The externalisation and casualisation of farm labour in Western Cape horticulture

Andries du Toit and Fadeela Ally

Research report no. 16
The externalisation and casualisation of farm labour in Western Cape horticulture: A survey of patterns in the agricultural labour market in key Western Cape districts, and their implications for employment justice

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Programme for Land and Agrarian Studies
and Centre for Rural Legal Studies
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Contents

List of figures, tables and boxes ii
Abbreviations and acronyms iii
Acknowledgements v

Chapter 1: Introduction
Change on the farms 1

Chapter 2: Modernisation and change on commercial farms in the Western Cape
Labouring without the law 4
Modernising labour relations 5
A backlash looms 5
Key questions 6
Research approach 7

Chapter 3: An overview of employment patterns in selected Western Cape districts
Providing work: permanent and temporary labour 10
Make-up of the permanent labour force 12
Housing 12
The temporary labour force 14
Use of contractors 16
Changes: past and future 19
Factors cited as consideration in labour policy 20
Overview 22

Chapter 4: Contract labour
A small, marginal operator 24
A large operator in a buyer’s market 26
A well-resourced specialist 28
A labour-only contractor 32
Workers’ perspectives 35
Unsustainable livelihoods 40

Chapter 5: Ensuring employment justice
What changes, and what stays the same? 44
New realities 46
New strategies 47
Conclusion 51

Bibliography 52
Appendix 1: Questionnaire 55
Appendix 2: The sample 56
List of figures, tables and boxes

Figure 1: Year-on-year changes in regular agricultural employment 6
Figure 2: Regions of the survey 8
Figure 3: Percentage of houses allocated to female household heads 14
Figure 4: Fluctuations in person-weeks per hectare for main farm activity types 16
Figure 5: Farms using contractors (%) 17
Figure 6: Main tasks performed by contractors on farms that use them 18
Figure 7: Factors listed as influencing decisions about farm labour 21
Figure 8: Future plans for housing 22
Figure 9: Distribution of farm sizes in sample 58

Table 1: Permanent jobs, regular jobs (permanent jobs plus farm-based temporary workers), harvesting workers and job equivalents (person-years) per hectare, differentiated by farm size 10
Table 2: A comparison between Kritzinger and Vorster’s figures for regular and seasonal employment on fruit farms in 1995 and this study’s figures for the same categories in 2000. 11
Table 3: Ratio between estimated amount of work (measured in person-years) done by off-farm temporary workers and that done by permanent workers 11
Table 4: Permanent jobs per hectare – a breakdown by farm size and main activity 12
Table 5: Labour use per hectare and permanent employment on farms with a pack-house or cellar 12
Table 6: Race and gender breakdown of the permanent labour force by district and main activity 12
Table 7: Housing usage by district and main activity 13
Table 8: Distribution of empty houses on the 44 farms where houses stand empty 13
Table 9: Main sources of temporary labour 15
Table 10: Lowest monthly levels of temporary labour use for different sub-sectors 16
Table 11: Breakdown of harvesting labour force by race and gender 16
Table 12: Changes in permanent employment since 1997 19
Table 13: Future plans for permanent labour 20
Table 14: Factors influencing labour decisions – variation according to past changes in the number of permanent workers 20
Table 15: Farms planning to demolish or change the function of housing 22
Table 16: The target profile of farms by main activity and district compiled from data obtained from the Department of Sociology, University of Stellenbosch 56
Table 17: A profile of the farms surveyed by main activity 57
Table 18: A more detailed typology highlighting farms focusing on single activities 57
Table 19: Hectares planted to specific crops per district 58
Table 20: Distribution of farm sizes (quartiles) by district and main activity 59

Box 1: The importance of providing year-round work 31
Box 2: ‘I sweat for my bread’ – Interview with ‘Liena’, a worker with OutSource 38
Box 3: ‘The white man is scared...’ – Interview with ‘Anna’, a worker with OutSource 39
Box 4: ‘It would be a privilege to return to a farm’ 40
## Abbreviations and acronyms

<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Description</th>
</tr>
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<tr>
<td>AgriSA</td>
<td>Agri South Africa</td>
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<tr>
<td>CRLS</td>
<td>Centre for Rural Legal Studies</td>
</tr>
<tr>
<td>ESTA</td>
<td>Extension of Security of Tenure Act 62 of 1997</td>
</tr>
<tr>
<td>ETI</td>
<td>Ethical Trading Initiative</td>
</tr>
<tr>
<td>FLOC</td>
<td>Farm Labour Organizing Committee</td>
</tr>
<tr>
<td>FSC</td>
<td>Forest Stewardship Council</td>
</tr>
<tr>
<td>ICU</td>
<td>Industrial and Commercial Workers’ Union</td>
</tr>
<tr>
<td>NDA</td>
<td>National Department of Agriculture</td>
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<tr>
<td>NPI</td>
<td>National Productivity Institute</td>
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<tr>
<td>RDP</td>
<td>Reconstruction and Development Programme</td>
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<td>SETA</td>
<td>Sector Education Training Authority</td>
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<td>UIF</td>
<td>Unemployment Insurance Fund</td>
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Acknowledgements

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The most important debt is owed to Alida van der Merwe, former director of CRLS, whose vision played a key role in the conceptualisation of this research project. Her emphasis on the scope for close co-operation between CRLS and PLAAS was what made the research possible in the first place. Her untimely death during the writing of this report is a serious and painful loss to those committed to justice for farm workers and farm dwellers in South Africa.
Chapter 1: Introduction

On several Friday nights during February and March 2001, a visitor to Happiness Street in the Oostenberg Municipality’s newly created Westbank housing project would have witnessed angry scenes. A small crowd of frustrated and enraged people would be seen squatting outside the house of Mrs Santie van Rooy, a prominent community member.

Mrs Van Rooy (‘Suster Van Rooy’ or just ‘Van Rooy’ to her neighbours) is well respected in her community. It was she who organised a group of more than 200 farm worker households to apply for Reconstruction and Development Programme (RDP) funding when the township was first being planned – and who reputedly threatened legal action when the Oostenberg Municipality argued that as farm dwellers they were not a prioritised group. She is a prominent member of the local church and a dedicated health worker who, when not at home, is in her white uniform, visiting terminally ill HIV/AIDS and tuberculosis patients as part of the local hospital’s outreach programme. Although this is not paid work, it clearly gives her emotional and symbolic satisfaction: ‘Met ons gesin gaan dit ook maar moeilik, maar die Here leer ons dat ons dié wat minder gelukkig as onsself is moet help en bystaan.’ (Our family also has its difficulties, but the Lord teaches that we must help and assist those less fortunate than us.)

It is this desire to help her neighbours that has got Van Rooy into a difficult situation. The people squatting outside her door on this windy, sandblasted Friday night are those she referred to a labour contracting agency, OutSource, which had been looking for people to work in the vineyards around Stellenbosch during the harvesting season. To Van Rooy it seemed like an ideal opportunity. She was acutely aware of the unemployment problem in the area and of residents’ chronic lack of cash and their inability to pay their children’s school fees. Van Rooy believed that ‘vir dié wat gewillig is om te werk kan daar darem nou ‘n geleentheid wees’ (those who are willing to work will now have an opportunity to do so). After a few weeks, she even managed to get OutSource to promise that it would pay her R250 per week for her services, which would help to supplement her husband’s meagre disability payment. On the face of it then, OutSource seemed to offer a solution to several problems in the community.

OutSource is a large company and provides temporary workers in a wide range of fields, from construction and health to information technology and accountancy. Its entry into the agricultural sector threatened to provide smaller labour contractors with some serious competition. It promised workers fairly good daily rates (‘We will not take on work for less than R50 per worker a day,’ said OutSource’s Western Cape manager) and said that it made its own money by charging a separate fee instead of skimming workers’ salaries. Speak to OutSource’s regional director or its manager in charge of farming business and both will assure you that the company does not want to get involved in ‘slave labour’ and aims to ensure that workers get the pro rata benefits to which they are entitled.

The people gathered in front of Van Rooy’s house tell a different story. They are frustrated and disappointed. They
The externalisation and casualisation of farm labour in Western Cape horticulture

recite a litany of problems, but on this Friday night what matters most is money. Although they stopped work at 4:30pm, they had to wait until after 9pm to be paid. The same thing has happened week after week, they say. Furthermore, in spite of the promise of decent pay, most have made very little money. Some of them arrive home at the end of the week with only R60 or R70. Some allege that they are often paid a week late and sometimes not at all. They also claim that they do not get paid what they are entitled to for the amount of work they do.

Part of the problem seems to lie in the fact that most people who work in OutSource’s agricultural division are paid piece rates. This means that workers (as the managers never tire of explaining) ‘work for themselves’, and therefore only have themselves to blame if they bring home less pay than expected. In principle, this sounds fair. But when the harvesting of wine grapes is repeatedly interrupted by rain, or the work is halted to wait for sugar levels to rise, and when many people compete for the same limited work opportunities, the reality is that workers are often employed for as little as one or two days a week.

In addition, the payment of piece rates is accompanied by serious logistical problems. Paying piece rates to more than 600 workers per week is an organisational nightmare. In order to deal with this, OutSource’s working week runs from Thursday to Wednesday to give administrators time to make the necessary calculations and fill pay packets. This means that those who could only ‘work for themselves’ on Thursday and Friday have to wait until the next week before being paid. But often OutSource – short-staffed and running on very narrow margins – cannot even get pay packets ready by Friday.

According to workers, there have been some nasty scenes at the organisation’s offices near Stellenbosch. On one occasion, when angry, tired and hungry employees, confronted with incorrect – and even empty – pay packets, tried to demand that matters be put right, they were simply told by the staff member on duty that ‘ek werk nie met die geld nie, ek gee net die geld’ (I don’t work with the money, I just hand out the money). This resulted in the workers storming the offices and the staff barricading themselves inside. After this incident, staff removed the outside doorknobs to make the place even more impenetrable.

The conflict led to a change in OutSource’s payment policy. It decided that workers would be paid by company drivers at Van Rooy’s house in Westbank. Though this clearly must have addressed the safety concerns of OutSource’s office-based staff, it only made matters worse for everyone else. Drivers were upset at having to bring not inconsiderable amounts of money into an impoverished and crime-infested neighbourhood. Administrative snarl-ups continued, sometimes with new complications: while many workers did not receive their pay packets, others received the wrong pay packets. The workers’ anger at administrative bungling was now directed at the drivers and at Van Rooy, and both were powerless to do anything about it.

Van Rooy herself was not very happy with OutSource, as a week or two after receiving her first weekly instalment, the company suspended further payments. According to Van Rooy, the company was morally obliged to continue paying her for the rest of the season, especially since she worked for free during the first few weeks of the recruitment phase and the company was still using the workers she recruited during that time. However, she also realised that she had no real bargaining power, and was frightened of irrevocably damaging her relationship with OutSource if she complained.

**Change on the farms**

The incidents on Happiness Street were not isolated events. Nor do they simply
Chapter 1: Introduction

represent another story about administrative problems in South Africa’s new outsourced services sector. They highlight a range of problems that extend far beyond the streets of Westbank or even the vineyards of Stellenbosch. The experiences of workers and women like Van Rooy and her neighbours parallel those of workers in many other sectors of the South African economy (Theron & Godfrey 2000). But more concretely, they illustrate some of the specific shifts that are taking place in labour-intensive agriculture in South Africa as a whole and in the Western Cape in particular. The difficulties experienced by OutSource and its employees highlight, in a particularly dramatic form, the new questions about responsibility, accountability, employment relationships, risks and livelihoods that have arisen as a result of these shifts.

These changes are complex and uneven, and they involve a more far-reaching transformation of the nature of agricultural labour relations in the wine- and fruit-producing areas than has been seen in previous decades. Ever since the time of slavery, labour relations on Western Cape fruit and wine farms have been governed by the institutions and systems of paternalism, in terms of which the farmer as ‘master’ was the ultimate authority and the law of the land gave way at the borders of the farm to die boer se wet (the farmer’s rule). Far from being destroyed by commercial development and capitalist progress, these institutions and arrangements simply modified and adapted themselves over time. New doctrines on management swept across the Western Cape countryside in the 1990s, and financial and technical systems kept pace with new developments at the end of the 20th century. Despite this, the assumptions and attitudes that govern the actions of many farmers in the Western Cape are still reminiscent of past practices. So resilient and persistent were the institutions and systems of paternalism that by the end of the 1990s scholars of labour and social relations in the Western Cape concluded that one of the key research questions facing them was the survival of paternalism (Ewert & Hamman 1999).

This report argues that important changes are happening alongside these continuities. Paternalist arrangements are not being entirely abandoned, it is true – but they are being re-evaluated and restructured in unprecedented ways. Old arrangements and assumptions are being questioned, and new strategies for securing and managing labour are coming into being. These changes present those concerned with the living and working conditions of South African farm workers and farm dwellers with new challenges. New strategic questions have arisen, and many of the tried-and-tested solutions no longer seem adequate.

The purpose of this study is to explore in depth the extent and nature of the changes in the Western Cape. It provides a quantitative overview of farm employment in the most important labour-absorptive sectors of Western Cape horticulture (viticulture, deciduous fruit production and vegetable growing) in some key districts (Stellenbosch, Paarl, Wellington, Grabouw, Ceres, Worcester/Hex River and Robertson). It also explores the issues raised by the growth of labour contracting services in the farming sector. Finally, it discusses the implications of some of these changes, and highlights some important strategies and policy options needed to secure employment justice and sustainable livelihoods in the commercial farming sector.

Endnote

1 Names and addresses of people and organisations have been changed. Happiness Street does exist, however, and, contrary to popular belief, it really is situated in Westbank. The events recounted here have been reconstructed from the accounts of the participants.
Chapter 2: Modernisation and change on commercial farms in the Western Cape

To fully comprehend the nature of the shifts taking place in the farming sector of the Western Cape at present, it is important to understand the nature of the paternalist system of labour and social relations that is being affected by these changes. This system has been shaped by the Western Cape’s more distant past and, in particular, by the legacy of slavery and colonialism.

Labouring without the law
The legal and cultural order of the Cape linked rights and power to racial identity, and created a paternalist ideology that legitimised and regulated the relationship between ‘masters’ and servants (Worden 1985; Elphick & Giliomee 1989; Crais 1992; Trapido 1994). Paternalist ideology refused to recognise slaves and servants as mature human beings. Although slaves and servants were morally entitled to protection and care, they were, in most respects, entirely subject to the final authority of their white ‘masters’ (Ross 1983; Dooling 1992).

The social identities and institutions that had been shaped during more than 170 years of slavery did not simply vanish. Instead, they continued to influence farmers’ responses to their changing environment, enabling them to mount a century-long rearguard action against any reforms aimed at freeing or protecting rural labour. Despite the abolition of slavery, the farmers managed to introduce a series of progressively harsher Masters and Servants Acts which gave agrarian employers powers over farm workers that far exceeded those of any other type of employer over any other category of worker (Marincowitz 1985; Rayner 1986; Keegan 1987; Crais 1992). Although this legislation was finally abolished in 1974, it introduced into South African law a distinction between farm labour and other types of labour, which served to exclude farm workers from the rights won by urban workers until the early 1990s (Bundy 1979; Armstrong & Worden 1989).

In the 1980s, the Rural Foundation’s project of modernisation infused paternalist discourse with a new emphasis on scientific and productivity-oriented management and the ‘development’ of what was already being called ‘previously disadvantaged communities’ (agtergeblewene gemeenskappe). But these attempts at modernisation still preserved much of what was distinctive about Western Cape paternalism (Du Toit 1995; Mayson 1990). Even progressive farmers who accepted the modernisation of labour law were at pains to point out that workers were better off in the ‘wise’ care of the farmer, and would not be much helped by the meddling of lawyers, trade unionists or other outsiders (Du Toit 1993). Labour relations continued to involve much more than the exchange of cash for labour. Above all, the institution of tied housing persisted on Western Cape wine and fruit farms, and farmers continued to rely on...
on-farm permanent labour. To work on a farm as a permanent employee remained linked to dwelling on the farm as part of a broader community whose well-being was the responsibility of farm management.

**Modernising labour relations**

Given this history, it is hardly surprising that the most important idea guiding those who have hoped to transform farm labour relations in the Western Cape has been modernisation. Many analyses of labour and social relations tended to link the prospects for what was tellingly called ‘progressive’ change on the farmlands with the supposed struggle between ‘modern’, ‘businesslike’ and ‘market-oriented’ approaches to farming and those that were regarded as backward, traditional and out of touch with modern economic realities (for example Lipton 1993; Ewert 2000). At the core of these analyses was the insight that Western Cape horticulture’s dependence on cheap and rightless labour involved compromising productivity and efficiency. To put it crudely, ‘racism’ was seen as ‘inefficient’. It was increasingly being argued that transcendence of the inequitable labour relations of the past made business sense: ‘empowering’ workers, respecting their rights and offering them better salaries would serve to increase the capacity and competitiveness of the labour force, and hence of the sector as a whole (Ewert & Hamman 1997).

In policy circles this has translated into the widespread assumption that what is required to transform agricultural labour relations is their ‘normalisation’, which has almost universally been taken to mean the extension into the rural areas of the institutions and practices of industrial-style labour relations and of neoliberal economics. The result has been that South African agricultural restructuring has followed a distinctive path: deregulation in agricultural producer markets has been accompanied by a significant increase in labour market regulation (Ewert & Hamman 2000; Kritzinger & Vorster 2001; Barrientos 2000).¹ Both these policy directions are powerfully shaped by the underlying assumptions about modernisation – and by the increasing marginality of white farmers as a political constituency. The intention of labour law reform was to take agricultural labour relations out of the 19th century, while deregulation was meant to remove the ‘policy distortions’ that had led to overmechanisation and underemployment (NDA 1998). By exposing the South African agricultural sector to the rigours of competition through deregulation, it was widely expected that uncompetitive, ‘backward’ farmers would be shaken out and that their outdated approaches would make way for ‘businesslike attitudes’ and modern agricultural practices that could help transform oppressive racial power relations (Lipton 1993; Ewert & Hamman 1999; Ewert 2000). These changes, it was assumed, would either force out of the market farmers who still held on to the racist attitudes of the past or compel them to shift to more competitive – and more ‘progressive’ – labour management strategies. It was recognised that this would result in the shedding of labour, but this was seen as ‘inevitable’, a trade-off that would ensure better conditions for the remaining workers.

**A backlash looms**

As the 1990s drew to a close, it became increasingly evident that this trade-off would be expensive. Farmers had been threatening to lay off and evict farm workers ever since the start of agricultural labour law reform. Just what these threats meant in practice was not clear. Farm employment, it should be noted, had in any case been in decline since the late 1960s, mostly in response to government policies designed to encourage and support large-scale, mechanised white farming. Evidence of the removal of these ‘policy distortions’ seems to be uneven. Some national statistics indicate that job-shedding has continued. Indeed, the statistics show some very sharp year-on-year drops in the number of permanent
The externalisation and casualisation of farm labour in Western Cape horticulture

jobs. Official statistics record a loss of 114 000 regular jobs in commercial agriculture between 1988 and 1996, with an astounding 19% decline in the number of permanent jobs recorded in 1994 (see Figure 1) (Statistics South Africa & NDA 2000; Simbi & Aliber 2000). Agricultural employment as a share of rural employment declined from 79.4% in 1991 to 74% in 1997, and the percentage of farm workers in the total rural labour force fell from 15.2% in 1991 to 12.3% in 1996 (Simbi & Aliber 2000).

Though the overall nature of the shift in agricultural labour relations is clear, the exact nature and the extent of the shift are less evident. For one thing, there are regional variations. Agricultural census figures for 1996 showed an increase in employment in the Western Cape and Mpumalanga. This seems to be corroborated by a study conducted in 1997 which suggested an increase in employment in the wine sector, with farmers estimating further increases until 2002 (Ewert et al. 1998). Furthermore, it is not clear what conclusions can be drawn from national agricultural labour statistics: shifts in the number of casual and seasonal employees may well be the result of measurement errors or changes in the way in which farmers classify and conceptualise the components of their labour force. The increase in employment recorded in the 1997 survey happened during an unprecedented increase in plantings (Ewert, pers. comm.), and it is not clear to what extent this increase in labour reflects a continuing and sustained trend. Experience on the ground suggests that many farm workers work on farms as ‘on-farm temporary workers’, who continue to have long-term associations with particular farms but with a much greater degree of insecurity. The real extent and nature of the shift away from permanent on-farm employment is hard to gauge. Equally important, it is not clear just what has taken its place, and what the implications are for employment justice.

Key questions

The present study grew out of the need to better understand current trends in the agricultural labour market and their implications. That labour-intensive horticulture is shedding jobs is widely accepted, but what is needed is a better understanding of the extent to which this is happening. This study attempts to answer some key questions in this regard:

1. How much labour is used by farmers, and what are their sources of this labour?
2. What has happened to permanent employment and permanent livelihoods?

Figure 1: Year-on-year changes in regular agricultural employment

Source: Statistics South Africa & NDA 2000
on farms? How many farms have shed permanent jobs in the recent past, and how many intend to do so in the future? What are the key reasons farmers give for their strategies and decisions vis-à-vis the labour force? How different are farmers’ strategies? Is job-shedding happening in a uniform manner or are divergent strategies and approaches emerging? Do changes in strategy indicate a fundamental change in farmers’ approach to labour, or are they only marginal adjustments within the existing paternalist approach?

3. How many permanent jobs are there? How many people live on farms permanently but are only employed on a temporary basis? To what extent do farmers make use of temporary off-farm workers? What are the regional and industry-specific patterns?

4. What is the make-up of the permanent and temporary labour forces? Are there significant differences between them, for example in their racial and gender composition? Are women more likely to be drawn into agricultural labour as permanent workers than as temporary workers?

5. To what extent are direct employer-employee relationships making way for labour contracting arrangements? How widespread is the shift to labour contracting? Are there significant patterns? What kinds of contracting service are being offered?

6. What does the shift towards labour contracting mean for farm workers? How does it affect the conditions under which they work, and their livelihood security? What are the social and power relations of labour within the contracting sector? What are the implications of a shift towards contracting for employment justice? Can the contracting sector play a valid role in rural job creation?

7. What are the practical and concrete implications of this shift for those concerned with the improvement (or even the protection) of farm worker livelihoods and conditions of work? What can be done to ensure that labour justice obtains in a labour market characterised by high degrees of casualisation and externalisation? Can this labour market sustain labour practices that are compliant with the minimum conditions set by labour legislation, or provide adequate livelihoods for farm workers? To what extent does the reorganisation of the labour market render existing strategies for enforcement and monitoring unworkable? Are new strategies required?

**Research approach**

In order to answer the key questions outlined above, the research involved a two-pronged approach. In the first place, a quantitative survey of employment patterns and strategies was conducted. This survey was conceptualised as a baseline study, and basic information about the extent and nature of labour usage was collected. The questionnaire included both closed and open questions (see Appendix 1). The stress fell on the collection of numerical information, particularly about the use and sourcing of labour, though space was left for qualitative information about farmers’ perceptions and motivations. However, because of time and financial constraints, questions about working conditions (pay, hours, and so forth) were excluded, except for the issue of housing, which has a close bearing on labour-sourcing strategies. Key areas of focus therefore were the size and composition of the permanent labour force; the sources, composition and week-by-week use of temporary labour; the extent of past and future changes in labour-sourcing strategies; the extent and nature of the use of labour contractors; and housing usage and policy. The respondents were those who were directly responsible for the management of labour on the farms – owners, ‘general managers’ or, on larger farms, human resources managers.
The externalisation and casualisation of farm labour in Western Cape horticulture

The sample was drawn from the most important labour-intensive sectors in Western Cape agriculture: deciduous fruit production and viticulture. Given the time constraints, it was impossible to survey all rural districts, and the research thus concentrated on a random sample of farms in the key horticultural districts of Stellenbosch, Paarl, Wellington, Worcester/Hex River, Ceres, Grabouw and Robertson (see Figure 2). A total of 77 farms, including wine, fruit and vegetable farms, were surveyed. Farms were largely selected on the basis of producer lists – the Deciduous Fruit Producer Trust database of producers for fruit farms and Vinpro’s list of wine producers – in order to ensure an activity mix representative of the different districts (see Appendix 2). For the purpose of the analysis, a distinction was made between table grapes on the one hand and tree-grown deciduous fruit, that is, pome fruit (apples and pears) and stone fruit (peaches, nectarines, apricots and plums), on the other.

In order to gauge the implications for employment justice, it was also necessary to develop a qualitative understanding of the nature of the social relationships of labour in the labour contracting sector. A qualitative investigation of selected farm labour contracting businesses, described in four case studies in this report, formed the second component of the research process.

A typology of contractors was constructed on the basis of information drawn from the baseline survey, and five contractors were selected for closer investigation. One of these contractors dropped out, so interviews were held with four contractors. The interviews were semi-structured in format, lasted between one and a half and two hours each, and were tape-recorded. Key areas of focus involved the nature of the business organisation, client and worker base, cash flow and working capital, business strategy and labour relations, including conditions of employment. In two of the cases, interviews were held with the labour contractors only. In the other two cases, interviews were conducted with both the labour contractors and their employees. In the case of one of these, an interview was held with a group of 13 workers outside a farm before they started work. In the case of the second contractor, interviews were held in a home in Westbank – once with a group of four male workers, and once with a group of four female workers. These interviews with the workers yielded basic information about their socio-economic situation, including employment history, access to alternative employment, working conditions and labour relations. Although the interviews did not permit the construction of a profile of contract

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Figure 2: Regions of the survey
workers, they did elicit detailed information about the problems and difficulties externalised farm workers encounter.

This report focuses on presenting some of the most important results of both the survey and the case studies. After a discussion of the key findings, an interpretation of the nature and meaning of the shifts they seem to reflect is developed and the implications are examined. The report does not deal in great detail with the technical legal questions raised by the restructuring of agricultural labour. It does, however, close with a brief discussion of some of the strategic questions that need to be resolved by those concerned with ensuring employment justice in agriculture.

**Endnote**

1. Key acts include the Extension of Security of Tenure Act 62 of 1997 (ESTA), the Basic Conditions of Employment Act 75 of 1997, the Labour Relations Act 66 of 1995, the Employment Equity Act 55 of 1998 and the Skills Development Act 97 of 1998. Since the completion of this research, in March 2003, a sectoral determination in agriculture was introduced by the Minister of Labour, which provides for minimum wages.
Chapter 3: An overview of employment patterns in selected Western Cape districts

Traditionally, Western Cape wine and fruit farms have secured labour from a variety of sources. On wine and fruit farms, work is usually done by a core labour force of on-farm workers, supplemented during the harvest by off-farm and migrant workers from surrounding areas or the Eastern Cape. One of the key tasks of the study was to establish the overall labour intensity of farms in the sample, as well as the balance between permanent and temporary labour.

Providing work: permanent and temporary labour

The figures in Table 1 are for a number of different categories of labour. The category ‘permanent jobs’ refers to the jobs performed by people who are formally contracted as permanent employees on a particular farm. In addition, farms also make use of a significant number of on-farm workers – often the female partners or dependants of permanent male workers – who work on an ‘as needed’ basis, along with permanent workers, in ‘regular jobs’. Although these workers are not formally recognised as permanent workers, they have a permanent relationship with the farm. The figures for ‘regular jobs’ include the total number of on-farm ‘temporary’ workers plus permanent workers.

Off-farm temporary workers were used in a number of different ways and for different tasks. The study collected detailed data on the off-farm labour requirements for specific seasonal tasks, particularly harvesting. In addition, farmers were asked to provide figures on the week-by-week use of temporary off-farm seasonal labour throughout the year. These figures allowed for the development of a rough estimate of the total number of

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<th>Farm size</th>
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<th>Harvesting workers per hectare</th>
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</thead>
<tbody>
<tr>
<td></td>
<td>Mean</td>
<td>Median</td>
<td>Mean</td>
<td>Median</td>
</tr>
<tr>
<td>Whole sample</td>
<td>0.53</td>
<td>0.36</td>
<td>0.79</td>
<td>0.55</td>
</tr>
<tr>
<td>0–28 ha</td>
<td>0.82</td>
<td>0.54</td>
<td>1.16</td>
<td>0.78</td>
</tr>
<tr>
<td>28–60 ha</td>
<td>0.49</td>
<td>0.33</td>
<td>0.98</td>
<td>0.56</td>
</tr>
<tr>
<td>60–102 ha</td>
<td>0.44</td>
<td>0.41</td>
<td>0.54</td>
<td>0.46</td>
</tr>
<tr>
<td>&gt;102 ha</td>
<td>0.36</td>
<td>0.31</td>
<td>0.58</td>
<td>0.54</td>
</tr>
</tbody>
</table>
Chapter 3: An overview of employment patterns in selected Western Cape districts

The data highlight some interesting patterns. Comparisons are difficult, since official statistics are not disaggregated by sub-sector, and other studies of labour employment in Western Cape horticulture use slightly different methodologies. Kritzinger and Vorster’s 1995 study, for example, did not include wine farms, and their typology of farming activities differs from that used in this study. Where the data can be compared, however, this study suggests much lower figures for ‘regular employment’ (see Table 2).

The data clearly indicate the growing importance of temporary workers. Firstly, more work is done by off-farm temporary workers than by permanent workers. On the basis of figures supplied by respondents on their week-by-week use of off-farm temporary labour, the volume of work (measured in time worked) done by permanent workers was only half as much as that done by off-farm temporary workers (see Table 3). Secondly, off-farm temporary workers also predominate over regular ones in absolute terms: in the sample, the total workforce consisted of 3 728 regular workers (formally permanent plus farm-based temporary), supplemented by an estimated total of 6 863 off-farm temporary workers who were employed during peak harvesting time in February. Since not all the harvesting workers were deployed at the same time, the total size of the off-farm harvest workforce on the farms in the survey was an even larger figure of 8 408.

A further interesting feature of the data is the relative variability of permanent employment across farm sizes (see Table 4). The figures seem to indicate a real tendency by smaller farms to carry more permanent labourers per hectare than bigger farms. A closer look at the figures shows that this is largely due to the inclusion of table grape farms in the sample. The fact that these farms tend to be smaller and more labour intensive means that the effect of table grape farms in the sample is exaggerated. The possibility that smaller table grape farms tend to be less ‘efficient’ users of labour is, however, quite suggestive and needs further investigation.

### Table 2: A comparison between Kritzinger and Vorster’s figures for regular and seasonal employment on fruit farms in 1995 and this study’s figures for the same categories in 2000*

<table>
<thead>
<tr>
<th>Main activity</th>
<th>Regular 1995</th>
<th>Regular 2000</th>
<th>Seasonal 1995</th>
<th>Seasonal 2000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Whole sample</td>
<td>1.36</td>
<td>0.79</td>
<td>1.32</td>
<td>1.25</td>
</tr>
<tr>
<td>Deciduous fruit (tree-grown)</td>
<td>1.34</td>
<td>0.64</td>
<td>0.59</td>
<td>1.12</td>
</tr>
<tr>
<td>Table grapes</td>
<td>1.95</td>
<td>1.43</td>
<td>2.79</td>
<td>2.17</td>
</tr>
</tbody>
</table>

Source: Kritzinger & Vorster 1995

*The figures for ‘seasonal’ employment in the Kritzinger and Vorster study have been compared with this study’s figures for harvesting teams.

### Table 3: Ratio between estimated amount of work (measured in person-years) done by off-farm temporary workers and that done by permanent workers

<table>
<thead>
<tr>
<th>Main activity</th>
<th>Ratio between off-farm temporary work and permanent work</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Mean</td>
</tr>
<tr>
<td>Whole sample</td>
<td>150.61</td>
</tr>
<tr>
<td>Deciduous fruit (tree-grown)</td>
<td>178.87</td>
</tr>
<tr>
<td>Mixed</td>
<td>115.12</td>
</tr>
<tr>
<td>Table grapes</td>
<td>215.04</td>
</tr>
<tr>
<td>Wine</td>
<td>109.77</td>
</tr>
</tbody>
</table>
The externalisation and casualisation of farm labour in Western Cape horticulture

The data also clearly show that the presence of a pack-house or a cellar does not only increase labour use in general, but also increases the ability of a farm to support permanent employment. While farms with a pack-house or a cellar provided 44.3% more employment in total, they provided an average of 80% more permanent jobs per hectare (see Table 5).

### Table 4: Permanent jobs per hectare – a breakdown by farm size and main activity

<table>
<thead>
<tr>
<th>Main activity</th>
<th>Permanent jobs per hectare</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>0–28 ha</td>
</tr>
<tr>
<td>Deciduous fruit (tree-grown)</td>
<td>0.29</td>
</tr>
<tr>
<td>Mixed</td>
<td>0.42</td>
</tr>
<tr>
<td>Table grapes</td>
<td>0.88</td>
</tr>
<tr>
<td>Wine</td>
<td>0.29</td>
</tr>
</tbody>
</table>

The data also clearly show that the presence of a pack-house or a cellar does not only increase labour use in general, but also increases the ability of a farm to support permanent employment. While farms with a pack-house or a cellar provided 44.3% more employment in total, they provided an average of 80% more permanent jobs per hectare (see Table 5).

### Table 5: Labour use per hectare and permanent employment on farms with a pack-house or cellar

<table>
<thead>
<tr>
<th>Job equivalents per hectare</th>
<th>Permanent jobs per hectare</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Mean</td>
</tr>
<tr>
<td>Without pack-house or cellar</td>
<td>0.88</td>
</tr>
<tr>
<td>With pack-house or cellar</td>
<td>1.27</td>
</tr>
</tbody>
</table>

### Make-up of the permanent labour force

The data highlight important features of the permanent labour force. A huge majority – almost 89% – of the workers permanently employed on the farms surveyed were coloured, and more than three-quarters were men. Employment levels of African workers showed very strong regional variation. This seems to be partly linked to local demographic factors: Grabouw, where African workers form 17.27% of the permanent labour force, is characterised by a higher African population than, for example, Robertson.

At the same time, local demography does not seem to explain the relatively low figures for permanent African employment in Wellington and the higher levels of permanent African employment in the Worcester/Hex River sample (see Table 6).

### Table 6: Race and gender breakdown of the permanent labour force by district and main activity

<table>
<thead>
<tr>
<th>Percentage of permanent labour force (mean)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Coloured male</td>
</tr>
<tr>
<td>Whole sample</td>
</tr>
<tr>
<td>District</td>
</tr>
<tr>
<td>Ceres</td>
</tr>
<tr>
<td>Grabouw</td>
</tr>
<tr>
<td>Paarl</td>
</tr>
<tr>
<td>Robertson</td>
</tr>
<tr>
<td>Stellenboch</td>
</tr>
<tr>
<td>Wellington</td>
</tr>
<tr>
<td>Worcester/Hex River</td>
</tr>
</tbody>
</table>

### Housing

Although the study did not explore the conditions of employment of permanent workers, it did survey the housing situation on the selected farms. Here, a number of interesting patterns emerged in the use and allocation of housing. In the testing of the questionnaire, it became evident that a number of farmers classified houses as ‘full’, ‘empty’ or ‘dead’ (see Table 7). ‘Dead’ houses were houses that were
occupied, but which did not contribute a formal, permanent employee to the farm. A house could be ‘dead’ for a number of reasons. It could be occupied by ex-employees who have been granted security of tenure rights under the Extension of Security of Tenure Act 62 of 1997 (ESTA), for example retired farm workers or people who had been dismissed but not (yet) evicted. It could also be occupied by people who were allowed to live there with the express or tacit agreement of the farm management. ‘Dead’ houses could sometimes provide temporary labour. On one farm in the Stellenbosch area, for example, researchers encountered a form of informal residential labour tenancy, with non-employees being permitted to reside in on-farm housing on condition that they agreed to be available to help bring in the harvest.

Another interesting feature of the use of housing was the significant number of unoccupied houses. In all, some 11.6% of houses on the farms surveyed were standing empty. In some wine-growing districts, a quarter of all houses were unoccupied. Even more significantly, 57% of farmers surveyed reported having at least one empty house on the farm. This figure reached 83% in some districts. On almost half of these farms, there were three or more houses standing empty (see Table 8).

These figures are particularly significant in view of the very real investment farm worker housing represents, and the priority and importance farmers have given to housing stock in the past. The existence of such a large number of empty houses in a context of rural unemployment seems to indicate a real reluctance on the part of farmers to hire permanent on-farm labour. There seems to be a strong correlation between a willingness to let houses stand empty and distance from urban centres. Though both Paarl and Hex River are characterised by high levels of table grape cultivation, Paarl’s figures for farms with empty houses is almost double that of Hex River.

Another interesting feature of the sample was the small but notable presence of female-headed households, where the house, contrary to common practice, was allocated to a female permanent worker (see Figure 3).

---

### Table 7: Housing usage by district and main activity

<table>
<thead>
<tr>
<th>District</th>
<th>Whole sample</th>
<th>Ceres</th>
<th>Grabouw</th>
<th>Paarl</th>
<th>Robertson</th>
<th>Stellenbosch</th>
<th>Wellington</th>
<th>Worcester/Hex River</th>
</tr>
</thead>
<tbody>
<tr>
<td>Full</td>
<td>79.23</td>
<td>85.22</td>
<td>72.32</td>
<td>78.33</td>
<td>66.33</td>
<td>82.86</td>
<td>73.26</td>
<td>86.57</td>
</tr>
<tr>
<td>‘Dead’</td>
<td>7.48</td>
<td>5.67</td>
<td>15.08</td>
<td>6.33</td>
<td>10.86</td>
<td>8.08</td>
<td>0.88</td>
<td>5.96</td>
</tr>
</tbody>
</table>

### Table 8: Distribution of empty houses on the 44 farms where houses stand empty

<table>
<thead>
<tr>
<th>Number of empty houses</th>
<th>Number of farms</th>
<th>Percentage</th>
<th>Cumulative percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>11</td>
<td>25.0</td>
<td>25.0</td>
</tr>
<tr>
<td>2</td>
<td>9</td>
<td>20.5</td>
<td>45.5</td>
</tr>
<tr>
<td>3</td>
<td>5</td>
<td>11.4</td>
<td>56.8</td>
</tr>
<tr>
<td>4</td>
<td>8</td>
<td>18.2</td>
<td>75.0</td>
</tr>
<tr>
<td>5</td>
<td>6</td>
<td>13.6</td>
<td>88.6</td>
</tr>
<tr>
<td>6</td>
<td>1</td>
<td>2.3</td>
<td>90.9</td>
</tr>
<tr>
<td>10</td>
<td>3</td>
<td>6.8</td>
<td>97.7</td>
</tr>
<tr>
<td>12</td>
<td>1</td>
<td>2.3</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Total: 44 farms, 100 houses, 100%
The externalisation and casualisation of farm labour in Western Cape horticulture

The temporary labour force

Farmers had complex and divergent strategies for securing temporary labour. Temporary labour is not a monolithic category. It is drawn from a variety of different sources, is used for different tasks, and is engaged under differing conditions. Although there is still much talk of ‘casual’ and ‘seasonal’ labour in horticulture, this typology seems to be rooted in the traditional reliance upon regular on-farm temporary workers (‘casuals’) for extra labour requirements and off-farm migrant African workers (‘seasonals’) for the harvest. It does not seem to be very helpful as a framework for understanding the very complex and varied ways in which farm labour is actually deployed.

For example, a farmer may use migrant workers from the Eastern Cape for the deciduous fruit and vegetable harvest, workers supplied by a contractor from a nearby town for pruning in winter, and move on-farm temporary female staff back and forth between packing, orchard, vineyard and cellar work.

The data show that the majority of farms sourced most of their labour from nearby towns and surrounding areas (see Table 9). It is interesting to note the relatively low mean for on-farm temporary staff. This is not surprising, although it is interesting to note that in the pome- and stone-fruit producing areas surveyed, there was still a significant reliance on migrant labour. These different groups of workers are employed under very different conditions. On-farm temporary workers, for example, are in many ways temporary in name only. They are typically the female ‘dependants’ of male workers with permanent status.

Legally speaking, the ‘permanent’ (non-fixed) nature of their relationship with a farm means that they are eligible for the same benefits, on a pro rata basis, as their permanent counterparts. In reality, they are usually denied these benefits. They may have occupational rights under ESTA, but typically work on the farm on an ‘as needed’ basis and are not paid for days when they do not work.

It should also be said that on-farm temporary workers are not the only ones who may have a long-term relationship with a farm. Off-farm temporary workers may also develop long-standing relationships with particular farms. This may happen through informal relationships, or through a formal system whereby workers who have completed a season and are deemed to have done well are listed on a database or given a

Figure 3: Percentage of houses allocated to female household heads

- Female headed mean
- Female headed median
document that entitles them to a ‘first option’ on employment the next season.

Within the framework of the migrant labour system, farms in the deciduous fruit-growing sector have over the years developed complex and persistent spatial links with the hinterlands of the Eastern Cape. Anecdotal evidence and other research seem to indicate that farmers from a particular area (for example the Koue Bokkeveld near Ceres) will often tend to source labour from a given village or district (for example Sterkspruit or Butterworth). The same is true for temporary workers drawn from areas closer to home. Anecdotal interviews and remarks by farmers seem to indicate that many of these are ‘permatemps’, workers who return regularly despite not having any long-term legal guarantee that they will be employed.

The figures highlight the very different seasonal labour demands of different farming sectors. Not only did table grape farms provide more permanent jobs than any other sector, they also created more temporary employment, requiring more person-days per hectare than any other crop throughout almost the entire year. It is only in the winter months that the pruning of deciduous fruit orchards provides more temporary work per hectare than table grape farms (see Figure 4).

The data seem to indicate that the use of temporary labour was not exclusively confined to the harvesting season. In fact, it appears to have been a feature even during those times of the year when demand for labour was at its lowest. Low usage of temporary labour was experienced by both the least labour-absorptive sector – wine – and the most labour-absorptive sector – mixed table grapes (see Table 10). This may have been because farms that mixed table grape production with other crops were able to keep permanent workers productively employed for the entire year, and were under less pressure to replace permanent labour with temporary labour.

The make-up of the temporary labour force in the sample is markedly different from that of the permanent, on-farm labour force. In this regard, the data include detailed information, primarily about harvesting teams, the most important component of the temporary labour force. While only 21% of permanent jobs were held by women, almost two-thirds of the harvesting labour force was female (see Table 11). Women constituted the majority of the harvesting labour force in almost

---

**Table 9: Main sources of temporary labour**

<table>
<thead>
<tr>
<th>Districts</th>
<th>Farm (%)</th>
<th>Surrounding areas (%)</th>
<th>Elsewhere in Western Cape (%)</th>
<th>Eastern Cape (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Mean</td>
<td>Median</td>
<td>Mean</td>
<td>Median</td>
</tr>
<tr>
<td>Whole sample</td>
<td>17.16</td>
<td>0</td>
<td>71.7</td>
<td>93.06</td>
</tr>
<tr>
<td>Ceres</td>
<td>37.5</td>
<td>25</td>
<td>27.5</td>
<td>5</td>
</tr>
<tr>
<td>Grabouw</td>
<td>0</td>
<td>0</td>
<td>80.46</td>
<td>100</td>
</tr>
<tr>
<td>Paarl</td>
<td>5.97</td>
<td>0</td>
<td>77.36</td>
<td>98.41</td>
</tr>
<tr>
<td>Robertson</td>
<td>12.12</td>
<td>0</td>
<td>87.88</td>
<td>100</td>
</tr>
<tr>
<td>Stellenbosch</td>
<td>17.88</td>
<td>0</td>
<td>73.79</td>
<td>90.54</td>
</tr>
<tr>
<td>Wellington</td>
<td>10</td>
<td>10</td>
<td>81.67</td>
<td>81.67</td>
</tr>
<tr>
<td>Worcester/Hex River</td>
<td>27.65</td>
<td>0</td>
<td>66.58</td>
<td>91.38</td>
</tr>
</tbody>
</table>
The externalisation and casualisation of farm labour in Western Cape horticulture

Figure 4: Fluctuations in person-weeks per hectare for main farm activity types

Table 10: Lowest monthly levels of temporary labour use for different sub-sectors

<table>
<thead>
<tr>
<th>Crop</th>
<th>Month of minimum labour use</th>
<th>Maximum</th>
<th>Minimum</th>
</tr>
</thead>
<tbody>
<tr>
<td>Deciduous fruit (tree-grown)</td>
<td>September</td>
<td>5.08</td>
<td>0.12</td>
</tr>
<tr>
<td>Deciduous fruit (tree-grown) and other crops</td>
<td>August</td>
<td>6.67</td>
<td>3.28</td>
</tr>
<tr>
<td>Mixed</td>
<td>June</td>
<td>3.36</td>
<td>0.46</td>
</tr>
<tr>
<td>Table grapes</td>
<td>June</td>
<td>8.82</td>
<td>0.32</td>
</tr>
<tr>
<td>Table grapes and other crops</td>
<td>May</td>
<td>11.35</td>
<td>0</td>
</tr>
<tr>
<td>Wine</td>
<td>April–June</td>
<td>0.87</td>
<td>0</td>
</tr>
<tr>
<td>Wine and other crops</td>
<td>August</td>
<td>2.93</td>
<td>0.31</td>
</tr>
</tbody>
</table>

Table 11: Breakdown of harvesting labour force by race and gender

<table>
<thead>
<tr>
<th>District</th>
<th>Coloured men</th>
<th>Coloured women</th>
<th>African men</th>
<th>African women</th>
</tr>
</thead>
<tbody>
<tr>
<td>Whole sample</td>
<td>25.39</td>
<td>44.78</td>
<td>10.13</td>
<td>19.7</td>
</tr>
<tr>
<td>Ceres</td>
<td>28.48</td>
<td>35.07</td>
<td>17.49</td>
<td>18.96</td>
</tr>
<tr>
<td>Grabouw</td>
<td>40.39</td>
<td>20.38</td>
<td>30.61</td>
<td>8.62</td>
</tr>
<tr>
<td>Paarl</td>
<td>11.13</td>
<td>58.31</td>
<td>4.48</td>
<td>26.08</td>
</tr>
<tr>
<td>Robertson</td>
<td>48.54</td>
<td>37.17</td>
<td>7.62</td>
<td>6.67</td>
</tr>
<tr>
<td>Stellenbosch</td>
<td>21.96</td>
<td>40.92</td>
<td>6.17</td>
<td>30.95</td>
</tr>
<tr>
<td>Wellington</td>
<td>34.78</td>
<td>45.7</td>
<td>7.23</td>
<td>12.29</td>
</tr>
<tr>
<td>Worcester/Hex River</td>
<td>20.57</td>
<td>55.41</td>
<td>4.33</td>
<td>19.69</td>
</tr>
</tbody>
</table>

Use of contractors

Another important set of issues that emerged during the research was the nature of the employment relationship between temporary workers and the farms where they worked. Here, a particularly pertinent question is the extent and nature of labour contracting arrangements.

Any attempt to survey these trends requires that careful attention be paid to the definition of contracting as opposed to...
other relationships. The difference between casualisation and externalisation/labour contracting is clear, with the key distinguishing element being that in the latter relationship labour is externalised. The employment relationship is not directly with a farmer. Instead, the farm concludes an agreement with a third party, who is then responsible for bringing workers onto the farm. As far as the farm is concerned, the service is supplied in terms of a commercial contract and has nothing to do with an employment relationship. In practice, relationships can be much more complex. One example is the phenomenon of ‘virtual’ contracting, whereby workers living on a particular farm are formally transferred to a third party, who then manages them in terms of a contracting relationship with their employer. At least one such relationship was cited in one of the case studies (see page 27).

A further difficulty is that externalisation can happen either through a labour-only contractor (or ‘labour broker’), or through a contractor who is brought in to complete a specific task, and whose responsibilities include the management of the labour and the completion of the task to specific quality standards. In the case of labour brokers, the only function they provide is the provision of workers. In some industries, such as the metalwork and engineering industries, this relationship has resulted in the workers themselves being regarded as ‘independent contractors’ (Theron & Godfrey 2000). Scope therefore exists for brokers to wash their hands of disputes or problems that arise in the labour process, saying that they are not employers, but are only performing an organisational or co-ordination function.

A less serious area of ambiguity – one that is mostly of methodological relevance – relates to the fact that on some farms external workers do not come onto the farm as individuals. Rather, they arrive as a relatively self-organised team, under the leadership of a ‘foreman’. In this study, these arrangements were not considered ‘contractor’ arrangements, because the farm still had a direct relationship with those who did the work. Similarly, a grey area exists around traditional specialist contractors who are employed by farmers from time to time to undertake jobs such as fencing, roofing, building, and so forth. These contractors – specialised teams who focus on non-core functions – were not taken into account in the study. The study focused on the extent to which traditional farming tasks were being outsourced.

Figure 5: Farms using contractors
In the sample as a whole, some 53% of the farmers interviewed said that they were making use of a contractor. As Figure 5 indicates, this usage varied strongly according to productive activity. There were also regional variations. For example, every Grabouw farm surveyed made use of labour contractors, while in Ceres, another important deciduous fruit producing district, the figure was only 37.5%.

Where contractors were employed, they were mostly used for less skilled work such as harvesting (see Figure 6). Some farmers indicated that skilled work and tasks such as pruning, which affected the quality of their working orchards and vineyards, were not done by contractors but by permanent workers who could be better relied on to provide quality work. At the same time, it is interesting to note that on more than half of the farms that used contractors, skilled tasks were also done by contractors. There were even a few farms where critically important and skilled tasks like trellising, the manipulation of young deciduous fruit trees and even orchard establishment were contracted out.

The data also showed that the farms surveyed made use of relatively sophisticated contracting services. Only 16.7% of the farms that used contractors made use of labour-only contractors. The rest indicated that the contractors they used provided management services as well. Of the farms that relied on contractors for management services, 71% mentioned that contractors supplied their own light equipment (for example pruning shears, small saws, sizing rings and even stepladders). This tended to be the limit of their capitalisation, however. Of the respondents who used contractors, 65% had to supply transport for workers themselves. In most cases (78.6%), the contractor supplied workers who were based in the area. The contractor was also usually based in the same area.

Three-quarters of the respondents who used contractors indicated that they believed contractors provided services of adequate quality. Interestingly, 90.5% of these respondents said they were satisfied with the services supplied by contractors. Moreover, most said they would use the same contractor again. One or two respondents stated that they were not satisfied with the services they had received, but that there was no alternative. More importantly, these results suggest that there are other factors that make contracting services attractive to those who use them. Some 68.3% of those who employed
contractors indicated that the most important advantage of using a contractor was convenience, while 26.8% mentioned cost-saving measures as a factor.

**Changes: past and future**

The results of the survey suggest the existence of a real shift away from permanent employment and cast light on the nature and pattern of this shift. Almost 60% of the farmers in the sample had reduced the size of their permanent labour force in the last three years (see Table 12). Some farmers indicated that they had drastically reduced the number of permanent workers in their employ. Others have followed a policy of slow attrition, with workers simply not being replaced when they get fired, leave, retire or die. Reliable data on the extent of the reductions were not available, but an analysis of existing data at the time of the survey shows that the average number of permanent jobs per hectare on farms where the size of the permanent labour force had been reduced (0.4) was half that on farms which reported no change in the previous three years (0.88).

At the same time, other strategies were also available. Permanent employment figures remained unchanged on a significant number of farms. In addition, a small number of farms had actually increased permanent employment, invariably because of an increase in hectares planted to vines or fruit trees. Interestingly, the average number of jobs per hectare on labour-increasing farms was lower than the average number of jobs per hectare (0.33) on farms where the labour force had been reduced. In other words, where farms had increased the number of permanent workers, this seems to have happened off a very low base.

Variations in strategy were also reflected in farmers’ stated future plans in respect of permanent labour. Once again, the most significant trend was in the direction of the shedding of labour, with almost half of the respondents indicating that they planned to reduce the size of their permanent labour force in the immediate future (see Table 13). A fairly consistent 10% of wine farmers across sectors indicated that they planned to mechanise their harvesting process.

There were interesting relationships between past changes and future plans. More than half the respondents on farms that had shed labour in the past (55.6%) said they were planning to shed more labour in the future. Among those who had not changed their permanent labour complement in the last three years, a surprisingly high number (38.1%) indicated plans to reduce the size of their labour force in the future. A similar number of farmers (42.9%) said they did not plan to make any changes in the near future. From the data, it appears that a large number of farmers have committed themselves to a labour-shedding path.

<table>
<thead>
<tr>
<th>Table 12: Changes in permanent employment since 1997</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>District</strong></td>
</tr>
<tr>
<td>Whole sample 59.7</td>
</tr>
<tr>
<td>Ceres 37.5</td>
</tr>
<tr>
<td>Grabouw 88.9</td>
</tr>
<tr>
<td>Paarl 70.6</td>
</tr>
<tr>
<td>Robertson 62.5</td>
</tr>
<tr>
<td>Stellenbosch 27.2</td>
</tr>
<tr>
<td>Wellington 66.7</td>
</tr>
<tr>
<td>Worcester/Hex River 61.1</td>
</tr>
<tr>
<td><strong>Main activity</strong></td>
</tr>
<tr>
<td>Deciduous fruit (tree-grown) 70.6</td>
</tr>
<tr>
<td>Mixed 64.3</td>
</tr>
<tr>
<td>Table grapes 58.8</td>
</tr>
<tr>
<td>Vegetables 0</td>
</tr>
<tr>
<td>Wine 54.2</td>
</tr>
</tbody>
</table>

N/A = Farms under new management
The externalisation and casualisation of farm labour in Western Cape horticulture

Factors cited as consideration in labour policy

Farmers had very strong views on the policy environment in which they employed labour. For the most part, respondents were very critical of government policy as a whole and labour legislation in particular, and tended to argue that these made retaining a permanent labour force unsustainable. Linked to this was a strong sense of alienation from government, and a sense that white farmers were generally under attack.

Respondents mentioned a wide range of factors that influenced labour decisions: falling prices, rising input costs, labour and tenure security legislation, the threat of unionisation, minimum wages, and the ‘inconvenience’ and ‘trouble’ of hiring labour. An analysis of these issues reveals some interesting patterns. Socio-economic factors (cost and price) and legislation ranked as the most important factors influencing farmers’ decisions, with cost and price ranking slightly higher than legislation (see Figure 7). Although the margin of predominance is not very big, it is strikingly consistent: cost and price predominated as factors across all the main activity types. There was one exception: on farms where there had been no recent changes in the number of permanent workers, legislation loomed larger than economic factors as a consideration (see Table 14). Another striking feature of this data is the relative lack of concern about farm labour unionisation. Only in the Paarl district (an area with a relatively strong local manufacturing base and a history of unionisation) did farmers articulate concern about this issue. Paarl is also the only district where the prospect of a minimum wage was mentioned as a factor. The relative centrality of socio-economic factors among the factors listed by respondents should not come as a surprise. Since the mid-1990s, a changed economic environment – increasing levels of oversupply of deciduous fruit and white wine, the deregulation and fragmentation of the South African fruit exporting industry, and the consolidation of retailer power in prime overseas markets – has indeed tightened the economic screws in the Western Cape. At the same time, the importance given to these factors should not simply be taken at face value. Simbi and Aliber (2000) have argued that there is no support for AgriSA’s contention that labour costs have risen disproportionately as a component of overall costs and have

Table 13: Future plans for permanent labour

<table>
<thead>
<tr>
<th></th>
<th>Decreased</th>
<th>Increased</th>
<th>N/A</th>
<th>No change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Whole sample</td>
<td>47.4</td>
<td>11.8</td>
<td>1.3</td>
<td>39.5</td>
</tr>
<tr>
<td>District</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ceres</td>
<td>62.5</td>
<td>25</td>
<td>0</td>
<td>12.5</td>
</tr>
<tr>
<td>Grabouw</td>
<td>55.6</td>
<td>0</td>
<td>0</td>
<td>44.4</td>
</tr>
<tr>
<td>Paarl</td>
<td>58.8</td>
<td>0</td>
<td>0</td>
<td>41.2</td>
</tr>
<tr>
<td>Robertson</td>
<td>12.5</td>
<td>12.5</td>
<td>0</td>
<td>75</td>
</tr>
<tr>
<td>Stellenbosch</td>
<td>50</td>
<td>20</td>
<td>0</td>
<td>30</td>
</tr>
<tr>
<td>Wellington</td>
<td>16.7</td>
<td>16.6</td>
<td>0</td>
<td>66.7</td>
</tr>
<tr>
<td>Worcester/Hex River</td>
<td>50</td>
<td>16.7</td>
<td>5.5</td>
<td>27.8</td>
</tr>
</tbody>
</table>

N/A = Farms intended to be sold

Table 14: Factors influencing labour decisions – variation according to past changes in the number of permanent workers

<table>
<thead>
<tr>
<th>Past changes</th>
<th>Cost, price</th>
<th>Legislation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Decrease</td>
<td>78%</td>
<td>62%</td>
</tr>
<tr>
<td>Increase</td>
<td>63%</td>
<td>25%</td>
</tr>
<tr>
<td>No change</td>
<td>37%</td>
<td>47%</td>
</tr>
</tbody>
</table>
postulated that a discourse on economic realities may well function to hide strong political and other considerations. This may not be so clear-cut in Western Cape horticulture where farm profitability is under pressure and labour costs are more easily addressed than other major inputs such as pesticides, packaging materials and fuel. But Simbi and Aliber’s argument does highlight an important reality. For one thing, farming decisions, including labour management and sourcing strategies, are not neutral or taken for only technical, efficiency-maximising reasons. The calculation of efficiencies itself is always thoroughly shaped by social, cultural and political factors. The fact that some farms are sticking to a labour-retentive strategy rather than an aggressively labour-shedding one seems to indicate that more than one strategy may be economically viable. At the same time, economic justifications can legitimate difficult decisions by presenting them as inevitable, not chosen by management but forced upon it by ‘marketplace realities’.

Another important area of future change is housing. Survey responses indicate a wide range of different options available: renovating houses; demolishing dwellings; changing the function of buildings from housing to, for example, storage; building additional housing stock, either on- or off-farm; charging workers rent for housing; and transferring ownership to workers (see Figure 8). Once again, the data indicate a strong shift away from the traditional terms that informed employment. Less than a quarter of respondents indicated that they planned to continue renovating existing housing stock. A significant number of respondents indicated that they planned to let empty houses remain empty (10%) – a choice that is strongly linked to the adoption of a labour-shedding strategy. Farmers would rather let a significant investment go to waste than use it to house a permanent worker who may acquire strong labour and ESTA rights.

Even more significant is the number of respondents who indicated that they would demolish houses (21%) or change the function of existing houses (12%). Together, these choices involve a real abjuration of the housing function traditionally taken on by farmers in the Western Cape. There was some overlap between these categories (that is, some farmers indicated that they would demolish some houses as well as change the function of others), but, all in all, these responses
The externalisation and casualisation of farm labour in Western Cape horticulture

indicate that almost a third of farmers are considering abandoning the traditional obligation of Western Cape wine and fruit farmers to provide housing (see Table 15).

The abjuration of the housing function was not the only important choice regarding housing. Equally important was the smaller, but still significant, number of respondents who indicated a desire to renegotiate the paternalist ‘contract’ – either through the transition to a rental arrangement or by embarking on a process that puts workers in charge of their own housing (building houses off-farm or transferring ownership to workers).

Overview

On the whole, the data show a definite job-shedding and externalising trend in some of the most important districts of the key labour-absorptive agricultural sectors of the Western Cape rural economy. At the same time, it indicates the complexity of this trend and the variety of considerations influencing it.

1. Respondents surveyed indicated a real and systematic trend away from permanent farm employment on many farms. Key factors cited as influencing this trend include not only legislation, but also basic economic factors such as price and cost. The apparent ‘objectivity’ of these reasons should, however, not be taken at face value. Important as economic considerations are, they appear to exist alongside powerful social, political and emotional considerations linked to farmers’

<table>
<thead>
<tr>
<th>Figure 8: Future plans for housing</th>
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</thead>
<tbody>
<tr>
<td><strong>Percentage</strong></td>
</tr>
<tr>
<td>Whole sample</td>
</tr>
<tr>
<td>District</td>
</tr>
<tr>
<td>Ceres</td>
</tr>
<tr>
<td>Grabouw</td>
</tr>
<tr>
<td>Paarl</td>
</tr>
<tr>
<td>Robertson</td>
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<tr>
<td>Stellenbosch</td>
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<tr>
<td>Wellington</td>
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<tr>
<td>Worcester/Hex River</td>
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<tr>
<td><strong>Main activity</strong></td>
</tr>
<tr>
<td>Deciduous fruit (tree-grown)</td>
</tr>
<tr>
<td>Mixed</td>
</tr>
<tr>
<td>Table grapes</td>
</tr>
<tr>
<td>Wine</td>
</tr>
<tr>
<td><strong>Distance from urban centre</strong></td>
</tr>
<tr>
<td>&lt;10 km</td>
</tr>
<tr>
<td>&gt;10 km</td>
</tr>
</tbody>
</table>
perceptions of themselves as a marginalised and persecuted grouping. The ‘objectivity’ of economic considerations certainly appears to play a role in legitimating decisions that run counter to the employment ethic deeply entrenched in the culture of Western Cape farmers.

2. Another important shift lies in the current use of and future policy regarding on-farm housing. The research shows that there are a significant number of farms with more than one empty house – a situation that reflects a reluctance to employ permanent labour, even when it is plentiful. More significantly, almost a third of respondents indicated an intention in future to implement housing policies that would involve an abjuration of the housing function, which has traditionally been part of the institution of paternalism on Western Cape farms.

3. Although significant, the shift away from permanent employment is not homogenous. The data appear to suggest a possible correlation between past and future decisions to lay off or retain labour. This suggests that there might be a divergence in labour-shedding and labour-retentive strategies. A significant number of farmers are planning to hold on to labour in the future, even though jobs per hectare are already higher than those on labour-shedding farms. It therefore appears that the more stable and labour-absorptive employment relations typical of paternalist farming persist on a significant number of farms. At the same time, it may well be that Western Cape agriculture has not reached the limit of its capacity to shed jobs. Permanent jobs per hectare on many farms that have not shed jobs in the past are double those on farms where jobs have been shedded.

4. The data reflect a significantly reduced level of permanent employment. Formal permanent employment has decreased to a third of its previous levels. To some extent, this may primarily reflect a change in people’s formal status. Many farm dwellers who remain on farms or who have a permanent link to them are no longer counted as permanent labour. However, even when on-farm temporary employment is counted in, the figures for permanent on-farm livelihoods are down to 0.79 regular jobs per hectare.

5. Horticulture in the districts surveyed continues to generate a significant volume of work. However, this work is now increasingly being done by one of several sources of temporary labour – either on-farm temporary workers or off-farm labour. According to respondents’ estimates, temporary workers account for one and a half times the amount of work done by permanent workers. Employment and incomes earned in the horticultural sector are therefore becoming more unreliable and seasonal in nature.

6. For the most part, the remaining permanent jobs are reserved for coloured men. Where women have been drawn into agricultural employment, it has been as seasonal and temporary employees – categories of labour that are usually not accorded any benefits, and which offer precarious and insecure employment.

7. One of the most important patterns in the use of temporary labour is the development of a labour contracting sector. Many farms appear to have established relationships with contractors whose services include taking responsibility for both the provision and management of labour. In some sectors, a demand for relatively sophisticated labour contractors seems to have developed. It is significant that most of these labour contracting arrangements are local in nature – in other words, they involve workers who could easily have been sourced directly by the farm concerned.
Chapter 4: Contract labour

The labour contracting market in the Western Cape is diverse, with big differences between sectors and between regions, and with a variety of different services offered by contractors in this market. The study did not permit an exhaustive survey of the contracting sector. Rather, four case studies were undertaken in 2001 to highlight the extent and nature of the variations and some of the problems and difficulties encountered in the various types of contracting service.

A small, marginal operator

Background
Pieterse Agricultural Contractors1 is a small business formed by Johnnie Pieterse and his brother after Johnnie was retrenched from his job as overseer on a large fruit farm in the Simondium area in 1999. The business is registered in Johnnie’s brother’s name, but Johnnie does most of the actual management.

Business focus
Operating mainly in the Simondium area, the business provided specialised services in the deciduous fruit industry, although it also undertook some vine work. According to Pieterse, many of the farmers in the area wanted to get out of the fruit industry. Pieterse’s workers did all the things that a skilled deciduous fruit worker or overseer would do: harvesting, pruning, thinning, manipulation of young trees and orchard establishment. The business provided management services as well.

Pieterse’s business depended to a large extent on the skills he developed and the training he received while employed (besides undergoing technical training, he attended a number of management courses, including the National Productivity Institute’s 6M course). The business also relied on Pieterse’s network in the area. The Pieterse brothers were well acquainted with the local farmers, and usually approached those farmers who they knew would require workers well ahead of time. They worked with a small but stable group of about five farmers, who formed the core of their client base. Their small labour force and logistical constraints meant that they could only service about two farms at a time.

Farmers preferred to pay per task, and not for time worked: negotiations focused on piece rates per bin (during harvesting) or per tree (for pruning and thinning). The organisation of piece rates varied according to the tasks. At the time of the interview, pruning was being done in two-person teams (each team was assigned a row) and keeping track of completed work was done by physically counting the pruned trees. Harvesting was done in teams of 12 to 18 persons. Piece prices were shared among picking team members. Non-picking workers (bin sorters) were paid R30 to R35 per day.

Negotiations with clients were complicated and a fair amount of technical knowledge and experience was called for to avoid underquoting. Pieterse paid workers 75% of the price negotiated with the farmer. The remainder was his cut for profit and overheads. He said that he had to ensure that workers received between R40 and R60 per day during season time, though he conceded that sometimes real wages fell below this. The cost for transporting workers was built into the fee, unless the farmer provided transport.
In practice, margins were much narrower. This was evident in the cash flow during the previous week, a situation, Pieterse said, that typified his business. He had negotiated an overall fee of R3 000 for a team of 12 people to prune an orchard. The workers each earned in the region of R40 per day during that week, leaving him with a margin of R600 – a fifth instead of his projected 25%. A higher than average number of trips to Stellenbosch costing him more than R200 for fuel and a cell phone bill averaging between R60 and R120 a week meant that he cleared only a little bit more than the workers themselves. This was even before depreciation and other costs could be taken into account. He estimated that on average he took home about R300 per week. He and his brother would have liked more money, but they could not cut too deeply into the workers’ share: ‘Ek kan mos nie van hierdie geld vat nie, dis te min.’ (I can’t take any of this money, it’s too little.) Pieterse said that things could be better if the business were bigger, but was pessimistic about its chances of success in the contracting sector. He and his brother were thinking of moving into other services such as cleaning.

**Infrastructure and resources**

The business utilised a small bakkie, which was broken down at the time of the interview. Workers had to use their own overalls and protective boots and were reliant on farmers to supply them with light equipment such as sizing rings and stepladders. The business had a supply of pruning shears (these had to be bought one by one because of cash flow problems), although workers sometimes brought their own.

Because the business could not offer any collateral, it did not have access to credit. If it could get credit, its first priority would be to acquire a 3-ton truck. This would enable the business to provide its own transport, thus putting it on a stronger footing in negotiations with farmers. The fact that farmers were providing most of the transport depressed the prices Pieterse could set per task.

According to Pieterse, the most important problem was farmers’ insistence on negotiating task-based contracts rather than longer term agreements. He said that one alternative was to enter into contracts based on price per hectare rather than price per piece, since it would enable him to separate his own earnings from workers’ piece rates. He felt that it would be even better to enter into a retainer-type relationship with a client, stipulating that the contractor would provide services for a certain period of time, for example six months or a year. Prices could still be set on the basis of tasks, but this type of contract would give him what his business most needed: a measure of certainty and a reduction of risk. Without certainty about the availability of work for more than a week or two into the future, he could not get access to credit.

**Labour force**

The core labour force consisted of between 12 and 18 people, all former colleagues who had been retrenched at the same time as Pieterse. Most of the labour force was coloured, and there was an even gender breakdown (which did not prevent Pieterse from collectively referring to his workers as his manne (men)). They lived in the area and some of them, it appeared, still lived on the farms where they used to be employed. From time to time, Pieterse employed workers from further afield, in which case they had to be housed on the farm where they were being employed. According to Pieterse, some contractors preferred to work with such workers, since people who came from poorer areas were willing to work for as little as R20 or R30 per day. Pieterse, however, argued that in the long run it was better to work with workers who had their own housing and lived close by, since it reduced logistical problems.

Farmers’ unwillingness to enter into long-term contracts with Pieterse also affected his relationship with his workers. Pieterse said that he could not enter into formal contractual arrangements with
workers without the security of longer term contracts. He said that the only way he could develop a reliable core group of labourers was by offering them work of a relatively stable and predictable nature, but he was not able to do so. Pieterse’s workers had no guarantee of employment beyond the immediate task. Depending on when he was able to arrange employment, he always stood the risk of a worker finding employment with someone else and being unavailable when he needed him or her. In practice, Pieterse’s stable core of workers seemed to consist of about three or four people, with the rest of his pool of workers being fairly flexible and unstable. His relationship with his core labourers was based on informal arrangements and long-standing relationships with them. He said that he had a list of the names of most of his workers, though some of them did not want to give him their ID numbers. Pieterse’s workers could not take advantage of Unemployment Insurance Fund (UIF) benefits, as UIF contributions were not subtracted from their pay, even though some workers had worked for him for over four months. He said that because of his unstable workforce, it was impossible to administer the subtraction of UIF contributions. Pieterse was well aware of labour law provisions and was quick to say that he tried to ensure that working hours complied with the provisions of the Basic Conditions of Employment Act 75 of 1997. Pieterse also made no provision for any pro rata benefits beyond the actual cash wage. He stated that ‘ek probeer ietsie inbou vir as ‘n man siek is, om so ‘n bietjie geld te kan gee’ (I try to keep some money for when a guy is ill, to be able to give him a bit of money). It was not clear whether this was merely an intention, or whether he had in fact ever provided such extra moneys. When asked whether he was registered as an employer with the Department of Labour, Pieterse replied in the affirmative, although he seemed to have meant that he was a registered taxpayer.

A large operator in a buyer’s market

Background
Like Pieterse, Isak Linnie has a background in the fruit industry – as a fork-lift truck driver and an overseer and manager on a large fruit farm in the Grabouw area. It appears he left this job in 1996 when he realised ‘die maatskappy het nie geld nie en ek het gesien ek sal gou sonder werk sit’ (the business did not have money and I realised I would soon be out of a job). After that, he began working as a labour contractor in the Ceres, Wolseley and Stellenbosch areas. Like Pieterse, he did not seem to be registered as an employer with the Department of Labour, although he too had recently registered as a taxpayer.

Business focus
Although Linnie’s business was significantly bigger than Pieterse Agricultural Contractors, there were many similarities. Like Pieterse, he operated mostly on deciduous fruit farms and provided the standard range of specialised services, although he did do some work on wine farms as well. He also offered management services. Payment was strictly negotiated on a task basis, although a daily rate was charged for some tasks (for example bin sorting in the orchard). During the 2000 harvesting season, his overall fee was typically composed of mutually agreed piece rates (between R23 and R35 per bin), the daily rate for sorters, tractor drivers and other supplementary workers (usually R35 per day), and his own management fee of R65 per day. Workers who were paid the daily rate were given the whole R35, but between R3 and R5 per bin was being skimmed off the piece rate and added to Linnie’s daily fee of R65. This meant that on a good day he was able to secure an income of between R120 and R150 per farm. The recent economic crisis in the Ceres area has impacted heavily on Linnie’s business. At the time of the interview, farmers were cutting back on costs, which placed heavy pressure on Linnie’s
margins. Farmers were no longer willing to pay a specific daily rate for workers not directly involved in piece work, and all wages – including Linnie’s own fee – had to be recovered from the task fee. Even farms that were still willing to pay daily rates were now paying less. While the accepted daily rate in the Ceres area had been R35 per day, it was now closer to R25 per day, and on the one farm where Linnie had been able to negotiate a management fee for himself, this had gone down to R40 per day.

In addition to the problem of tighter margins, farmers’ approach to relationships with contractors was also a matter of concern. Like Pieterse, Linnie highlighted the unpredictability and credit constraints resulting from farmers’ unwillingness to enter into longer term retainer agreements. Bidding and quotation procedures were also problematic. It appeared that some farmers employed a strategy of calling several contractors who offered similar rates and then simply using the one who showed up first. Linnie explained that there had been several occasions when he would arrive at a farm only to find another contractor working there, despite having reached a prior, in-principle agreement about bin rates and daily rates with the farmer over the telephone. Linnie stated that there were farms where four different contractors had been employed in the space of one month.

Resources and infrastructure
Linnie provided some light equipment, such as sizing rings, pruning shears and saws. Like Pieterse, he lacked reliable transport (he owned a car, but it was not functioning at the time of the interview). Linnie relied on the farmers to transport the workers themselves. His most important piece of ‘capital equipment’ was his cell phone, which, at the time of the interview, was faulty.

Linnie’s operation had managed to avoid the cash flow problems that plagued Pieterse’s business. This was mostly because his clients paid his workers directly. On one farm, for example, Linnie’s invoice book was kept by the farm secretary, and it was the farm administrator who calculated piece rates and made up wages. For all practical purposes, the flow of money through Linnie’s business was simply a book transaction. Like Pieterse, Linnie had almost no chance of gaining access to credit, and he said that the banks were simply not willing to take the risk.

Labour and labour relations
The most important difference between Linnie’s and Pieterse’s business was size. In 2000, the year prior to the interview, Linnie worked on about five farms at a time and had as many as 150 people scattered on farms between Ceres and Stellenbosch, though the average was closer to 60. Most of these workers were drawn from Nduli and Bella Vista, the African and coloured residential areas in Ceres.

The core of his employee base consisted of about 20 steunpilare (stalwarts) – highly skilled workers, with whom he had a strong relationship, and for whom he could find work throughout most of the year. The majority of these workers were men, although, according to Linnie, women made better workers, because ‘n man laat nie vir hom sê nie’ (a man won’t let anyone tell him what to do). His labour force was almost entirely coloured and he had one Xhosa-speaking man working with him. Linnie said that it was impossible to work with ‘Bantoes’ on fruit farms, because they ‘handled fruit roughly’ and because of language problems.

On at least one of the farms where Linnie worked, some of the farm’s permanent on-farm workers were formally transferred to Linnie’s authority – and payroll – for the duration of the 2000 harvesting season. In terms of this arrangement, Linnie was responsible for paying these workers the agreed piece rate for the harvest. Workers continued to live in their on-farm houses, and the farm management continued to make contributions to the workers’ provident
The externalisation and casualisation of farm labour in Western Cape horticulture

fund, although it invoiced Linnie for these costs. In effect, temporary workers were indirectly contributing to the payment of the farmer’s permanent labour costs through the portion of their fee that Linnie was skimming off the bin rate.

The unpredictability and uncertainty resulting from the farmers’ approach to contractors impacted strongly on Linnie’s relationship with his employees. He found it very difficult to get workers to agree to work for such low pay. According to Linnie, many unemployed people in the Bella Vista area were simply refusing to work, saying that they would rather sit at home than harvest at R25 per day. ‘Dit kos geld om te werk. Jy moet kos saamvat en sorg dat daar darem ietsie oorbly vir jou kinders om ook van te eet. Op die ou end werk jy jou moeg en jy kom uit met minder as wat jy mee begin het.’ (It costs money to work. You must take food with you and still make sure that there is a little something left over for your children for food. And at the end of it, you’re exhausted and you end up with less than when you started.) Many other contractors in the Ceres area responded to these pressures by sourcing labour from further away, in the Karoo, where people were desperate for work. Because of the uncertainty created by farmers’ practices and also because of pressure on his margins, Linnie found it increasingly difficult to hold on to his core workers: ‘Mense vertrou my nie meer nie. Hulle dink dis ek wat die geld vat.’ (People don’t trust me any more. They think it’s me who takes the money.)

As with Pieterse, there was no contract between Linnie and his workers, not even with those who made up his stable core. No UIF was subtracted and no benefits were paid. Linnie lent his workers money to buy food for lunch during work time and subtracted this broodgeld (bread money) from their pay at the end of the week. The business was highly informal and undocumented: after five years in business, he did not even have a complete list of people who formed part of his workforce.

Linnie was evasive on the subject of compliance with labour legislation, and stated that the client dictated working conditions. Participant observation and discussions with members of Linnie’s labour force in 2000 revealed that workers regularly worked on public holidays and weekends. This work was done on a voluntary basis and workers were not paid overtime rates. Linnie blamed the clients for this: ‘Hy weet hy moet meer betaal, maar ek is die een wat verleë is.’ (He knows he must pay extra, but I am the one who is in a weak position.) Although the chances that a trade union would succeed in organising his workers were slim, Linnie was strongly opposed to the idea of a trade unionist speaking to workers. He said that he was ‘not interested’ in dealing with ‘such people’.

A well-resourced specialist

Background

Jan-Hendrik du Preez’s operation differs in a number of ways from the businesses of Linnie and Pieterse. While Du Preez, too, comes from a farm, his experience is in farm ownership and management. His father owned a table grape and wine farm in the Robertson area, which was sold in 1997. Although he has no formal education in agriculture, Du Preez said that the time (six years) he spent working with his father gave him a good, practical understanding of the business. After the sale of the farm, Du Preez worked for another contractor, but the hours were long and the pay was poor. He recruited eight workers and started out on his own, developing a business as a specialist contractor in the Stellenbosch area. At the time of the interview, he had been involved in the business for almost four years.

Business focus

Du Preez, whose business involved him, his wife and a core workforce of some 30 to 50 workers, described himself as ‘small fry’. The aim of his business was to provide wine farms with comprehensive and specialised quality services. These services included harvesting, pruning,
trellising, thinning, installation of irrigation systems, fencing, pole planting and vineyard establishment. Although he had some experience in working on deciduous fruit farms, his focus was on the wine industry. He said that he ‘did not have time for fruit’ at this stage in his business.

As with the other contractors, work was done on a task basis. Du Preez quoted strictly per piece, and, in order to pay wages and overheads and make money for himself, he took a third of the piece rate. Calculating piece rates required significant experience and depended on a very careful assessment of conditions in the vineyard. He said that he kept abreast of what other contractors quoted and was usually able to match or beat their rates. However, he said that he would rather refuse work than accept a low price. He claimed that he would not take on work that would pay his workers less than R50 per day. According to Du Preez, the average daily rate for general farm workers in the region was R30, but paying such low rates would be counterproductive to his business: ‘Ek betaal goed, en dan kan ek vol nonsens wees oor kwaliteit.’ (I pay well and can therefore demand quality.) While his time was spent on overall management, actual supervision was done by overseers in the team, whom he said he paid R70 per day. This allowed him to service several farms at the same time, travelling between them and dealing with overall logistics.

A good and reliable network among farmers was an essential part of Du Preez’s business survival strategy. Being the son of a farmer helped too. In at least one case, a good client also happened to be a long-standing friend. While he was starting up, he drummed up business by physically going from door-to-door rather than advertising his services in the print media. He was initially forced to quote rock-bottom prices in order to compete, but now that he had established a reputation for reliability and quality, business was snowballing. New business came to him through word of mouth and recommendations from existing clients. Although he had more work than he could take on, he believed it would be a mistake to increase the size of his labour force to cope with demand. He argued that his business needed to stay relatively small for the time being so that he could stay in touch with clients and workers. In order to do well in any particular year, he needed to develop a base of between 10 and 20 regular clients. Any more than that and he would be overstretching himself. Logistical considerations also meant that he could not handle more than five or six farms per day, and he thus had to work in a relatively small geographic area.

According to Du Preez, there had been an explosion in the number of contractors, and competition was stiff. He explained that most of these contractors had other sources of income and were getting involved in contracting as a supplementary activity. For this reason, he was in favour of labour legislation that would clamp down on contracting services and supported the idea that labour contractors be registered as employers. It was easier, he said, for competitors to compete with him on price if they could flout labour law with impunity. He also believed that if contractors had to pay UIF and comply with other labour laws, part-time contractors would find it more difficult to stay in business. Large, well-resourced, labour-only contractors, such as OutSource, were a more serious threat, although, he claimed, he could beat them on quality. Although some farmers would find their low rates attractive, he believed their inability to provide management services and light equipment, and the lack of experience of the workers they brought in, counted against them.

He argued that the sustainability of his business depended on his ability to build up and maintain a reliable base of returning clients, and observed that ‘dit vat drie maande om ’n goeie klënt op te bou en drie sekondes om hom weg te gooi’ (it takes three months to build a good relationship with a client and three seconds to lose him). Being able to guarantee
quality was therefore of central importance. For this he relied on close control and supervision by the team leaders, who kept careful records not only of the amount of work done by workers, but also of levels of quality and thoroughness. This enabled him to adjust piece rates: while a worker may work for a basic piece rate of 14c per vine for thinning, she or he may be penalised 5c per vine if the work was not done properly, or rewarded 1c per vine in recognition of good work. Du Preez made a point of conducting personal visits and spot checking the work himself. The visits also helped him stay in touch with both workers and clients.

**Resources**

The business was fairly well capitalised: he had almost finished paying off a 3-ton truck, and workers were provided with light equipment such as pruning shears, harvesting shears, spades and other task-related equipment. Du Preez said he planned to provide core workers with overalls as well in the near future, and he stayed abreast of new products on the market. At the time of the interview, he was speculating about the possibility of acquiring pneumatic pruning shears powered with a back-pack mounted battery. Though they were expensive, retailing at R6 500 each, he calculated that they would be able to double the number of old vines a single worker would be able to cut in a day.

Administrative infrastructure comprised a home office with a computer, a fax, a landline and cell phones for him and his wife. The computer was mainly used for the administration of wages, though he added that over time he would be able to use the data to calculate piece rates and compare prices, wages and piece rates for particular farms with data from previous years.

As with the other contractors, margins were tight. Du Preez stated that in addition to the calculation of piece rates, the management of cash flow and credit was the most difficult aspect of the business.

The absence of collateral and the lack of long-term contracts meant that banks were reluctant to offer credit. Du Preez had to borrow a bakkie from his father when he started his business, and his father also stood surety for the loan on the 3-ton truck. He calculated that between July and February – his busiest time – he had to make an average of R18 000 per week. His expenses included R12 000 per week for wages, R700 per week for diesel, and a further R3 500 per month for payments for the truck.

**Labour force**

Although the core of Du Preez’s labour force was composed of 30 male and 20 female workers, the total number of people he employed fluctuated. During peak times his labour force grew to between 80 and 90 people. These were mostly coloured workers. Women tended to predominate in this larger team. In Du Preez’s view, African workers were less experienced in vineyard work, and there were major communication problems. He noted that some farmers – particularly on smaller family farms – stipulated that they only wanted coloured workers to work on their farms. Although he said that he did not approve of racial discrimination, he did not argue with these farmers and simply moved the African workers to other farms.

Most of the workers used by Du Preez were people who had lost jobs on farms and who now lived in informal peri-urban settlements or on farms around the Klapmuts area. Du Preez stated that he did not agree with the fairly widespread practice of using workers from far-flung places and housing them on clients’ farms. Workers from outlying areas in the Western Cape were willing to accept lower wages, and workers living far from home in temporary quarters on a farm were also held to be more controllable. But there were disadvantages: ‘Hoekom moet ek nou so ver ry as ek ’n ou hier kan kry? Dis korter om te ry en ek gee nie om hom meer te betaal nie. Hy kom uit die wynlande uit
en hy het praktiese ondervinding.’ (Why should I travel far if I can get a guy right here? It’s a shorter journey and I don’t mind paying more. He comes from the winelands and has practical experience.) According to Du Preez, outside workers were always blamed for any ‘problems’ that developed and he did not want to be involved in such tensions.

**Labour relations**

In addition to a stable client base, Du Preez argued that he also needed to ensure that he had a stable workforce. Although a competitive wage was essential, the ability to provide people with stable livelihoods was a key requirement (see Box 1). Equally important was having good relationships with the members of his core labour force. He prided himself on his ability to work with people: he stated that his job required him to motivate people, to solve problems and to resolve disputes between workers. He mentioned that workers called him by his first name rather than the *meneer* (sir) even ‘liberal’ farmers often still expected.

Du Preez used a labour consultant based in the Paarl area, who helped him draw up contracts. He had signed annual contracts with some of his core workers. This was made possible by the fact that he had an agreement with a client who took on workers on a fixed basis for the entire year. With most of the other workers he signed seasonal contracts for harvesting, pruning and thinning. He emphasised the fact that he was legally obliged to give contractual workers paid leave, even though they were paid per piece. Workers had to apply for leave formally, and were paid the average daily rate. He said that as his business became more established, he planned to sign more annual contracts.

Interviews with workers (see page 35) confirmed his statements about basic conditions of employment.

Du Preez stated that he thought labour legislation was a ‘good thing’. He distanced himself from contractors who exploited their labour, although he clearly believed that current labour laws were too rigid. He said that he did not allow clients to dictate to him how many hours his workers must work. In cases where his workers had to work overtime as a result of the demands of a specific job, Du Preez adjusted his price accordingly, or used more people. He refused to do work on public holidays: according to him, it was counterproductive. In any case, he said, workers do not work well if they have ‘that holiday feeling’. Contract workers were

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**Box 1: The importance of providing year-round work**

One has to pay good salaries. And one must treat him like a human being. It doesn’t help if I pay him R100 a day and I swear and scream and scold him and I’m on his case all day long. It’s my task to let him feel he has human dignity. He must feel he enjoys working with me. His working conditions must be pleasant. I mustn’t play policeman all day long.

I specialise in providing stable work. For example, many contractors will provide work during the pruning time. When pruning time is over, he sends them home. They sit at home for two or three weeks and then they don’t know what to do. I provide work throughout the year. I provide work for my people. Except during holidays. I try to provide work for everyone, because the more people I have in the field the bigger my profit. Of course there are times when it is quiet. It is mostly after the vintage that the farms are quiet. Then the work consists mainly of planting poles. Then I can at least provide work for the men.”

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entitled to pro rata leave, and UIF and skills development levies were subtracted. He stated that he was ‘not worried’ about trade unionism – most of the workers he worked with were ‘old farm people’ who grew up on farms and were likely to mistrust trade unions.

He saw training as an important issue, and said he wished he could access Sector Education Training Authority (SETA) funds for his own workers. He would have liked to improve the skills of ordinary workers, but, more importantly, he wanted to provide training for overseers. Knowing that he could rely on the effective and impartial supervision of his overseers during his absence was essential to his way of working. Furthermore, the link between quality monitoring and piece rates meant that supervisors were often under pressure from the team to be lenient in their judgement. He was reluctant to cover the full cost of training himself, because he would lose the investment if a worker were to leave. He said that his most important personal training need was to become fluent in Xhosa, since he needed to be able to take on and communicate effectively with African workers.

A labour-only contractor

Background

OutSource is a temporary placement agency which originated in the 1970s as a source of alternative labour for companies facing industrial action. Since then, it has grown into a large organisation operating in the mainstream labour market. It has more than 50 offices and several divisions (for example, ConstructionSource, MediSource and ITSource) that deal with the provision of skilled labour in specialised areas. Its foray into agriculture was the brainchild of the Western Cape director, Suzi King, who became involved in agricultural labour contracting while running OutSource in the Eastern Cape. The agricultural labour contracting is done mostly in the Grabouw, Paarl and Stellenbosch regions. In Stellenbosch, OutSource already has extensive links with the wine industry through its work with a major co-operative cellar in the region.

Business focus

OutSource provided temporary labour for harvesting and performed other seasonal agricultural tasks on farms in peri-urban regions in the Western Cape. Unlike the other cases studied, OutSource was a labour-only contracting service. The agency did not take responsibility for managing the completion of tasks, but functioned only as a source of labour. According to its chief executive officer, Simon Kaplan, this was a matter of company policy. Farmers were supposed to take responsibility for the management of the task themselves as it would be too great a risk for OutSource to do this.

This also meant that OutSource did not make business on the basis of piece rates. Kaplan and King stated that, at the time, this was too risky and difficult, and that there was a danger of getting involved in disputes about productivity and quality issues over which they would have had no control. In addition, piece rate bargaining posed important systems challenges. According to Kaplan, OutSource planned to overcome this gap. The company’s Johannesburg office would be tasked with developing software that would allow the recording of piece rate records, as well as the linking of fees to quality. (It is not clear whether this was just an intention or whether it had actually been put into operation.)

According to Kaplan and King, OutSource charged workers out at an hourly rate and the full fee was paid directly to the worker. OutSource also charged an additional daily fee of between R7 and R12 per head. King insisted that OutSource did not take a cut of the workers’ pay. In addition, clients were invoiced for workers’ transport to and from the farm. According to King and Kaplan, the value of the service OutSource provided to farmers lay not only in the quick and reliable provision of labour, but also in the ability to relieve farmers from...
the administrative burden of employment, including ensuring that all employment procedures comply with the law.

Kaplan also pointed out that OutSource invoiced after delivery. This meant that it was effectively a supplier of credit, since the client did not have to handle the significant cash flow problems resulting from having to pay a large number of workers. King argued that Outsource offered workers many opportunities – its size meant that it could potentially provide year-round work for workers and give them access to training and opportunities to enter other sectors.

At the time of the research, OutSource had only been involved in agriculture for a year, but the business was growing quickly. At the Stellenbosch office, the number of farm workers supplied in the early days of the 2001 harvesting season exceeded 200 people; by the middle of the season this figure had more than tripled. King projected that by the end of the 2001 harvest the total number of workers employed in the fields would have amounted to approximately 2 500.

There appeared to be some disagreement in the company about its future role in the agricultural sector. According to King, OutSource might well be able to dominate the provision of contract labour to farmers in the Western Cape, and she planned to get involved not only in harvesting, but also in pruning, bottling and fruit packing. Kaplan seemed to think that margins were too small to justify involvement in this sector.

**Infrastructure**

Compared to some of the other contractors in the business, OutSource was a well-resourced organisation. It had regional offices, administrative staff, vehicles, telephones, faxes, computers and cell phones. These resources were, however, thinly spread, and the threadbare, even bleak, appearance of both its regional headquarters and its Stellenbosch office, just outside Khayamandi, seemed to indicate that overheads were kept very low. Three managers were responsible for all the organisation’s work in that district. None of them had any experience in agriculture (one of the two managers interviewed had experience in selling insurance while the other had an MBA from the University of Stellenbosch). A very important infrastructural advantage for OutSource was, of course, its overall size, which meant that the agricultural operation was shielded from cash flow problems. The organisation also had no difficulty in obtaining credit.

**Sources of labour**

OutSource appeared to employ a number of strategies in sourcing labour. According to King, the company recruited staff through advertising, and job-seekers’ details were captured and stored in a database. In practice – in the Stellenbosch office at least – the company relied on more informal methods. One such recruitment method involved the establishment of a network of contacts in the various residential areas from which labour was drawn. Most workers employed by OutSource in Stellenbosch came from Khayamandi, Khayelitsha, Blackheath, Westbank, Eersterivier, Ida’s Valley, Cloetesville and Kylemore. Contacts in these areas were informed when labour was required; they were asked to identify and select the specified number of recruits. OutSource then picked up the new workers at pre-arranged points and transported them to and from work. In theory, this should have been done on a week-by-week basis, but the technical requirements of wine harvesting are such that labour requirements change on a day-by-day basis with decisions often made at the last minute on the day before.

OutSource’s employee base of agricultural workers was overwhelmingly coloured. Aside from the fact that most farmers were said to prefer coloured workers, one of OutSource’s Stellenbosch managers also preferred working with them, saying that ‘Bantoes kyk te veel rond’ (African workers look around too...
much) – the implication being that they were likely to steal. The labour force was estimated to be between 70% and 75% female. Women, said King, were more meticulous and also more reliable. According to King and OutSource staff at the Stellenbosch office, most of the workers were ex-farm workers who had ended up in peri-urban settlements after being retrenched, dismissed or evicted. Most of the workers who were interviewed (see page 36) conformed to this profile, although a visit to one of OutSource’s client farms revealed that almost all the workers on that farm were matriculants who had just finished school. Many of them had never been on a wine farm before.

**Workers’ conditions**

King stressed that it was of key importance to OutSource that workers were treated well. ‘We are not in the slave-driving business,’ she said more than once during the interview. Like Du Preez, she stated that the company would rather refuse work than have workers earn less than R50 per day. In addition, she stressed that once workers were on OutSource’s books, they had access to employment opportunities in other sectors (for example in the building sector, or as drivers). OutSource stated that it had provided workers with some training, (apparently showing them videos on pruning techniques).

King and Kaplan stressed that OutSource would not compromise on the issue of compliance with the law. All workers had contracts, UIF was subtracted, and workers were entitled to prorated leave and sick leave. Furthermore, if a job was too big, OutSource would rather bring in an extra shift of workers than have people working overtime without extra pay. OutSource preferred to pay workers by cheque. Even if they were paid in cash, they got detailed payment slips. A manager in the Stellenbosch office said that workers were provided with overalls, though the cost was subtracted from their wages. None of the workers who were interviewed confirmed this (see page 36).

A visit to OutSource’s Stellenbosch office showed that the reality was more complex. The staff had discovered what other contractors already knew: farmers did not negotiate daily rates and insisted on task-based rates. Managers in the organisation had been on a steep learning curve and had been forced to do research on typical piece rates within the sector. At the time of harvesting, OutSource was taking on wine-grape harvesting work at rates of between R1 and R1.30 per basket, which meant that the likely level of daily earnings was closer to R35 than R50. Although official policy was that workers were entitled to prorated family responsibility and sick leave benefits, in practice this was not granted ‘because the farmers have to agree to pay’.

**Risk and uncertainty**

Legal and contractual relationships within OutSource appeared to reflect the highly changeable and unpredictable environment in which the organisation operated. OutSource’s relationship with farmers was governed by ‘order confirmation sheets’, which stipulated the farmer’s labour requirements in extremely general terms. Often the sheets only provided information about the upper limit of the number of people needed, while essential details, such as the time frame of the agreement, were deliberately not recorded. This allowed farmers to secure the total number of workers they needed, while not being under any obligation to take on a specified number of workers on any given day. OutSource’s contracts with workers appeared to be similarly flexible and open-ended. Staff at the Stellenbosch office were unwilling to provide copies of workers’ contracts, so details about the nature of these contracts could not be ascertained.

Interviews with OutSource workers indicated a high degree of unhappiness about this aspect of the organisation’s work. Although it was clear that OutSource was able to provide labour that was formally in line with the requirements of labour law, the uncertainty about
employment impacted very negatively on workers’ livelihoods. Very few workers interviewed had ever managed to work a full week. They said that typically they had managed to get two or three days’ employment per week. The way in which piecework was set up also made it hard for workers to pick enough baskets per day to earn high rates. The logistical complexity of keeping track of piece rates for hundreds of workers working on 10 or 12 different farms during a single week was also clearly causing problems. Workers tended to agree that they would prefer to work on a permanent basis for a particular farmer, and appeared to have fairly idealised memories of working conditions on farms.

Workers’ perspectives
The research also enabled contact with workers. This access was limited, partly because of the relative difficulty in reaching workers dispersed across a wide geographic area and partly because of the constraining conditions under which the interviews were held. At the same time, the interviews threw valuable light on the experiences of workers within the system of contracting.

Three groups of workers were interviewed. The first was a group of workers (six coloured women, one African woman, one African man and seven coloured men) who worked for Du Preez on a farm near Klapmuts. The other two interviews were held in Westbank, one with a group of four coloured men and the other with a group of women (three coloured, one African), all of whom worked for OutSource.

Interviews were highly informal, and took the form of group discussions within a semi-structured interview format. Questions were aimed at eliciting some sense of workers’ employment histories, their conditions of work, other employment opportunities and their views on the comparative advantages and disadvantages of regular farm employment and contract work. The interviews were all subjected to significant time pressures – the interview with the Klapmuts workers because they were in a hurry to start the day’s work, and the interview with the Westbank workers because the meetings were held at night, after work.

**Group 1: Farm-based contract workers in Klapmuts**
The workers who worked for Du Preez came from both on-farm and off-farm communities. Five of the women, three of the coloured men and the African man were still living on nearby farms. Some of them were permanent workers who had lost their jobs, while some of the younger workers had not been able to find permanent employment after finishing school. One of the coloured women and the African man were living with working family members (the African man stated he was living ‘in his wife’s house’). One coloured woman was paying rent and one was awaiting eviction after having been fired. The rest all came from a nearby farm where they were told that they could live on the farm but would only be employed on a temporary basis. The other workers were living in informal settlements in and around the area – the African woman in Kraaifontein, and the others closer by, in Klapmuts. Interestingly, these workers had previously lived and worked on the same farms as their on-farm colleagues. The workers were clearly also connected to each other in other ways besides their common employment by Du Preez.

The workers broadly corroborated Du Preez’s account of their working conditions. They confirmed that they had recently signed three-month contracts, that they had received detailed pay-slips, that UIF was being subtracted, and that they could get sick leave if they brought a doctor’s certificate, in which case they would be paid R50 per day for the duration of the sick leave. The workers said Du Preez paid comparatively good piece rates. For example, for thinning he paid 8c a vine, while a very large and prominent wine farm just north of
The externalisation and casualisation of farm labour in Western Cape horticulture

Klapmuts, where one of the interviewees resided, paid just 2c a vine.

Du Preez’s workers were earning between R238 and R250 per week. Although this wage was based on a piece rate, they said that there was also a daily attendance bonus of R5 per day payable at the end of the season. They stated that they worked about nine hours a day during the harvest season, and considerably less in winter. They never worked on public holidays.

The workers all said that they knew wine farm work well. They had not had much formal training, and had learned their skills on the job. They articulated a strong interest in further training, particularly in pruning fruit trees and in acquiring driving licences.

The workers were divided about the merits of working for a contractor as opposed to having a permanent job as an on-farm worker. Most of them agreed in principle that it would be better to have stable and secure employment. Agricultural work was the only employment available, though some of the men said they did painting jobs from time to time. Most said that if they were offered a stable job with a house on a farm they would ‘go back’. At the same time, the workers were very negative about the conditions that prevailed on at least one of the farms where they stayed. This particular farmer was both exploitative (he charged farm workers rent for grown-up children who were staying with them but not working on the farm) and abusive. According to one of the workers on this farm, employment with Du Preez was preferable:

‘Jan-Hendrik is okay – hy betaal olraait en hy praat mooi met jou. En ons werk heelaar vir hom, en in Desember het hy ’n bonus gegee.’ (Jan-Hendrik is okay – he pays all right and he talks nicely to you. And we work for him year-round, and in December he gave us a bonus.)

Group 2: Women workers for OutSource in Westbank

Two hour-long group interview discussions were held with employees of OutSource in Van Rooy’s house in Westbank – one interview with a group of women, and the other with a group of men.

All of the women were coloured, except for one who was African. Until recently, all of them had lived on farms in the Stellenbosch region, although one had never been a farm worker before. They had very different reasons for leaving the farms and ending up in Westbank. Doris Mncedane had been retrenched from her job on a large fruit farm in the Franschhoek area, Liena Yon had voluntarily left her employment after a quarrel with a manager, and two other women, Anna Loedolff and Leila Adonis, had joined the development scheme at Westbank in order to have access to secure housing. Says Anna: ‘My man werk nog op die plaas. Die witman daar het verskuif, en toe trek my man agter die werk aan. Hy werk nou nog daar op ’n plaas anderkant Blackheath. Ek het Wesbank toe gekom sodat ons ’n huis kon kry, en sodat die kindertjies darem kan skoolgaan.’ (My husband still works on the farm. The white man who lived there moved, and my husband followed the work. He still works on a farm on the other side of Blackheath. I came to Westbank so that we could get a house, and so that the kids can go to school.)

The women agreed that there were some important advantages to living off-farm – most crucially, the fact that they had their own houses. On the other hand, they clearly missed the cushioning effects of inclusion offered in the ‘implicit contract’ of paternalism. As Anna said: ‘Dit is waar – dit is jou huis en so aan – maar jou verdienste moet daar wees dat hy jou huis kan onderhou. As hy huur dan is daar nie brood nie, daar is nie kos nie. Maar as hy op die plaas is dan is daar darem elke dag ’n stukkie.’ (It is true. It is your house and so on – but there must be income so that you can maintain your house. If you rent, there isn’t bread, there isn’t food. But if you are on the farm, then there is a little something every day.)

Working for OutSource was one of the few employment options open to people at
Westbank. The only alternatives were to try to find work as a domestic worker, to make a living as a vendor, or to work for other agricultural contractors. Liena indicated that a large contractor was taking workers out to Grabouw each week, but that only people with extensive experience with fruit were being employed. Furthermore, one had to be willing to stay in Grabouw for the week. Unemployment in Westbank was high, and there were many more people who wanted to work for OutSource but who could not be accommodated.

The women’s incomes varied in relation to the farms they worked on. The women were all *druivesnyers* (grape cutters), and most of them earned in the region of R1.30 to R1.50 per basket of grapes harvested (a relatively high rate for the sector, and even for the Stellenbosch region). The only exception was Doris, who worked at a major wine estate in the Somerset West region. The estate paid a guaranteed daily rate of R45 and a productivity bonus of 60c per basket beyond the daily threshold of 20 baskets.

Piece rates were, of course, a mixed blessing. Often adverse weather conditions meant that workers could only work two or three days in the week, and the income they derived from these piece rates (which were better than normal) was small and insecure.

*Mandjies dra* (carrying baskets) was seen as a male activity. One reason for this was that it was very hard work – baskets were heavy and had to be carried a long way. Carrying baskets was also perceived as a particularly thankless task. The worker was continually under pressure from other workers who wanted to have their baskets emptied so that they could start a new ‘piece’. Added to this was the fact that this task was not paid at a piece rate: *mandjiedraers* (basket carriers) were paid a straight R45 per day, no matter how many baskets they carried.

The women also complained that work was not organised in a way that allowed them to pack baskets at optimal efficiency. It was rare that anyone was able to reach their maximum earning levels. Because OutSource employed only a small number of *mandjiedraers*, teams were kept large, which meant that a *druivesnyer* who had completed her or his ‘lot’ of vines often had to walk a long way – carrying a half-full basket of grapes – to get past the team and to start cutting again. On an average day they would cut between 30 and 35 baskets, and they had to work very hard to make more than R45.

The women interviewed seemed to accept these conditions as simple realities of life. As they saw it, the choice was either to work and make some money, or to starve. As Anna said laconically: ‘Niemand gaan na my toe kom en sommer sê, dé, hier is vir jou ’n R50, hoekom gaan koop jy nie vir jou ietsie nie.’ (No one is going to come up to me and say, here’s R50, why don’t you go buy yourself something.) Some of them seemed to take real pride in their role as breadwinner, in the fact that they succeeded in feeding themselves and their children through honest, hard work, and in their belief that they could do this as well as, if not better, than any man (see Box 2).

Their main concern was with the inefficiency of OutSource’s systems. Liena indicated that she and two fellow workers were owed two days’ back pay – an amount of R99 each – and that the company was already a month late with the payment: ‘Hulle sê net elke week, “dié week, dié week”. Maar hulle gee nie die geld nie. Dis nou al vier weke wat hulle daai geld skuld. Ek weet nie wat die probleem is nie – hoe hulle nou deurmekaar raak daar onder [the Stellenbosch office]. Soos daai vrou vir my gesê het, hulle gee maar net die geld, hulle werk nie met die geld nie.’ (They say every week, ‘this week, this week’. But they don’t give the money. The pay is already four weeks overdue. I don’t know what the problem is, or why they get so confused down there [the Stellenbosch office]. As that woman said to me, they just hand out the money, they don’t work with the money.)
The externalisation and casualisation of farm labour in Western Cape horticulture

This situation had already led to conflict with OutSource’s management (the women indicated that they were not afraid of openly challenging the management), but the matter had not been resolved. Other workers also claimed that their pay-slips were based on incorrect assessments of the number of baskets they had filled. This, too, could not be rectified. As far as OutSource management was concerned, if the farmer recorded a certain number of baskets for a particular worker, that was the end of the matter.

The women agreed that in spite of all these difficulties they would probably work for OutSource again the following season. It was more than likely that they would not have found an alternative source of income by then. They were aware of their relative lack of power – and clearly saw how useful this was to the farmers. Permanent workers on the farms had ‘too many rights’, Anna reasoned, and the ‘white man’ would rather work with contracted workers, whom he owed nothing and who could not hold him accountable for anything (see Box 3).

In spite of this, they still hoped for a more stable relationship with a single client. According to them, some OutSource workers who had proved that they ‘understood farm work’ and could be relied upon, were allocated work year-round on a specific farm. ‘Dan is jy “permanent”’ (then you are ‘permanent’), they said, and then you could count on there being a stable income for your family throughout the year.

**Male workers for OutSource in Westbank**

The men who were interviewed had similarly diverse histories. Like the women, they had come to Westbank from farms in the surrounding area, and, like them, they had left the farms for different reasons. Karolus Lemmer was retrenched from his job on a nearby wine farm at the end of 2000. He earned R270 per week at the time. Philip Andreas left the Koelenhof

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**Box 2: ‘I sweat for my bread’ – Interview with ‘Liena’, a worker with OutSource**

[Some people do not want to do farm work.] ‘Oooo,’ they say, ‘are you crazy, in a vineyard, me?’ But when you arrive home with grapes, they ask you for some grapes. And you haven’t even put your bag down, then they say, ‘lend me R2’, and these are people who say they’ll never work in a vineyard. These are people who were born on a farm, who are trying to be haitie petaitie [hoity-toity]. They tell you, ‘I know how to work, I can do that’, but they are not prepared in the evening to … I get so angry. Then on the farm they say, ‘No, I must first wash my feet, I must wash my this and I must wash my that. I can’t go home like this.’ Why do you work if you don’t want people to see you’ve been working? I want to be seen to be working. I must sweat for my scraps of bread. I am used to working in the vineyard. They don’t want to do dirty work. I do dirty work, because this stomach of mine is important. What will I eat if I don’t have bread? I must eat. I am the sole breadwinner. My kids want to eat.

**Who works better – men or women?**

There are many men who earn R70 or R50, while the women get paid R150, R159, R149. Speaking from experience, by the time some of these men would have filled 15, 13 baskets, I would already have filled 45 baskets. Then there are the men who, after filling only 15 baskets, say they are more exhausted than you and can’t carry their baskets. And here I am, a woman, and I’m prepared to carry my basket. It’s not even breakfast time yet and you hear them say, ‘I’m tired’. Most of the men choose to carry baskets. They don’t want to harvest the grapes because they know they can’t cut the grapes. Most men cut off their own fingers. [Laughter.] It’s the truth!3
farm where he worked in 1990, because the pay was poor. He has been unemployed ever since. Paul Julies was dismissed from his R2 000-per-month job as supervisor and driver for an estate between Stellenbosch and Paarl. Gabriël Hartenberg grew up on a farm, but left the farm at a young age. He had never worked on a farm before, and drifted into employment with Workforce after the garage door installation company he worked for folded. They were a fairly skilled group: Gabriël had had several years’ experience as a middle-level manager at a fruit-packing plant in Stellenbosch, while Paul had done a number of courses at Elsenburg, including an introductory course in winemaking. Both of them had heavy vehicle drivers’ licences.

Unlike the women, the men had a number of different functions in the company. Paul was a driver, and did not do farm work. He took workers to and from the farms as well as doing other transport and driving work for OutSource. He could thus count on fairly steady employment. Even so, his wages of R450 per week were less than what he managed to pull in when living on the farm. Philip and Karolus were mandjiedraers, while Gabriël was a druiewesnyer.

Like the women, the men earned much less than the daily and piece rates their employers claimed they earned. Gabriël said that there were many weeks when he had only been able to work for two days out of five – a case in point was the previous week, when he earned R70 (the weather was poor, and illness prevented him from working well on the two days when he could get onto the farm). Karolus’s highest weekly salary had been R135 for three days in a row as a mandjiedraer.

The men were also fairly equivocal about the benefits and disadvantages of off-farm life, although they tended to put far greater emphasis on the implications of the loss of permanent and steady employment than the women. For them, the core issue was the loss of a job, and the stability and self-identity associated with it. As Paul put it: ‘By OutSource is jy nie elke dag in die werk nie. Jy het nie elke dag ‘n werk, wat jy dan kan sê jy dit is jou werk, dan gaan jy uit jou huis uit na die werk toe nie. Jy werk twee dae en die ander twee dae is jy by die huis en wag. Dis nie ‘n goeie ding nie. Dis beter om op die plaas te bly.’ (With OutSource you are not at work every day. You don’t have a job that you can go to every day, a job that you can say is ‘your job’. You work two days and the other two days you’re sitting at home, waiting. It’s not a good thing. It’s better to stay on the farm.) Some of them, particularly Gabriël, tended to idealise farm life, an idealisation clearly shaped by the men’s loss of their central role as breadwinners (see Box 4).

The men shared the women’s dissatisfaction with the logistical problems experienced with payment. Paul was particularly angry. As a driver he was responsible for handing out pay-packets

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**Box 3: ‘The white man is scared...’ – Interview with ‘Anna’, a worker with OutSource**

The farmer pays me R1.20. If I don’t like it, the farmer can easily tell me to go, especially since I’ve been hired by OutSource. Farmers don’t want to have people on the farms. They don’t want to bother with people on their farms. This is because the farmers have fewer rights on the farms. If I do something that the white man doesn’t like, he will have to leave me alone, because I have too many rights. Therefore he would rather not take you on. The farmers would rather get contractors than have to deal with people on the farms. Many people have lost their homes. And there are many people who can’t afford to get a little place in town. They would prefer to have a little place on the farm. But now the white man is scared of these things. He would rather employ a contractor.
The externalisation and casualisation of farm labour in Western Cape horticulture

and had to face workers’ anger when the money was not correct. He believed it was unfair of OutSource to make its administrative problem the driver’s problem. He believed that the source of the problem was that OutSource had under-invested in infrastructure, and he was critical of its inability to work out a coherent system.

At the same time, they were also aware that there was precious little they could do. As Paul pointed out, the alternatives were even more insecure: ‘So nou en dan probeer ek maar hier ’n kontrakkie doen en daar ’n kontrakkie doen. Ry maar hier so ’n trippie en daar so ’n trippie. Ek het lisensie en alle die. Maar okay, mense stel nie meer belang om ’n kontrakteur as bestuurder op die plaas aan te neem nie. Die inkomste by OutSource is iets om mee aan te gaan. Dit hou die gesin aan die lewe.’ (Every now and then I do a little contracting. Or I do a little trip here and a little trip there. I have a licence and all that. But okay, people on farms are not interested in contracting a driver. The income from OutSource is something to get by on. It keeps the family alive.)

Unsustainable livelihoods

These four case studies are by no means exhaustive or representative of the entire range of labour contracting relationships found in Western Cape agriculture. With the exception of Linnie’s business, the businesses are all from the Stellenbosch area, and some important and sophisticated contracting enterprises have been left out. At the same time, the case studies illustrate the wide range of variation in labour contractors’ strategies and highlight similarities and common problems. From the point of view of those concerned with employment justice in Western Cape agriculture, the case studies raise some alarming issues, for they shed bleak light on the capacity of the agricultural labour contracting sector to provide people with adequate livelihoods under non-exploitative conditions.

From the point of view of farmers, whose margins are constantly under pressure, there are of course major advantages to the proliferation of contracting operations. And given that workers who are knowledgeable and experienced in skilled areas of work continue to swell the ranks of the unemployed in the rural areas of the Western Cape, the growth in contracting services can be viewed as a major move towards an agricultural labour market that, in economic terms, is highly efficient. Farmers’ success in insisting on task-based instead of time-based rates means that they are able to have high degrees of control.

Box 4: ‘It would be a privilege to return to a farm’

In my opinion, it’s a privilege to be on a farm. Given the conditions under which we live here in Westbank today, I believe it would be a privilege to return to a farm. You have peace and quiet on a farm. There you can lead an exemplary life and raise your children in [an exemplary way].

I would return to a farm, because on a farm you get a house, electricity, water, education for your kids, transport. Here in Westbank – I don’t mean only Westbank, but in a place like it – there is danger, transport, electricity, rent. And all those obligations that accompany them. It is difficult for me, because I can’t afford all of it.

I think it would be better for me if I could return to farm labour. On a farm, I can go straight home on a Friday evening with my R200 pay, and I can say to my wife, ‘Look, here’s R200’. But if I stay here, I can only give my wife R70, which she must use to buy food and all the other things too.’

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over the overall cost of work done, while the payment of piece rates also builds a crude but effective productivity incentive into the labour process. More importantly, the externalisation of labour relations means that farmers are protected from some of the risks involved in taking on labour in a sector exposed to natural factors that are beyond human control. If weather conditions, or other considerations, make harvesting impossible, it is the contractor’s problem, not the farmer’s.

This efficiency, however, comes at a real cost to both contractors and workers. In the first place, in a context where many skilled and experienced farm workers are looking for jobs, the reality is that farmers’ insistence on quality is more or less a given. Contractors are under great pressure to supply quality services and still be competitive. Task-based rates are likely to be influenced above all by the lowest possible rate a desperate worker is prepared to accept in exchange for work. In the case of Pieterse’s contracting business, it was also clear that these pressures were forcing him to take on work at rates that made it impossible for him to cover hidden costs such as depreciation, with major implications for the long-term survival of his business.

Secondly, the ability of farmers to pass on risk to contractors makes it difficult for contractors to build up a stable body of skilled workers. They cannot offer stable employment in a context where contracts cannot be secured well in advance and are open to adjustment or suspension at very short notice. The effects of this uncertainty cascade through the system, preventing the creation of sustained social relations of labour further down the line. Farm workers themselves will spread their risks by keeping their options open, working with whichever contractor offers them work in a given week. But, by having to accept the insecurity and unpredictability of their livelihoods, it is they who ultimately bear the costs of this new efficiency.

The implications for employment justice are discouraging. The contracting sector depends upon and perpetuates highly fluid and informal relationships that make both compliance and monitoring very difficult. In the context of a constant labour turnover, and where comprehensive records of workers’ names and ID numbers are almost unheard of, the payment of UIF contributions, let alone the development of formal, mutually agreed labour contracts, is difficult. And amidst stiff competition in the sector, demands that involve the violation of the provisions of basic employment legislation become difficult to resist.

The most serious implications, however, are for rural livelihoods and income. One of the attractions that the payment of piece rates holds for both farmers and contractors is the way in which it functions to legitimate workers’ incomes by creating the fiction that they are ‘working for themselves’. In reality, many of the factors that determine workers’ incomes are beyond their control. Not only are earnings influenced by weather and other unpredictable and uncontrollable conditions, they are also constrained by the way work itself is organised, that is, not to maximise workers’ ‘pieces’ but to cut overhead costs and supplementary functions. Where unemployment is rife, workers who are not willing to work for paltry wages will all too often be shouldered aside by those who are. For this reason, worker organisation faces significant obstacles.

Notwithstanding the importance of the severing of the paternalist bonds that tied farmer to worker, the externalisation of labour and of labour relationships does not herald the coming of a free market, where the contract goes to the contractor who can offer the most effective service for the best price. Culture, identity and social networks continue to play a huge role in this market. For contractors, as well as workers, survival depends on the development of stable relationships in which past
The externalisation and casualisation of farm labour in Western Cape horticulture

associations, moral claims, and ties to families and neighbourhoods continue to play an important role. Anecdotal accounts suggest that contractors try to bind workers to themselves through, for example, debt and even relationships of dependency similar to those used in the past by farmers.

Important exceptions exist. As the account of Du Preez’s business indicates, it is possible for a labour contractor to run a business which pays wages that are relatively good by sector standards, provides reasonably stable, year-round employment for skilled and competitive workers, and at least strives to comply with key minimum provisions of labour law. But the scope for such businesses should not be exaggerated. For one thing, even these ‘quality focused’ contractors are exposed to fluctuating demand: though they may develop a ‘core’ of itinerant agricultural specialists, they, too, have to take on and lay off labour in unpredictable ways. In this regard, it is interesting to note that in Du Preez’s case, the relatively privileged ‘core contract workers’ are male workers, while the supplementary labour force is largely female.

Furthermore, Du Preez’s business model will not be useful to any but a few. Firstly, it relies on servicing a relatively small number of farmers who are genuinely willing to pay a little above the average for quality work, and who are prepared to enter into longer term relationships. Secondly, even within this relatively niche market, conditions are very tough and competition is stiff. Success depends on being able to compete on price without compromising long-term and hidden cost recovery, offering clients quality and competitive prices despite the logistical and organisational challenges of working with a fluctuating labour force, and providing workers with stable employment within the uncertain environment of a contracting business. Clearly Du Preez’s skills – and his considerable ability to think conceptually and strategically about the challenges facing his business – are an important part of his success thus far. But these would be useless without his significantly better access to resources, an advantage that is inextricably linked with his identity as a table and wine grape grower’s son. Unlike Linnie and Pieterse, Du Preez was able to borrow a vehicle from his father and obtain security to finance his not inconsiderable start-up costs. The fact that he shares important links of culture and social identity with the ‘master class’ also matters. Not only does his pre-existing network supply him with good clients, but he is obviously also at an advantage when negotiating and transacting with clients who regard him as more of an equal than they would any other service provider.

In the end, the account of the difficulties experienced by those who worked for OutSource provides much more food for thought for those concerned with ensuring labour justice for workers in the contracting sector. Large and well resourced, OutSource appears to be a business that is willing and able to provide contract workers with employment under conditions that comply with the minimum provisions of labour legislation. OutSource has, however, dealt with the unstable and fluctuating nature of employers’ labour demands by simply passing on all the risk to workers. In the first place, despite its initial claims or intentions, it has for all intents and purposes been forced to offer its services on a task rather than a time basis. Secondly, because it wants to be able to cope with farmers’ demands during peak seasons and resist taking responsibility during troughs, it needs to have many workers ‘on call’ in order to avoid any real obligation towards them should work not materialise. In the medium term, if OutSource decides to remain in the agricultural sector, it will have to resolve some of the systems problems that led to workers’ anger. Despite this, however, OutSource will not
be able to provide anything like stable and adequate livelihoods for all but a few of the more skilled workers on its books.

Endnotes

1 Names of persons and businesses have been changed.

2 Afrikaans original: ‘Mens moet goeie salarisse betaal. En moet hom soos ’n mens behandela. Dit help nie ek betaal hom R100 per dag en ek vloek en skree en skel en is heeldag op sy case nie. Dit is vir my om vir hom te laat voel hy is menswaardig. Hy moet voel hy werk lekker by my. Sy werksomstandighede moet aangenaam wees. Ek verskaf dwarsdeur die jaar werk aan my mense. Behalwe vakansiedae. Ek probeer vir almal [werk] verskaf want hoe meer mense ek in die veld het hoe groter is my wins. Daar is natuurlik tye wat dit stil is. Na parstyd is die tyd wat die plekke maar die meeste van die tyd stil is. Dan is daar hoofsaaklik net paleplant werk. Dan kan ek ten minste vir die mans werk verskaf.’

3 Afrikaans original: ‘[Party mense wil nie plaaswerk doen nie.] Oe, hulle sê sommer, “Is jy mal, in ’n parsland, ék?” Maar as jy kom met ’n stukkie druwe dan vra hulle vir jou ’n stukkie druwe. En dan het hy nog nie jou sak neergesit nie dan is dit, “leen vir my ’n twee Rand”, maar hulle sê hulle wil nooit in ’n twee Rand’, maar hulle sê hulle wil nooit in ’n twee Rand’, maar hulle sê hulle wil nooit in ’n twee Rand’. Daar is daar hoofsaaklik net paleplant werk. Dan kan ek ten minste vir die mans werk verskaf.’

4 Afrikaans original: ‘Daa! boer betaal vir my R1.20, en as ek nie daarvan hou nie dan kan die boer mos nou maklik vir my sê ek moet gaan. Ek is mos onder Outsource. Die boere wil nie meer mense op die plaas hé nie. Hulle wil nie meer sukkel met mense op die plaas nie. Want hoekom, hulle het mos nou minder regte op hulle plase. As ek iets doen wat die uitlos, want hoe meer mense ek in die veld het hoe groter is my wins. Daar is natuurlik tye wat dit stil is. Na parstyd is die tyd wat die plase maar die meeste van die tyd stil is. Daar is daar hoofsaaklik net paleplant werk. Dan kan ek ten minste vir die mans werk verskaf.’

5 Afrikaans original: ‘In my opinie sal ek nogal regtig waar sê, dit is ’n voorreg om op die plaas te wees. Want onder die omstandighede wat ons vandag lewe, hier in Wesbank, sal ek sê dit is ’n voorreg om weer terug te keer na ’n plaas toe, waar jy die rustigheid het en ’n voorbeeldige lewe kan lei en kinders in voorbeeldige omstandighede kan oplei ... Sien, hoekom ek so sê, dat ek sal terugkeer na ’n plaas toe: by ’n plaas kry jy ’n huis, elektrisiteit, water, opvoeding vir jou kinders, vervoer. Hier in Wesbank – ek noem nou nie spesifiek Wesbank nie maar in ’n gebied soos dit – die gevaar, die vervoer, die elektrisiteit, die huur. En al daai ander besonderhede wat nou gepaard gaan met dit. Dit is eintlik vir my moeilik want ek kan dit nie bekostig nie ... Maar as ek moet terugkeer nie plaaswerk toe, dan glo ek dat dit beter gaan wees vir my. Want op ’n plaas kan ek better vir die vygdaa naam hou of met ’n R200 straight huis toe stap en vir my vrou kan sê, “Kyk daarso is R200.” Maar as ek nou hier bly dan moet ek my vrou R70 gee van al daai geld. Dan moet sy kos koop daarvan en al die ander goeters ook.’
Chapter 5: Ensuring employment justice

The patterns described in this report so far are both significant and serious. How can they be dealt with? What courses of action are open to farm worker organisations and their allies? In order to answer these questions, it is necessary to look deeper than the surface of events – to grasp not only the direction and nature of these trends, but also their underlying causes and their meaning. We need to be able to interpret why these trends have taken hold as they have before strategic options and a course of action can be formulated.

What changes, and what stays the same?

As argued at the beginning of this report, attempts to transform the social and power relations of labour on Western Cape farms have relied on three key strategies: firstly, the extension to the rural areas of the formal rights enjoyed by urban workers; secondly, the extension to farms of industrial-style trade unionism; and lastly, the removal of the ‘policy distortions’ that protected farmers from market competition and encouraged their dependence on cheap but inefficient unskilled and unproductive labour.

Clearly there were some tensions between these strategies. Although critics of the ‘social inefficiency’ of protected agriculture did not stress this (Lipton 1993), there were tensions between the aims of rural labour law reformers concerned with protecting rural workers and those of economists who did not see much wrong with the massive use of cheap labour where it was a resource in plentiful supply. But eventually these differences were reconciled by a shared belief in rural ‘modernisation’ – and by the political conditions of the 1990s, which enabled the formation of a broad consensus around the need to end the protection of white agriculture. The arguments that the oppressive and exploitive labour relations brought about by paternalism were counterproductive and inefficient in the long term, and that investment in ‘progressive’ labour relations would result in very real benefits to the bottom line, played a significant role in reinforcing the belief in ‘modernisation’. Although labour law reforms would increase the costs of labour and thus lead to some ‘inevitable’ job-shedding, it was believed that these shocks would also encourage farmers to dispense with racist and backward practices and to create a more empowering and egalitarian workplace culture.

However, these arguments were based on an underestimation of the persistence of the cultural, political and social frameworks that accompanied farm workers’ subjection, and the flexibility of farmers’ strategies under new conditions. In the Western Cape, the business of farming has since colonial times been entangled in a very specific web of fiercely held cultural values and social expectations. In its simplest form, this is articulated as a firm insistence upon the value of the farmer’s autonomy, independence and right to have a final say
in all decisions affecting the future of the farm, as well as the assumption that the white farmer’s dignity and independence is closely linked with an indisputable authority over the land and all those who work on it. Racist and authoritarian though this framework may be, it is thoroughly compatible with capitalist business strategy. The ‘culture of mastery’ underpins the moral framework of both ‘progressive’ and ‘repressive’ farming styles. The culture of paternalism is easily ‘transported’ into the modern era. Its key assumptions are not anachronistic forms of ‘racism’, inherently linked to inefficiency. Rather, they are powerful and seductive ideologies about society and farming – easily adapted to new socio-economic conditions, and not easily relinquished.

While there are no pressing socio-economic arguments urging farmers to abandon authoritarian and racially exclusive forms of paternalism, these underlying frameworks and identities have been very strongly challenged by labour law and other reforms. The deregulation of agriculture, while welcomed by some, has clearly signalled to farmers their political marginality, and has entailed the drastic renegotiation of any partnership that might have existed between themselves and the state. The introduction of the Labour Relations Act 75 of 1997 and the Basic Conditions of Employment Act 75 of 1997 served notice that they were no longer officially regarded as benevolent employers to whose care workers could be entrusted. Although the self-conceptions and ideologies of mastery that underpinned rural paternalism lived on, the formal lack of rights and the absence of legal regulation, which were the institutional lynchpins of paternalism, were ended by the extension of industrial-style labour law to farm workers in the 1990s.

Thus the old rural order started fading – with nothing very coherent to take its place. The old circuits of power and control were increasingly prone to challenge and interruption, but no authoritative and decisively imposed new institutions were ready to supersede them. No powerful alternative to the traditional self-conceptions of white mastery has been articulated, and, though the centrality of the rule of law and workers’ rights has been asserted, the state is in many ways too far away to function effectively as a competing sector of authority. In many cases, the regulation of conduct on white-owned farms is characterised by a strange, ‘double’ functioning. Relationships between employers and employees are characterised by the simultaneous presence – and the simultaneous ineffectiveness – of the discourse of the law and the discourse of the ‘master’. Both farmers and farm workers often play a complex strategic game in which first one set of rules, then another is invoked. Farm workers may appeal to a local advice office when the ‘implicit moral contract’ of paternalism fails them, only to draw back from a legal confrontation when some form of settlement or compromise seems to become possible (Flensted-Jensen 2002; Du Toit & Robins 1995). Similarly – and more ominously – farmers may in some instances rely on and appeal to the authority of the ‘master’ and in other instances invoke the formal workings of the law, particularly when the law helps them absolve themselves from unwanted responsibilities or liabilities.

Increasingly, it seems that the latter set of options has become increasingly attractive to farmers. Paternalism involved a compromise between white masters and black servants, one in which workers’ submission to farmers’ authority was (if workers were lucky) exchanged for the farmer’s protection of workers’ well-being – or at least the provision of services for which workers would usually not be able to pay. Increasingly, the terms of this compromise are now being renegotiated. If farmers are no longer allowed to be ‘masters’, then they will be ‘employers’, but on new and different terms. If permanent employees are now to be the bearers of rights, able to make demands, and able to challenge farmers’ power, then
the pros and cons of engaging a large body of permanent workers need to be reassessed. This shift is not all that lies at the bottom of the job-shedding trends evident in the rural Western Cape. If farm profitability had not been under pressure, many employers may have found less reason to let go of permanent workers. Falling farm gate prices for fruit and many wine grape cultivars and the fact that labour costs are one of the few elements of farm inputs that farmers can change, clearly play a role in job-shedding. Difficult employment decisions are often legitimated by cold calculations about the effect on the bottom line. But the note of bitterness in many farmers’ observations is too strident to be dismissed. Clearly, what is happening in the rural Western Cape is not only the outcome of the pressure of economic realities, but also the renegotiation of the ideological and cultural frameworks that have legitimised the social and power relations of labour on these farms in previous decades.

New realities
The resulting scenario is both uneven and complex. The drive to shed jobs is not universal, and is not neatly confined to particular sectors or particular districts. Differing strategies exist, and many farms are clearly still holding on to labour. At the same time, there is a clear trend towards shedding jobs, and this is unlikely to be reversed. In future, more and more of the work on Western Cape farms, currently primarily being done by a relatively immobile, on-farm and tied labour force, will be done by temporary labour – either sourced from the informal settlements and RDP housing schemes that are being established around rural towns, or from surrounding on-farm workers who have remained resident on the land but have lost the rights and benefits of permanent labour.

The trends and shifts described in this report are almost certainly irreversible. The trend towards job-shedding in the agricultural sector has been evident since the early 1960s. It has been encouraged both by the ‘market-distorting’ policies of apartheid since the 1960s, which encouraged mechanisation and the reduction of farm worker numbers in response to the perceived danger of the verswarting (blackening) of the countryside, and by the ‘rational responses’ to increased economic pressures experienced by the farming sector after deregulation and liberalisation. Since the late 1980s, these trends have been accelerating. It may be possible to reduce the pace of agricultural job-shedding, but where jobs have been lost they are likely to stay lost.

For workers, the implications of current shifts are complex. For some – those who have managed to hold on to permanent jobs – the possibility exists of improved livelihoods, ‘empowerment’ and new forms of partnership with farm owners. Farm equity share schemes and other forms of joint venture will clearly play an important role, particularly if they were to be imaginatively exploited by proponents of land reform and equitable social change. But even if these do not exist, some variant of the old ‘paternalist’ set-up will remain a reality for those remaining on farms – perhaps with a greater emphasis on worker self-determination, perhaps with rights and obligations more clearly spelled out, and perhaps with a more careful reckoning of the cash value of ‘fringe benefits’.

But these privileges will clearly be enjoyed by a smaller and smaller segment of the Western Cape labour force. More and more, key parts of the labour process will be carried out by workers who are not included in the circle of those covered by the ‘paternalist’ relationship. Far from being ‘part of the farm’, these workers will find that the relationships between them and employers will tend to be limited to cash payments for particular tasks completed. For a significant number of workers, their key relationship will no longer be with a particular farmer but with a third party, who either simply supplies the labour or takes responsibility for
completing certain set tasks within a certain time. Both temporary workers employed directly by farms and contract workers will be vulnerable to exploitation, and, at present, those who organise farm workers do not appear to be interested in organising off-farm workers.

There may be some grounds for arguing that the trend towards casualisation and externalisation harms the long-term interests of producers as well. In an earlier study, it was found that workers employed by a contractor on a deciduous fruit farm were more ‘productive’ in piece terms than permanently employed workers, but that this productivity gain came at the expense of serious quality problems (Du Toit 2000). Care has to be taken in drawing conclusions from these facts. As a closer investigation of our earlier case studies shows, none of the quality problems are inherent in the contracting relationship; they stem from a lack of investment in appropriate quality systems, which, in principle, can be easily rectified. Clearly, the desire to control quality will lead to some farms avoiding outsourcing key tasks such as pruning and thinning, although many farmers in the study seemed to be relatively satisfied with the quality contractors were providing.

More seriously, it can be argued that contractors and users of temporary off-farm labour are benefiting from the investment in training and the experience gained in earlier years, and that a failure to continue to invest in the capacity of the workforce will erode productivity and quality in the long term. It may be argued that a sustained failure to invest in training and the development of worker skills will act against the interests of the sector as a whole. Certainly, in the short term, the fluidity and mobility of contract workers will mean that producers and contractors will be reluctant to provide expensive training to workers on whose services they cannot count in the medium and long term. Without a systemic intervention in the sector as a whole, this problem is unlikely to be addressed. The multiplicity of factors that affect survival in the sector also means that there is no ‘invisible hand’ that will ensure that producers and contractors who invest in training and capacity building for off-farm workers will do much better than those who do not. Though there will certainly be a niche for operators like Du Preez, who focus on providing quality services to selected producers and who will want to invest in training, the reality is that many fruit and wine producers will probably be able to outsource tasks such as harvesting with little or no investment in long-term capacity building and without seriously compromising profitability. And workers who cannot argue that they have significant skills on offer will be in a weak position when negotiating wages or trying to ensure a stable income.

**New strategies**

This presents those concerned with the living and working conditions of farm workers with new challenges. Clearly, one set of challenges relates to the need to protect existing livelihoods, and to find ways of slowing down or even halting the processes that constitute South Africa’s agricultural unemployment crisis. An even more pressing set of challenges lies in finding forms of regulation and organisation appropriate to the needs and interests of the growing number of off-farm and temporary workers. These ‘supplementary workers’, who will increasingly come to constitute the ‘typical’ labour force of Western Cape agriculture, will effectively find themselves excluded from the enjoyment of the rights and privileges granted to permanent workers. At the same time, the enforcement and protection of their remaining rights will become increasingly difficult. It will also be harder for traditional forms of worker organisation to take hold among this group of workers.

These realities introduce fresh challenges. For the most part, a large proportion of the legal and organisational work around farm workers’ rights and conditions of employment since the early
The externalisation and casualisation of farm labour in Western Cape horticulture

1990s has focused on permanent and on-farm workers. Although the gender blindness implicit in this approach has been tempered by a concern with the conditions of on-farm women, off-farm temporary workers have for the most part been regarded as supplementary. This has been most evident in the heavy emphasis on ESTA, but other processes – the extension of the Basic Conditions of Employment Act to farm workers, consultations around a sectoral determination for agriculture, discussions around the development of checklists for monitoring compliance with ‘ethical trading’ requirements, and trade union and other forms of farm worker organisation – have also tended to privilege the concerns and interests of permanent on-farm workers. Off-farm workers have been regarded as either impossible to organise or not worth organising.

If it was ever appropriate to emphasise ESTA as farm workers’ most important concern, it is increasingly evident that it is inappropriate to do so under conditions of casualisation and externalisation. Although conditions are harsh, workers remaining on Western Cape wine and fruit farms must increasingly be seen as a relatively small and privileged grouping in a sea of rural underemployment. Temporary workers not only perform the lion’s share of on-farm work and predominate in absolute terms, they are also the most vulnerable to exploitation. Important as it is to improve the benefits of permanent workers – and even to encourage their ‘empowerment’ through equity share and other schemes – the emphasis and central thrust of work on employment justice clearly has to focus on protecting the rights and interests of temporary workers.

This involves an important and unsettling realignment for those whose work has focused on dealing with labour issues in the relatively self-contained and stable context of permanent, on-farm labour relationships. One important difference is that the circle of those affected is much more open-ended and ill-defined – both from the perspective of the producer (who deals with a large, widely dispersed and much more fluid workforce) and from the perspective of the worker (whose working conditions are determined by the practices of a range of different and often geographically dispersed producers). Secondly, many of the core issues affecting workers’ welfare – services, housing, education, transport and health services – are no longer conveniently the responsibility of a single, relatively well-resourced and easily available paternalist employer. Instead, they are now the responsibility of much more distant and often overstretched rural local governments. Thirdly, temporary and off-farm workers have particular interests and concerns of their own, and their rights can most certainly not be protected by treating them as if they were merely on-farm workers of a special type. Fourthly, and most importantly, workers’ negotiating positions are much weaker, both because they are competing in an oversupplied labour market and because the labour relationship is no longer regulated by the unspoken and implicit expectations and assumptions of paternalism.

Legal regulation

One important area of difficulty relates to the enforcement of workers’ legal rights. It is important to recognise that the issues here are often different from those that affect permanent on-farm workers. Many of the issues with which farm worker unionists and activists are habitually concerned – the extent of working hours, the balance between payment in kind and cash payment, housing and other benefits – are either irrelevant or much less central, while other issues – particularly those that affect gendered interests such as child care and the stability and level of income – are much more important.

Perhaps the most serious issue that will affect the working conditions of temporary off-farm workers is legislation on both the form and level of wages. Legislative protection of a daily minimum wage, with
piece rates acting only as a productivity-enhancing bonus, could play an important role in protecting workers from undue exploitation and income insecurity. Other important areas of emphasis must relate to gendered interests and concerns. The reality that a large number of off-farm temporary workers are female means that considerations of gender equity, as well as the protection of women’s reproductive rights, must be emphasised. Although the issue of reproductive rights did not arise in the research done for this report, international experience shows that temporary employment often involves systematic violation of these rights, for example when women are refused the right to maternity leave, or are dismissed or not re-employed when they are pregnant.

Finally, another important area of concern is the exclusion of temporary workers from the protection of unemployment insurance. A key challenge in this regard is the monitoring and enforcement of workers’ rights. This cannot be done by simply requiring that all contractors register as employers and then ensuring that they stick to the provisions of the law. It will be difficult to enforce compliance, especially when adherence to the law could mean that a contractor may lose an existing contract with a farmer to a more unscrupulous competitor.

The situation in the agricultural sector seems to be rather more straightforward than in other sectors where externalisation has occurred, and where erstwhile employees are now defined as independent contractors. In such cases, any attempt to protect externalised employees is likely to run foul of the privity of contract (Theron & Godfrey 2000). The labour contracting arrangements encountered in our case studies do not suggest that the workers act as independent contractors. Rather, these businesses seem to fall quite clearly into the category of temporary employment agencies. This means that both contractors and their clients can be held jointly and severally liable if the contractor violates the provisions of the Basic Conditions of Employment Act (Section 82 (3)).

However, this does not resolve the significant practical difficulties of monitoring compliance with the law in this fluid and highly informal sector, particularly given the difficulties the state already has in monitoring regular employment. The same goes for the recent presumptions in the Labour Relations Act and Basic Conditions of Employment Act as to whether or not someone is an employee: while these laws create scope for an expansive interpretation of the employment relationship, they do not constitute a response to the reality that, beyond the level of legal form, externalisation represents a real shift in the nature of productive relationships and the organisation of work (Theron 2002).

**Private sector self-regulation**

A second important area of intervention relates to private sector self-regulation. This phenomenon is one in which key firms in a given sector – usually for reasons of self-interest and in response to negative publicity which they perceive as harming their markets – develop a shared approach to the voluntary regulation of aspects of their conduct around which ethical questions have been raised. There has been some activity on this front in Western Cape horticulture, most notably the development of the Ethical Trading Initiative (ETI), a UK-based consortium of retailers, non-governmental organisations and other stakeholders, which has piloted the monitoring of compliance with its code of conduct in the wine sector.

It has been argued that such initiatives provide significant scope for the improvement of workers’ service conditions, particularly if auditable are not narrowly interpreted to mean technical compliance with the narrow letter of the law (Du Toit 2002). One important advantage is that demands and commitments can focus on taking workers’ particular gains beyond those enshrined in national legislation. Another is that enforcement and monitoring can focus on the organisation of the supply chain as a
The externalisation and casualisation of farm labour in Western Cape horticulture

whole. Thus, one important achievement of the ETI has been that co-operative cellars, instead of simply saying that on-farm labour conditions are farmers’ own affairs (which they would have been able to argue in terms of the law), have been willing to make gestures in the direction of pressurising farmers to improve conditions. A parallel gain has been the success of stakeholders in the monitoring of compliance with the Forest Stewardship Council (FSC)’s code of good practice in South Africa. Stakeholders have argued that forestry companies are responsible for what contractors do because auditors have to make their judgement on the basis of practices in forestry management as a whole.

These considerations become especially relevant in the light of the current wave of restructuring and reorganisation in key sectors of Western Cape horticulture. In both the fruit and the wine industries, deregulation seems to be leading to a process of bloc formation and consolidation: not only are farm sizes likely to grow, but both industries are likely to be characterised by the increasing importance of alliances between large co-operative cellars, pack-houses and marketing concerns (for example Kromco, Two-a-Day, CFG and Capespan in the deciduous fruit sector and groups like KWV and Distell in the wine sector). Such groups will wield considerable economic power and may be receptive to demands from consumer advocacy groups around the conditions experienced by farm workers. In recent months, the existence of a few widely scattered but prominent empowerment schemes for permanent workers has played an important role in providing legitimacy, albeit highly spurious, to the wine sector as a whole. However, these attempts at ‘blackwashing’ Western Cape horticulture may well enable pressure groups to focus attention on the much grimmer working conditions experienced by temporary and off-farm workers.

A less high-profile form of private sector self-regulation may also be based on attempts to introduce a clearer differentiation between exploitative and ‘quality-focused’ contractors. Service providers who are focused on the quality market may well support initiatives for the registration or certification of contractors. If a form of certification can be linked to the contractor’s ability to deliver quality services, it may well be seen by contractors as adding value by giving them an advantage in marketing. Such a certification process will, however, only be supported by farmers and contractors if it genuinely holds business advantages for both, and if the costs of compliance with labour law provisions is not seen to be too onerous.

Organising off-farm workers
There are also important challenges in terms of organising strategies. Farm worker organisation should not be restricted to the core of ‘insiders’ who are increasingly constituting a privileged minority within the agricultural labour force. This means that the organisation of farm workers has to occur off-farm. Organising those without permanent employment rights, and without a clear relationship to an existing employer, may seem like a daunting challenge. At the same time, it is worth remembering that the biggest wave of rural trade unionism ever to hit the Western Cape – organised by the Industrial and Commercial Workers’ Union (ICU) in the 1930s – took root not on farms but among seasonal and temporary workers based in small rural towns (Hofmeyr 1985).

There are important advantages to off-farm organisation, not least of which is workers’ greater independence from the power and authority of the farmer. In the USA farm worker organisation has successfully taken root among migrant and seasonal workers – evidenced not only by the well-known achievements of the United Farm Workers under Chavez, but also by the more recent gains by organisations such as the Farm Labour Organizing Committee (FLOC) in the Midwest. In these cases, successful organising depended not so much on the
ability to organise strike action among workers as the ability to link organisation to public campaigns highlighting abuses by prominent companies and employers.

**Conclusion**

The present study is a limited one. It concentrated only on a few of the Western Cape’s fruit and wine growing districts, surveyed a small number of farms, and focused on a relatively circumscribed set of case studies. Yet within these limits, the findings indicate that important shifts are taking place in the organisation and management of producers’ labour requirements. Although the trends are uneven in sectors and in regions, it is clear that many employers have been taking their businesses through a significant process of restructuring, and that the institution of farm labour paternalism is going through an unprecedented process of revision. Increasingly, the paternalist relationship is functioning not in order to tie a large pool of cheap and readily available labour to the farm, but to secure the loyalty of a much smaller population of skilled, relatively privileged, mostly coloured workers. A small number of wine farmers are planning to deal with seasonal peaks through mechanisation, but on most farms many core tasks are being performed by temporary off-farm workers – workers with whom the implicit ‘moral contract’ of paternalism has been severed, and who now have to survive by finding seasonal employment or other jobs based in informal settlements around rural towns.

As economists love to say, there are winners and losers. It is the view of many farmers that Western Cape agriculture is indeed becoming ‘more efficient’. More work is being done by fewer people, and market institutions seem to exist that allow for the accurate and competitive labour costing of a wide range of core farming tasks. In social terms, however, these processes are in danger of leading to large-scale waste and destruction of human capacity by sweeping many relatively skilled farm workers off the farms, thereby creating major costs to civil society.

These shifts have led to significant new challenges in the enforcement of employment justice. Some of them relate to the enforcement and monitoring of established rights in new contexts. Some of them require a new awareness of the particular interests and concerns of temporary workers. Solutions will have to be found to the real practical difficulties that will be encountered in organising workers and monitoring compliance under conditions of externalisation. This will require new, imaginative strategies that focus not only on legal regulation, but also on the possibilities for applying pressure on agro-food businesses in the age of globalisation – forms of pressure that will have to be applied on a new terrain, one that is no longer confined to the workplace or even to the employment relationship.

**Endnote**

1 Until 2003, temporary farm workers who were employed for less than four months a year were not covered by the Unemployment Insurance Act (Act 30 of 1966). Since 2003, all workers are protected by the Act.
Bibliography


and market, labour and land – The South African wine industry in transition. Unpublished research report, Department of Sociology and Department of Agricultural Economics, University of Stellenbosch.


The survey questionnaire was designed to elicit information on the size, nature and composition of the farm labour force. Information about economic activities, labour allocation and so forth was also requested. It became clear during the pilot interviews that very few farmers were able to supply information in the depth and format required by the initial questionnaire design. In general, farmers were not easily able to provide detailed breakdowns of the allocation of labour to primary and secondary activities, for example specifying how many workers worked for how many months in the year in the cellar or in the packing line.

An important focus was the invisibility of on-farm casual workers and women. In the implementation of the questionnaire, care was taken to ask farmers about all sources of temporary labour, including on-farm casual labour. In spite of this, respondents very often simply left out information about this source of labour. In order to ensure accuracy, a second round of follow-up interviews was done by fax and telephone, specifically to confirm the accuracy of information about the extent and make-up of the on-farm temporary labour force.

Another complex area related to the elicitation of information about farmers’ future plans as well as their views on the key factors affecting labour policy. In both these cases, care had to be taken not to ‘prompt’ respondents too much. Experience indicated that farmers would simply say ‘yes’ to any and all of the possible factors affecting labour policy. These questions were therefore asked in an open-ended fashion, and results post-coded later. In all these cases, responses were fairly complex, with respondents citing a number of different factors in no clear order of preference. This means that in the statistical breakdown of these responses, the totals for options will not add up to 100%.

Appendix 1: Questionnaire
Appendix 2: The sample

The study relied on a profile of farms based on main farm activities developed for CRLS by Jan Vorster of the Department of Sociology at the University of Stellenbosch. The profile was derived from a 5% sample of farms in districts that were dependent on horticulture for more than 50% of their annual turnover. The profile was broken down into the most important horticultural activities on these farms (see Table 16).

Table 16: The target profile of farms by main activity and district compiled from data obtained from the Department of Sociology, University of Stellenbosch

<table>
<thead>
<tr>
<th>District</th>
<th>Wine</th>
<th>Fruit</th>
<th>Vegetables</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stellenbosch</td>
<td>6</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>Paarl</td>
<td>5</td>
<td>10</td>
<td>1</td>
</tr>
<tr>
<td>Wellington</td>
<td>3</td>
<td>3</td>
<td>0</td>
</tr>
<tr>
<td>Grabouw/ Caledon</td>
<td>0</td>
<td>9</td>
<td>0</td>
</tr>
<tr>
<td>Worcester/ Hex River</td>
<td>7</td>
<td>12</td>
<td>0</td>
</tr>
<tr>
<td>Ceres</td>
<td>0</td>
<td>6</td>
<td>2</td>
</tr>
<tr>
<td>Robertson</td>
<td>6</td>
<td>3</td>
<td>0</td>
</tr>
</tbody>
</table>

Although those farms in the sample that were visited broadly conformed to this profile, the refusal by some farmers to cooperate and a number of other factors made an exact match impossible. In addition, the distinction between fruit, wine and vegetable farming does not make provision for a distinction between the various fruit crops – that is, pome and stone fruit (tree fruit) on the one hand and table grapes on the other – which have radically different labour requirements. Secondly, another important factor was the reality that the determination of main activity is an inexact science. Official statistics use turnover as an important guide for determining a farm’s main activity, but this proved impracticable. For one thing, detailed information about turnover was not easily available. Furthermore, the key issue focused on in this study – labour use per hectare – made an analysis according to a typology based on turnover inappropriate.

For the purposes of data analysis, the survey distinguished between wine, deciduous fruit (that is, pome and stone fruit), table grapes, vegetables and mixed farming. Where more than 66% of a farm’s horticultural land was dedicated to a specific crop, that crop was taken to be the main horticultural activity. Where no such clearly predominant activity could be discerned, the farm’s activity was listed as mixed. A second typology was developed for certain analyses in which non-mixed farms, that is, those that focused entirely on a single activity, were also distinguished.

Even so, there are some dangers here. The dedication of large areas to vegetable crops can be deceptive, as vegetable plantings in some areas tend to vary with the availability of water. Thus, one year’s vegetable farm may become a fruit farm in a dry year. Furthermore, some of the vegetable farms were growing crops under plastic, resulting in much higher labour usage per cultivated hectare than normal. For this reason, vegetable farms were ignored when the data were disaggregated by main activity, and some Ceres ‘vegetable farms’ – fruit farms that happened to have extensive vegetable plantings at the time of the survey – were counted as ‘fruit and other’.

As should be clear from the above, the typology of farm activities focuses only on a typology of main horticultural activities. Some of the farms were also involved in other activities: some had extensive plantings of field crops, some carried livestock and some were also involved in...
Appendix 2: The sample

Table 17: A profile of the farms surveyed by main activity

<table>
<thead>
<tr>
<th>Main activity</th>
<th>Ceres</th>
<th>Grabouw</th>
<th>Paarl</th>
<th>Robertson</th>
<th>Stellenbosch</th>
<th>Wellington</th>
<th>Worcester/Hex River</th>
</tr>
</thead>
<tbody>
<tr>
<td>Citrus</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Deciduous fruit (tree-grown)</td>
<td>6</td>
<td>8</td>
<td>2</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mixed</td>
<td>2</td>
<td>5</td>
<td>3</td>
<td>1</td>
<td>2</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>Table grapes</td>
<td></td>
<td>4</td>
<td></td>
<td>1</td>
<td>12</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Vegetables</td>
<td></td>
<td></td>
<td></td>
<td>1</td>
<td>1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Wine</td>
<td></td>
<td></td>
<td></td>
<td>4</td>
<td>4</td>
<td>9</td>
<td>2</td>
</tr>
<tr>
<td>Missing</td>
<td></td>
<td></td>
<td></td>
<td>2</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>8</td>
<td>9</td>
<td>17</td>
<td>8</td>
<td>11</td>
<td>6</td>
<td>18</td>
</tr>
</tbody>
</table>

Table 18: A more detailed typology highlighting farms focusing on single activities

<table>
<thead>
<tr>
<th>Activities</th>
<th>Ceres</th>
<th>Grabouw</th>
<th>Paarl</th>
<th>Robertson</th>
<th>Stellenbosch</th>
<th>Wellington</th>
<th>Worcester/Hex River</th>
</tr>
</thead>
<tbody>
<tr>
<td>Citrus</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Deciduous fruit (tree-grown) only</td>
<td>2</td>
<td>6</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Deciduous fruit (tree-grown) and other crops</td>
<td>4</td>
<td>2</td>
<td>2</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mixed</td>
<td>2</td>
<td>5</td>
<td>4</td>
<td>1</td>
<td>2</td>
<td>2</td>
<td></td>
</tr>
<tr>
<td>Table grapes</td>
<td></td>
<td></td>
<td>2</td>
<td></td>
<td></td>
<td>11</td>
<td></td>
</tr>
<tr>
<td>Table grapes and other crops</td>
<td></td>
<td></td>
<td>1</td>
<td></td>
<td>1</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>Vegetables</td>
<td></td>
<td></td>
<td></td>
<td>1</td>
<td>1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Wine only</td>
<td></td>
<td></td>
<td></td>
<td>5</td>
<td></td>
<td>2</td>
<td></td>
</tr>
<tr>
<td>Wine and other crops</td>
<td></td>
<td></td>
<td>4</td>
<td>3</td>
<td>4</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>Missing</td>
<td></td>
<td></td>
<td></td>
<td>2</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

secondary activities. Because field crops and livestock occupy negligible amounts of labour per hectare – a farm with 20 hectares of fruit and 600 hectares of cereals will use similar absolute amounts of labour as one with only 20 hectares of fruit – these were ignored in the calculation of piece rates. It should be noted that if this decision were to have an impact on the data at all, it would be to exaggerate the use of labour per hectare. Insofar as the study highlights relatively low labour figures, this decision does not really impact on the validity of the data.
The externalisation and casualisation of farm labour in Western Cape horticulture

A better assessment of the mix of farming activities can be made by looking at actual hectares of crops planted per farm for each district (see Table 19). The presence of one or two farms with extensive field crop and vegetable plantings can be clearly seen in the table. Also evident in the sample is the rather anomalous presence of one farm in the Ceres district, which had 300 hectares of citrus. It accounted for one of the ‘mixed’ farms in that district.

In terms of farm sizes, the histogram illustrates that there was a distinct tendency towards smaller farm sizes in the sample: on average, farms had some 103 hectares under horticultural cultivation, while the median for hectares planted to horticultural crops was some 60 hectares. The spread of farm sizes was extremely large – the smallest farm in the sample had just four hectares under horticultural cultivation, and the largest 625 hectares.

An analysis of the distribution of farm sizes across districts and by main activities highlights some further patterns. Table grape farms tended to cluster in the smallest

### Table 19: Hectares planted to specific crops per district

<table>
<thead>
<tr>
<th>Crop</th>
<th>Ceres</th>
<th>Grabouw</th>
<th>Paarl</th>
<th>Robertson</th>
<th>Stellenbosch</th>
<th>Wellington</th>
<th>Worcester/Hex River</th>
</tr>
</thead>
<tbody>
<tr>
<td>Table grapes</td>
<td>0</td>
<td>0</td>
<td>330.5</td>
<td>2</td>
<td>6.4</td>
<td>252</td>
<td>606</td>
</tr>
<tr>
<td>Wine grapes</td>
<td>0</td>
<td>0</td>
<td>533.86</td>
<td>290</td>
<td>754.52</td>
<td>246</td>
<td>629</td>
</tr>
<tr>
<td>Pome and stone fruit</td>
<td>1161</td>
<td>1139.5</td>
<td>716.69</td>
<td>204</td>
<td>78</td>
<td>43</td>
<td>73</td>
</tr>
<tr>
<td>Citrus</td>
<td>300</td>
<td>1400</td>
<td>133.3</td>
<td>2</td>
<td>34.6</td>
<td>30</td>
<td>25</td>
</tr>
<tr>
<td>Vegetables</td>
<td>370.5</td>
<td>0</td>
<td>8.3</td>
<td>23</td>
<td>11.8</td>
<td>88</td>
<td>200</td>
</tr>
<tr>
<td>Field crops</td>
<td>700</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>140</td>
</tr>
<tr>
<td>Flowers</td>
<td>0</td>
<td>25</td>
<td>0.5</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Rooibos</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Olive trees</td>
<td>0</td>
<td>0</td>
<td>2</td>
<td>7</td>
<td>0</td>
<td>2</td>
<td>0</td>
</tr>
</tbody>
</table>

![Figure 9: Distribution of farm sizes in sample](image)

Std. Dev = 233.04  
Mean = 141.8  
N = 75.00
Table 20: Distribution of farm sizes (quartiles) by district and main activity

<table>
<thead>
<tr>
<th>Main activity</th>
<th>0–20 ha</th>
<th>28–60 ha</th>
<th>60–102 ha</th>
<th>&gt;102 ha</th>
</tr>
</thead>
<tbody>
<tr>
<td>Citrus</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>Deciduous fruit</td>
<td>3</td>
<td>3</td>
<td>4</td>
<td>7</td>
</tr>
<tr>
<td>Mixed</td>
<td>4</td>
<td>2</td>
<td>2</td>
<td>6</td>
</tr>
<tr>
<td>Table grapes</td>
<td>8</td>
<td>4</td>
<td>3</td>
<td>2</td>
</tr>
<tr>
<td>Vegetables</td>
<td>1</td>
<td>0</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>Wine</td>
<td>3</td>
<td>7</td>
<td>9</td>
<td>5</td>
</tr>
</tbody>
</table>

### District

<table>
<thead>
<tr>
<th>District</th>
<th>0–20 ha</th>
<th>28–60 ha</th>
<th>60–102 ha</th>
<th>&gt;102 ha</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ceres</td>
<td>0</td>
<td>2</td>
<td>1</td>
<td>5</td>
</tr>
<tr>
<td>Grabouw</td>
<td>3</td>
<td>0</td>
<td>3</td>
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</tr>
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</tr>
<tr>
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<tr>
<td>Wellington</td>
<td>2</td>
<td>1</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>Worcester/Hex River</td>
<td>6</td>
<td>3</td>
<td>4</td>
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</tr>
</tbody>
</table>

The distribution of farm sizes (quartiles) by district and main activity is shown in Table 20. The tendency towards large farms, the Stellenbosch district is characterised by farms in the 28–60 hectares quartile and the Worcester/Hex River region is typified by smaller farms. These features of the sample are broadly in line with what is known to be the case in the districts surveyed.