CHAPTER 5. ECONOMIC DEPRESSION, PRODUCTION RESTRICTION AND JAPANESE OCCUPATION, 1929-1948.

By the late 1920s the Malayan t n mining industry was linked inextricably to the world economy. As such it was severely affec ed by the three international disturbances that occurred in the period between 1930 and 1945, namely the Great Depression (1929-1933), the establishment of international tin-control sche nes (1931-1946) and the Japanese Occupation (1941-1945). This chapter traces the impact of these disturbances on the industry and concomitantly, on Chinese tin mining labour. The chapter is divided into two sections. The first section covers the period 1929-1942. An interesting observation that can be made with respect to Chinese tin mining labour du ring this period is the incidence of labour unrest in the mines. Agitation by Chinese miners was related to the situation of general labour unrest in the Malay peninsula and the political agitation of the Malayan Communist Party (MCP). Section 2 briefly examines the Japanese Occupation and the immediate post-war period prior to the declaration of Emergency. Special attention is given in this section to a study of Chinese female *dulang* washers whose numbers increased significantly during this period.

I. ECONOMIC DEPRESSION AND PRODUCTION RESTRICTION, 1929-1942:

The Effects of the Great Depression on the Malayan Tin Mining Industry

Following the crash of the New York stockmarket in 1929, an economic depression engulfed the world.[1] As the volume of international trade declined the Malayan tin mining industry was severely affected because of its heavy reliance on foreign export markets, in

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[1] For a general discussion of the effects of the Great Depression in Malaya see Khoo Kay Kim "The Great Depression: the Malaysian Context" in Khoo Kay Kim (ed.) *The History of South-East, South and East Asia, Essays and Documents*, Kuala Lumpur, Oxford University Press,1977, pp.78-94. For specific reference to the tin mining industry see A.Azmi Abdul Khalid, "The Social Organisation of the Mining Industry During the Depression, 1929-1933 in Malaya", *Journal of the Malaysian Branch of the Royal Asiatic Society*, Vol.65, Part II, December 1992, pp.85-98.

particular the United States.[2] As shown in Table 27 below, tin production in Malaya declined significantly, from 69,366 tons in 1929 to 24,904 tons by 1933. With the reduction in demand many mines were forced to close; the number of mines in operation was reduced from 1,286 in 1929 to 1,013 in 1933. Consequently, many labourers were displaced as employment fell over the same period, from 104,000 to 43,800. As shown in Table 28 below, retrenchments were most severe in the Chinese dominated and labour-intensive sectors of the industry, in particular gravel-pump mining which experienced a 70 percent reduction in employment as compared with a 61 per cent reduction in dredging employment.[3] In fact, many of the Chinese mines that remained in operation over the period did so only because of the extremely low wages their labourers would accept; the rate per *kurag* in 1931-32 varied from 10 to 20 cents, and in some areas the coolies worked only for their food.

Table 27

Effects of the Great Depression on the Malayan Tin Mining Industry.

Year	Number of Mines in Operation	Output (tons)	Labour Employed [a]	Price per Pikul ($)
1929	1,286	69,366	104,000	104.37
1930	1,234	63,974	80,500	72.89
1931	1,118	54,908	57,000	60.29
1932	1,068	29,274	44,500	69.76
1933	1,013	24,904	43,800	99.99

Source: Siew, "Labour and Tin Mining", Table VIII, p.29.

Note: [a] Figures given in the nearest hundred.

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[2] By 1927 the United States accounted for over half Malaya's total annual tin exports and was almost five times as important as Britain in the tin trade. Actual figures were: United States 46,370 tons, Britain 9,453 tons. Li Dun Jen, *British Malaya*, Table 3.6, p.50.

[3] The Chinese labour-intensive sectors of the industry incurred high average variable costs but low average fixed costs of production. European dredges on the other hand, being generally capital-intensive, incurred a low average variable but high average fixed cost of production. Consequently, output per labourer on the dredges was several times greater than that in, for instance, gravel-pump mining.

Table 28

Employment in Tin Mining in the FMS, 1929-33 According to Methods of Mining.[a]

Year	Dredging	Gravel-pumping	Hydraul-icing	Open-casting	Lode	Total
1929	16,800	59,200	9,000	13,300	6,200	104,000
1930	12,300	41,100	9,100	12,200	5,800	80,500
1931	9,200	25,600	5,600	12,700	3,900	57,000
1932	7,000	16,600	5,000	12,500	3,400	44,500
1933	6,500	17,600	4,800	10,600	3,300	42,800

Source: FMS, *Mines Department Report, 1939*, Appendix B, cited in Yip, *The Development of the Tin Mining Industry*, Table III-1, p.213.

Notes: [a] Number employed at end of year, excluding *dulang* washers. Figures are given to the nearest hundred.

In order to stem rising unemployment, particularly among the Chinese, moves were made by the British colonial administration to restrict immigration into the country. After the prohibition of indentured Chinese labour in 1914 the absence of effective legislation dealing with Chinese immigration was reflected in a net increase of 403,000 Chinese male immigrants to the Straits Settlements and Malay States in the period 1925-1929. But, with the effective end of the boom, the Immigration Restriction Ordinance was gazetted in the Straits Settlements in 1928 and came into effect in August 1930 when the depression began to influence the level of employment.[4] The law empowered the Governor to regulate and prohibit immigration in times of "unemployment and economic distress", or "when it was not in the public interest" to allow certain groups entry.[5] Monthly quotas were subsequently placed on the entry of Chinese male immigrants under the 1933 Aliens' Enactment. This Ordinance was considered "more effective" in controlling immigration; whereas the 1928 Ordinance was applicable only in terms of emergency, the Aliens' Ordinance was applicable for all times and was put into immediate effect. Furthermore, the 1933 Ordinance not only regulated "the admission of aliens

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[4] A similar Ordinance was gazetted in the FMS but was unnecessary since all immigrants had first to pass through the Straits Settlements.

[5] Parmer, *Colonial Labour Policy*, p.92.

in accordance with [the] political, social and economic needs" of the authorities, but also provided for the registration and control of aliens resident in Malaya.[6]

The Period of International Tin Control

The problems of the Malayan tin mining industry during the period 1929-1933 were not due solely to the economic depression. Even before the financial collapse in the West, the price of tin had begun to fall.[7] This initial fall was the result of a vast expansion in world production during the 1920's which was much greater than the increase in world consumption.[8] Malaya, as the world's largest producer, contributed significantly to this overproduction. The situation was exacerbated by the financial decline in the West and as demand for tin was curtailed tin prices continued to fall.[9]

It will be recalled that the increase in Malayan tin production during the late 1920s was the result of a rapid expansion in foreign (chiefly British) dredging investments. However, because the production process was lengthy (a dredge for instance normally required two years to commence production and even longer to begin producing efficiently), the year of peak investments did not coincide with the year of peak production. This time lag concealed from the Malayan producers the fact that over-investment had occurred as early as 1927 and a surplus of productive capacity had developed.[10] It required the fall in tin prices in 1929 to make the development of excess capacity apparent.

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[6] The definition of "alien" was important to those persons likely to be affected. An "alien" was defined as any person not a British subject or a subject of a British-mandated territory. As such the ruling affected Chinese and Indonesians, but not Indians. Persons born in Malaya of whatever ethnic origin were not regarded as subject to the Ordinance. Furthermore, the Governor-in-Council had the power to exempt aliens from any particular country or place and initially all immigrants from the Netherlands East Indies as well as women and children were exempted. On the whole, therefore, the Ordinance primarily affected only the entry and residence of Chinese males. See Parmer, *Colonial Labour Policy*, pp.92-93; Khalid, "The Social Organisation of the Mining Industry", p.94.

[7] From its 1920 peak of £291.2 per pikul, the tin price had fallen to £203.9 per pikul by 1929. See Table 4 Appendix A.

[8] Between 1921 and 1929 world production had increased from 110,000 tons to 189,000 tons. Over the same period world consumption had increased from 80,000 tons to 184,000 tons. See Table 4 Appendix A.

[9] By 1931 the tin price had fallen to £118. per ton.

[10] For a detailed analysis of the development of surplus productive capacity in the industry see Yip, *The Development of the Tin Mining Industry*, pp.161-66

For similar reasons all the other primary tin producing countries were also over-producing at this time.[11] To prevent a further reduction in the tin price the governments of the major tin producing countries (Britain for Malaya and Nigeria; Holland for the Netherlands East Indies; and Bolivia), embarked first on voluntary restriction of production and, when this failed, upon compulsory restriction that lasted until the outbreak of the Second World War. Briefly, compulsory production restriction was embodied in four International Tin Agreements made between 1931 and 1946.[12]

The First International Tin Agreement was operative from 1 March 1931 to December 1933.[13] Estimating 145,000 tons as a reasonable world production for 1931, the International Tin Committee (ITC- the governing body of the agreement), established an initial quota of 126,000 tons for the year, equivalent to 77.8 per cent of the standard tonnage.[14] On this basis the participating countries were allotted percentage production quotas.[15] As the quota did not give adequate recognition to the volume of "outside production" from non-member countries, it was further reduced in June 1931 to 65.5 per cent of the standard tonnage.[16] In January 1932 the quota was further reduced to 56 per cent.[17] However, this still did not reduce stocks or significantly raise the tin price.[18] Finally, the "modified Byrne Scheme" was adopted which

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[11] In Bolivia for instance, production increased from 29,000 tons in 1921 to 46,000 tons in 1929; in the Netherlands East Indies production had increased from 25,000 tons to 36,000 tons; Nigeria, from 5,000 tons to 11,000 tons; and Thailand, from 6,000 tons to 10,000 tons. Consequently tin stocks began to rise, from 15,700 long tons in December 1927 to 42,300 long tons by December 1930.

[12] The following is based on Yip, *The Development of the Tin Mining Industry*, pp.161-225. See also Gill Burke, "The Rise and Fall of the International Tin Agreements", in K.S.Jomo (ed.), *Undermining Tin* Sydney, Transnational Corporations Research Project, University of Sydney, 1990, pp 43-70.

[13] The basis of the Agreement was the contract between the three governments each to restrict tin exports (and hence production) according to an allotted percentage quota based on 1929 output which became known as the "standard tonnage". World production for 1929 was agreed to be 186,000 tons.

[14] The difference between the proposed restricted output of 126,000 tons and the estimated world output of 145,000 tons was the estimated production of non-restricting countries. Of this it was expected that Siam would be responsible for more than half. Siam became a member of the International Tin Agreement in September 1931.

[15] The initial quotas were: Malaya 37.19 per cent; Bolivia 23.63 per cent; the Netherlands East Indies 20.63 per cent; Nigeria 5.34 per cent.

[16] The standard tonnages of the restricting countries were: Malaya 69,400 tons; Bolivia 46,300 tons; the Netherlands East Indies 35,700 tons; Nigeria 14,000 tons. The ITC maintained that if these tonnages were achieved then some reduction of stocks would be expected during 1931 and the tin price would increase to more than £180 per ton.

[17] This export quota was distributed among the restricting countries: Malaya 69,400 (equivalent to 44.1 per cent of its 1929 output); Bolivia 46,300 (43.8 per cent of its 1929 output); the Netherlands East Indies 35,700 tons (44.per cent of its 1929 output) and Nigeria 10,400 tons (42.3 per cent of its 1929 output).

[18] Tin stocks had actually increased to 51,300 long tons by December 1931. The London tin price had increased from £104 in May 1931 to only £139 per ton by February 1932.

prohibited exports during July and August 1932 and thereafter reduced exports to 33.3 per cent of the standard tonnage.[19] This very low quota finally achieved the aim of reducing production below consumption and in 1932 consumption actually exceeded production by 5,600 tons. Nevertheless, as stocks remained high (at 47,000 tons), the margin of excess consumption did not have any significant effect on the tin price. Therefore, although prices and consumption increased during 1933, tin production remained restricted. By the end of the year stocks had finally fallen to the satisfactory level of 27,000 tons.[20]

By the end of 1933 the tin price had returned to its 1928-29 level (above £200 per ton). But, dissatisfied with the rate of recovery of the tin price, the parties to the First Agreement decided to extend output restrictions for a further three-year period. The Second Agreement was essentially identical but incorporated new members, namely French Indo-China, the Belgian Congo, Portugal and Cornwall. During 1934 the average quota was maintained between 45 and 50 per cent of the standard tonnage.[21] Then, from mid-1935, the quota was raised. By 1936 it averaged 92.5 per cent. Following increases in quota production and tin stocks began to rise. Nevertheless, prices continued their upward trend.[22]

With minor changes the Second Agreement was continued as the Third Agreement from the beginning of 1937. By this time the tin industry had recovered from the effects of the depression and world consumption had increased with industrial revival from 105,000 tons in

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[19] The "Byrne Scheme" had originated from an independent proposal from the Malayan Chamber of Mines which called for an export quota of 54,000 tons for 1932-33 (equivalent to a reduction of one third of 1929 output). To achieve this a complete cessation of exports during the months of June and July was suggested with exports resuming during the following ten months. The scheme became operative on 1 July 1932 and remained effective until the end of the First Agreement in December 1933.

[20] A stock pool was also in existence during the operation of the First Agreement. This pool, operated by British and Dutch interests, accumulated a stock of 21,000 tons, the bulk of which was liquidated during the second half of 1933 and the remainder during 1934. The release of stocks from the Pool was prompted by rising tin prices.

[21] Standard tonnages for the original signatories of the Agreement were Malaya 71,940 tons; Bolivia 46,490 tons; Netherlands East Indies 36,330 tons; and Nigeria 10,890 tons. In addition "special quotas" were given for the purpose of adjusting export excess. The other participating countries produced on a "flat rate quota".

[22] During 1934-35 an official buffer stock (known as the International Buffer Stock), was established as an adjunct to the Second Agreement. But unlike the earlier private pool the Committee controlling this buffer stock could act only on the instructions of the ITC. The function of this stock was to give the ITC greater control over prices in general and to aid the slowing down of the rise in prices which had now become apparent. In reality the scheme proved to be relatively ineffective because of its small size: the amount held in the buffer stock amounted to only 8,300 tons contributed by Malaya, the Netherlands East Indies, Bolivia and Nigeria. The stock was liquidated in September 1935 after having temporarily stemmed the rise in prices.

1932 to 156,000 tons by 1936. Consequently, the 1937 production quota averaged 107.5 per cent of a revised standard tonnage of 199,850 tons. In the first quarter of 1937 tin prices rose to their highest post-1927 level of £289 per ton. However, this situation did not continue indefinitely. Prices that had begun to show some stability by mid-1937 broke sharply and declined to £190 per ton by the end of the year. It appeared that the ITC's price stabilisation claim was not being realised. In 1938 the production quota was reduced; first to an average 70 per cent and then to an average of 55.8 per cent of the standard tonnage. In addition, a buffer stock scheme (as an adjunct to the restriction scheme) was established.[23] In late 1938 the tin price began to rise but, until November 1939, it remained within the price range set by the buffer stock. During 1939 the export quota was maintained between 35 and 40 per cent of the standard tonnage (plus a 10 per cent contribution to the buffer). Tin from the buffer stock was sold in late 1939 when the price reached the upper limit of £230 per ton. During its operation the buffer stock bought and sold a total of 66,000 tons of tin and, until the outbreak of war, engendered a sudden increase in demand, appeared to have effectively maintained the tin price within the target limits.[24]

From the beginning of 1940 production ceased to be restricted. Although quotas continued to be set they were at such high levels (at around 120 per cent) that maximum production was always realised. Furthermore, the ITC made two agreements with the United States during this period whereby all the tin that could be produced by the member countries would be purchased at a predetermined price. The Fourth Agreement was established at the beginning of 1942 but as its existence coincided with the war years there was, in fact, little necessity to restrict production. The Agreement expired at the end of 1946

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[23] The aim of this buffer stock was to keep short-run price fluctuations within the range of £200-300 per ton. Member countries of the Third Agreement were entitled to contribute to the scheme on a pro-rata basis according to their allocated standard tonnage. If any portion of a pro-rata share was not contributed, the balance was distributed among the other countries. Between August 1938 and July 1939 the buffer stock accumulated 15,500 tons of tin.

[24] See Table 4 Appendix A.

The Effects of Production Restriction in Malaya

The domestic allocation of production quotas under each International Tin Agreement was the responsibility of individual national governments. As such it required the enactment of legislation to enable government control over production and export. In Malaya this was effected through the Tin and Tin-Ore Restriction Enactment which was passed in April 1931. This new legislation was designed to "restrict, regulate and control the production, possession, sale, purchase and export of tin ore" Domestic control involved allotting to each of the producers a standard production (known as a production assessment) and distributing quotas to individual producers accordingly. In Malaya this proved an enormous task as by 1931 there existed 1,188 separate operating units.[25] To enable this to be accomplished smoothly the Enactment provided for the appointment of a central committee (comprised of the Chief Warden of Mines and representatives from the European and Chinese sectors), that was charged with carrying out individual production assessments and the distribution of quotas.

At the outset of the First Agreement the productive capacities of the Malayan mines were assessed on output during 1929-30 (or 1930 only). But, since many mines (especially dredges) were still in the process of increasing their productive capacities with the installation of new equipment it necessarily followed that the domestic assessment of total productive capacity in Malaya would yield a figure considerably larger than the allotted standard tonnage. This occurred in each of the three agreements. As shown in Table 29 below, Malayan producers were constantly required to restrict production at rates greater than that recommended by the ITC. The severe restrictions imposed by membership of the International Tin Agreements therefore had serious implications for the structure of the industry and, concomitantly, for Chinese tin mining labour.

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[25] This contrasted significantly with the Netherlands East Indies which had only two separate units in operation (the Government and the Billiton Company), and with Bolivia and Nigeria each of which had a relatively small number of units in operation.

Table 29

Annual Average International and Domestic Quotas Imposed on the Malayan Tin Mining Industry, 1931-1941

Year	International Quotas (% of International Standard Tonnage)	Domestic Quotas (% of Domestic Standard Tonnage)
First Agreement		
1931	60.00	63.30
1932	41.40	32.80
1933	33.30	24.30
Second Agreement		
1934	45.00	34.00
1935	53.80	42.40
1936	92.50	67.00
Third Agreement		
1937	107.50	77.75
1938	55.60 [a]	41.20 [b]
1939	75.25 [b]	53.00
1940	115.00	88.75
1941	130.00	100.00

Source: Yip, *The Development of the Tin Mining Industry*, pp.201, 229, 252.

Notes: [a] Including contributions to the buffer stock and the additional allowance of 7.56 per cent during the second quota period.
[b] Including contributions to the buffer stock.

The general effects of production restriction on the Malayan tin mining industry in terms of the number of operating mines, production, and total employment, are summarised in Table 30 below.

Table 30

Number of Mines, Production and Employment in Tin Mining in the FMS, 1929-1941.

Year	Average Domestic Quota		Mining Units [a]		Production [b]		Employment [c]	
	%	% Change	No.	% Change	Tons	% Change	No.	% Change
1929	-	...	1,322	...	70	...	104	...
1930	-	...	1,235	- 6.6	65	- 7.1	81	- 22.1
1931	63.3	...	1,193	- 3.4	53	- 18.5	57	- 29.6
1932	32.8	- 48.2	1,068	- 10.5	28	- 47.2	47	- 22.8
1933	24.3	- 25.9	994	- 6.9	24	- 14.3	43	2.3
1934	34.0	+40.0	912	- 8.2	36	+50.0	55	+27.9
1935	42.4	+24.7	845	- 7.3	41	+13.9	63	+14.5
1936	67.0	+58.0	937	+10.8	65	+58.5	80	+13.4
1937	77.8	+16.1	1,029	+ 9.8	75	+15.4	88	+10.0
1938	41.2	- 47.0	767	- 25.5	41	- 45.3	58	+34.1
1939	53.0	+28.0	917	+19.6	45	+ 9.8	73	+25.9
1940	88.8	+67.5	1,053	+14.8	81	+80.0	91	+24.7
1941	100	+12.6	962	- 8.6	60	- 25.9	87	- 4.4

Source: FMS, *Statistics Relating to the Mining Industry, 1929-1950*, and FMS, *Mines Department Reports, 1930-1946*, cited in Yip, *The Development of the Tin Mining Industry*, Tables III-3, III-8, III-5, pp.207, 230, 255

Notes: [a] Number operating at the end of the year, including those without machinery and employing less than fifty labourers
[b] As ascertained from sales by producers. Figures are given in nearest thousand tons.
[c] Number employed at end of year. Figures are given in nearest thousand.

Overall, despite fluctuations, the general structural changes that were outlined in the previous chapter were reinforced by production restriction. In terms of total output production had fallen from 70,000 tons in 1929 to a low of 28,000 tons in 1933. By 1941 production was again rising to pre-restriction levels. However, as shown in Table 31 below, in terms of the proportion of output of the different sectors of the industry, the greatest decline occurred in the Chinese-dominated gravel-pump, hydraulicing and open-cast sectors. Over the period 1929-1941 production in the gravel-pump sector fell from 29,030 tons to 21,700 tons; in the hydraulicing sector from 5,860 tons to 2,260 tons; and in the open-cast sector from 2,740 tons to 2,410 tons. Meanwhile production in the dredging sector had increased from 27,210 tons in 1929 to 30,670 tons by 1941.

Table 31

Tin Output in the FMS, 1929-1941, By Methods of Mining (Figures are given in nearest ten tons).

Year	Dredging	Gravel-pumping	Hydraul-icing	Open-cast	Lode	Dulang Washing	Misc.	Total
1929	27,210	29,030	5,860	2,740	3,240	1,060	850	69,990
1930	24,730	28,220	4,580	2,700	3,040	960	760	64,990
1931	22,070	20,390	3,370	2,930	2,380	1,410	560	53,110
1932	11,870	10,480	1,610	1,260	1,200	970	440	27,830
1933	10,760	8,710	1,360	1,100	960	740	270	23,900
1934	16,830	13,700	1,880	940	1,760	760	350	36,220
1935	18,300	16,690	2,040	930	1,520	870	440	40,790
1936	30,460	24,830	3,150	2,560	2,600	1,030	60	64,690
1937	36,160	28,710	3,250	3,020	2,910	1,010	70	75,130
1938	18,540	15,770	2,320	1,770	1,730	1,030	40	41,200
1939	21,410	16,270	2,550	1,710	1,800	850	40	44,630
1940	42,200	28,300	3,070	3,160	2,850	1,000	70	80,650
1941[a]	30,670	21,700	2,260	2,410	2,270	940	50	60,380

Source: FMS, *Mines Department Reports*, 1930-33 and FMS, *Statistics Relating to the Tin Mining Industry, 1929-46*,cited in Yip, *The Development of the Tin Mining Industry*, Tables III-5, III-10, III-17, pp.211, 232, 258; Fermor, *Report Upon the Mining Industry*, Table 19, p.65.

Notes: [a] Output from January to September only.

Promoting declining production in the Chinese sector relative to the European sector was the fact that, under each Agreement, the bulk of the domestic assessment of potential productive capacity (and therefore the production quotas), was allocated to dredging operations. By the end of the First Agreement in 1933 dredging output accounted for 45 per cent of the total. This compared with 39 per cent in 1929. In the gravel-pump sector output had fallen to 36 per cent of the total, compared to 41 per cent in 1929. Between the Second and Third Agreements, average annual dredging output almost doubled (from 16,830 tons to 30,670 tons), thus increasing the proportion of dredging output from 42.7 per cent to 49.4 per cent of total production. Furthermore, the virtual removal of restriction during 1940-41 enabled much of the excess productive dredging capacity, which had been lying idle since 1931, to be brought into production. As a result dredging output jumped to over 42,000 tons during 1940,

approximately double that of the previous year. At the same time, there was a further decline in gravel-pump output as a proportion of total production, from 38 per cent in 1931-33 to 37 per cent by 1937-41. A similar pattern can be discerned in the hydraulicing and open-cast sectors.

Ultimately, the rapid expansion in dredging output during the years of the Third Agreement had the effect of reinforcing the redistribution of the importance of the European *vis-a-vis* the Chinese sector of the industry. Until 1928 the output of Chinese mines had always exceeded that of the European sector. By 1929, following the substantial expansion of European investments in dredging, the output of the European sector accounted for 62 per cent of total tin production and the Chinese sector for 36 per cent. As shown in Table 32 below, these percentages remained more or less constant during the period of actual production restriction (from 1931 to 1939).[26] Then in mid-1940, as production restriction was relaxed, the European share of the industry increased from an average of 68 per cent of total output during 1937-39 to an average 72 per cent during 1940-41.[27] In the meantime, the Chinese sector's share of the industry had declined from 30 per cent of total output to an average of 27 per cent over the same period.

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[26] The slight increase of about 4 per cent was due to the net transfer of production quotas from Chinese to European mines during this period.

[27] Within this monopolistic structure, actual concentration of control over the industry by European companies was even greater owing to the organisational structure of the British-owned tin mining companies. In 1954 it was recorded that three managing agencies, Anglo-Oriental (40), Neill and Bell (24) and Osborne and Chappel (10) managed 74 of the 108 dredges in Malaya on behalf of the 47 companies which accounted for 73 per cent of the total European-owned mine output.

Table 32

Production of Tin-Ir -Concentrates in Malaya, by European and Chinese Mines, 192[illegible] -50 (Figures given in thousand long tons).

Year	European		Chinese	
	'000	% total	'000	% total
1929	43.5	62.1	25.5	36.4
1930	40.9	62.9	23.1	35.5
1931	35.0	65.9	16.7	31.5
1932	18.2	65.5	8.6	30.9
1933	15.9	66.5	7.3	30.5
1934	23.9	66.0	11.5	31.8
1935	26.7	65.4	13.2	32.4
1936	43.6	67.4	20.1	31.1
1937	50.7	67.5	23.4	31.2
1938	27.7	67.2	12.5	30.3
1939	31.0	69.5	12.8	28.7
1940	57.7	71.5	22.0	27.3
1941[a]	42.6	70.6	16.7	27.7
1942		-	-	-
1943		-	-	-
1944		-	-	-
1945		-	-	-
1946	3.2	38.3	3.1	36.3
1947	16.2	59.8	9.0	33.7
1948	26.0	58.1	16.4	36.5
1949	32.8	59.7	19.5	35.5
1950	33.9	58.9	21.2	36.8

Source: FMS, *Statistics Relating to the Mining Industry* cited in Yip, *The Development of the Tin Mining Industry*, Appendix 8, p.402.

Note: [a] January-September only.

In terms of the number of mines in operation, the total fell from 1,322 in 1929 to 962 by 1941 (Table 30). As shown in Table 33 below, the bulk of this decrease again occurred in the Chinese sector, in small workings employing less than 50 labourers and without machinery and in the open-cast sector. Although the dredging and gravel-pump mines experienced a severe reduction in numbers during the First and Second Agreements, by 1936 there were almost as many dredges and more gravel-pump mines in operation than there had been in 1929. On the other hand, the number of small workings and open-cast mines had fallen by approximately two-thirds. Although some of the decrease can be explained by the conversion to mechanised production (especially the installation of gravel-pumps, which partly explains

the increase in the number of gravel-pump mines from 280 in 1931 to 730 by 1940), the primary cause of the decline was that the smaller operations worked with insufficient capital to tide them over when the international quota was low. If they were lucky, small producers could open their mines for a few months and then close them for the rest of the year. For the majority, however, there was little choice as production was progressively restricted but to close down operations and sell the production quota to another company, usually to a dredging concern.[28] On the other hand, larger companies, particularly those operating dredges, fared comparatively well under production restriction because they were able to take advantage of economies of scale.

Table 33

Number of Tin Mines Operating in the FMS, 1929-1941[a]

Year	Dredging	Gravel-pumping	Hydraulicking	Open-cast	Misc.	Small Workings Without Machinery	Total
1929	105	428	16	18	28	707	1,322
1930	69	316	15	22	17	776	1,235
1931	56	280	10	23	20	784	1,193
1932	28	231	18	35	14	722	1,068
1933	23	268	16	30	14	623	994
1934	56	367	16	13	31	409	912
1935	70	394	10	7	34	310	845
1936	90	527	16	8	35	251	937
1937	93	635	14	10	28	229	1,029
1938	55	372	12	17	11	280	767
1939	96	538	13	20	10	220	917
1940	104	733	14	22	9	151	1,053
1941	103	668	11	17	10	133	962

Source: FMS, *Statistics Relating to the Tin Mining Industry, 1929-1946* cited in Yip, *The Development of the Tin Mining Industry*, Tables III-4, III-9, III-16, pp.209, 232, 257

Note: [a] Number in operation at the end of the year.

Coinciding with decreased production and the closure of mines was a decline in total employment in the industry, from 104 000 in 1929 to a trough of 42,800 in 1933 (coinciding

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[28] In 1939 it was recorded that a net transfer of over 11,000 pikuls (about 650 tons) of production quotas had occurred from Chinese to European mines. FMS, *Mines Department Report*, 1939, cited in Yip, *The Development of the Tin Mining Industry*, p.259.

with the depths of depression), to 86,800 by 1941.[29] As shown in Table 34 below, the largest retrenchments occurred in the Chinese sector, in the labour-intensive hydraulicing and open-cast mines. As Chinese labour still predominated in the mining labour force, the bulk of the retrenched workers were Chinese coolies. In line with the rapid expansion in the number of dredges and gravel-pump mines during the years of the Third Agreement, there was also a marked increase in the numbers employed in these sectors, although in the gravel-pump mines this was still less than the number employed in the pre-restriction period. The hydraulic and open-cast sectors, on the other hand, failed to regain anywhere near their 1929 employment levels.

Table 34

Employment in Tin Mining in the FMS, 1929-1941, According to Methods of Mining.[a]
(Figures are given in the nearest hundred).

Year	Dredging	Gravel-pumping	Hydraul-icing	Open-cast	Lode	Total
1929	16,800	59,200	9,000	13,300	6,200	104,500
1930	12,300	41,100	9,100	12,200	5,800	80,000
1931	9,200	25,000	5,600	12,700	3,900	57,000
1932	7,000	16,600	5,000	12,500	3,400	44,500
1933	6,500	17,600	4,800	10,600	3,300	42,800
1934	8,900	28,800	4,600	7,800	4,500	54,000
1935	10,500	31,100	5,000	11,500	4,800	62,900
1936	15,500	42,200	4,800	11,000	6,700	80,000
1937	16,200	47,400	4,700	13,400	6,700	88,400
1938	12,900	23,200	3,800	11,600	6,100	57,600
1939	16,400	36,600	3,500	11,400	5,000	72,900
1940	na	na	na	na	na	91,000
1941	na	na	na	na	na	86,800

Source: FMS, *Mines Department Reports 1939*, Appendix B, cited in Yip, *The Development of the Tin Mining Industry*, Tables III-6, III-11, III-18, pp.213, 233, 261; Fermor, *Report Upon the Mining Industry*, Table 2 , p.67.

Note: [a] Number employed at the end of the year (except for 1941 which shows number employed at end of September), excluding *dulang* washers.

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[29] The large fall in employment in 1938 was exacerbated by a general recession brought about by unexpected depressed conditions in the United States. Widespread unemployment and reduced immigration resulted. The spread of the Sino-Japanese War in southeastern China accentuated the unemployment of Chinese workers by preventing their return to China.

Labour Unrest and the Influence of the Malayan Communist Party

An interesting observation that can be made with respect to Chinese tin mining labour during the period of economic depression and production restriction is the incidence of labour agitation in the mines. Although strikes and boycotts had been practiced by Chinese coolies since the abolition of the secret societies' control over labour, these were infrequent and usually short-lived. In the 1930s, however, widespread labour unrest was stimulated by the deprivation that continued from the Depression years as labour failed to share in the growing prosperity of the mines as economic activity resumed and tin prices began to rise.[30] This culminated in a series of strikes that erupted in 1936 and 1937 and centred on calls for better wages and working conditions.[31]

Much of the labour unrest in the 1930s was attributed to the widespread grievances among workers engaged under the Chinese contract system. Although the labour contractor was no longer as powerful in the recruitment system, with financial control having been drastically impaired as the immigrants no longer commenced work in a state of indenture, the contractor was still the stronger of the two parties and continued, albeit less blatantly, to exploit labour.[32] Many strikes were directed against the labour contractors who were accused of pocketing an unfair percentage of the funds received from employers.[33] Another of the

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[30] Drastic wage cuts and other difficulties experienced during the Depression were accepted by the Chinese workers as inevitable exigencies of the time. Commensurate wage increases were expected to follow the return of prosperity when the economic gloom began to lift in 1934 and tin prices began to rise. However, while the cost of living had continued to increase, the expected wage increases did not eventuate

[31] Yeo Kim Wah, "Communist Challenge in the Malayan Labour Scene, September 1936-March 1937", *Journal of the Malaysian Branch of the Royal Asiatic Society*, Vol.49, No.2, December 1970, pp.36-45; Parmer, *Colonial Labour Policy*, pp.164-169

[32] In many ways the contractor's authority over labour had been strengthened by the Depression. The austerity drive had led to a drastic reduction in European staffs engaged in the mines. It became difficult for managers to exercise control over the size of the tasks assigned to workers; usually the manager did not even know the wage rate paid to the labourers because the contractor's account books were kept in Chinese. Consequently, managers became more dependent on the contractor and it was not uncommon for the contractor to underpay the labourers. Sometimes the contractors failed to pay the labourers altogether by absconding with the worker's wages. Yeo, *ibid.*, p.42.

[33] The contract system that prevailed in the mid-1930s was similar to that outlined earlier, except that the labour contractor was forced to recruit labour from lodging-houses in the Straits Settlements and Malay States. The restrictions on Chinese immigration meant that the contractor was unable to recruit new labour in China because of the high cost of passage tickets. Lodging-houses therefore developed as labour exchanges. Once the contractor engaged the labourers (by paying the expenses incurred at the lodging-house), he usually supervised them in their tasks. Generally, the contractor received a lump-sum payment based on the labourer's output once or twice a month from the owner of the mine. After deducting a certain percentage from the payment, he remunerated his men accordingly. The amount deducted by the contractor was usually a considerable sum because it included the contractor's general expenses as well as the wages of his clerks, cook and *kepalas*. It also included exorbitant interest charges on food, *chandhu* and wages paid in advance. The labourers were also charged for use of the bed-planks in the *kongsi*-houses. The payment of balances was often peaked at 90 per cent. FMS, *Methods and Conditions of Employment of Chinese Labour in the FMS*, p.5 cited in Parmer, *Colonial Labour Policy*,102-03, p.164; Yeo, *ibid.*, p.43

inequities of the contract system was the general neglect of worker's welfare and living conditions. Under the Labour Code the contractor engaging the labourers was designated as their employer. As such he was legally obliged to provide certain social amenities to the workers such as the provision of proper accommodation, sanitary arrangements and water supplies. In practice these were haphazardly provided by the mine owners. The contractors cared little about living conditions in the mines so long as they did not depress earnings. Nor did the British officials act to improve the situation.[34] Overall, therefore, the workers were left in benign neglect and in deep resentment in the post-depression years. This situation led to labour unrest.

Between 1934 and 1937 employers in the Kinta Valley were forced to grant higher wages to keep workers on the mines and in related enterprises. In mid-1934, for example, fitters employed in Chinese foundries in Ipoh, Pusing, Kampar and Tronoh demanded and were granted wage increases ranging from 14 to 35 per cent. The success of this group encouraged action by fitters employed in European-owned mines in Ipoh and these workers also went on strike.[35] Enriched by this experience the fitters formed a Fitter's Guild and, under the Guild's leadership, some 600 workers went on strike in the Ipoh area in 1936. This strike ended a month later when demands for higher wages were granted.[36] Throughout the remainder of 1936 various other groups of mine workers also demanded and received wage increases. In Perak large-scale strikes were averted at the last moment only because the large European and Chinese gravel-pump mine owners offered a 10 per cent wage increase to their workers.[37] Similarly, in February and March 1937 some 3,000 mine workers in Perak demanded and

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[34] Governor Gore explained that the Chinese labourer was left alone because he "...had always been able to take care of himself. When he has been dissatisfied with the treatment he has received, whether direct from his employer or at the hands of a contractor, he has gone to his employer or to the [Chinese] Protectorate and got his complaint adjusted or has indulged in a peaceful strike". Governor Sir Thomas Shenton to W.G.Ormsby-Gore, 20 May, 1937, in CO 273/632.

[35] *Monthly Review of Chinese Affairs*, No.45, May 1934. File No. 33046, Pt.II, in CO 273/596.

[36] *Monthly Review of Chinese Affairs*, No.67, March 1938. File No.50055, Pt I, in CO 273/614

[37] *Monthly Review of Chinese Affairs*, No.76, December 1936, File No. 50055, Part III, in CO 273/615.

received higher wages when they threatened to stop work.[38] Even the timber workers, tin smiths and tailors attached to the mines received pay increases when they also threatened to go on strike.[39] As shown in Table 35 below, the general outcome of labour unrest during this period was a 100 per cent increase in money wages for tin mining labourers over the decade 1931-1941.

Table 35

Relation Between Prices and Wages in the Tin Mining Industry, 1929-32 and 1941

Year	Tin Price per Pikul	Wages per *Kung*		Daily Cost per Capita of Food Supplied
		Males	Females	
1929-32	$60.29-$69.76	$0.10-0.18	$0.25 [a]	$0.13-0.17
1941	$140-$150	$1.00-1.20	na	$0.80-1.00

Source: FMS, *Annual Report Mines Department*, cited in Loh, *Beyond the Tin Mines*, p.40.

Note: [a] The female daily average is higher because women were not supplied with free food if their wage was $1.40 per *kung*. Those earning less than $1.40 received three free meals but no lodging. This was largely because women did not regularly work all day, spending some time at alternative occupations.

The major factor promoting increased unrest in the mines was labour's growing awareness of its bargaining power following the development of an acute shortage of labour after 1933. This shortage was caused by a combination of the repatriation of some 33,000 workers between 1930 and 1932 as a result of the Aliens' Enactment, and the migration of large numbers of Chinese miners to agricultural communities on the jungle-fringe during the Depression.[40] With a reduction in the supply of labour workers could afford to go on strike (or to threaten to go on strike), thus compelling employers to hire wage-labour on its own terms. Unless more favourable terms were forthcoming the workers could choose to remain in, or

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[38] *Monthly Review of Chinese Affairs*, No.80, April 1937, File No.50055, Part I in CO 273/628.

[39] *Monthly Review of Chinese Affairs*, No.79, March 1937, File No.50055, Part I, in CO 273/628.

[40] Both of these developments will be discussed in greater detail in the following chapter.

return to, agricultural activities. Mine owners were therefore forced to choose between offering higher wages to keep the workers on the mines or the greater expense of importing fresh labour.

At the same time, labour unrest in the mines was the result of the development of a more class-conscious and knowledgeable general Chinese labour force. By the 1920s British action had liberated the bulk of Chinese labour from secret society control. Meanwhile, as a result of the 1912 Labour Code, an increasing number of labourers succeeded in discharging their debts and other obligations to employers and contractors. Being free from debt they were more independent and ready to bargain for their services. These labourers joined the more permanently-settled labour force that had begun to emerge in Malaya as a result of the growth in the local-born Chinese population. This local pool of Chinese labour was far better informed than immigrant Chinese about working conditions.[41]

Meanwhile, labour unrest in the mines was also a part of the development of a wider labour consciousness and organised labour activity in the general Chinese community in Malaya. Labour unrest in the late 1920s occurred in many industries across the Peninsula.[42] Although economic factors alone were sufficient stimulus to this labour movement, many strikes were manipulated by communist activists whose numbers had begun to expand following the establishment of the Malayan Communist Party (MCP) in 1928.[43]

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[41] In 1937 Governor Shenton explained that, "...Conditions today are different. The number of Chinese is rapidly increasing. They tend more and more to compare themselves with Europeans. They read the papers, and much that appears in the European Press is reproduced in the vernacular newspapers. Labour today knows much more about the conditions of industry than was known a few years ago...". Quoted in Yeo, "The Communist Challenge", pp.43-44. To a crucial extent this may be traced to the spread of Chinese education in Malaya that had produced a sizeable pool of educated Chinese workers with a deeper knowledge of Malayan and world conditions.

[42] See J.Norman Parmer, "Chinese Estate Workers' Strikes in Malaya in March 1937", in C.D.Cowan (ed.), *The Economic Development of Southeast Asia*, pp.154-169; Khoo Kay Kim, "A Brief History of Chinese Labour Unrest Before 1941", *Malaysia in History, Journal of the Malaysian Historical Society*, Vol.25, 1982, pp.59-64; Norman Parmer, "Attempts at Labour Organisation by Chinese Workers in Certain Industries in Singapore in the 1930s", in Tregonning (ed.), *Papers on Malayan History*, pp.239-255; P.Ramasamy, "Labour Control and Labour Resistance in the Plantations of Colonial Malaya", *Journal of Peasant Studies*, Vol.19, Nos.3 and 4, April/July 1992.

[43] Detailed studies of Communist involvement in Malayan labour strikes are given in Yeo, "The Communist Challenge", pp.36-79; Png Poh Seng, "The Kuomintang in Malaya, 1912-1941", *Journal of Southeast Asian History*, Vol.2, March 1961, pp.1-41; Charles Gamba, *The Origins of Trade Unionism in Malaya: A Study in Colonial Labour Unrest*, Singapore, Donald Moore, 1962, pp.8-13. See also Wang Gungwu, "The Limits of Nanyang Chinese Nationalism, 1912-1937", in C.D.Cowan & O.W.Wolters (eds.), *Southeast Asian History and Historiography*, London, Cornell University Press, 1976, pp.405-423; Yoji Akashi, *The Nanyang Chinese National Salvation Movement, 1937-1942*, Kansas City, University of Kansas Press, 1970; Yen Ching-Hwang, "Overseas Chinese Nationalism in Singapore and Malaya, 1877-1912", Canberra, Australian National University Centre for Asian Studies Working Paper No.8, 1978, pp.1-28; Awberry & Dalley, *Labour and Trade Union Organisation*, 1948, pp.19-23; C.F.Yong & R.B.McKenna, *The Kuomintang Movement in British Malaya 1912-1949*, Singapore, Singapore University Press, 1990.

The rise of communist labour activity in Malaya was first was encouraged by the development of a strong labour movement in China after the First World War. Sun Yat Sen, fully involved in the founding of a Kuomintang (KMT)-controlled labour federation in Kwangtung in the 1920s, urged Malayan Chinese to organise modern labour unions to fight for their rights.[44] This advice was readily accepted as a great many Chinese came from the Kwangtung province, while others fell in line as part of their heightened support for the Chinese nationalist movement.[45] Many labour unions consisting exclusively of employees were formed at this time and were permitted registration under the Societies Ordinance after 1928. In 1925 the Malayan communists also began to organise unions among Chinese workers through the formation of illegal mutual benefit associations.[46] These associations aimed not only at uplifting worker welfare but also at bringing about the eventual destruction of British colonial rule and the capitalist system Towards this end communist activists established the Nanyang General Labour Union in 1925. In 1934 this union was renamed the Malayan General Labour Union (MGLU).[47] In the same year the MCP established contact with the Comintern apparatus in Shanghai and party branches were established in all states and given formal organisational foundation by the adoption of an MCP Constitution. In 1936 a general policy was ratified which sought to create a vocational united front to stir discontent among the various races.[48] This front was intended to give forceful effect to the workers' movement for higher wages and better working conditions. Communists were urged to exploit the labour

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[44] The KMT established a strong following in Malaya and sent agents to extend its membership among the Straits Chinese and recent immigrants. It insisted that all Chinese in Malaya were Chinese citizens even though they and their ancestors for several generations might have been British subjects by birth. Attempts to control the Chinese were made through local branches of the party. The principal objective of the party was to collect money and extend its influence in China. Wealthy Straits Chinese were strongly coerced to contribute generously. Png, "The Kuomintang in Malaya", pp.2-18.

[45] Many of the Straits Chinese combined loyal appreciation of the advantages of British rule with a strong affection for China. Loyalty to China was strongest among those who had never visited the home and but uncritically accepted the eulogies of Kuomintang propagandists. Many of the Straits Chinese had sympathised with the Chinese revolution in 1911 and had given liberal financial support. After 1914 many supported the Kuomintang party.

[46] Organisation began with five Malayan labour unions with around 1,000 members. By April 1927 there were 42 unions with between 5,000 and 6,000 members in the Netherlands East Indies, Siam, Sarawak and especially in Malaya. These unions were led almost exclusively by Hainanese leaders. Yeo, "The Communist Challenge", p.38

[47] The MGLU was affiliated to the Pan-Pacific Trade Union Secretariat, a satellite of the Comintern.

situation because workers were suffering from low wages, long hours and abuses by contractors and sub-contractors at a t me of returning prosperity. In so doing they were to merge workers' desire for better econo nic welfare with the MCP's anti-colonial struggle.[49] To attain this goal communists penetratec existing labour organisations concentrating especially on building up "Red" (Communist) ar d "Grey" (Communist-dominated) unions "on factory, *mine*, plantation and wharf basis". Special attention was devoted to "railway shops and centres..., *the most important tin mine:* and smelters, rubber factories and plantations such as the region of Kuala Lumpur, Ipoh ar d Seremban, the shipping and wharves in Singapore, Penang and Malacca, and in the Singapore Naval base".[50]

As a result of labour strikes an d general labour unrest the British colonial government realised that some machinery other tha n repressive police measures were required.[51] To cope with the problems Industrial Courts an d Trade Unions Legislation were introduced in 1940. A new codification of the labour law was also being considered and a draft of a Revised Code had been circulated to employers on the eve of the Japanese Occupation.[52]

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[48] This policy, entitled "To Struggle for the Establishm nt, Consol dation and Expansion of the Anti-Imperialist United Front", hoped to mobilise the masses, topple the colonial government and se up a comm unist Malayan Republic. See Yeo, "The Communist Challenge", p.39

[49] Communists were directed "to push on the anti-capitali t labour movement and to develop it from an economic struggle into a revolutionary movement against Imperialism. Quoted in Yeo, *ibid.*, p.40.

[50] Extract from *Straits Settlements Police Journal* 30 April, 1927 quoted in *ibid.*, p.40 (emphasis added). Under this new policy each communist-controlled union would seek registration under the Societies Ordinance The consequent legal labour movement would come under the MGLU directed by the party itself. Significantly, the headquarters of the MGLU was transferred from Singapore to Kuala Lumpur in December 1936. The primary motive behind the move was the locate the MGLU near to the centre of future labour agitation and unrest in the Malay States.

[51] With the outbreak of war Britain was also anxious to in prove its colonial image both in the eyes of the world, and, more important, amongst the colonial peoples. Whitehall began to press on its colonial governments the need for recognition of trade unions This attitude led to the passing of the Colonial Development and Welfare Act of 1940 which s pecified that funds were to be made available to aid social progress in the Empire. These funds were conditional upon the prompt intr oduction of abour legislation including provision for the right of trade unions to legal existence. Michael Morgan, "The Rise and Fall of Malayan Trade Unionism, 1945-50", in A.Amin & M.Caldwell (eds.), *Malaya: The Making of a Neo-Colony*, Nottingham, Spokesman, 1979, p. 153.

[52] See Parmer, *Colonial Labour Policy*, p.129; Morgan, *ibid.*, pp.153-54; Gamba, *The Origins of Trade Unionism*, p.4.

II. JAPANESE OCCUPATION AND THE IMMEDIATE POST-WAR PERIOD, 1942-1948:

Between December 1941 and September 1945 Malaya was occupied by the Japanese.[53] At the time of the Japanese attack the tin mining industry was operating at maximum capacity. As the British administration retreated down the peninsula towards Singapore, it carried out a "scorched earth" policy in all types of mines. In the tin mines this took such forms as the destruction of mining machinery or the removal of vital parts, the flooding of mine holes and the sinking of dredges. Nevertheless, serious damage was avoided so that the Japanese were able to resume mining operations soon after their occupation, particularly in Perak.[54]

One of the primary reasons for Japan's invasion of Southeast Asia and incorporating it within the "Greater East Asia Co-Prosperity Sphere", was to ensure easy access to raw materials. Thus, shortly after establishing its Malayan Military Administration in March 1942, the Japanese set about re-organising the tin mining industry. All the offices of the Department of Mines in the various states were re-opened and, at each of these centres, details were quickly compiled regarding the condition of mining machinery, the availability of mining labour and the size of mine stocks. Any tin-ore found on a mine was immediately requisitioned.

All Chinese tin mines were ordered to immediately re-commence operations. Where the owner of a mine could not be found another was instructed to operate the mine. Wherever possible electric power for removing water from the mines was supplied free of charge. In Perak, where some of the mining machinery was undamaged, a number of Chinese gravel-

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[53] Detailed studies of the Japanese occupation of Malaya is given in Cheah Boon Kheng, *Red Star Over Malaya: Resistance and Social Conflict During and After the Japanese Occupation, 194 -1946*, Singapore, Singapore University Press, 1987; Yoji Akashi, "Japanese Policy Towards the Malayan Chinese, 1941-45", *Journal of Southeast Asian Studies*, Vol 1, No.2, September 1970, pp.61-89; David Latiff, "Japanese Invasion and Occupation, 1942-45", in Amin & Caldwell (eds.), *Malaya: the Making of a Neo-Colony*, pp.85-94; Tregonning, *A History of Malaya*, pp.268-284; Ryan, *The Making of Modern Malaya*, pp.180-189; Kennedy, *A History of Malaya*, pp.255-264.

[54] Little is known, and practically nothing has been published, about the tin mining industry during the Japanese Occupation. The following is based primarily on Yip, *The Development of the Tin Mining Industry*, pp.289-97.

pump mines were able to resume operations immediately. Elsewhere other Chinese mines were gradually brought into production after minor repairs.[55]

Revival of production in the dredging sector took longer. This was due partly to the fact that the extent of the damage on dredges was greater and that the damaged parts were more difficult to replace. At the same time all the European engineers who could undertake the repairs and oversee production had either fled the country with the British retreat or were interned in Singapore. Nevertheless, by substituting parts from unworkable dredges the Japanese administration was able to bring several dredges into operation as early as April 1942.[56] The properties of all European tin mining companies were also seized and managed by the Japanese administration. Early in 1943 the control of these properties was transferred to Japanese mining companies.[57] These companies also operated the two European tin smelting works in Penang and Singapore. The Japanese were therefore able to smelt tin-ore produced in the FMS and export tin metal directly to Japan for the war effort.[58]

As shown in Table 36 below, tin production had increased significantly by 1943 to 26,000 tons. However, this success was short-lived. By 1944 production had fallen to 9,400 tons and by 1945 to 3,100 tons. The Japanese had failed to achieve their objective of utilising the rich Malayan tin deposits for the war effort. Three general factors account for the rapid decline in production. In the first instance, not all the mines were able to be rehabilitated. This included some mines that had been the most productive in the pre-war era. This was

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[55] It is estimated that by the close of 1942 about 150 Chinese gravel-pump and hydraulic mines (approximately one-fifth of the pre-war number) were operating throughout the country. Department of Mines. *Minute Paper. Mines 250/45* cited in Yip. *Development of the Tin Mining Industry*. p.289.

[56] By the end of the year 70 dredges (more than two-thirds of the pre-war number), were operational.

[57] Ten Japanese companies operated in Malaya during the Occupation. Many of these had been iron mining companies in Malaya before the war, while others were branches of large industrial *zaibatsu*. At the end of 1939 there were 129 European tin mining companies in the FMS, both foreign and locally registered (69 dredging companies, 11 lode companies and 49 miscellaneous companies including gravel-pump and hydraulic companies). The distribution of these operations among the four Japanese companies was according to their geographical locations. In Perak, all European tin mining properties came under the control of three Japanese companies: Mitsui Kosan Kabushiki; Toyo Kosan Kabushiki Kaisha; and, Jun-an Kogyo Kabushiki Kaisha. Three companies controlled the European tin mines in Selangor. Ishihara Sangyo Kabushiki Kaisha; Nippon Kogyo Kabushiki Kaisha and, Nakajima Kosan Kabushiki Kaisha. Similarly, in Negri Sembilan the European tin mines were divided between two Japanese companies, Nippon Kokan Kogyo Kabushiki Kaisha and Konan Sangyo Kabushiki Kaisha. *Ibid.*, pp.292-94.

[58] In all, 47,000 tons of tin metal were shipped to Japan during the Occupation. An additional 7,000 tons were shipped to Germany during 1943-44. These companies also took over and operated foundries previously owned by local Chinese for the purpose of repairing and maintaining dredges under their supervision as well as making and supplying mining tools such as the *changkol* to Chinese gravel-pump mines.

particularly apparent where dredges had been sunk. Many Chinese gravel-pump mines also remained closed. Secondly, many of the mines which had been successfully rehabilitated soon broke down due to misuse. Although sabotage occurred in some instances, for the most part these breakdown were caused by inadequate lubrication of machinery due to oil shortages. Third, and most importantly, the difficulties in maintaining production were caused by the drastic reduction in the supply of Chinese tin mining labour. To attract mining labour the Japanese companies operating the tin mines offered a rice ration of 2 *gantangs* (one *gantang* being equal to 6 *katis* or 8lb.), per month to each labourer in addition to money wages.[59] At the same time, for every pikul of tin-ore produced by Chinese-operated mines the Japanese administration offered 2 *gantangs* of rice in addition to the cash value of the ore. Nevertheless, in spite of these inducements the labour position in both Japanese and Chinese-operated mines worsened in 1944 with the result that the total tin output of that year amounted to about one-third of that in 1943 (Table 36).

Table 36

Tin Metal Output in Malaya by States 1942-1945 (Figures given to the nearest hundred tons).

State	1942	1943	1944	1945	Total Output	
					Japanese[a]	Chinese[b]
Perak	10,700	17,200	6,100	2,200	66	34
Selangor	4,500	7,400	2,500	700	64	36
N. S.	400	1,300	500	100	na	na
Others[c]	100	100	100	100	na	na
Total	15,700	26,000	9,400	3,100	na	na

Source: Siew, "Labour and Tin Mining", Table II, p.9.

Notes: [a] Japanese production means in effect, production from European-owned properties.
[b] Figures for Chinese production are unavailable. These figures are obtained by subtracting Japanese production from total production.
[c] Includes Pahang, Johor, Melaka, Trengganu, Kedah and Perlis

[59] During the period of occupation 2 *gantangs* of rice was the monthly consumption of an average person in Malaya.

Several factors account for the shortage of Chinese tin mining labour. In the first instance the Japanese administration removed by force thousands of able-bodied Chinese men, among them mining labourers, to work on the Siam-Burma Railway. Secondly, for those miners who did work on the mines food shortages and inflation caused so much suffering and hardship that many ultimately walked off the mines and migrated to the jungle fringe where they undertook the cultivation of foods uffs.[60]. Thirdly, the looting of hospitals by the Japanese for medical supplies and equipment, together with the diet deficiencies caused by food shortages, led to outbreaks of epidemics and disease. Finally, many Chinese miners simply refused to work for the Japanese. This attitude was fostered by reports of the brutality inflicted on Chinese during the Sino-Japanese War and was underscored by the Japanese administration's occupation policy of 'Divide and Rule" in the Straits Settlements and Malay States.[61] Realising that they stood little chance of winning over the Chinese because of their policies in China, the Japanese attempted to favour the Malays and actively persecute the Chinese. In this way it was hoped to prevent the formation of a united front. Consequently, many Chinese, including some tin miners, became members of the Malayan People's Anti-Japanese Army (MPAJA), a communist-led resistance movement operating in the jungle.[62] Large numbers of these guerillas were to be found in chief mining areas of Kampar, Serdang, Jelebu, and Manchis and were responsible for the much of the sabotage of mining equipment.

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[60] This movement will be discussed in greater detail in Chapter 6. Inflation was caused by the introduction by the Japanese administration of its own currency which greatly expanded the total currency in circulation and forced an increase in the general price level, particularly for foodstuffs. By mid-1945 there was little confidence in any of the currencies in circulation and hyper-inflation was apparent. The shortage of imported foodstuffs, especially rice, was also serious. Heavy shipping losses meant that the Japanese could not spare transport for the importation of rice even though the rice-growing areas of Burma and Thailand were under their control.

[61] Japanese attitude to the Malayan Chinese in general was related to the Sino-Japanese War and in 1942 many Chinese paid with their lives for their former connection with the China Relief Fund that was used to finance China's war effort. The worst Japanese brutality was associated with the *sook ching* (Operation Clean Up). Beginning in Singapore in February 1942 and then spreading to the rest of the Peninsula in March, the programme involved a series of massacres of Chinese who had been involved in Anti-Japanese activities in Malaya. It is estimated that the massacres resulted in 400,000 deaths. These included members of the MCP, the Kuomintang, secret societies and other Chinese associations. Following *sook ching* the Chinese, especially those in the urban areas, were further subjected to a forced contribution of $50 million as a "Gift of Atonement" to the Japanese.

[62] The Communists were among the first to establish themselves in the jungle following the Japanese invasion. The British were prepared to co-operate with the Communists against the Japanese and supplied arms and ammunition and smuggled in British officers to train the guerillas in their use. The guerillas were trained to attack Japanese supply routes along railways and roads and to undertake other acts of sabotage. By the end of the war the MPAJA was estimated to number 7,000. Cheah, *Red Star Over Malaya*, pp.58-63; Awberry & Dalley, *Labour and Trade Union Organisation*, pp.23-24.

Post-War Recovery to 1948

The end of the Japanese Occupation found the Malayan tin mining industry in a poor state.[63] Prior to the Japanese surrender the British Ministry of Supply, together with mining companies in Britain, had devised a scheme for the rehabilitation of the industry. This was done with the aim of securing monetary benefits for the rehabilitation of the British economy. Thus immediately after Occupation ended a Tin Inspection Committee (known as the Storke Committee), was dispatched to survey the industry and recommend means for its rehabilitation. The Committee reported in December 1945 and its recommendations were subsequently adopted. On the whole, these recommendation favoured European producers over the Chinese and reinforced the structural changes that had emerged in the earlier period of production restriction. Briefly, this discrimination was threefold. In the first instance, Chinese mines were discriminated against by the eligibility criteria for long-term loans provided by the British government.[64] The size of each loan, for example, depended upon the size of a mine's total expenditure on capital equipment: the higher the expenditure on capital equipment, the greater was the loan made available. Chinese mines were immediately disadvantaged because of their labour-intensive structure.[65] Secondly, whereas the European mines were eligible to obtain loans from the Ministry of Supply in Britain and the domestic Industrial Rehabilitation Finance Board, the Chinese could only obtain assistance from the Chinese Tin Mines Rehabilitation Board in Malaya. In comparison the money made available to the latter was extremely limited, particularly considering the large number of mines it was required to

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[63] All the mining machinery, especially the dredges, had either been partially or totally destroyed through improper use and lack of mechanical supervision and routine maintenance, or had their essential parts extensively looted. Much of the mining land was also ruined as Japanese companies, in trying to raise output as much as possible, completely disregarded lease boundaries between the mining properties and concentrated on only the richest grounds. Deposits of average richness, which normally could be profitably worked were by-passed and subsequently buried under mountains of tailings. They thus became temporarily lost to the industry.

[64] The loans were granted for projects of rehabilitation approved by the Department of Mines. Interest charged on the loans was low (at about 3 per cent per annum), and repayment was to be made initially out of war compensation claims with the balance to be paid in equal instalments over a number of years (not more than fifteen years for dredges and not more than 10 years for gravel-pump and hydraulic mines).

[65] Eligibility for loans was also confined to those mines which were expected to have a long life. A mine was required to have adequate reserves sufficient to last 10-15 years at the normal rate of exhaustion. Estimating life expectancy of a mine required careful scrutiny of the results of boring operations which many small mines could not afford. At the same time, only those mines that were expected to make a profit were granted loans.

service. Thirdly, inaccurate projections were made of production in the different sectors. Whereas the dredging sector was projected to produce 39,800 tons in 1948 and 40,500 tons in 1949, actual production in these years amounted to only 21,900 tons and 27,700 tons respectively. At the same time, projections for the Chinese gravel-pump sector were underestimated; whereas production was estimated to amount to 17,000 tons for both 1948 and 1949, actual production was 16,300 tons and 19,200 tons respectively. These projections were subsequently used as a basis for allocating assistance to the different sectors of the industry. Overall, of the 607 Chinese applications for financial assistance received by the end of 1949 (when the loans were terminated), only 363 were approved. On the other hand, 69 of the 75 European applications for financial assistance were approved by the same date.[66]

Overall, the discrimination of the Chinese sector in the post-war rehabilitation program had important consequences for the structure of the industry and *inter alia* for Chinese labour in the mines. Most significantly, the aid made available to European companies enabled the Western sector of the industry to reassert its dominance in the industry by 1947. In 1946 Chinese producers, particularly gravel-pump mines, accounted for 56.4 per cent of total tin production. This was due to the fact that dredging companies experienced great difficulties in acquiring spare parts, fuel and power in the immediate post-war period. By 1947, however, with restoration of shipping and fuel supplies and the return of technical personnel to the mines, European mines accounted for 50 per cent of total tin production while Chinese miners produced 33.6 per cent. As shown in Table 37 below, 52 per cent of total production in 1947 came from government-aided European mines.

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[66] FMS, *Mines Department Report*, 1949, p.8 cited in Yip, *The Development of the Tin Mining Industry*, p.303. By the end of 1949 some $60 million (76.4 per cent of all available loans) had been awarded to European mining companies, the average loan being $0.87 million. In comparison each Chinese mine received on average only $51,000. In addition, the 129 European dredging concerns were paid $22 million as "war compensation" while the 1,103 gravel-pump mines shared only $13 million.

Table 37

Malayan T n Production, 1947 (Figures are given in tons).

	Govt.-aided Mines		Unaided Mines		Total	
	Tons	% of Total	Tons	% of Total	Tons	% of Total
European	14,013	51.8	2,154	8.0	16,167	59.8
Chinese	4,404	16.3	4,687	17.3	9,091	33.6
Others	-	-	-	-	1,768	6.6
Total	18,417	68.1	6,841	25.3	27,026	100.00

Source: FMS, *Annual Report Malayan Union*, 1947, p.45, cited in Loh, *Beyond the Tin Mines*, Table 2.3, p.69.

Secondly, as a result of loans being used for purchasing new mining equipment, an even higher stage of mechanisation was reached in the industry. This applied not only to the dredging sector, but also to the larger Chinese gravel-pump mines.[67] Consequently, total horse-power employed in the mines increased. In the Perak mines for example, total horse-power employed increased spectacularly, from 33,080 horse-power in January 1947 to 91,936 horse-power by December and to 183,013 horse-power by December 1950.[68]

Thirdly, the majority of small mines that had been in operation before the war were not re-opened in the post-war period. This was largely because their reserves were too small to warrant the capital expenditure required, particularly with increased production costs.[69] Thus the period witnessed not only the increasing mechanisation of the industry, but also the ultimate demise of the small labour-intensive Chinese mines.[70] As a result, labour in the mines

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[67] Besides replacing old parts, it was also observed that many European dredges were improved upon. Those belonging to the Tronoh Mines Ltd. in Perak, for example, were converted from steam to electricity. On these and other mines a modified form of the buck-lip was also introduced, thus obviating the use of clay diggers. On the Chinese mines, new gravel-pumps were installed and mechanical excavators for removing the overburden introduced. Loh, *Beyond the Tin Mines*, p.71

[68] *Ibid.*, p.71.

[69] When compared to 1937 prices the minimum cost of production per pikul had risen by 20 per cent in dredging and some 367 per cent in Chinese gravel-pump mines by 1948. The principal factors promoting increased costs were higher wages and electricity and diesel oil costs. *Ibid.*

[70] In its report on the status of the industry in Malaya in 1949-50, the international Tin Study Group noted that the 'small workings without machinery which had been falling steadily before the war showed no sign of recovery'. International Tin Study Group, *Tin 1949-50*, The Hague, 1950, p.17 cited in Loh, *ibid.*, p.71.

in 1948 totalled only 46,861. Although this was double the 1946 figure of 23,020, it was much less than the 1940 figure of 77,000.[71]

Widespread unemployment in the mines was one of the pretexts for increased labour agitation by mine workers in the post-war period. Coupled with this was the high cost of living, low wages, general food shortages and poor working and housing conditions.[72] In 1946 tin mining labourers in Perak formed the Perak Mining Labourers Union (PMLU) and by December 1947 it was recorded that the union had 4,113 members spread over its five major branches in Pusing, Bidor, Menlembu, Kampar and Gopeng. The PMLU subsequently went on strike in support of demands for food, jobs, higher wages and better working conditions. Following these strikes workers on Chinese-owned gravel-pump mines were offered at least one free meal a day while on European-owned dredges rice was purchased on the black market by employers and resold to employees at the official price. This was apparently the "best and sometimes only way to secure a contented staff".[73] Ultimately, wage increases were recommended. Bonuses of 20 cents per day for daily-rated workers and $10 per month for salaried staff were first granted in July 1946. Later, in August and December, 10 per cent increases on basic wages were further offered on European mines. Wage increases on Chinese mines were slightly lower but were compensated by free food or a food allowance. In the latter case this was as high as $1 per day in some instances. Unless these terms were offered, workers refused to return to work.[74]

As the price of rice (both rations as well as black market supplies), rose during 1946 and 1947, so too did the workers grow in militancy. Overall, between April and December

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[71] Siew, "Labour in Tin Mining", p.12.

[72] The index of costs of living for Chinese rose from 100 in 1939 to 3.28 in 1949 while real wages declined from 100 to 77 over the same period. One of the primary components of the cost of living increases was the price of rice. Increasing rice prices were due to war chronic rice shortages and subsequent rationing introduced by the British Military Administration (BMA). In the pre-war period rice prices averaged only five cents a *kati*: in April 1946 the cost of the ration was 30 cents per *kati* on the legal market and 180 cents on the black market. By December these prices had risen to 90 and 520 cents respectively. Morgan, "Rise and Fall of Trade Unionism", p.163; Loh, *Beyond the Tin Mines*, pp.75-77.

[73] Awberry & Dalley, *Labour and Trade Union Organisation*, p.6.

[74] FMS, *Annual Report Perak 1946*, cited in Loh, *Beyond the Tin Mines*, p.87.

1946 seven major strikes occurred in the tin mines in Perak. In April 1947 the miners put forward demands for 13 paid days leave per year, a $2 a day minimum wage, an 8-hour day, a maximum of 4 hours overtime per week, and a provision for a trained dresser for mines employing 100 men and a doctor for those employing 300 men or more. They also demanded that hospital expenses be paid by employers and that housing be provided on the basis of no more than five persons living in one room.[75] This strike was followed by a series of work stoppages in the following year.

The series of strikes in the immediate post-war period was generally successful. As shown in Table 38 below, mining wages increased from an average of 85-150 cents per *kung* (8 hours) for unskilled workers in 1946 to 126-164 cents in 1948. The increases gained by skilled workers were even greater. Overall, mine workers gained increases at least five times between 1946 and 1948: in August and December 1946, September 1947 and January and March 1948.[76]

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[75] *Straits Times*, 25 April 1947.

[76] *Annual Report Perak 1947*, pp.57-58; *1948*, p.11 cited in Loh, *Beyond the Tin Mines*, p.88; Awberry & Dalley, *Labour and Trade Union Organisation*, p.18.

Table 38

Average Monthly Wages in the Mining Industry, 1941-1949.[a]

Category	1941	1946	1947	1948	1949
Kepala	$60-75	$90-120	$139	$138	$149
Asst. Kepala	40-45	70-80	110	98	104
Fitter	40-60	90-130	127	119	117
Carpenter	35-45	85-95	120	123	105
Engine Driver	55-70	105-150	170	124	137
Asst. Engine Driver	40-50	60-75	130	92	90
Electrician	65-75	110-130	150	126	116
Asst. Electrician	35-55	70-90	-	89	72
Unskilled Workers[b]	40-60c	85-105c	100-135c	126-164c	118-159c

Source: *Annual Report Labour Department, 1946*; *1947* and *Annual Report Perak Mines Department, 1948* and *1949* in Loh, *Beyond the Tin Mines*, Table 2.11, p.88.

Note: [a] Wages do not include the cost of free food provided.
[b] Unskilled workers include *kongsi-kung, chap-kung and pong-tau* workers. Wages are calculated in cents for every *kung* (8 hours) of work.

Overall, Perak miners discovered from this experience that by becoming part of a larger and well-organised labour movement they were able to achieve better working conditions. An indication of some of the working conditions in the mines in 1947 is given in Table 39 below.

Table 39

Statistics of Wages and Hours of Work, Federation of Malaya, 1947

Occupation	Hours of Work		Wages			Allowances			Holidays[a]	Overtime[b]
	Normal Daily[c]	Average Daily[d]	Daily[e]	Average Monthly[f]	Average Family[g]	Allowances in Kind[h]	Estimated Monthly[i]		Paid	Unpaid
Dredging										
Chargemen, Kepalas & Foremen	7	7	3.65	1[illegible]5	.	Food & Accomm.	18	...	12	150
Skilled Workers										
Fitters	8	8	3.66	1[illegible]0	..	"	18	...	12	150
Turners	8	8	4.28	1[illegible]6	..	"	18	...	12	150
Boiler Makers	8	8	3.00	[illegible]7	..	"	18	...	12	150
Blacksmith	8	8	3.30	1[illegible]2	.	"	18	...	12	150
Welders	8	8	3.44	1[illegible]4	..	"	18	...	12	150
Carpenters	8	8	3.10	1[illegible]0	.	"	18	...	12	150
Semi-skilled										
Painters	8	8	1.70	[illegible]1	..	"	18	...	12	150
Winchmen	8	8	2.95	1[illegible]2	..	"	18	...	12	150
Hammerman	8	8	2.00	[illegible]4	..	"	18	...	12	150
Engine Driver	8	8	3.15	[illegible]4	..	"	18	...	12	150
Boilermen	8	8	3.00	[illegible]8	..	"	18	...	12	150
Electricians	8	8	Monthly	[illegible]5	..	"	18	...	12	150
Apprentices	8	8	2.24	[illegible]8	..	"	18	...	12	150
General Labourers[j]										
Men	8	8	2.60	[illegible]3	..	"	18	...	12	150
Women	8	8	1.30	[illegible]3	..	"	18	...	12	150
Hydraulicing										
Chargemen, Kepalas & Hang Kong	8	10	Monthly	1[illegible]0	.	"	18	...	12	150[k]
Skilled Workers										
Fitters	8	10	4.60	1[illegible]0	..	"	18	...	12	150
Motor Attendants	8	10	3.00	[illegible]7	..	"	18	...	12	150
Pump Fitters	8	10	3.00	[illegible]8	..	"	18	...	12	150
Semi-skilled										
Pong-shau	8	10	2.00	8	..	"	18	...	12	150
Engine Drivers	On contract		...	[illegible]4	..	"	18	...	12	150
Lorry Drivers	8	8	Monthly	5	..	"	18	...	12	150
General Labourers[j]										
Chinese men	8	10	1.28	4	..	"	18	...	12	150
Chinese women	8	8	1.05	.5	..	"	18	...	12	150
Indian men	8	8	1.55	[illegible]0	..	"	18	...	12	150

Source: Awberry & Dalley, *Labour and Trade Union Organisation*, Table 5, pp.59-60.

Notes:
[a] Number of days per annum.
[b] Per cent rate.
[c] Normal hours worked per hour.
[d] Average hours actually worked per worker daily.
[e] Scale of wages paid daily.
[f] Average wage actually paid per worker monthly.
[g] Average family allowances paid per worker monthly.
[h] Whether in receipt of allowances in kind, for example, food, accommodation.
[i] Estimated average value per worker monthly.
[j] Washers, Deck hands, Samplers, Greasers, Firemen, etc.
[k] In most cases a bonus is paid for work over a certain fixed figure. The percentage figure quoted covers cases where an hourly rate is specified.
[l] Tin-ore dressers, *tsap kung*, *kongsi-kung*, *dulang*-washers, grass cutters etc.

Employers were generally prepared to accede the miner's demands during the post-war period because of the worker's willingness to face dismissal. As it will be discussed shortly, many of the miners had reverted to agricultural cultivation on the jungle fringe during the Japanese Occupation. This meant that the workers had an alternative means of livelihood; the food that was produced was usually enough for themselves with some surplus which, in a period of food shortage, could be readily sold in local markets. Under such circumstances the dismissal of workers actually created serious problems for employers; not only were the skilled workers necessary to run the increasingly mechanised mines difficult to replace, but any stoppage of work lasting even a few days could result in damage to the mines and equipment by flooding. This was particularly problematic given that much of the machinery had been only recently acquired or repaired. In other words capital, which was still not well-organised between 1945 and early 1947, was subject to labour's terms. Overall, militancy of labour was largely a result of worker's taking the initiative as a result of being extremely frustrated because of poor working conditions and because squatter agriculture could be used as a form of leverage, if not resistance against employers. Workers were prepared to return to the mines, but on their own terms.

As in the pre-war period, labour agitation in the mines during the post-war years was part of a widespread labour unrest and organisation in many industries across Malaya. This labour unrest centred on the determination of workers to improve their deplorable social and working conditions which were both a result of the deterioration of health and housing during the Japanese Occupation and British policies, in particular the unwillingness of government and employers to carry out much-needed social reforms.[77]

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[77] A combination of rice shortages, poor housing and unemployment took their toll on the health of workers and their families across the peninsula. There are many accounts of starvation, poor sanitation and overcrowded housing. The final blow to labourers was the rapid increases in the cost of living which left labour worse off in many cases than it was before the war. Awberry and Dalley estimate that cost of living had risen between 300-400 per cent. See Awberry & Dalley, *Labour and Trade Union Organisation*, p.5; Morgan, "Rise and Fall of Trade Unionism", pp.158-164; Gamba, *Origins of Trade Union m*, pp.222-246.

The pre-war period had prepared the groundwork for the post-war development of trade unions.[78] Following the Japanese surrender the cadres of the MJAPA and the MCP were instrumental in establishing, in collaboration with the workers, a number of broadly-based organisations. The most important organisations were the General labour Unions (GLUs).[79] The GLUs were based on districts rather than trades or industry and every effort was made to encourage Indians and Malays as well as Chinese workers to join. Several unions were established in September and October 1945. Concentrating initially on urban labour, they soon spread to workers on plantations and tin mines. A series of lightening strikes, including many in the mines, were called by the nascent unions in 1946 and 1947. By March 1947 the Malayan labour movement was at its peak strength.[80] These strikes were largely successful in gaining concessions for labour and proved the union's ability to lead workers in a campaign to improve their social, economic and political standing. Basic labour demands were the abolition of the contract system of employment, the establishment of an 8-hour day and 6-day week, equal pay regardless of race or gender, the provision of social insurance and compensation and a general attempt at improvement of worker's conditions[81].

However, labour' strong bargaining position did last long. For the British colonial administration, the development of trade unionism could not have come at a worse time given the importance of Malaya to the British economy and the universal demands for self-determination that arose after 1945.[82] At the same time, the demand of the United States as the

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[78] See Gamba, *ibid.*, pp.15-23, 230-251; Morgan, *ibid.*, pp.164-174. Very few unions had been established in the pre-war period. Those that were established were confined to more skilled trades and clerical workers. Between 1945 and 1948, however, 425 trade unions were established with a membership of 290,000 workers.

[79] Since the MCP had been Britain's wartime ally it was allowed to operate openly as a legal organisation between 1945 and 1948. This change in pre-war policy enabled the MCP to consolidate itself very rapidly. Various fronts such as the People's Association, the Women's Committee, the New Democratic Youth League and other cultural and social clubs were established. MCP newspapers were also widely distributed. For administrative expediency the GLUs were superseded in 1946 by the Singapore Federation of Trade Unions (SFTU) with headquarters in Singapore, and the Pan-Malayan Federation of Trade Unions (PMFTU) with headquarters in Kuala Lumpur. For details see Awberry & Dalley, *Labour and Trade Union Organisation*, pp.24-25; Loh, *Beyond the Tin Mines*, p.85; Cheah, *Red Star Over Malaya*, Chapter 9.

[80] In April 1947 the PMGTU had a membership of 263,578 and some 85 per cent of the unions under its wing. Morgan, "Rise and Fall of Trade Unionism", p.170.

[81] For details see Awberry & Dalley, *ibid.*, pp.26-32.

[82] The importance of Malaya to Britain lay not only in the fact that it was a captive market or in the repatriation of profit and raw materials, but in the far more critical fact that rubber and tin were Britain's major dollar earners. Policy makers were also fully aware that no one viable

world's leading capitalist power after 1945, and the fact that it was now bailing out the European colonial powers, meant that it was in a position to effectively dictate terms. With respect to Malayan rubber and tin this meant that it would only buy cheaply. But the limit on the price the Americans were willing to pay meant a limit on wages, thus further fuelling labour unrest.[83]

In order to regain control of the Malayan economy it was imperative that labour organisation be challenged and defeated before Independence. By 1947 it became apparent that the government and employers were intent on restricting trade union activity. The offensive began with the repression and introduction of legislation to control labour more forcefully. The police were used to enforce trespass laws and, in one incident in Kedah, fired upon estate workers. Most crucially the government enacted legislation in 1948 that effectively destroyed trade unionism by, for example, confining union officials to people with a minimum of three years experience in a craft and prohibiting federations other than within occupational or industrial groupings.[84] This anti-union movement was played against the background of the "red menace" and was seen by the colonial administration as crucial to the destruction of the MCP, which was active in many unions, and its alleged international connections. Ultimately, the policy to counter communism and control labour led to the introduction of the Emergency regulations in June and July 1948.

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political elite existed which could be trusted not to interfere with the nexus of the economic relationship that tied Britain to Malaya. In 1947 the MCP was the only political party other than purely racial movements; it was also the only grouping with a mass social base in the form of trade unions. To have conceded Independence with a strong organised labour government under Marxist leadership was for the British to have countered disaster because Malaya's workers were no longer content to work docilely while the dollars they produced flowed to Britain. See Morgan, "Rise and Fall of Trade Unionism", pp.156-158.

[83] It was explained that, "...As the Americans strengthen their hold on the commerce of the Western World, they will inevitably force the terms of trade increasingly to their advantage. Already they are paying for...imperial rubber and tin so low that British producers have a plausible case for paying wages which make labour unrest inevitable." Quoted in Morgan, *ibid.*, p.158.

[84] This last step effected the demise of the PMFTU. For a detailed study see Morgan, "Rise and Fall of Trade Unionism", p.175-193.

The Growth and Importance of Dulang-Washers as a Class of Tin Mining Labour

An interesting observation that can be made with respect to Chinese tin mining labour during the period of Japanese Occupation and its immediate aftermath, is the growth in the numbers of *dulang*-washers and their important contributions to the industry.[85] It will be recalled that *dulang*-washing, as a method of recovery rather than a method of mining, involved the skilful use of a large dish (*dulang*) in streams near operating mines and in abandoned mine holes to catch the small amounts of tin that had escaped concentration in the mines and were washed away with the tailings. Much of the tin-ore that could not be extracted profitably by any other methods and which would otherwise be lost, was therefore saved. However, although *dulang* mining had been employed since earliest times, the importance of *dulang*-washers as a class of mining labour was usually overlooked because their numbers were small and the output from panning formed only a small proportion of total production, usually between one-half and one-and-one-half per cent.[86]

During the Japanese Occupation, and particularly in the immediate post-war period, *dulang* production and the numbers involved in the industry assumed particular significance. As shown in Table 40 below, production by *dulang*-washing was the third most important method after dredging and gravel-pump mining in the period 1946-1949. Moreover, production in the sector was almost double its pre-war figure. The importance of *dulang*-washing attains further significance when it is remembered that production from all the other sectors remained below pre-war levels and total output in 1950 was still only two-thirds the pre-war figure. Yet before the war production in the *dulang*-sector had been relatively unimportant, amounting to only 1,000 tons in 1940.

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[85] The following is based on a study of thirty mines in 1950-51 given in Siew, "Labour and Tin Mining", pp.405-411. See also Lai Ah Eng, *Peasants, Proletarians and Prostitutes- A Preliminary Investigation into the Work of Chinese Women in Colonial Malaya*, Singapore, ISEAS, 1986, pp.57-67.

[86] Ooi, "Mining Landscapes of Kinta", p.405.

Table 40

Progress of Rehabilitation: Tin Metal Output of Malaya 1946-1949.
(Figures are given in thousand tons)

	1940	1946	1947	1948	1949
Dredging	41.2	2.1	12.8	21.9	27.7
Gravel-pumping	23.3	2.7	8.8	16.3	19.2
Open-cast	3.2	-	0.3	0.6	0.7
Lode	2.8	0.1	0.7	1.2	2.2
Dulang-Washing	0	2.1	1.8	2.4	2.6
Others	3.1	1.4	2.6	2.4	2.5
Total	80.6	8.4	27.0	44.8	54.9

Source: FMS, *Mines Department Report*, 1946-49 and *Statistics Relating to the Mining Industry*, 1946-49, cited in Yip, *The Development of the Tin Mining Industry*, Table IV-5, p.304.

Increased production by *dulang*-washing in the post-war period was due to an expansion in the number of *dulang* passes issued during the Japanese Occupation in an effort to keep tin production as high as possible. First issued by the colonial government in 1907, the number of *dulang* passes increased from 8,278 in 1909 to 12,867 in 1920.[87] As late as 1929 *dulang*-washers constituted less than 1 per cent of the total number of tin mining employees. By 1932, just about the depth of the Depression, they accounted for 22 per cent of the tin mining labour force and had experienced a slight absolute growth from 14,000 in 1929 to 16,000 in 1932. Nor did the *dulang*-washers' annual money income decline as rapidly as the tin price, for they had managed to increase their production between 1929 and 1931 from 1,060 tons to 1,410 tons. It would thus appear that *dulang*-washers tended to "thrive in a crisis".[88] As shown in Table 41 below, the total number of *dulang*-washers almost doubled during the period of Japanese Occupation, from 11,809 in 1938 to 22,973 by 1946. After the Occupation no attempt was made to reduce the number of *dulang* passes. Rather, in a situation of unemployment and severe food-shortages, new passes were issued in exchange for those

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[87] Lai, *Peasants and Proletarians*, p.57.

[88] Siew, "Labour and Tin Mining", p.406; Khalid, "Social Organisation of the Tin Mining Industry", pp.96-97; Lai, *ibid.*, p.62.

issued by the Japanese in order to kee › tin ou:put as high as possible until the mines resumed operation. Correspondingly, annual output from the *dulang* sector increased, from 1,345 tons in 1938 to 2,858 tons by 1946. In these years the number of *dulang* pass-holders in Malaya averaged 20,000.[89]

Table 41

Importance of *Dula ıg*-Washers in the Tin Mining Industry, 1936-50

Year	Total Nc . of *Dulang* W ıshers	Total No. of Workers in Industry (Exclusive of *Dulang*-Washers)	Total Product of *Dulang*-Washers	
			Pikuls	Tons
1936	11,809	80,218	11,027	565
1938	11,327	71,487	22,597	1,345
1946	22,973	23,026	48,000	2,859
1948	20,281	48,861	54,052	3,217
1950	18,702	47,224	54,904	3,292

Source: Siew, "Labour and Tin Mining", Table IV, p.406.

In contrast to the bulk of tin nining labour, a particular characteristic of the *dulang* sector was that it was entirely a femal › occupation.[90] As in the other sectors, Chinese women, mostly Hakkas and Cantonese, predoı ninated over Malay and Indian workers.[91] As shown in Table 42 below, *dulang*-washing was concentrated in the largest tin states of Perak and Selangor.

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[89] Siew notes that the number of pass-holders would ha › e been much larger had it not been for the fact that certain areas where the ore was worked by *dulang*-washers was either restricted or declare› under curf›w in the early period of Emergency. In Johor, for example, the Warden of Mines claimed that the reason there had been no output fr› m the sector in 1948 was that the police had put a curfew on the areas where *dulang*-washers lived and worked. It is thus to be noted that while he labour f›rce in the mines experienced a steady increase in the years after 1946, the number of *dulang*-washers steadily declined. Siew, "Labou r and Tin Mining", p.406.

[90] This sexual division of labour was due to the historical developme›t of mining labour which had been almost exclusively male from its very beginning and remained so throughout. Women entered nining in r›latively insignificant numbers only in the later phases of the industry's development. By the 1930s and 1940s the practice of h ring male workers in the different sectors of the industry was deeply entrenched. Therefore, women could only enter what were regarded as margina and unskilled work processes, mainly *dulang*-washing in tailings and marginal mining land.

[91] In 1938 there were 10,108 Chinese, 806 Malay and 115 Indiar women working in the industry. By 1950 the number of Chinese had increased to 18,167 while the number of Malay and India › women h›d decreased to 445 and 90 respectively. Siew, "Labour and Tin Mining", p.407.

Table 42

Number of *Dulang*-washers in the FMS, 1946-50.

Year	State	No. of *Dulang* Pass-holders	Permissible Sales (*katis*)	Annual Average Output per Holder (*katis*)	Estimated Annual Annual Average Income per Holder (*katis*)
1946	Perak	13,069	30-45	na	na
	Sel.	6,476	30-45	na	na
	Others	1,362	30-45	na	na
Total: Federation		21,447			
1947	Perak	14,303	45	2.04	$204
	Sel.	5,480	45	1.88	$188
	Others	1,326	45	0.25-1.94	$25-$194
Total: Federation		21,109			
1948	Perak	13,927	45	2.40	$336
	Sel.	5,225	45	2.85	$399
	Others	1,145	45	0.72-2.30	$92-$322
Total: Federation		20,0297			
1949	Perak	13,859	25-40	2.92	$423
	Sel.	4,544	30	3.35	$485
	Others	903	30-45	1.08-2.47	$156-$358
Total: Federation		19,306			
1950	Perak	13,650	25	2.80	$532
	Sel.	4,357	30	3.10	$589
	Others	695	30-45	1.38-2.40	$233-$456
Total :Federation		18,702			

Source: FMS, *Department of Mines Reports*, cited in Siew, "Labour and Tin Mining". Table V, p.408.

The major factor promoting the predominance of Chinese women in the *dulang* sector was the sudden influx of Chinese female immigrants to the Straits Settlements and Malay States during the latter 1930s as a result of the 1933 Aliens' Ordinance. Under the ordinance female immigration remained unrestricted until 1938, when a quota of 500 per year was imposed.[92] The passages for women were generally cheaper since female immigrants were not subjected to quota. Moreover, some shipping agents refused to sell male quotas unless some female non-quota tickets were also purchased. Between 1933 and 1938 there was a migrational

[92] Unrestricted female immigration was promoted as official policy to improve the sex-ratio among the Chinese with a view to stabilising the population. The sex-ratio between the number of women to 1,000 men arriving from China gradually increased, from 462 in 1932 to 605 in 1933, 570 in 1934, 713 in 1936 and 948 by 1937. Li Dun en, *British Malaya*, Table 6.4, p.122.

gain of almost 200,000 Chinese women to the Straits Settlements and Malay States. Most of the women were aged between 18 and 40 and the majority were peasants and factory workers. Many of these women moved into the tin mining areas either to marry tin miners or farmers or to set up their own *attap* houses.[93] In the latter case the majority were married women who had left their husbands in China. In a similar situation to the early male immigrants, these women worked to remit money home to support their husbands and children. However, as a result of the outbreak of war, many were unable to return home and were forced to endure a long separation from their families. As *dulang*-washing required little capital investment, it was an activity that could be quite readily undertaken and could be carried out on a part-time basis leaving the women time to tend their farms or families.

In order to pan for ore the *dulang*-washers were required to obtain a *dulang* -pass or licence from the Mineral Ores Department, for which an annual fee of $1 was charged. These passes were issued only to women. It was illegal to wash for ore without a pass and each worker was required to carry her pass at all times; inability to produce a pass upon inspection rendered the holder liable to a fine with further contravention resulting in the cancellation of the licence. Despite these regulations, however, it is probable that many of the 20,000 or so *dulang*-washers in the industry were in fact unlicensed. As the miners usually worked in small groups of five to ten and were spread over hundreds of mines and streams often in bandit-infested country, few inspections were in fact made by the under-staffed Mines Department. Furthermore, although it was specifically stated that the passes were non-transferable, a pass-holder often loaned or "rented" her pass to another woman for which a percentage of the ore recovered or a *per diem* rent was charged.

Each *dulang*-washer was required to sell her ore to a licensed ore-dealer. As shown in Table 42 above, the amount permitted to be sold was limited to a fixed amount per month.

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[93] Some *lau-khehs* had also returned to China and married, bringing their wives back to the Malay States. Still others sent wedding money to parents in China to pay for a bride who would then be sent over. K.S.Sandhu, "The Saga of the Squatter in Malaysia", *Journal of Southeast Asian History*, Vol.22, 1987, p.148.

When the price of tin was low the quota for each pass-holder was reduced considerably. On the other hand, when the tin price was high and demand for tin rising, this monthly quota was increased. In most cases the women produced and sold their full allocation; any excess was either stored for the following month's quota or sold to another pass-holder who had a production short-fall. Sometimes the excess was sold to a mine-owner through the *kepala* as some mine-owners also operated as ore-dealers.

The working conditions of the *dulang*-washers were very harsh. The women were usually bent double under the heat of the sun and immersed in water up to their knees from 6 am. to 6 pm. daily. Many worked with babies strapped to their backs. However, the women were not always required to work every day in the month since the production quota could be reached between the 7th and 15th day. For the remainder of the month the *dulang*-washer could turn to an alternative occupation often undertaking menial jobs on mines in the area at a daily *kung* rate or piece-rate so much per task, or in the case of grass-cutters, stone-carriers of tin-ore dressers, per pikul.[94] Many also owned farms on which they grew vegetables and fruits that could be sold in local markets.

Being largely of peasant background, the majority of *dulang* women were illiterate. But this lack of eduction did not preclude a well-developed business acumen. Many of the women who had left their families in China but later discovered that they could not return home, realised that they could not remain active in their old age. The women exhibited characteristic foresight in preparing for their retirement. When in their early thirties the *dulang*-washers often used money that they had carefully saved to purchase unwanted female children which they then reared. At an early age these adopted daughters followed their foster-mothers to work in the mines or streams. Although incapable of any real work they became acquainted with the

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[94] Women workers on the mines were confined to unskilled menial work such as ore-dressing and *lampan* (sieve) extraction, weeding, clearing and odd jobs (*tsap kung*). Under the Mines and Machines Enactment Women were not allowed to tend machines or work in underground mines. Jobs at the managerial, supervisory, technical (such as fitters, smiths etc.), and apprenticeship levels were also strictly for men. Siew, "Labour and Tin Mining", pp.408-09.

sight and nature of their future occupation. The children were encouraged to handle the tools and equipment in order to acquire skill in their use. Thus the children were initiated into their life's work at the right age by the correct method. A *dulang*-woman often had as many as half a dozen adopted daughters, usually all of different ages. When they grew up and were capable of earning a living, the *dulang*-woman was amply rewarded as the children were hard-working, thrifty and filial, usually giving every cent of their earnings to their foster-mothers.

In addition to the ingenious method of preparing for retirement, the business acumen of the *dulang*-women usually meant that they became wealthy enough to own shares in Chinese mines or to give large loans to Chinese miners whom they trusted. An unusual feature however, was that the women were rarely known to labour in the mines in which they had a share.[95]

Although the majority of *dulang*-women usually worked individually and for their own account they often joined with other *dulang*-washers to form a small group which then worked on the larger Chinese mines. A popular activity was to "tender for *amang*". This involved offering a bid of a cash lump sum to gain the right to recover the tin-ore contained in the heavy black material impurity (*amang*), that was left after the ore had been dressed. In these cases the *dulang*-woman who was the "leader" made all the necessary arrangements with the mine-owner, often raising the necessary capital from her fellow workers to pay a deposit before work commenced. The leader then distributed the work among the *dulang*-women labourers and assumed the role of supervisor to ensure that the time limit usually set for these small workings was met. On the whole, the work lasted between a week and twenty days, but rarely exceeded one month. When the ore was sold and the contract terminated, payment was made along the lines of the tribute system. The money advanced by the leader was first repaid to the contributors with ten per cent of the remainder being retained by the leader in recompense for

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[95] Siew, "Labour and Tin Mining", pp.409-410.

her influence in obtaining the contract and her skill in estimating correctly the amount of ore recoverable. The money left was then divided between the workers (among whom the leader was also classed), according to the number of days each had worked if all contributed equal shares in the initial outlay. If initial advances were unequal, then this was taken into account in the sharing of the profits. Usually, the women supplied their own food individually. Sometimes, however, it was cheaper and more convenient to supply and cook the food collectively. In these instances the expenses incurred were deducted before the profits were distributed.

In summary, the period between the Great Depression and the Malayan Emergency was a time of great upheaval and change for Chinese tin mining labour. On the one hand the international disturbances that occurred during these years reinforced the structural changes that had begun in the previous period and large numbers of Chinese tin miners were displaced from the mines. On the other, unemployment, poor working conditions, food shortages and the influence of communist agitators had combined to encourage the development of labour organisation for the first time on any significant scale. Miners joined with labourers all over the Peninsula in demanding higher wages and better working conditions. One important factor behind the labourer's strong bargaining position was that many now had an alternative livelihood to fall back on. At the same time, the period witnessed the growth in the number of *dulang*-washers in the industry as an important component of the tin mining labour force. In contrast to other sectors of the industry, *dulang*-washers were all women.

CHAPTER 6. BEYOND THE TIN MINES

The previous two chapters have outlined that thousands of Chinese tin miners were displaced from the mines in the first half of the 20th century due to increased mechanisation and the demise of the open-cast sector, economic depression and production restriction and Japanese Occupation. This chapter seeks to complete the historical overview of Chinese tin mining labour by looking "beyond the tin mines" to examine what became of these displaced labourers. The chapter is divided into two sections. Section 1 briefly overviews the avenues open to displaced mining coolies from about 1910 onwards. By far the greatest number, it will be seen, moved into agricultural "squatter" settlements on the edge of the Malayan jungle. Here they undertook food and cash-crop cultivation. Following on from this Section 2 provides a case study of the development of agricultural squatter communities in the Kinta Valley.

1. FROM TIN MINERS TO AGRICULTURAL SQUATTERS:

Malaya is said to have experienced no real economic distress prior to the beginning of the Great Depression in 1929-30. But due to unsound ventures and fluctuating tin prices occasional unemployment was often experienced in the tin mining industry.[1] Prior to the 20th century this did not constitute too serious a problem; on the whole numbers were generally small and, at least for the able-bodied, employment was usually available in other sectors of the economy such as on government road and railroad construction programs.[2] From the early

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[1] In 1896, for example, the Selangor State Surgeon observed that several thousand coolies had been thrown out of employment and were wandering about from place to place in search of work. Having no regular source of food many became weak and anaemic and drifted in large numbers to vagrant hospitals where they were refused admission until, succumbing to one disease or another, they were brought to the wards in an almost hopeless condition. The admission of poor, unemployed and aged Chinese tin mining labourers to government hospitals became an accepted practice in the 1890s. In Perak, decrepit wards were maintained for aged and destitute Chinese mining coolies. Maintenance costs for the wards were met by Chinese employers through a levy of a few cents on each pikul of tin produced. In 1909 the wards were reported to have "a daily average of 160 paupers". Reported in the *Malay Mail* (Kuala Lumpur), August 13, 1897, p.3.

[2] For example, in early 1896 some 5,000 unemployed Chinese mine labourers found work on the construction of the trunk road being built from Selangor to Pahang.