quantitative terms, treating labour supply and demand as if homogeneous quanta. In terms of the logic of the ULPP, if, in any given town, the collective demand was for x number of African workers and the size of the local economically active African population was $x+n$, then there was purportedly no good economic reason to bring more labour into the area, until the growth in the size of the local demand exceeded n . The ULPP took little, if any⁵¹, account of qualitative differentiations in the labour supply (either along lines of skill, training, education, or between migrant or urbanized workers) and the effects these had in differentiating employers' demands.

The state had good reasons for endorsing this simplistic model of the labour market. As we have seen, it seemed to promise a means of limiting the growth of the urban work force - and, therefore, also the growth of the urban African population at large - to the economically "rational" minimum. But the logic of the policy was clearly at odds with industrial and commercial employers' interests in African labour. For, in terms of the ULPP, the "rational" way for urban labour demands to be met was by channelling urbanized work seekers into both semi-skilled and unskilled jobs ahead of "tribal" migrants. The design of the policy therefore took no account of the existing preference for migrants to fill unskilled positions. On the contrary, the architects of the policy set out expressly to challenge this preference, on the grounds that it led to the "wasteful" utilization of the urbanized labour supply, and caused the urban work force to expand much more than was economically "rational" and politically desirable.

Nor was the influx control policy wholly in line with the interests of those industrialists drawing on urbanized workers to fill the better paid, more skilled positions. Although access to the urbanized labour supply had the approval and backing of the state, the policy required all employers to secure urbanized workers through the labour bureaux, rather than by recruiting them independently. But industrialists in search of urbanized labour had nothing to gain by submitting to the labour bureaux system, since they experienced no difficulty in meeting their labour needs on their own. Furthermore, the instruction to fill their vacancies with labour supplied by a labour bureau burdened employers with time-consuming and costly bureaucratic red-tape. They were also denied the opportunity to select between various candidates for a particular job according to their past job experience or training.

One of the basic objectives shaping the design of the influx control policy of the 1950s was, as we have seen, the state's declared commitment to "meeting the legitimate labour requirements" of employers in the towns. It is now clear, however, that, in order to reconcile this economic objective with the

political imperative of restricting the number of Africans entering the urban areas, the state defined these "legitimate labour requirements" in a way which conflicted with employers' own perception of their interests.

However, much - but not all - of this conflict of interests was dissipated by the practice of influx control, which deviated in important ways from the design of the policy.

4. Application of Influx Control Policy in Practice

The NAD's inability to apply the influx control policy according to plan derived in large part⁵² from the business community's opposition to it. This took one of two forms: by-passing labour bureaux altogether; or, when the aid of labour bureaux was sought, aggressively asserting a preference for migrant labour in defiance of the ULPP. According to a FCI survey in 1956, only 38% of the firms surveyed used labour bureaux to obtain labour, and, significantly, almost none of these were seeking to fill semi-skilled or other sought-after positions. As the survey report commented,

the more highly skilled and experienced workers, and employers offering better paid, more desirable jobs,⁵³ used the open market and avoided the labour bureaux.

However, the open market was also the preferred source of labour for employers who did not need the labour bureaux' help in procuring unskilled labour. By-passing the labour bureaux freed them from the constraints of the ULPP.

It was largely employers offering jobs and wages which were too "obnoxious" to attract workers on the open market who appealed to the labour bureaux for assistance.⁵⁴ But they, too, exerted considerable opposition to the ULPP, in demanding that the labour bureaux supply them with "rural", rather than "detrified", labour. As W J P Carr, then Manager of Johannesburg NEAD, recalled, confronting employers with the urban labour preference regulations involved him in "a constant argument every day of your life".⁵⁵

Typically, according to Carr, it was the employers' demands for migrant labour which held sway over the ULPP. NAD regulations required that these sorts of demands be referred by the local labour bureau (a municipal body) to the Native Affairs Commissioner (an officer of the NAD). The Commissioners varied in their preparedness to yield to employers' pressures. The FCI's memoranda contain several complaints of labour shortages caused by the intransigent enforcement of the ULPP (see later). But more often than not employers' demands were accommodated in the knowledge that unemployed urban Africans could not simply be marshalled by force into jobs they did not want. As Carr remarked, his disputes with the Native Affairs Commissioner (NAC) on employers' behalf were typically long and acrimonious - but ultimately victorious.

In other cases, the NAC delegated requests for "rural labour" to the municipal level, where industrialists' interests generally received a more sympathetic hearing. For, municipal administrators, while licensed by the NAD, were employees of the local authority, which had a strong interest in promoting the cause of the local business community.

All in all, then, as the FCI reported in 1956, "few if any labour bureaux are operating strictly according to the Bureaux Regulations".⁵⁶ Although the ULPP was central to the design of the state's influx control policy, employers in the towns were sufficiently powerful to have rendered the ULPP largely inoperative in practice. As the Interdepartmental Report on "Idleness and Unemployment Among Urban Bantu" (1962) concluded,

the anomaly exists, that (African) workseekers from outside the urban areas are admitted in, despite the fact that there is already a surplus in the towns.⁵⁷

Without the enforcement of ULPP, the **practice** of influx control policy not only sanctioned preferential access to migrant labour; it also **extended** the existing stock of benefits accruing to employers drawing preferentially on migrant workers.

These additional gains derived from practical impact of Sections 10(1) and 12 of the Urban Areas Act on the African labour supply. These clauses differentiated the African workers and work seekers into the following categories:

- 1) those with the "residential right" to remain in a particular prescribed (urban) area, irrespective of whether, or for how long, they remained in the employ of whites (10(1)(a), (b) and (c) qualifiers - all Union-born);
- 2) those with permission to stay in an urban area for 14 days in order to look for work, and then only as long as the job lasted (10(1)(d) qualifiers - again, Union-born);
- 3) "foreign" Africans already in a job, whose "right" to remain in the prescribed area depended on their remaining with the same employer (in terms of section 12);
- 4) all those (Union-born and "foreign") in search of work, without official authorization to live and seek work in an urban area - that is, the thousands of "illegal" work seekers continually vulnerable to the threat of being "endorsed out" if discovered by the authorities.

The differentiation between these four groups created varying degrees of vulnerability and scope for occupational choice. Only 10(1)(a), (b) and (c) qualifiers were legally permitted to stay in an urban area if and when unemployed. This concession allowed them a greater degree of security while taking the time needed to seek the sort of jobs preferred. Work seekers with 10(1)(d) permits, on the other hand, were liable to be "endorsed out" of an urban area if they failed to find work within 14 days. As the Johannesburg NEAD pointed out, this group was therefore

prepared to accept lower wages and menial work ... in order to obtain a foothold in Johannesburg.⁵⁸

- a remark equally applicable to other prescribed (urban) areas.

"Illegals" "had their backs to the wall to an even greater extent".⁵⁹ Their dependence on employers' preparedness to take them on "illegally" and not expose them to the authorities weakened their bargaining power to challenge "obnoxious" working conditions and abysmal wages. As the Master Builders' Association pointed out,

these unregistered Bantu ... show a loyal (sic) and willingness to work not always evidenced by those possessing passes which permit them to easily leave one job and find another.⁶⁰

The application of section 10 (1), then, rendered migrant workers - both "legal" and "illegal" - all the more vulnerable and "willing to accept obnoxious employment". Paradoxically, the practice of influx control thereby reinforced the very market forces which the ULPP had been designed to override - namely, the tendency for "rural labour" to be channelled into unskilled work, irrespective of the availability of local "detrified" labour power.

However, the NACs and municipal administrators did not invariably waive the ULPP. In some cases, much to the chagrin of organized commerce and industry, employers' preferences for migrant labour were overruled, despite the fact that urbanized work seekers were wont to refuse the more "obnoxious" and poorly paid manual jobs. This sort of bureaucratic intransigence was sufficiently widespread to have provoked sporadic complaints from employers that, "although there may be an overall adequacy of labour, shortages occur in the more manual and menial occupations".⁶¹

The state was strictest in its adherence to the ULPP when the employment of "foreign" migrant labour was at issue. The state's policy restricting "foreign" Africans' access to the urban areas had been centralized in the hands of the Secretary of Native Affairs himself, in order to circumvent all avenues for municipal laxity. However, statistics cited by Simkins⁶² suggest that this policy was relatively loosely applied in the smaller towns, in comparison to the metropolitan areas where, in Verwoerd's words,

in regard to Foreign Natives we are merciless ... this might deprive industry of good employees, but ... Union Natives could, with training, be made to fill their places.⁶³

But, as far as employers were concerned, it was not their training which distinguished foreign workers as such "good employees". Rather, foreign workers had become indispensable to employers insistent on keeping unskilled wages for unpopular jobs down to levels which urbanized and the more experienced migrant job seekers refused to accept. The state's restrictions on the use of "foreign" labour in the cities therefore contributed to the labour shortages "in the more manual and menial occupations".

Of course, the major factor responsible for the persistence of the various shortages of unskilled labour was employers' refusal to make the "obnoxious" jobs more popular by increasing their wages. As the FCI recognized, it was "low rates of pay offered ... and unpleasant working conditions"⁶⁴ which reproduced their shortages. Yet employers looked to the state, rather than market forces, to resolve these shortages. The persistence of these shortages was therefore a reflection of employers' determination to keep wages down, even if it meant enduring the inconvenience of labour shortages in certain categories.

This paper began with a paradox which gave rise to two questions: the first concerning the nature of manufacturing and commercial interests in migrant as opposed to urbanized African labour, and the second concerning the relationship between these interests and the state's influx control policy during the 1950s. In answer to the first, it has been argued, along with Hindson, that the paradox derived from the heterogeneity of employers' interests. Whereas the FCI's viewpoint reflected the interests of those industrialists with a growing demand for "stable, semi-skilled or unskilled African labour, municipal administrators's reports recorded the numerically more conspicuous demand for unskilled "rural labour".

In answer to the second question, the relationship between these interests and the influx control policy was more conflictual than Hindson's argument recognizes. In design, the influx control policy imposed unnecessary constraints on employers with an interest in urbanized labour, by attempting to channel all African employment through the labour bureaux. More significantly, the ULPP threatened to impede employers' access to migrant workers as the preferred source of unskilled labour. The ensuing conflict of interests between the architects of state policy and employers was manifest in widespread defiance of the Labour Bureaux Regulations. Urbanized labour was recruited independently of state apparatuses, and the employers of unskilled labour were generally powerful enough to safeguard their preferential access to migrant labour. With the ULPP largely inoperative, the practice of influx control further heightened the advantages of employing migrants for unskilled work - thereby reinforcing the very market forces which the influx control policy had been designed to check. However, employers' powers were limited in certain cases. Most notably, the state largely had its way in overruling the demand for "foreign" migrant labour in the metropolitan areas.

- 1 See, for example, their respective submissions to the Tomlinson Commission.
- 2 1953 Annual Congress of the Institute of Administrators of Non-European Affairs (IANA), p 88.
- 3 H Wolpe, "Capitalism and Cheap Labour-Power in South Africa", in Economy and Society-1 (4), 1972; M Legassick, "Legislation, Ideology and Economy in Post-1948 South Africa", JSAS 1 (1), 1974.
- 4 R Horwitz, Expand or Explode: apartheid's threat to South African industry (Cape Town: Business Bookman, 1957).
- 5 M Lipton, Capitalism and Apartheid (Britain: Gower, 1985), p 161.
- 6 Ibid., p 139.
- 7 D Hindson, "The Pass System and the Formation of an Urban African Proletariat in South Africa" (unpublished PhD thesis), 1983.
- 8 Ibid., p 140.
- 9 Ibid., p 142.
- 10 Ibid., p 141.
- 11 This should be distinguished from a political or ideological interest in influx control - which employers and their representative organizations often did express, albeit without necessarily examining the economic implications of their remarks.
- 12 Legassick, op. cit., p 9.
- 13 Verwoerd was pragmatic enough to acknowledge the economic necessity and inevitability of "small" labour "surpluses" in the towns - although it was not clear at what point a permissible "small" surplus became too "large". See, for example, "Conference Between Officers of the Native Affairs Department ...", p 5.
- 14 W Eiselen, "The Demand for and the Supply of Bantu Labour in Johannesburg", Bantu, 1958, p 9.
- 15 Ibid., pp 13-14.
- 17 FCI Memorandum on "Industrial Native Labour in Urban Areas", 1955, paragraph (A)(4).
- 18 In the case of rural Africans wishing to find urban employment, they were required to register with the District labour bureaux in their district of origin, while urban work seekers had to report to the Local labour bureaux within their prescribed (urban) area.
- 19 Africans from the High Commission territories were treated administratively as if Union-born.
- 20 D Hobart Houghton, "Summary of the Commission for the Socio-Economic Development of the Native Areas Within the Union of South Africa (Tomlinson Commission)", p 41.
- 21 Secretary for Native Affairs to All Town Clerks, 16.3.56, paragraph I (4) (Johannesburg NEAD File A 78/5, vol 1).

- 22 A J Norval, A Quarter of a Century of Industrial Progress in South Africa (Cape Town: Juta, 1962), pp 2-3.
- 23 Ibid., p 53.
- 24 Ibid., pp 52-53.
- 25 Ibid., pp 2-3.
- 26 Commercial Opinion, November 1958, p 7.
- 27 Cited in S J Kleu, "Industrial Policy" in J A Lombard (ed), Economic Policy in South Africa: selected essays (Cape Town: HAUM), p 120.
- 28 D Innes, Anglo American and the Rise of Modern South Africa (Johannesburg: Ravan, 1984), p 169.
- 29 S Greenberg, Race and State in Capitalist Development (Johannesburg: Ravan, 1980), p 426.
- 30 Houghton, op. cit., p 37.
- 31 This means that it is sometimes difficult to decide whether the term "migrant" is used in a way which includes the middle category, of newly arrived city-dwellers, as well as temporary oscillating migrants. Arguably, to the extent that the newly arrived migrants were demonstrably "rural" in their manner and attitudes, they were appraised in much the same way as oscillating migrants by employers. Since employers themselves seemed not to have distinguished between the two, it is impossible to say whether the fact that the newly arrived city dwellers did not return to the reserves during the ploughing season increased their merits in employers' eyes beyond those of oscillating migrants.
- 32 R C McLean, How to Use Industrial Native Labour Efficiently (National Development Foundation of South Africa paper: Johannesburg, 1958), p 2.
- 33 Ibid., p 2.
- 34 Interview with W J P Carr (Manager of Johannesburg NEAD during the 1950s), 23.11.84.
- 35 For example, Johannesburg City Council: "Minutes of 832nd Ordinary Meeting of Non-European Affairs and Housing Committee", 30.8.55; C W Prinsloo, "Stedelike Naturelle-Administrasie Met Besondere Verwysing Na Arbeidsdistribusie" (unpublished; undated, but evidently written in early 1950s) (Ziervogel Papers; UNISA Accession 147); Interdepartmental Committee of Enquiry into "Idleness and Unemployment Among Urban Bantu" (Botha Report) (unpublished; 1962).
- 36 FCI Memorandum on "Native Labour Availability and Influx Control", 24.11.55 (unpublished) (unsorted FCI Papers).
- 37 Interview with W J P Carr, 23.11.84.
- 38 McLean, op. cit., p 3.
- 39 FCI "Memorandum on Results of the Survey on the Availability of Native Labour", 21.6.56, para 19 (unpublished) (unsorted FCI papers).
- 40 FCI, "Summary of 'Memorandum on Results ...'", para 7.
- 41 FCI, Memorandum on "Native Labour Mobility", 18.3.57, p 1 (FCI papers).
- 42 FCI, "Memorandum on Results ...", p 4.
- 43 Houghton, op. cit., p 95. See also, Houghton, "Men of Two Worlds", SAJE 28 (3), 1960, p 185.

- 44 e.g., Y Glass, "The Black Industrial Worker: a social psychological study", NIPR, July 1960; and S B Ncgobo, "The Response of Africans to Industrial Employment", Race Relations Journal, Vol XXI, No 1, 1954.
- 45 FCI, Memorandum on "Native Labour Mobility", p 1.
- 46 N N Franklin, Economics in South Africa (Cape Town: OUP, 1954), p 171.
- 47 1957 Annual IANA Congress, p 131.
- 48 Africans' real wages began to rise after 1958, but largely because the 1957 Alexandra bus boycott focused industrialists' attention on the political dangers of poverty wages. The ANC's minimum wage campaign in 1958 reinforced these political pressures affecting wage levels.
- 49 See, for example, Commercial Opinion, March 1957, p 13.
- 50 F J Language, "Native Housing in Urban Areas", Journal of Racial Affairs, 1 (2), p 29.
- 51 When questioned in the Senate about whether employers would be denied any rights to specify a preference for migrant labour, Verwoerd acknowledged that there might be a few "exceptional cases" involving a particularly skilled migrant worker who had become indispensable to his employer. But he restated the general principle that the ULPP overruled such rights. (Senate Debates, 22.5.51, col 4069; 23.5.51, col 4157.)
- 52 The failure of the ULPP was also partly attributable to defiance by African work seekers - an aspect of the ULPP which is beyond the scope of the present paper.
- 53 FCI Circular re "Native Labour Availability", 21.3.56 (FCI papers).
- 54 In addition, of course, to those who obeyed the law for its own sake.
- 55 Interview with W J P Carr, 23.11.84.
- 56 FCI, "Memorandum on the Results..."
- 57 Report of Interdepartmental Inquiry into "Idleness and Unemployment Among Urban Bantu" (1962), chaired by M C Botha (unpublished).
- 58 Johannesburg City Council, "Minutes of the 832nd Meeting ..."
- 59 Interview on 6.11.84 with ex-Manager of Johannesburg NEAD, who did not want to be named.
- 60 Master Builders' Association Draft Memorandum; 17.4.67 (Johannesburg NEAD File A78/2/2)
- 61 FCI: "Memorandum On Results of Survey ...", 21.6.56, para 19.
- 62 See pages 70-74 of C Simkins, Four Essays on the Past, Present and Possible Future Distribution of the Black Population of South Africa (Cape Town: SALDRU, 1983). These figures suggest that the "foreign" population of the smaller towns rose considerably, but fell in the metropolitan areas.
- 63 Federated Hotel Association of Southern Africa to President, re "Deputation to Minister of Native Affairs", 4.8.54, p 2 (unsorted ASSOCOM papers).
- 64 FCI Circular re "Native Labour Availability", 21.6.56 (FCI papers).