PART I

LIVELIHOODS OF FARM WORKERS IN SOUTH AFRICAN AGRICULTURE

Chapter One

1. Introduction

Public policy on minimum employment standards has had a long history in many countries. These policies have been a response to the failures of the market to establish acceptable minimum living standards.

In South Africa, apartheid policies enabled harsh exploitation of farm workers. And today, although the sector's contribution to the general economy has declined substantially, it is still a major employer in rural areas and continues to play a critical role in rural development and the creation of sustainable rural livelihoods. However, as our analysis will show, it is the part of the formal economy with the lowest wage rate and arguably the poorest (and least monitored) working conditions. State intervention may, therefore, be necessary to establish acceptable minimum working standards in the sector. However, State intervention may also have adverse effects.

The purpose of this report is to provide a detailed understanding of the agricultural sector so as to make informed decisions about minimum wages and working conditions. One of the key themes that runs through this report is the need to address the balance between the need for State intervention and the need to manage the possible negative effects of such intervention.

To this end, the report is divided into three parts. The purpose of **Part I** is to arrive at a better understanding of the social and economic position of farm workers in South Africa. Therefore, methodological issues in the measurement of poverty are discussed. Here we conclude that the 'capability model' of Amartya Sen provides an appropriate conceptual framework for such measurement. This is followed by more concrete empirical evidence based on formal data sources as well as field research carried out for the purposes of this report.

The purpose in **Part II** of the report was to further our understanding of the scope for increasing the wages of farm workers in South Africa. To this end, Part II consists of four main arguments. First, the theoretical and empirical literature on minimum wages was investigated. Second, the competitiveness of the South African commercial farming sector was analysed. Third, employers and employees were asked their opinions of a fair minimum wage and a range of other issues. Fourth, the wider economic implications of a minimum wage were modelled in order to assess the macroeconomic effects of the introduction of a minimum wage.

The main conclusions drawn from the analysis are presented in **Part III** of the report. These are followed by a comprehensive set of recommendations in **Part IV**.

Chapter Two

Development and poverty: The early debate

In everyday language we all have some understanding of poverty, and of what it means to be poor. However, when it comes to the scientific measurement of poverty, what is implicit in everyday language has to be made explicit. The capability model of Amartya Sen[1] (1993) provides an appropriate conceptual framework for such measurement.

It is clear from their rhetoric and from the of policy instruments for poverty alleviation that they endorse that the major development agencies and aid donors support such a multivariate interpretation of poverty at an ideological level. However, at the methodological level there is still a tendency to measure poverty indirectly in terms of private current incomes (or private consumption expenditures). The availability of income data and of statistical techniques to calculate poverty lines, minimum living levels and poverty head count ratios has encouraged the institutional acceptance of this ideological-methodological incongruence[2].

Analysts in South Africa have not fared any better, and most of the empirical work on poverty measurement has also utilised the indirect poverty line method[3]. One of the purposes of this report is to illustrate how these basic capabilities can be accounted for in the measurement of poverty to ensure a more policy relevant understanding of the plight of farm workers on commercial farms in South Africa. In this regard our recommendations will take all the components of these basic capabilities into account. However, a sector determination such as this can in the final analysis, only make firm recommendations on the minimum wage and other basic conditions of employment.

This section of the report starts with a literature review to substantiate the capability model of poverty. This is followed by a brief discussion of data sources and methodology, and then by an extensive analysis of farm worker capabilities.

Development theorists[4], have argued that there are four distinct elements to a development paradigm, namely:

---

[1] *Sen, A. (1993). 'Poor, relatively speaking'*. Oxford Economic Papers *35*

[2] *Boltvinik, J, (1999).* Poverty Measurement Methods - An Overview. *SEPED Series on Poverty Reduction. New York: UNDP.*

[3] *See e.g. May, J, M Carter and D Posel (1995).* The composition and persistence of poverty in rural South Africa: an entitlements approach. *Policy Paper No 15, Johannesburg: Land and Agriculture Policy Centre; and Leibbrandt M. and I Woolard (1999). 'A comparison of poverty in South Africa's nine provinces'*. Development Southern Africa *16(1): 28-54*

[4] *For example Weaver, J and K Jameson (1981).* Economic Development: Competing Paradigms. *Lanham, New York and London: University Press of America.*

- ***value assumptions***, which relate to the goals or ideals the paradigm attempts to realise and centre on what constitutes the 'good life' and the 'good society';
- a ***criterion*** or measure of development by which to assess its performance
- a general ***methodology*** in which the mechanics of the development process are laid out
- a ***strategic component***, which specifies the policy action necessary to support and promote development.

Until the 1980s Development Studies was conventionally supported by the so-called neo-classical or orthodox development paradigm that is the growth model. The **values** underlying this paradigm described the good life in terms of the consumption of goods and services, the 'good society' was defined as one that provided a high level of material wealth for its citizens. The success **criterion** this supported was the highest rate of GNP possible, although this later became subject to distributional constraints. The **methodology** was elementary, based on a simple production function where output was dependent on the levels of production factors such as capital, labour, natural resources, technological change, and entrepreneurial ability. This suggested that an increase in output (growth) could be brought about by a positive change in any one of the production factors. Underdevelopment was caused by:

- **obstacles to growth.** There could be structural features in an economy that impede growth, such as cultural attributes, resource endowments, geography, etc.
- **missing production factors.** One of the production factors (agricultural resources, entrepreneurs) is absent or of low quality
- **vicious circles.** In this case the mechanism of economic growth is unable to work effectively. A low rate of savings, for example, leads to a low rate of investment, which leads to a low rate of growth, which in turn leads to a low level of savings.

The orthodox paradigm supported a variety of development **strategies** such as capital investment, human capital investment, employment, redistribution and basic needs. These were policy initiatives aimed at promoting growth and ensuring that its benefits were equally distributed.

By the 1970s it became clear that this paradigm was fundamentally flawed. Technically this view could not accommodate the dialectic nature of development, but, more importantly, it could not justify the values that underscored it. Therefore, much effort was put into the search for an alternative development strategy, and notions of basic needs provision, dependency theory and the neo-liberalism of the 'Washington consensus' and its accompanying structural adjustment programmes dominated the discourse. However, these were all in some measure derived from the larger, more embracing, social project of modernisation. As the concept of modernisation began to lose legitimacy, the underlying value structure supporting development crumbled.

The state of development studies in the early 1990s is exemplified by Sachs[5], who argued that '…the idea of development stands today like a ruin in the intellectual

[5] *Sachs, W (1992). 'Poor not different'. In P. Ekins and M. Max-Neef, (Eds.)* Real Life Economics: Understanding Wealth Creation. *London, Routledge p56*

landscape… It's high time to set about the archaeology of this idea and uncover its foundations… to see it for what it is: an outdated monument to an immodest era...' This rethinking of the meaning of development led some to call for the end of development. Nevertheless, there was an alternative view. While Sen[6] agreed with the pessimists' diagnosis, he suggested that the themes that launched development economics (growth, industrialization and employment) remained relevant. Their relevance, however, lay in their status as the **means** of development and not as its overall **objective**. In his view the only way in which the development discourse could proceed was if the ends of development and not the means became its focus, namely people and the quality of the lives that they live.

Sen[7] argued that when assessing a person's quality of life, the focus had to be on the 'doings and being' or capabilities that make up that life. Certain of these capabilities play a fundamental or 'basic' role in determining the quality of life. Satisfying them up to a certain critical level is a necessary, although not sufficient condition for living a valuable life. He regarded being adequately nourished, leading a long and healthy life, being literate and avoiding homelessness as basic capabilities.

Poverty is thus best defined as 'basic capability failure'. To be poor is not only about having insufficient income, it is about being malnourished, being unhealthy, being illiterate and being homeless. Income remains important, but it is of instrumental and not intrinsic value. While the ability to achieve certain basic capabilities such as being well nourished depends on a person's command over goods and services (i.e. on their income), the relationship between low income and capability failure is not normally direct. Experience shows that this relationship can be parametrically variable between different communities and even between different families and different individuals[8]. To focus only on income is therefore to ignore this variability. In this fashion, Sen introduced the era of Human Development of the 1990s and beyond.

[6] *Sen, A (1986). 'Development: which way now?' In R. Althorpe and A. Krahl (Eds.),* Development Studies: Critique and Renewal. *Leiden, E.J. Brill. p39*

[7] Sen, A (1984). Goods and people. In S. Sen (Ed.), Resources, values and development. Oxford, Basil Blackwell.

[8] Ladrechi (1999): 8.

Chapter Three

Development and poverty: human development

The human development approach to development and poverty is based on two separate but related strands of development thought. The **first** of these originates from an eclectic body of development research loosely titled 'Perspectives of the Excluded'. These perspectives identify important themes that the neo-classical development approach failed to reflect in its theoretical and methodological structure, and are primarily a response to the inherent limitations of the neo-classical model in identifying who or what the process of development marginalizes.

The **second** strand of the human development approach is the Capability Ethic formulated and refined by Amartya Sen. This approach establishes the philosophical and theoretical foundations of human development. More specifically it clarifies the question: 'What is wellbeing, how do we measure it and how is it linked to development and poverty?

1. Perspectives of the excluded

Contra-modernisation, as Beukes[9] prefers to call perspectives of the excluded, is a range of fragmented theories joined by a shared belief that the content of development (its meaning and purpose) is more important than its form[10]. These diverse views or approaches converge around the theme of alienation or exclusion and its adherents focus on giving voice or drawing attention to those whom development processes have left out.

The topic of development and alienation was sparked in the 1970s by a series of international conferences and publications. The Cocoyoc Declaration of 1971[11] and the Dag Hammerskjöld Report to the United Nations in 1975 emphasised how the process of development induced alienation and marginalisation of people and the environment. As signs of these trends were also evident in developed countries, the development goal of 'high mass consumption' was fundamentally flawed. The Hammerskjöld Report was aptly titled: *What Now?*[12]. More specifically this view claimed that the benefits of development, and implicitly its costs, were not evenly distributed. Sectors and sections

---

[9] *Beukes, E.P (1989). 'Theories of economic development an overview and some implications'. In J.K. Coetzee (Ed.),* Development is for People*. Johannesburg, Southern Book Publishers p225*

[10] *Van Zyl, JC (1995)* Needs-based development strategy and the RDP: Some Broad Issues*. Halfway House, Johannesburg: DBSA.*

[11] *A statement issued at the conclusion of a seminar entitled 'Patterns of resource use, environment and development strategies', hosted by the United Nations bodies in 1971.*

[12] Hettne, B (1995). Development theory and the Three Worlds. Essex, UK: Longman Scientific and Technical

of societies were left behind or left out. These include the so-called beneficiaries of development[13], people's cultures[14], women[15], the environment, and rural areas.

2. The capability ethic of Amartya Sen

The 'Perspectives of the Excluded' is essentially a critique of the values, methodology and strategy of neo-classical development economics and does not offer an alternative conceptual framework. Such a framework is found in the work of Amartya Sen, who integrated these ideas into a single conceptual framework. For Sen, the measure of a developed society is the extent to which it empowers its citizenry to 'live and act in certain valuable ways'[16]. Consequently, development must focus on removing the constraints or barriers that inhibit people from achieving a worthwhile life. Development must 'emancipate people from the forced reality to live less or be less'[17] and focus on improving their overall level of wellbeing. There is nothing original or radical about seeing wellbeing in terms of the capability to function. Sen[18] shows how the traces of his capability approach can be found in the work of Aristotle, Smith and Marx.

Yet Sen went further to argue that entitlements are central to wellbeing and development because they generate capabilities. Entitlements are the link between people and the commodities they need to realise certain important capabilities[19]. Not all capabilities are generated by commodities, however many basic capabilities such as being well nourished depend on peoples' command of goods and services.

Resources or entitlements generate capabilities and thus from a policy point of view they are an important means of development. Consequently policy makers have to investigate 'the acquirement problem' and concentrate on 'enhancing, securing and guaranteeing entitlements'[20]. The 'acquirement problem' looks at the person within

---

[13] *See e.g. Goulet, D (1995). Participation in development: new avenues. In VK Pillai and LW Shannon (Eds.)* Developing areas: a book of readings and research*. Oxford, Berg Publishers; and Korten, DC (1984). 'People-centred development: towards a framework'. In DC Korten and R Klauss, (Eds.) People centred development: contributions towards theory and planning frameworks. Connecticut, Kumarian Press.*

[14] Marglin, S (1990). 'Towards the decolonisation of the mind'. In Apffel Marglin, F and S Marglin (Eds.). *Dominating knowledge: development, culture and resistance*. Oxford, Claredon Press; Glover, J (1995). 'The research programme of development ethics'. In Nussbaum, M and J Glover (Eds.), *Women, culture and development. A study of human capabilities.* Oxford: Claredon Press; Verholst, T., 1987. *No life without roots: culture and development.* London, Zed Books

[15] Hettne, (1995) *Op cit*; Jarquette (1990)

[16] *Sen, A (1988). 'The concept of development'. In H Chenery and TN Srinivasan (Eds.)* Handbook of Development Economics Volume 1*. Amsterdam, North Holland, p15*

[17] Sen (1984) *Op cit* p 510

[18] Sen, A (1989).' Development as capability expansion'. *Journal of Development Planning* 17: 41-58

[19] *Gore, C (1993). 'Entitlement analysis and 'unruly' social practices: a comment on the work of Amartya Sen.* Journal of Development Studies*, 29(3): 429-460*

[20] *Sen, A (1995). 'Food, economics and entitlements.' In Dreze, J and A Sen,* The Political Economy of Hunger Vol. III. *Oxford, Claredon Press, p63*

the system (their actual entitlements) and examines the effect of this position on their wellbeing.

The measurement of wellbeing has always created problems. The first alternative measures to per capita Gross National Product (GNP) were introduced in the late 1970s (e.g. the Physical Quality of Life Index (PQLI) which combined statistics on infant mortality, literacy and life expectancy to render a cross-country comparative development index[21]. The most important of these, however, was the Human Development Index of the United Nations Development Programme (UNDP). The HDI incorporates three important dimensions of human development: longevity, knowledge and living standards. By assimilating data on average life expectancy, literacy levels and income, these three dimensions are converted into a single numeric, an internationally or interregionally comparable index[22].

However, although it is a much richer development measure than an economic growth statistic, the Human Development Index (HDI) still fails to capture the complexity of the development process. It omits the important question of human rights and the issue of sustainability, two important failings of GNP. It also confines itself to only two capabilities - health and education. Furthermore it still includes an explicit monetary measure of income, a reminder that 'commodity fetishism' is not entirely dead.

If human development theory continually reiterates the importance of understanding wellbeing in a complex and plural way, the question arises as to the usefulness of such an index. Paul Streeten[23] points out that when such composite indices are compared with per capita GNP, they reinforce the shortcomings of the latter. A human development index is therefore only a summary tool. It is not a substitute for a more thorough account of wellbeing. Its merits and failings should be interpreted with this in mind.

This problem is compounded in the case of farm workers in South Africa because the evidence shows that available income and expenditure data are neither a reliable indicator of their real income levels nor of their ability to achieve certain basic capabilities. This is largely because:

- farm workers receive a significant proportion of their wages in-kind payments. It is difficult for both employers and employees to translate these into cash equivalent;
- in many cases it is more costly for rural people to translate income into capabilities. For example if a farm worker is to purchase high school education for her child, she has to consider the cost of either transport or alternative

[21] Miles, I (1992). 'Social indicators for real-life economics'. In P. Ekins and M. Max-Neef (Eds.), Real life economics: understanding wealth creation. London, Routledge.

[22] UNDP (1993). Human Development Report 1993. New York, Oxford University Press

[23] *Streeten, P., 1994. Human Development: Means and Ends.* American Economic Review: Papers and Proceedings, *84(2): 232-237.*

accommodation arrangements in addition to the cost of the schooling, because South African high schools are geographically concentrated in urban centres.

When measuring the poverty status of farm workers it is, therefore, even more important than usual to do so on the basis of their achieved basic capabilities rather than merely their income.

Chapter Four

Measuring poverty among farm workers in South Africa

Part I of this report draws on two main sources of data. In the first instance, the available formal data sets are used to build a profile of the situation of farm workers in South Africa. These formal data are supplemented by the results of a survey that was undertaken for the purposes of this sectoral determination. While no attempt was made to provide a statistically significant survey, the evidence gathered during this process adds immeasurably to our understanding of the conditions of work and life of the farm workers of South Africa.

1. Formal data sources

The data presented below draw on several data sets collected by Statistics South Africa over the past five years:

- in October 1996, all South Africans were enumerated on the basis of a general household questionnaire. While the results of **Census 96** have subsequently been made available in a number of reports, this document makes use of a 10% sample drawn from the data set. The primary reason for making use of a sample is that it is linked to a software package, Supercross, which permits self-designed cross tabulations. This feature not only makes low level data disaggregation possible, it also provides the opportunity to directly compare the poverty status of farm workers with other employees, in the economy and with the unemployed;
- data on wage rates and employment levels were also taken from the **1996 Agricultural Survey**. This was an establishment survey that covered 10% of all large commercial farmers;
- additional data on employment levels and wage rates were collected from numerous **October Household Surveys** (OHS). The OHS is an annual omnibus household survey that covers between 0,2% and 0,5% of all households depending on the sample size. As the sampling method of the OHS has changed over time, however, these data have to be treated with caution (Statistics South Africa, 2000);
- none of these general household data sets provides any detailed information on the health and nutritional status of the South African population. However, the results of a recently published study on the nutritional status of South African children aged between 1 and 9 are also included here. The study is titled the **National Food Consumption Survey** (NFCS) and it used the Census 1996 sampling frame to draw a nationally representative sample of 3 000 children. The results of the study are available disaggregated by province and area.

Table 1 below summarises the main characteristics of these data sets.

1.1. The farm survey: methodology

This part of the research comprised a set of 62 case studies by the Centre for Rural Legal Studies (CRLS). Each case study consisted of semi-structured interviews with one employer and (wherever possible) four employees on the same farm. It was thus

possible to triangulate responses and identify discrepancies between employers' and employees' responses on some topics.).

The research was conducted in all nine provinces. The sampling across provinces was done on the basis of the Agricultural Census, and the number of case studies per province was proportionate to the number of farm workers recorded as employed in that province.

Table 1: Formal data sources

	Census 96	OHS	Agricultural Survey	NFCS
Date	1996	Annually 1996-1999	1996	1999
Sample size	4.1 million	16,000 (1996)-30,000 (1999)	6 000	3 000
% of population	10	0,2-0,5	10	0,1
Unit of analysis	Households	Households	Commercial farms	Children 1-9
Smallest level of data disaggregation	Magisterial District and area type	Provincial and area type	Provincial	Provincial and area type

The original source for a sample list of farms was drawn from the Deeds Registry database. For each province, three times the number of case studies in the sample was drawn through a random selection process.[24] This proved insufficient, the reasons being that (a) many registered farms were not operated as agricultural enterprises; and (b) many farm owners were unwilling to participate in the study. Supplementary lists were then obtained from AgriSA and NAFU affiliates in the provinces. Representatives of these organisations provided contacts according to specifications relating to the types and scales of agricultural production prevalent in these provinces. It was emphasised that it was in the interest of employers in the sector to ensure that a range of practices and experiences were captured in the research.

The CRLS team of fieldworkers interviewed employers on 62 farms across the country. The overwhelming majority of the interviewees were male; only one female employer was interviewed.[25]

A question on the race of the respondent was included in the questionnaire administered to employers, the reason being that the sectoral determination will need to take account of the process of racial transformation in agriculture.[26] Three employers chose not to respond to this question. While most respondents were White, we endeavoured to locate Black employers in provinces where a substantial number of Black farmers have entered commercial agricultural production – for example, in Mpumalanga and the North West and to a lesser extent in the Northern Province and Free State. This was not successful in the Eastern Cape and in KwaZulu-Natal.

[24] The Knowledge Factory, a Geographical Information Systems (GIS) consultancy, generated this list for the study.

[25] The study did not aim to achieve equal representation of female and male employers in the sample.

[26] The focus of the study was on 'commercial agriculture' in the sense that all or most of the products on these farms are marketed. However, 'subsistence agriculture' is also an employment sector, and the two sectors are likely to become less distinct over time as State-led and private land reform and agricultural development programmes take effect. It was therefore important that black small-scale agriculture not be excluded from the study.

Table 2: Race and gender profile of employers

Province	Gender		Race					Total (%)
	Female	Male	African	Coloured	Asian	White	Unknown	
Western Cape	1	12				13		13
Eastern Cape		5				5		5
KwaZulu-Natal		9				9		9
Northern Cape		4		1		3		4
North West		6	3			3		6
Northern Province		9	1			6	2	9
Free State		5	1			4		5
Gauteng		3				3		3
Mpumalanga		8	3			4	1	8
Total (count)	1	61	8	1	0	50	3	62
Total (%)	**1.6**	**98.4**	**12.9**	**1.6**	**0**	**80.7**	**4.8**	**100**

Fieldworkers were contracted to conduct the interviews in all provinces except the Western Cape, where CRLS kept responsibility for the fieldwork. The fieldworkers were all practitioners with experience in the rural sector. Most were employees of non-governmental organisations, while two were consultants. The fieldworkers included:

- James Aphane of Nkuzi Development Association
- Fundi Madlala of the Association for Rural Advancement (AFRA)
- Gobi Mphela of The Rural Action Committee (TRAC, Mpumalanga)
- Tebogo Mokone of The Rural Action Committee (TRAC, North West)
- Ruairi O'Conchuir of FARM Africa
- Eddie Barnett of the Association for Community and Rural Advancement (AnCRA)
- Mmabatho Sehlabo (consultant)
- Teresa Connor (consultant).

All fieldworkers attended a briefing workshop in Stellenbosch, run by CRLS in partnership with academics from the Departments of Agricultural Economics and Sociology at the University of Stellenbosch in October 2000. Fieldworkers were provided with further information and logistical support during the fieldwork phase of the research.

The method developed by the research team to gain access to farms was based on a recognition of the politically sensitive nature of the study. Prior to the start of the fieldwork, the CRLS made contact with the following organisations to inform them of the study and request their and their members' cooperation:

- Agriculture South Africa (AgriSA), the largest national membership organisation representing commercial farmers
- each provincial affiliate of AgriSA: Landbou Wes-Kaap (Western Cape); Eastern Province Agricultural Union (Eastern Cape); KWANALU (KwaZulu-Natal Landbou-Unie); Agri-Mpumalanga (Mpumalanga); Vrystaat Landbou-

Unie (Free State); Agri Noord-Wes (North West); and Agri Noord-Kaap (Northern Cape)
- the Transvaal Agricultural Union (Northern Province and Gauteng)
- the National African Farmers' Union (NAFU), a national membership organisation representing black farmers
- trade unions organising in the agricultural sector on a national level: the Congress of South African Trade Unions (COSATU); the Food and Allied Workers' Union (FAWU); and the South African Agricultural, Plantations and Allied Workers' Union (SAAPAWU)
- the method for obtaining access to farms was elaborate, but was necessitated by the high level of scepticism regarding on-farm research, and particularly that which related to wages, among some employers in the agricultural sector. All farmers were fully briefed about the research to ensure their cooperation.

Despite this, the research team encountered serious obstacles in obtaining access to farms. The reasons included the following:

- a spate of 'farm murders' (murders of farmers and their family members) in the North West and Mpumalanga heightened the suspicion of farmers and in the case of the North West, the provincial farmers' organisation decided to bar all 'outsiders' from farms pending negotiations with the MEC for Safety and Security in that province
- the Transvaal Agricultural Union (TAU) chose not to support the research. In the absence of other representative bodies at the provincial level, this required us to make contact with district level organisers of AgriSA in the Northern Province and Gauteng, which was possible only due to substantial assistance from AgriSA national office
- in the Free State there were rumours and allegations that the study was a front for ANC election campaigning in the rural Free State – a story which spread among farmers in that province and led them to refuse interviews. This was due to the fact that the fieldworker in that province was a consultant and also on contract to the Independent Electoral Commission (IEC) during the period of fieldwork
- the outbreak of foot and mouth disease in KwaZulu-Natal posed a temporary obstacle in gaining access to farmers in some regions, but with extensive assistance from KWANALU, all case studies were completed in this province.

The data were analysed in four key ways. First, the range and aggregate responses to questions are presented. These were then, where appropriate, disaggregated by province, sector and gender (of employees) to derive an assessment of the ways in which variables are uniformly or unevenly distributed across these categories.

The quality of the data is variable. The employees, questionnaires were consistently well answered, with the exception of certain problems with reporting expenditure. In both the employer and employees, questionnaires, the general level of qualitative information was high, and produced information that was useful and relevant to the study.

There were, however, problems with the responses of employers. Many gave information that was internally inconsistent, and some refused to provide answers to certain questions. This limited the extent to which the information was useable. The poor response to questions regarding the farm economy in particular precluded any detailed analysis of the relationship between wage levels and the profitability of farms.

A point that must be emphasised is that the results of the primary research are not representative of the agricultural sector, because the sample size was not designed to be statistically significant. The purpose of the study was rather to provide additional information on general practices in the sector, to provide more depth to the analysis of the formal data, and to point to patterned variations in labour practices in the agricultural sector.

Chapter Five

Long term trends in farm sector employment

Agriculture, as a primary sector, has traditionally played an important role in the development of the South African economy despite the presence of a large mining sector. Even today, it plays a central role in growth, and it contributes more than 10% of formal employment opportunities. The sector has, by all measures, relatively large linkage effects with the rest of the economy, and is a major earner of foreign exchange.

However, while agriculture has experienced relatively high rates of growth over the past century, fuelled mainly by healthy productivity growth in the past two decades, the sector has experienced a conventional secular decline, and today contributes less than 5% of GDP.

Table 3 below shows the most recent macro level data on farm employment in South Africa. These data show that the sector shed about 180 000 regular employees between 1985 and 1996, and about 210 000 casual and seasonal employees between 1985 and 1996.

Table 3: Farm employment in South Africa

	1985	1990	1991	1992	1993	1994	1995	1996
Regular	807341	728414	702323	656 772	647 839	625 244	628 925	625 451
Casual, seasonal	516411	456262	413239	394 425	491 588	302 185	289 810	304 690
Total	**1 323 694**	**1 184 676**	**1 115 562**	**1 051 197**	**113 9427**	**927 429**	**918 735**	**930 141**

While the long term trend in farm employment is unambiguously downwards, **Figures 1 and 2** below show that agricultural employment has declined at a slower pace than employment in the economy in general. Thus, the decline in farm employment is only partly the result of a secular decline in the contribution of the sector to the economy. A higher economic growth rate over the past two decades may have resulted in a less pronounced downward trend in employment.

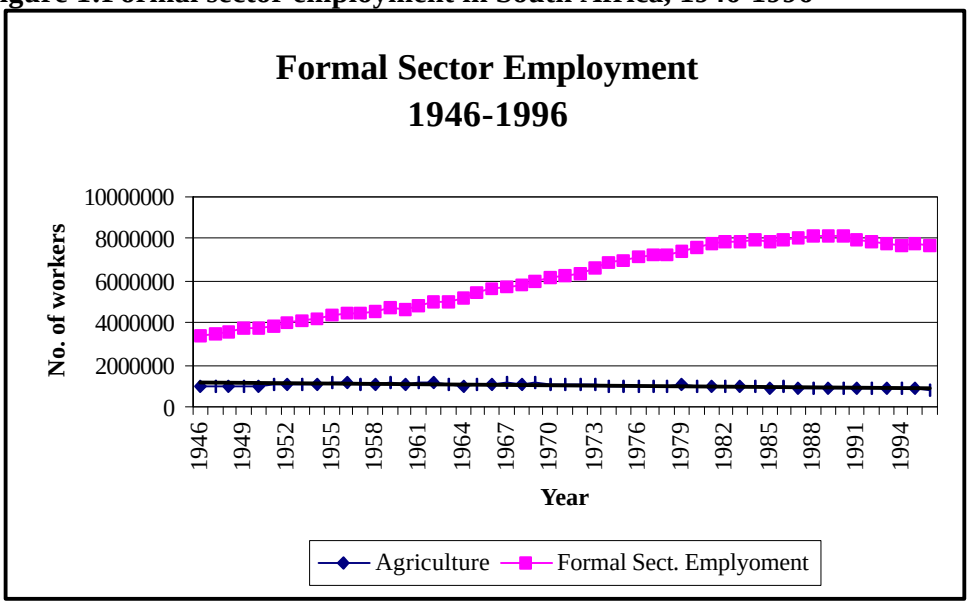
Figures 3 and 4 show the relative performance of regular vs. casual and seasonal employees in agriculture. With respect to regular employees, the data show the long-term downward trend. The data also show the successive structural shifts in the employment trends over this period. Employment (both permanent and seasonal) increased with the introduction of tractors in the period after the Second World War, then declined with the introduction of mechanised harvesting from the late 1960s. This latter trend can be seen in the sharper drop in seasonal employment during this period. Thereafter, both categories show a decline.

Regular employment seems to have shifted to a different trend line in the period after deregulation started having an effect on the sector, namely the mid-1980s. Table 3 shows an increase to 1986, after which it dropped sharply to 1991, and then less sharply thereafter. In all likelihood these trends are the result of the severe drought of

the early 1990s, and the beginning of the current period of more sustained economic growth.

Seasonal employment increased to 1987, then dropped sharply to 1992, and then showed an increase in 1993 that was sufficiently large to cause an increase in overall employment in the sector. The category of casual and seasonal employees is notoriously difficult to estimate, so that this increase may be no more than a measurement error. On the other hand, the large increase in exports of fruit (the sector that is the largest user of casual and seasonal labour) that was experienced during this period may have resulted in an increase in jobs.

Figure 1:Formal sector employment in South Africa, 1946-1996



Note: Forestry and fishery workers are included under 'agriculture', while domestic workers on farms are excluded.

Figure 2: The ratio of agricultural employment to formal sector employment, 1946-2010

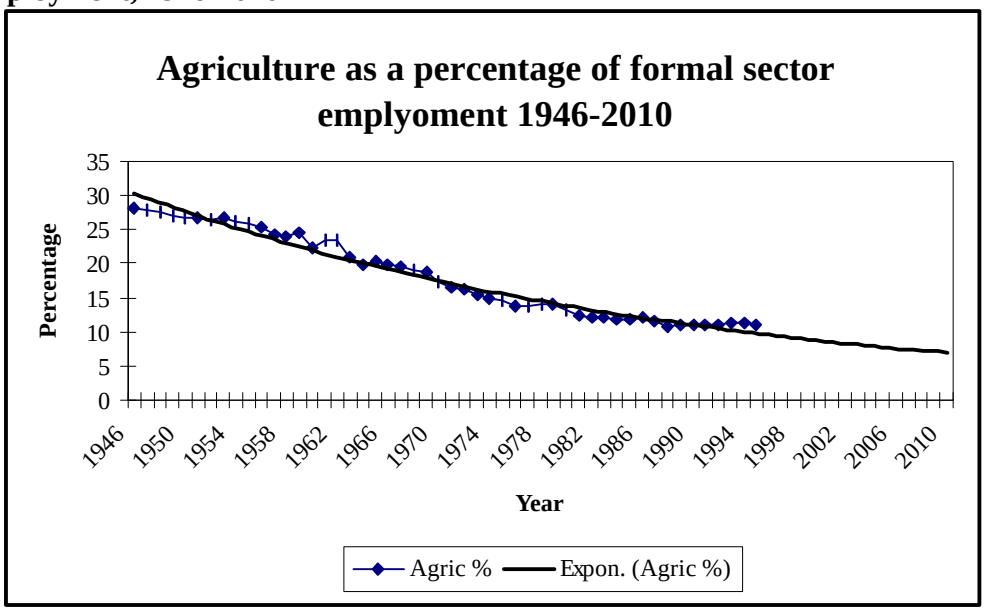


Figure 3: The trend in regular employment in agriculture, 1918-2010

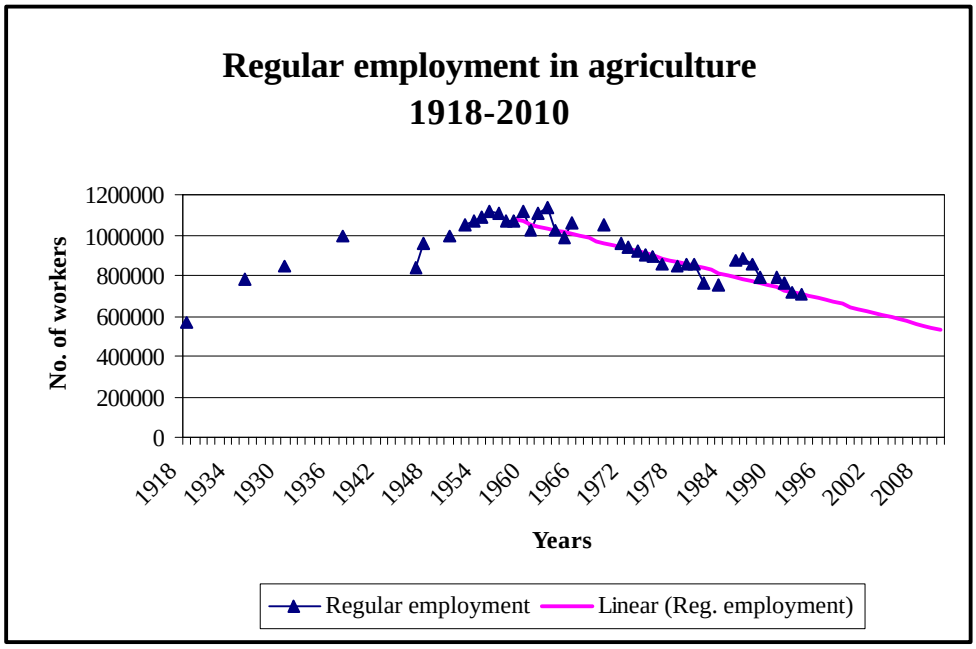
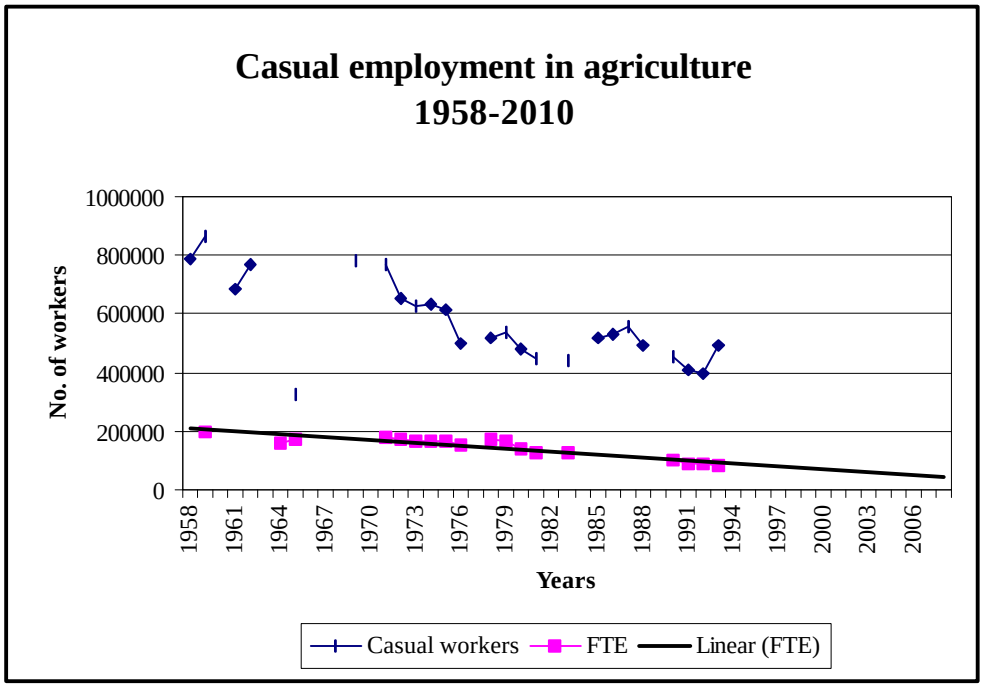


Figure 4: The trend in casual employment in agriculture, 1958-2010



Finally, **Table 4** shows the average employment intensities of the main branches of farming in the country.

Table 4: The employment intensity of agriculture

Sector	Hectares under production per permanent employees,
Horticulture	12,97
Field crops	33,64
Mixed farming	98,15
Animal production	188,77

Chapter Six

The livelihoods of farm workers

The objective of this poverty profile is to reflect the absolute and relative poverty status of farm workers in South Africa. It begins with a demographic overview of farm workers, looking specifically at the following variables: gender, age, nationality, and household size and structure. The second part of the profile looks at farm worker capabilities, covering amongst others nutritional status, education levels and access to housing and household services. The profile is concluded by a discussion of farm worker income levels and livelihoods.

1 Locating farm workers within the South African labour market

In 1996, the South African population was estimated at 41 million people, grouped in 9,1 million households. Spatially, these individuals and households are concentrated in certain provinces such as Gauteng and KwaZulu-Natal, as well as in the urban areas[27] of the country. **Table 5** shows the spatial distribution of the South African population.

The functioning of the South African labour market is illustrated in the right-hand columns of **Table 5**. Here both formal unemployment (at more than a third of the total labour force for the country as a whole) as well as the proportion of the working age population that is formally employed (the labour absorption rate or LAR) is measured. This structural feature, which implies that a large proportion of the working age population have to find their livelihoods in the informal economy, is common to many developing countries. The Western Cape has the lowest unemployment rate and the highest LAR. In contrast 46% of the Northern Province's working population is unemployed, and fewer than one in four adults there have a formal sector job.

Of the 9,5 million South Africans employed in the formal economy, 86% classified themselves as 'employees'. The remaining are either self employed (7%), employed in a family business (2,1%) or are themselves employers (4,3%). The tertiary sectors provide the bulk of the country's jobs. However, collectively the primary sectors (agriculture, hunting, forestry, fisheries and mining) employ 1,2 million people while the manufacturing sector employs about 942 000. Agriculture and hunting provides 930 000 jobs or 11,4% of South Africa's formal employment, while contributing less than 5% of GDP. The provincial distribution shows that these agricultural jobs are concentrated in certain provinces, with 50% of farm workers employed in the Western Cape (20%), the Free State (15%) and Kwa-Zulu Natal (15%). Data from the 1996 *Agricultural Survey* suggest a similar absolute and relative distribution of

[27] The definition of urban and rural areas is problematic, as was already pointed out by the Commission of Inquiry into the Provision of Rural Financial Services (the Strauss Commission) in 1996. Formally, an urban area is defined as an area that has been legally proclaimed to be urban. This distinction is ambiguous, as many people living in large informal settlements, even on the metropolitan periphery such as in Durban, are classified as non-urban. Nevertheless, this distinction does not affect the definition of a farm worker.

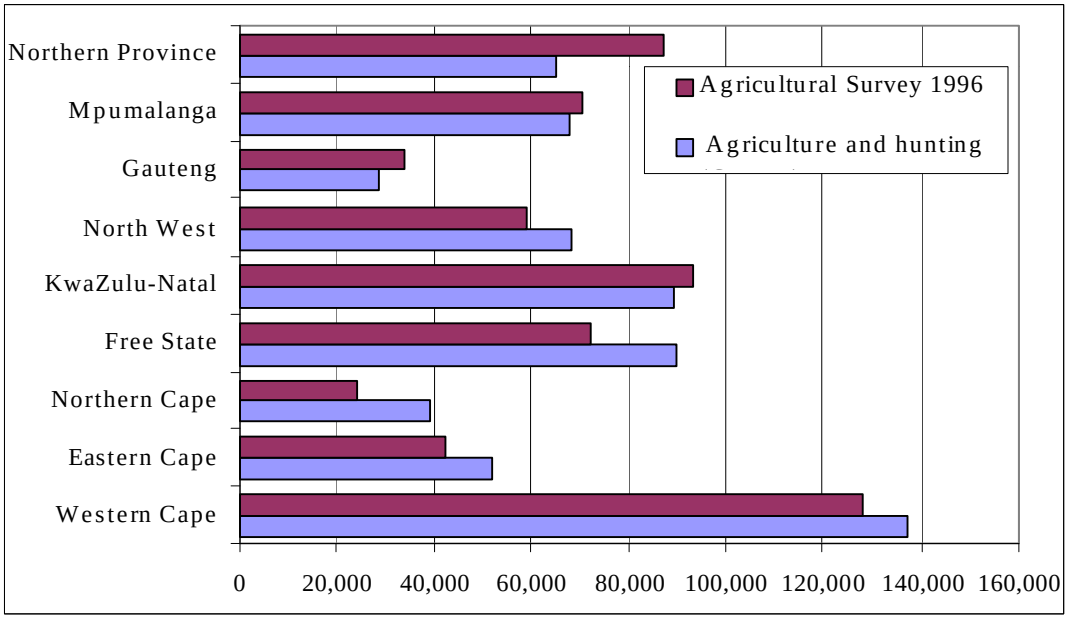
employees, across provinces when compared with Census 96. This comparison is shown in **Figure 5**.

Table 5: The spatial distribution of the South African population

	Population		Households		Distribution		Labour	
	'000	%	'000	%	Urban %	Non-urban %	Unemployed %	LAR[a] %
Western Cape	3 957	9,8	983	10,9	88,8	11,2	17,9	54,8
Eastern Cape	6 302	15,5	1,332	14,7	40,4	59,6	48,5	23,3
Northern Cape	841	2,1	187	2,1	68,2	31,8	28,5	44,0
Free State	2 633	6,5	625	6,9	72,5	27,5	30,0	42,8
KwaZulu-Natal	8 417	20,7	1,661	18,3	52,6	47,4	39,1	32,2
North West	3 355	8,3	721	8,0	38,6	61,4	37,9	36,1
Gauteng	7 348	18,1	1,964	21,7	96,6	3,4	28,2	51,3
Mpumalanga	2 798	6,9	604	6,7	43,1	56,9	32,9	36,2
Northern Province	4 927	12,1	982	10,8	12,7	87,3	46,0	22,9
South Africa	**40 579**	**100,0**	**9,059**	**100,0**	**59,9**	**40,1**	**33,9**	**37,9**

Note: [a] Labour absorption rate

Figure 5Provincial distribution of agricultural employment



Looking at the distribution of agricultural employment on a provincial basis ignores the considerable intra-provincial concentration. On a magisterial district level, more than 10% of all South African farm workers are found in eight of the country's 354 magisterial districts, with the majority of these located against the Eastern seaboard (**see Table 6).**

The 1996 Agricultural Survey makes a distinction between regular employees, and seasonal and casual employees,. Seasonal and casual employees are grouped together and defined as occasional or day labourers. This category includes sheep shearers, reapers and fruit-pickers. Not included under casual and seasonal employees, in the 1996 Agricultural Survey, are labour contractors and their employees,. In 1999 a

postal survey carried out by the National Department of Agriculture (NDA) reported that contract workers accounted for an increasing proportion of the agricultural labour force. In 1996/1997 21% of farm workers were employed by labour contractors while this had apparently increased to 25% in 1998/99. The provincial ratio of regular to casual is shown in Figure 6 below. This ratio shows considerable inter-provincial variation.

Table 6:Magisterial districts containing most farm employees

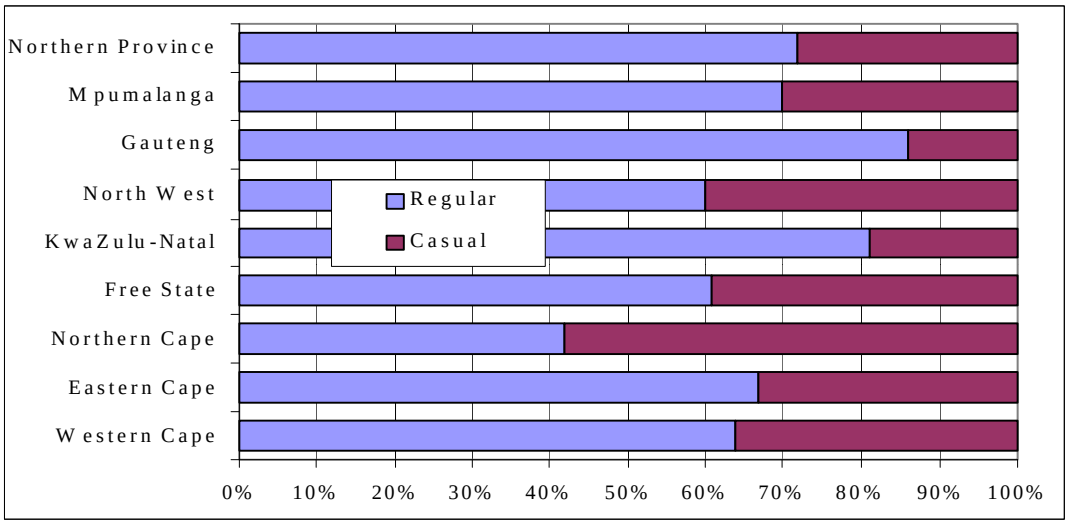
District	Number of employees
Worcester, Western Cape	16092
Lower Tugela, KwaZulu-Natal	15298
Caledon, Western Cape	14386
Ceres, Western Cape	13844
Letaba, Mpumalanga	12866
Brits, North West	11813
Paarl, Western Cape	10995
Barberton, Mpumalanga	10930
Total	**106224**

2 The demographic features of South African farm employeees

In this analysis the position of farm employees is compared with the following labour reference groups:

- other (urban): This consists of all employees working in other sectors of the economy and who work in urban areas
- other (non-urban): This consists of all employees working in other sectors of the economy and who work in non-urban areas
- unemployed (urban): This consists of all people who were classified in the Census as being unemployed and living in urban areas. By unemployed is meant that these people a) did not work seven days prior to the interview and b) want to work and are available to start work within four weeks after the interview
- unemployed (non-urban): This consists of all people who were classified in the Census as being unemployed and living in non-urban areas. By unemployed is meant that these people a) did not work seven days prior to the interview and b) want to work and are available to start within four weeks after the interview.

Figure 6: Regular and casual agricultural workers (%)



2.1. Gender

As can be seen in **Figure 7**, 70% of all agricultural workers are male. This reflects a strong male bias when compared to the gender distribution in other sectors of the economy. These data also show that women in both urban and non-urban areas bear a disproportionate share of the country's unemployment burden. The primary fieldwork mirrored this gender distribution closely. Of the total of 230 employees who were interviewed, 158 (or 68,7%) were male and 72 were female.

Among the 230 employees interviewed, 221 were permanent , 218 worked full-time and 205 worked year round as opposed to on a seasonal basis. The majority, in other words, were permanent, full-time farm workers who are employed throughout the year.

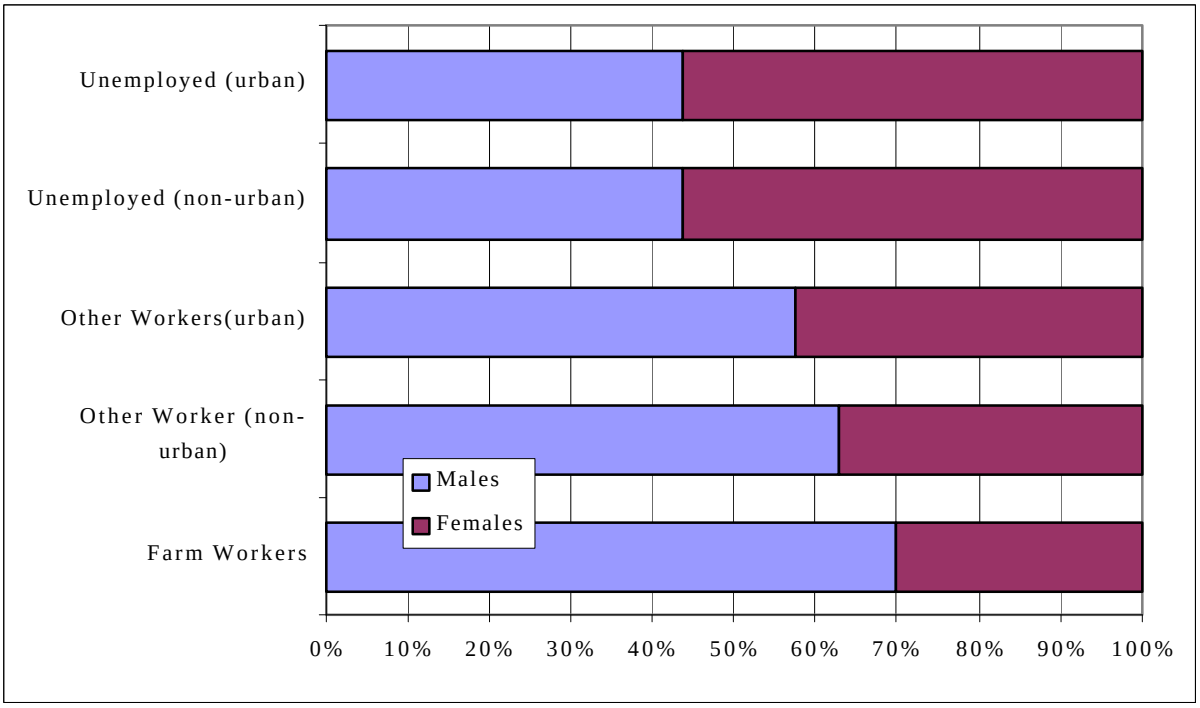
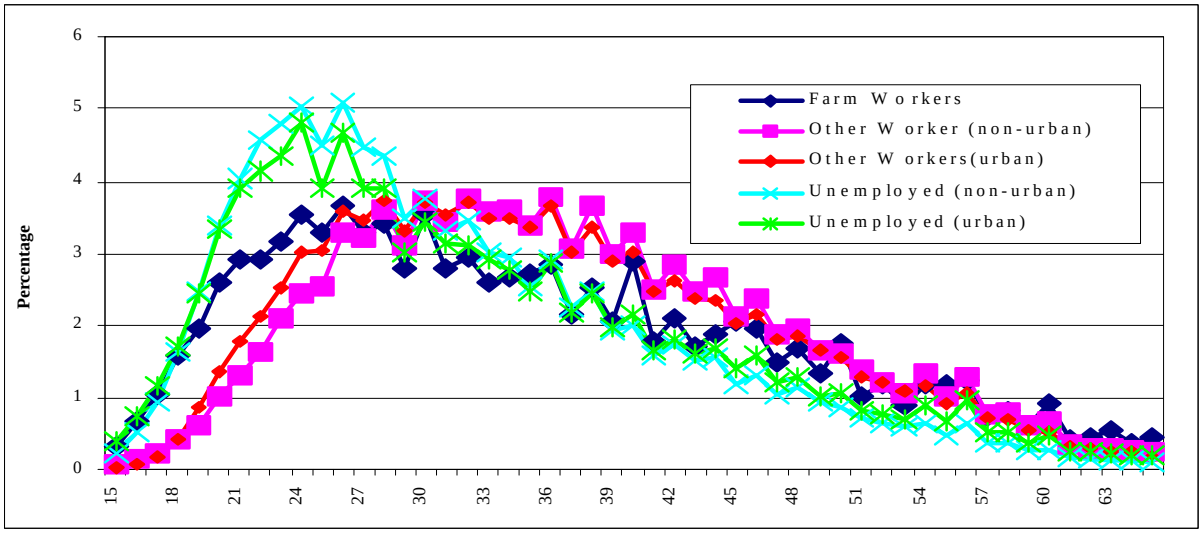


Figure 7: Gender and farm employment

2.2. Age

Farm workers are relatively young when compared with other employees, in the country. Moreover, their age profile is more skewed to the right when compared with urban and non-urban employees, (whose age profile is almost identical). **Figure 8** also shows how the youth (people aged between 15 and 19) are more likely to be among the unemployed in both the urban and non-urban areas of the country.

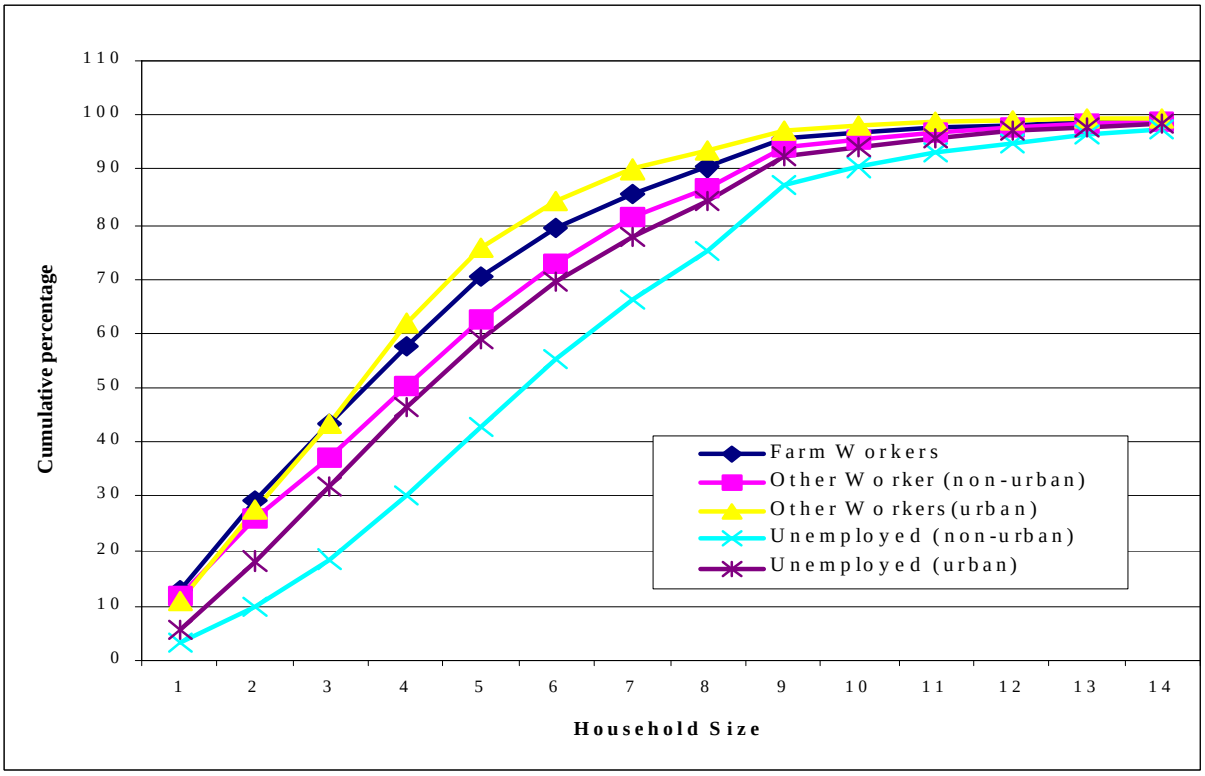
Figure 8: The age distribution of farm workers aged 15-65



2.3. Household size and structure

The average household size for farm workers is relatively small, as more than 60% of farm workers live in households containing four or fewer members **(see Figure 9)**. This small household size may well be an artificial construct since on-farm housing is normally restricted to farm workers and their dependant children.

Figure 9: Cumulative household size



When looking at the relationship of farm workers to the household head, more than 80% were either the head of the household or were the partner of the household head. It is interesting to note the extent to which unemployed South Africans rely on their parental household for support.

2.4. Nationality

Census 96 found that the overwhelming majority of farm workers were South African citizens, and that less than 3% were foreign nationals mainly originating from other Southern African counties. Geographically these foreign employees, were concentrated in the Northern Province (39%) and Mpumalanga (24%).

3. Human capabilities of South African farm workers

This part of the Chapter assesses farm worker poverty levels by looking at their absolute and relative basic capability levels. The following capabilities will be explored in some depth, and revisited in the next section when looking at the relationship between income and capability achievement:

- nutritional status
- access to housing and household services
- education and literacy levels.

3.1. Nutritional status of children living on commercial farms

Household surveys such as Census '96 and the OHS tend to be general and rarely collect detailed information on the nutritional status of a population. With respect to farm workers, this information gap has been filled by the recently published National Food Consumption Survey (2000). The NFCS measured the nutritional status of children aged 1-9 using a variety of methods, and disaggregated the data by area of residence. Note that while the data presented here specifically pertain to the children of farm workers, it is assumed that this information is indicative of the nutritional status of the farm worker household in general.

The anthropometric status of South African children aged between 1-9 is shown in **Table 7** below. The prevalence of moderate to severe stunting, underweight and wasting (where these categories represent progressively more severe symptoms of malnutrition) was measured as being greater than –2 standard deviations from the median measurements of the reference population. As can be seen from the Table, children living on commercial farms in South Africa are most likely to be stunted and underweight, while only children in the former homeland areas had a higher prevalence of wasting. Almost one in three children on commercial farms are stunted, one in five are underweight and one in 25 display the symptoms of wasting.

Table 7: Anthropometric status of children aged 1-9 years by area of residence

		Stunting	Underweight	Wasting
	% of sample	Height/Age	Weight/Age	Weight/ Height
		< -2 Standard deviations		
Commercial Farms	11	30,6	18,1	4,2
Formal Urban areas	39	16,0	7,8	2,6
Informal Urban areas	11	19,3	7,6	2,1
Former homeland areas	39	25,3	11,3	5,1
South Africa	**100**	**21,6**	**10,3**	**3,7**

An alternative way of gauging access to food, and thus nutrition, is to adopt a qualitative approach by administering, for example, a Hunger Scale Questionnaire. The caregivers of the children who took part in the NFCS survey were requested to complete such a questionnaire. Briefly, respondents were asked a series of questions[28]

[28] The eight questions asked were 1) Does your household ever run out of money to buy food? 2) Do you ever rely on a limited number of foods to feed your children because you are running out of money to buy food for a meal? 3) Do you ever cut the size of meals or skip them because there is not enough money for food? 4) Do you ever eat less than you should because there is not enough money

on their level of household food security. When more than five of the eight questions were answered in the affirmative, this indicated a food shortage problem. A 'yes' score of between one and four indicated that the household was at 'risk of hunger', while a negative response for each of the eight questions denoted a food secure household. **Table 8** shows the results of this hunger risk survey. As can be seen urban households with a member employed in the formal economy experience the most food security. Only one in four children on commercial farms are food secure, and almost a third are at risk of hunger. Nevertheless, by these measures children on commercial farms are better off than children from other rural and informal sector households. While fewer farm children experience hunger than the national average, the difference is small: more than half (52%) of South Africa's children experience hunger, and 48% of those on farms share this tragedy.

Table 8: Hunger risk classification in children aged 1-9 by area of residence

	Food Secure	At risk of hunger	Experience hunger
Commercial farms	23	29	48
Formal urban	41	23	37
Informal urban	21	18	61
Former homeland areas	11	23	66
South Africa	**25**	**23**	**52**

3.2. Access to housing and household services

The data displayed in **Figure 10** show that from the primary research or farm survey more than 65 % of all farm workers live in a formal dwelling, which is a considerably higher proportion than for unemployed non-urban dwellers (45%) but only marginally higher than other non-urban employees, (62%). These differences are due to the fact that most farm workers live on-farm, in houses provided for them by their employers. Of the 230 respondents from the primary field surveys, for example, 191 (83%) live on the farm on which they work **(see Figure 11)**.

When employees were asked whether they would prefer to stay on the farm or not, regardless of where they stay currently, just over half indicated that they would. However, these responses were not uniformly distributed across the country. **Figure 12** shows the variation in responses by province.

The provinces in which at least half of those interviewed indicated that they prefer to live on-farm rather than elsewhere were the Western Cape, the Eastern Cape the Northern Cape, Mpumalanga, Gauteng and KwaZulu-Natal. The factors that influence these preferences can be found in the responses of employees.

for food? 5) Do your children ever eat less than you feel they should because there is not enough money for food? 6) Do your children ever say they are hungry because there is not enough food in the house? 7) Do you ever cut the size of your children's meals or do they ever skip meals because there is not enough money to buy food? 8) Do any of your children ever go to bed hungry because there is not enough money to buy food?

Figure 10: Housing: dwelling by type

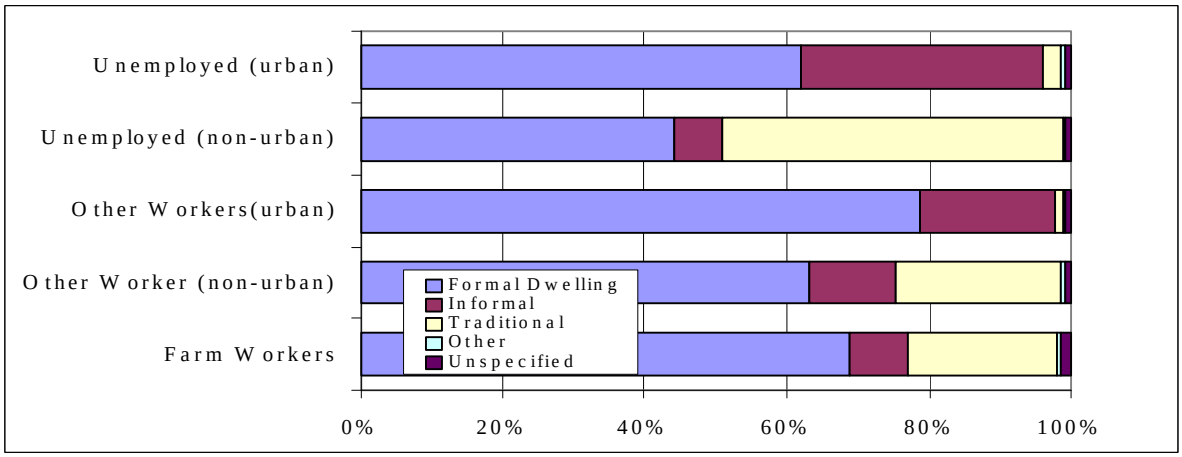


Figure 11: Whether respondent lives on the farm

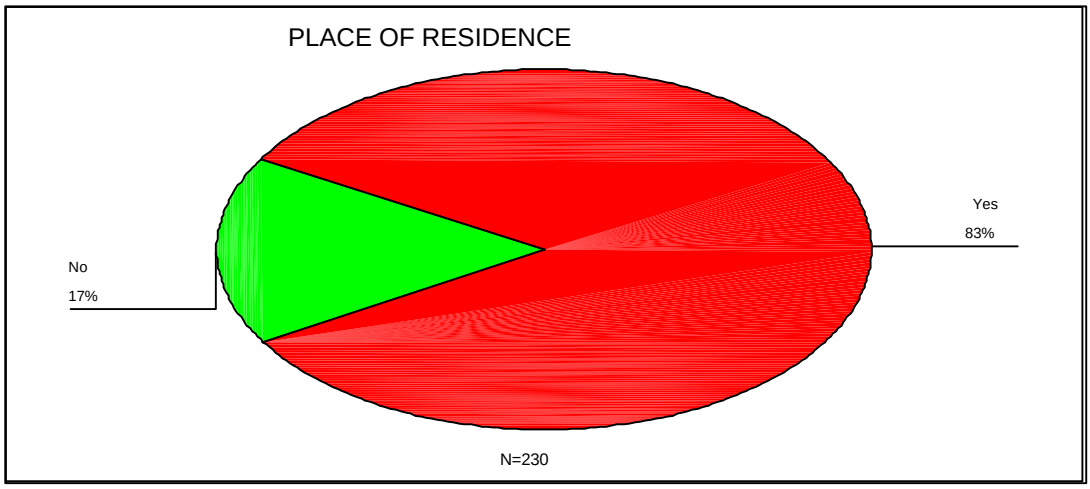
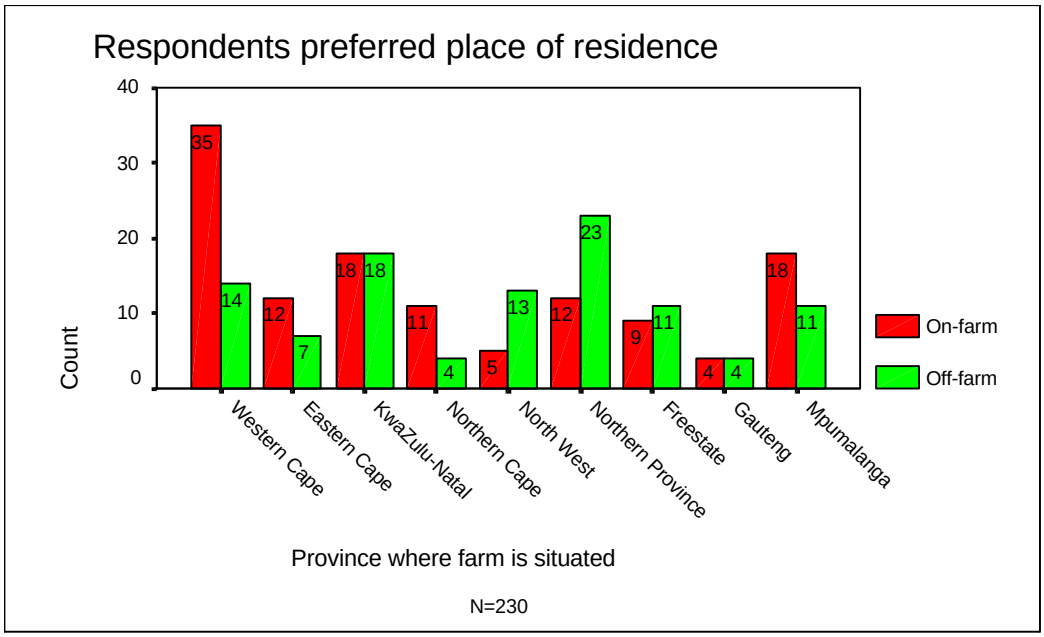


Figure 12: Preference for on-farm or off-farm residence by province



Respondents who indicated that it would be preferable to live off-farm had the following justifications for their choice:

- it is better live in one's own home and be with other family members
- privacy and freedom is better off the farm
- you can't be asked to do overtime work (especially on weekends) if you live off the farm.

These responses evidently reflect the diversity of South African agriculture. The variation between, and even within provinces is so great that it is difficult to generalise about farm workers needs from these responses.

Employees who live on-farm were also asked about the quality of their housing. The results show that services available to farm workers vary within particular farming units and from farm to farm. The availability of basic services like water and sanitation varied extensively. Often the pattern of service provision was uneven for example on some of the farms some of the houses have toilets and taps inside the house while on the same property some houses came without those services.

Most employees who were also farm dwellers live in small homes, with an average of three rooms per house. A few respondents live in hostels with non-family members. In some instances, 10 or more employees co-habit in such houses.

When employees were asked to cite up to three problems they experience with their housing, the issue of house size and the number of rooms emerged as a primary but not overriding concern. Among the 191 respondents, 25 complained about overcrowding. Some examples of the problem are presented below:

Housing problems of farmworkers

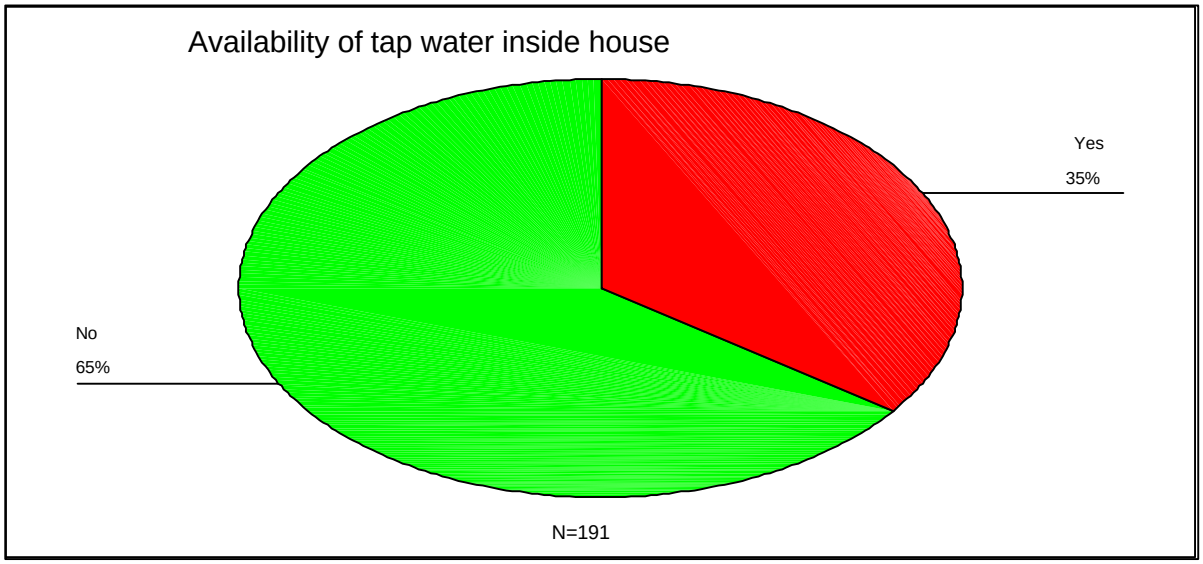
- "There are six people per single room during season" – 22 year old man, Northern Province.
- "We share a house of three rooms with another family" – 30 year old man, Western Cape
- "I need another bedroom so we don't have to sleep with the children" – 33 year old woman, Western Cape.
- "It's too small for my family – we need more rooms for my family" – 18 year old man, North West
- "Overcrowded house"- 46 year old man, KwaZulu-Natal

A more detailed analysis of Census 96 data showed that farm workers appear better off than other non-urban workers with respect to the availability of on-site piped water (59% versus 38%). However the availability of piped water on-site in the urban areas of the country is considerably higher compared to the non-urban areas. This is illustrated by the fact that 76% of unemployed residents in urban areas have access to piped water on-site compared with only 18% of the non-urban unemployed.

However, the primary survey showed that only a third of these employees had tap water available in their homes **(see Figure 13)**. When the other two thirds were asked how far they had to go in order to fetch water, the response of most was that they were able to collect water close to their houses, although some had to walk between 30 and 60 minutes in order to reach a source of water for household use.

Similar patterns emerged with respect to adequate sanitation (measured with respect to the availability of a chemical or flush toilet in a dwelling). Here Census 96 showed that farm workers were better off than other non-urban workers (27% versus 18%) but lagged far behind the urban unemployed (67%).

Figure 13:Availability of tap water in the house



The availability of tap water inside employees' houses also appeared to vary by province. Although the number of respondents in each category was low, the

provinces in which this service was available least frequently were the Northern Province, Eastern Cape, KwaZulu-Natal, the Northern Cape and the North West. The province in which tap water was most likely to be available was the Western Cape, followed by the Mpumalanga and the Free State.

A number of questions were asked during the primary research about the availability of water. First, employees were asked whether their houses had indoor bathing facilities, referring to immovable installations such as a bath, shower or sink, and not including moveable buckets. Only a quarter of the employees resident on farms answered in the affirmative.

More seriously, four-fifths of the resident workers interviewed did not have toilets in their homes. In the Northern Province, Free State and Gauteng, not a single farm worker was found who had toilets inside their houses, while in the Eastern Cape, KwaZulu-Natal, Northern Cape and the North West, less than a quarter of those interviewed had inside toilets. This proportion rose to nearly half in Mpumalanga and the Western Cape (see **Figure 14**).

Two types of toilets were prevalent: pit latrines and flush toilets. **Figure 15** provides a breakdown of the types of toilets used by farm workers resident on-farm. More than half of the on-farm residents use pit latrines and just less than a third had access to a flush toilet. Among the four-fifths who said they do not have access to any toilets, some clarified that they used buckets; those saying 'none' said that they relieve themselves in the bush. A characteristic remark was 'There is no toilet outside the house. We sit in the bush'.

Figure 14: Availability of toilet in house by province

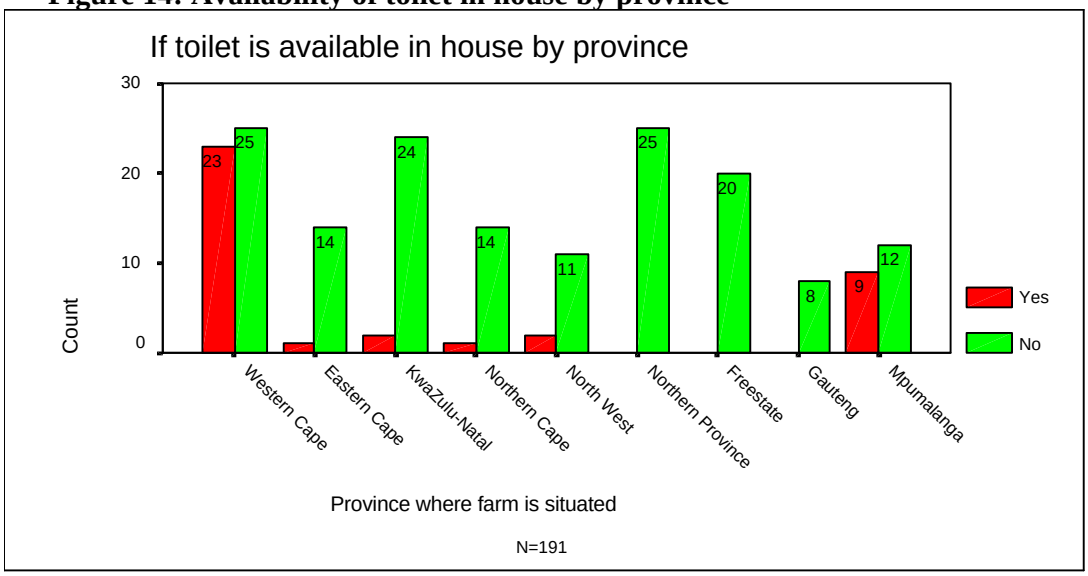
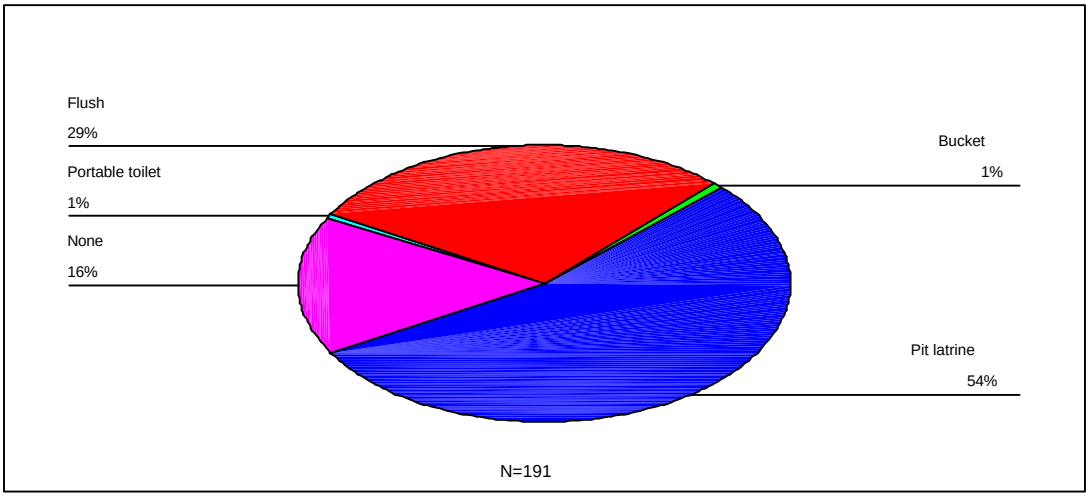


Figure 15: Type of toilet used



Finally, although most respondents have to collect water from outside their houses, it seems that sources of safe water are available on most farms in this sample. The majority (about three-quarters) of the respondents reported that they consider their drinking water to be safe. One-quarter said they did not think so, or did not know. Interestingly, a number of those who said their drinking water was not safe, or did not know whether it was safe, were from KwaZulu-Natal. Given that this study was conducted during the early months of the cholera epidemic in that province, this may not be indicative of access to safe drinking water at other times

When respondents were asked about the problems they had with their housing, the majority of complaints revolved around the non-availability of water on tap, electricity and toilets in their homes. However, a number of other problems relating to the quality of the structures were also raised.

Quality of housing

- "There is no floor inside the house. It is only the soil" – 30 year old man, North West
- "The house is built with mud and can fall anytime" – 56 year old man, KwaZulu Natal
- "The ceiling is damaged." – 29 year old man, Free State
- "The walls are cracked" – 42 year old woman, Western Cape
- "The house is leaking during the rainy season" – 42 year old woman, Mpumalanga

The absence of windows, or bad quality windows, led to either a lack of light and ventilation, or a cold and draughty home.

Most farm dwellers in commercial agriculture live in homes that do not belong to them, and that they did not build. This indicates that the provision of housing by employers sometimes constitutes either a form of payment in kind, or a condition of employment. This is not always the case, however. Some employees pay rental for their houses.

Employers generally bear the cost of construction of farm worker housing. As employers are also owners of the land, it is unsurprising that they, rather than , most frequently make investments in fixed assets such as housing.

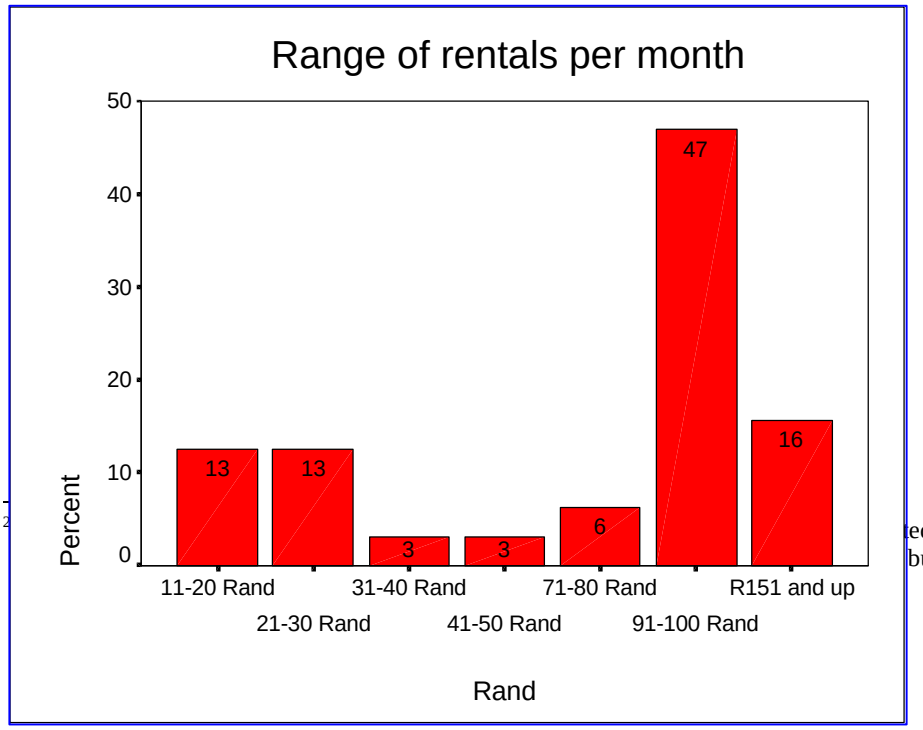
Of those who reside on-farm, 21% reported that they pay rent, 77% said they do not and 2% did not know whether they do or not.[29] Of those who pay rent, more than half pay more than R91 per month, while 15 respondents pay between R91 and a R100 per month and 5 pay over R151 rent per month (see **Figure 16** below). Interestingly, 21% of all the employees residing on farms reported that they do not consider that paying a rental is appropriate for the housing they are currently occupying. The majority of respondents reported a fair rental for the quality of housing they occupy would be between R1,00 and R50,00 a month.

Employees were also asked who is responsible for paying for maintenance on their housing on farms. Nearly three-quarters of respondents who live on-farm said that the employer maintains their houses. Thus, these employees were not expected to contribute towards maintenance costs. However, 27% of respondents said that they are expected to do so.

Of those employees participating in this study most lived on farms and in poor conditions. On the basis of the indicators examined here, the province in which the quality of housing appears to be of a generally higher standard is the Western Cape, followed by Mpumalanga. The provinces in which the worst housing conditions are apparent are the Northern Province, Free State, Gauteng, the Northern Cape and North West.

What is evident is that farm workers regard the size of a house as well as the services and facilities available as important. From the responses it was also clear that the quality of housing symbolises the dignity of . People not only find poor quality housing inconvenient and unpleasant, but also degrading and dehumanising.

Figure 16: Range of rentals respondents pay per month



ted from their
but they were

In the case of electricity provision (measured in terms of using electricity for lighting)the census suggests that, farm workers and other non-urban workers have identical access levels (44%). In contrast, urban workers are much better off with 82% making use of electricity for lighting. As was the case with direct water provision, when it comes to electricity access, the non-urban unemployed lag the most (25%).

By contrast, two thirds of the respondents in the primary field survey reported that they had at least electricity for lighting in their homes (see **Figure 17**). Those who did have electricity in their homes were asked to identify the purposes for which they used it. The responses are shown in **Figure 18.**

Of those who have electricity 65% use it for lights, 48% for cooking, 43% for TV and radios and 28% for household equipment such as refrigerators. As with tap water, the availability of electricity was variable across provinces. In this case as well, the Western Cape comes out as the province in which farm workers most frequently have access to serviced homes.

Few adults in the non-urban areas of the country have access to a telephone in their own homes. Moreover, a significant proportion of non-urban people indicated that they had no access to any form of telecommunications. Fewer than 10% of farm workers have access to a phone in their dwelling while 23% indicated they had no access to any telephone at all.

Figure 17: Availability of electricity in the home

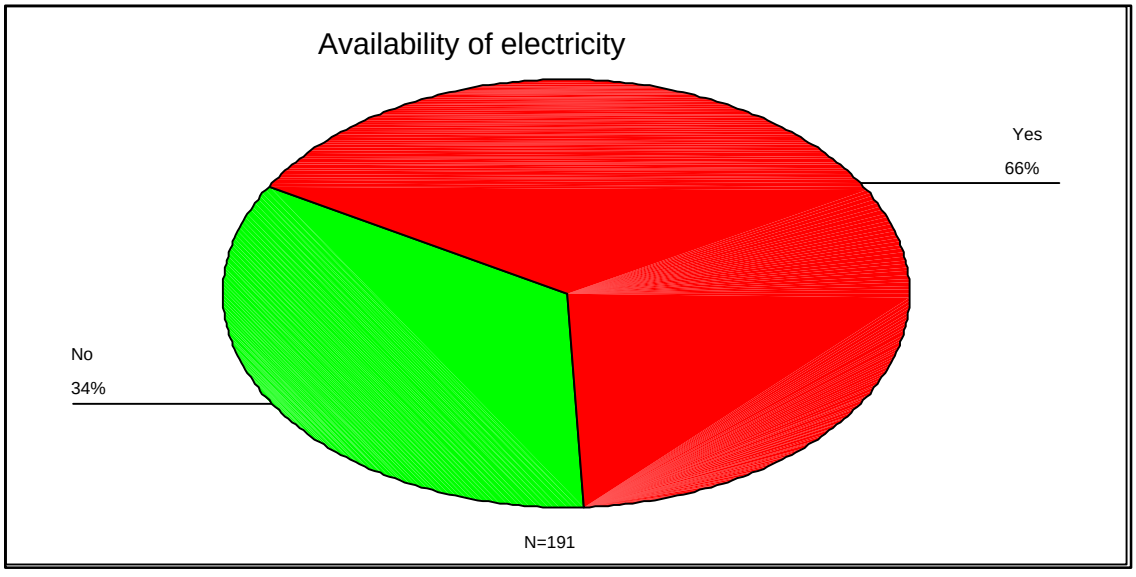
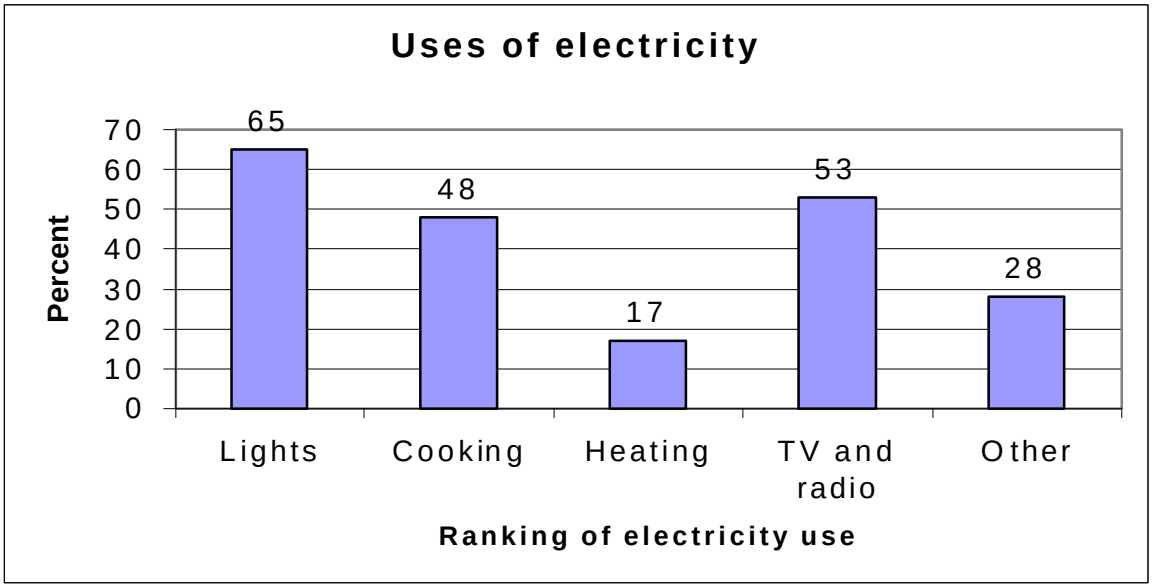


Figure 18: Uses of electricity



Access to specific household services on an individual basis does not provide a clear composite picture of the general trends in access for different types of households. To address this need, Statistics South Africa has developed a summary development index using the data from Census 96, called the household infrastructure index. This index, as the name implies, examines a household's access to different categories of infrastructure[30]. This index was used as the basis to develop the 'access to housing and services index' presented here. Seen in Table 9 below, this index, which ranges between 0-100, is the arithmetic mean of the individual components listed. A person who lives in a formal dwelling, has access to electricity for lighting, a flush or chemical toilet and a telephone in their dwelling scores 100 while a person with access to none of the above scores.

Table 9 shows that urban employed individuals are considerably better off with respect to housing and housing services than their non-urban and unemployed counterparts. Furthermore, a strong urban bias exists with respect to service provision, as the unemployed in urban areas are better off than individuals working in non-urban areas. While non-urban individuals have similar access levels, farm workers are marginally better off than other employed non-urban households and significantly better off than the non-urban unemployed.

While the average for farm workers is 35.5%, this figure shows considerable variation on a magisterial district basis. Few magisterial districts scored an average in excess of 60%, with most of these being in the Western Cape and in Gauteng.

[30] The components of this index include: Living in formal housing; access to electricity for lighting; tap water inside the dwelling; a flush or chemical toilet; a telephone in the dwelling or a cellular phone; refuse removal at least 1 a week; the level of education of the household head, and monthly household expenditure.

Table 9. Housing and services: a summary index

	Farm Workers	Other Workers (urban)	Other Workers (non-urban)	Unemployed (urban)	Unemployed (non-urban)
Formal housing	69,72	79,06	64,80	62,63	44,56
Electricity for lights	44,60	81,76	47,05	66,56	25,18
Tap water inside	27,05	82,41	20,02	67,05	67,06
Flush or chemical toilet	26,73	71,96	23,41	49,58	6,12
Phone or cellphone	9,06	51,06	10,17	23,99	1,63
Average	**35,43**	**73,25**	**33,09**	**53,96**	**28,91**

Education and literacy rates

Literacy can be measured in a variety of ways. In this case, it is defined as the percentage of the population over the age of 13 who have completed the first five years of education. The data in **Figure 19** show that farmworkers or farmworkers' families have the lowest rates of literacy in the country when compared with all other labour groups. Moreover, a significant proportion of farm workers (33%) indicated that they had no formal education.

Changes in literacy levels can be measured by means of the average number of school years completed by age group. The data in **Figure 20** confirm that the average level of education is generally higher for younger South Africans (<40 years). However, this age differential is lower for farm workers than for any of the other groups, including the non-urban unemployed. One possible explanation of this absolute and relative discrepancy is that agricultural employers place very little economic value on education, given that the unemployed non-urban population has higher education levels compared to farm workers. A more likely explanation could be the localized character of agricultural labour markets that impedes its proper functioning. A survey conducted in 1997 among South African wine-grape farmers found, for example, that in most cases farmers employed workers recruited through the network of relatives and friends of workers already working on the farm[31].

[31] Ewert, J, J Hamman, N Tregurtha, N Vink, C Visser and G Williams, 1998. State and market, labour and land – the South African wine industry in transition. University of Stellenbosch, Unpublished research report

Figure 19: Education and literacy levels

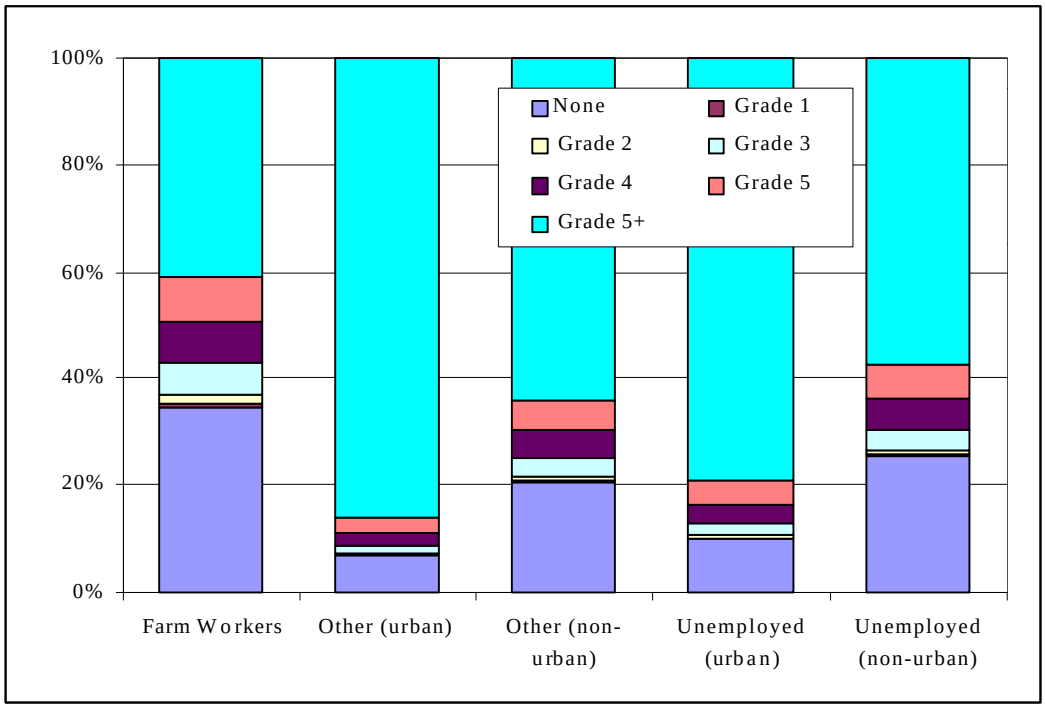
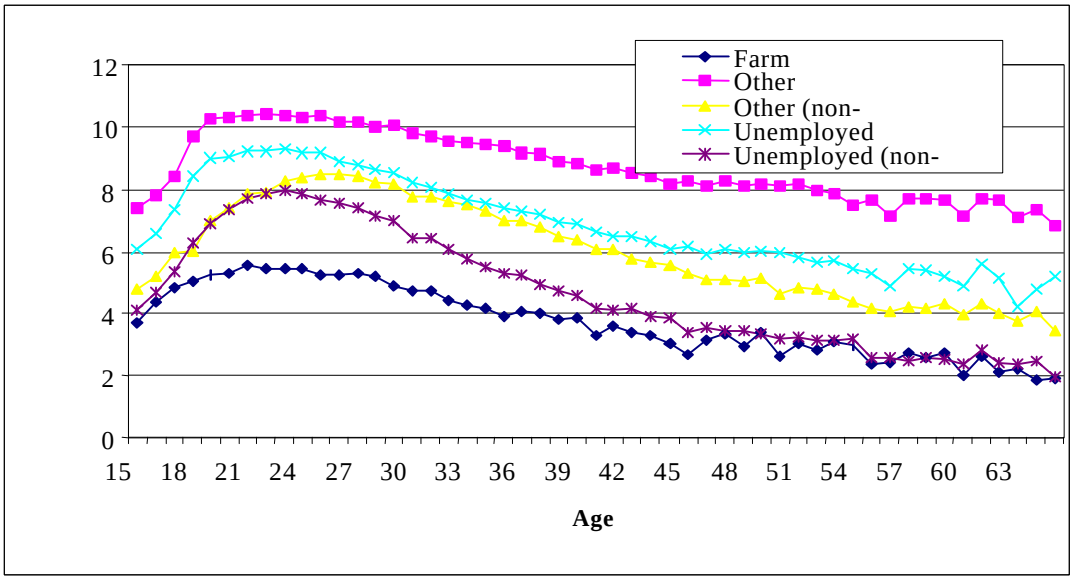


Figure 20: Education by age



4. Farm worker wage and income levels

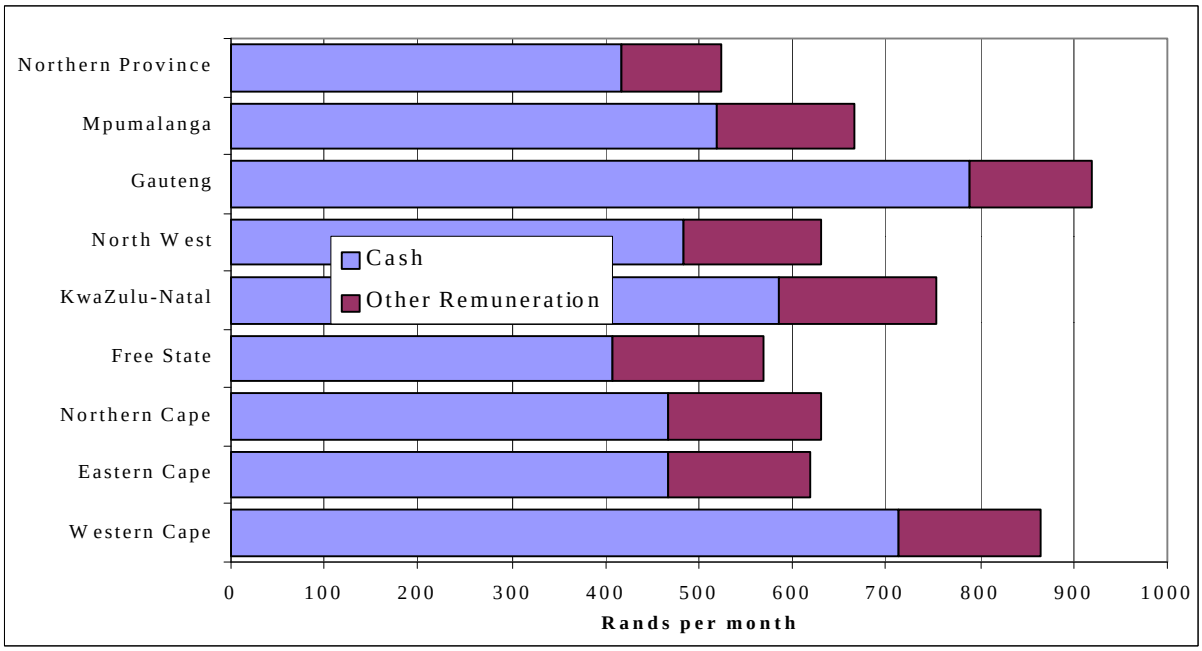
The 1996 Agricultural Survey found that the average cash wage paid to regular and casual workers in agriculture was R419,00 per month or R544,00 per month at current

prices. At a provincial level there is also considerable variation. Employees in Gauteng were paid an average of R790,00 per month of while those in the Free State and Northern Province received R407,00 and R416,00 per month, respectively. These results are shown in **Figure 21** below.

Figure 21 also shows that aside from a cash wage, workers receive additional income under the heading of 'other remuneration'. Included in this category is the value of free housing and grazing provided to farm workers, and contributions to the Worker's Compensation Fund and Unemployment Insurance Fund made by farmers[32]. Contributions to pension and medical funds are also included under 'other remuneration' as well as in-kind payments received by them. Under 'payments-in-kind' the following items are specified; the value of rations such as maize flour, slaughter animals, meat, fish, milk, wine, bread coffee, sugar, tobacco, clothing, shoes, transport, training, medicine provided to farm workers and medical expenses paid on their behalf. While cash wages paid varied considerably across the provinces, the 'other remuneration' paid to farm workers was fairly constant in absolute terms, and averaged to about 20% of total remuneration.

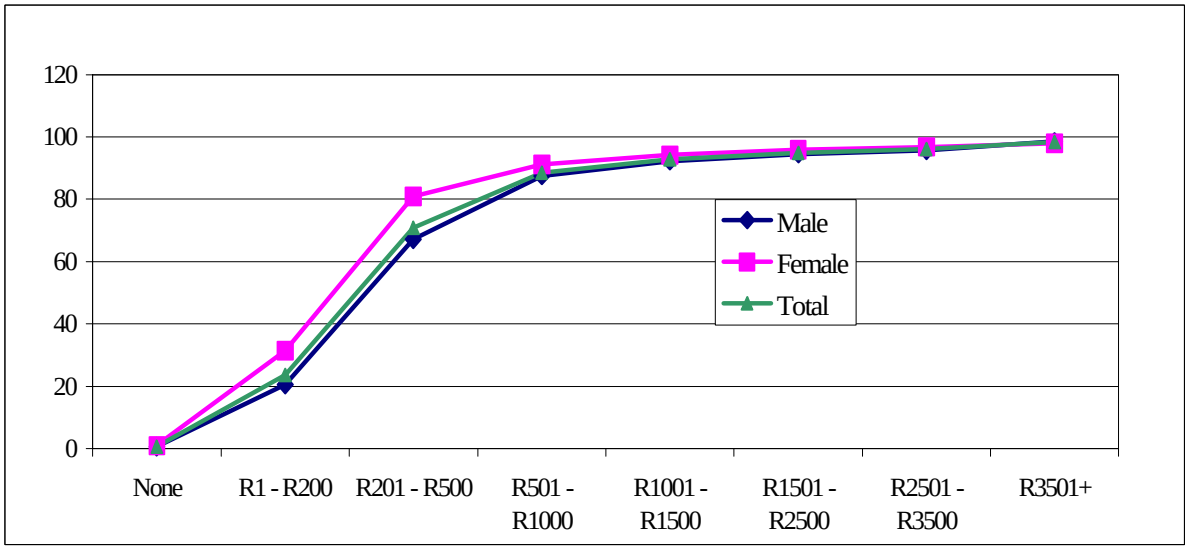
Average wage data hide the distribution of wages. This is a particular problem in agriculture, where the distribution of wages consists of a clustering of employees at the lower levels and a distinct tailing off at the upper end of the distribution. Data from the October Household Survey show that this phenomenon is most pronounced in South Africa in the case of agriculture where the mean wage rate per worker was calculated at R3,57 per hour and the median at only R1,68. Assuming a 48-hour workweek this translated into a monthly average wage of R648,53 and a median wage of R322,56. This means that 50% of all farm workers are earning R322,56 per month or less (see also **Table 10** below).

Figure 21: Average monthly wages by province



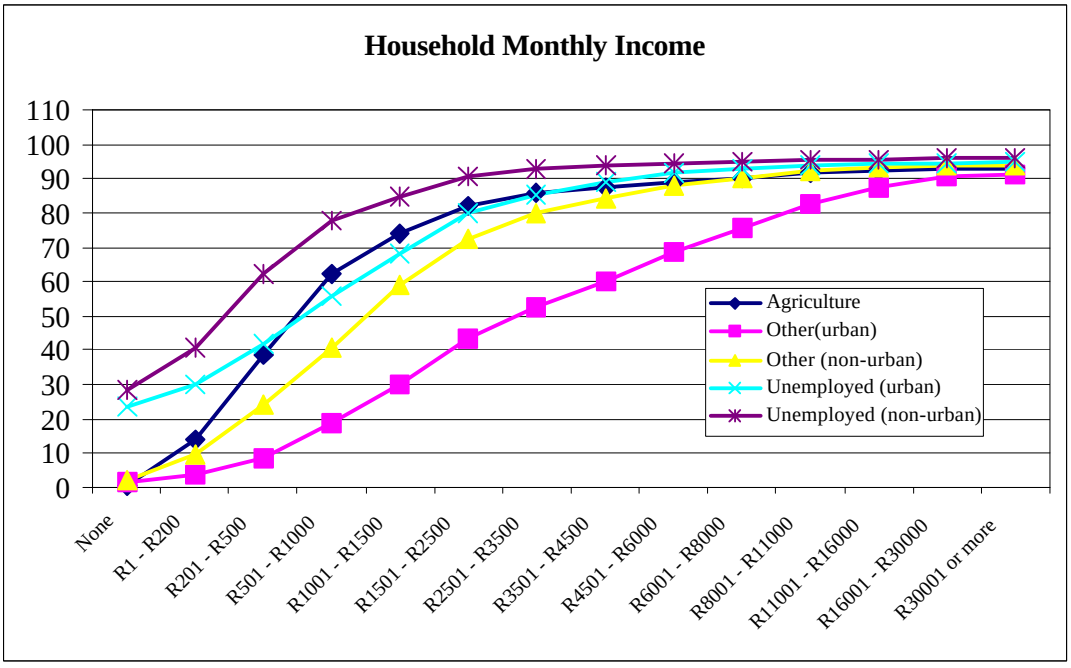
The cumulative monthly income distribution for male and female full-time farm workers can be seen in **Figure 22**. These data also show that 20% of farm workers earn between R0-R200,00 per month, 70% earn between R0-R500,00 per month while 87% earn less than R1000,00 per month.

Figure 22: Farm workers: cumulative monthly income by sex



The provincial distribution of the wage categories also shows some variation. Workers in Gauteng and the Western Cape earn the highest wages while workers in the Free State earn the lowest.

Figure 23: Household income by occupation category



The data on the distribution of incomes by occupation in Figure 23 show that it is only the personal income of the unemployed non-urban employees that is less than farm workers income. For example, the graph shows that 20% of employed urban workers earn between R500,00 and R1000,00 per month. The concomitant proportion for employed non-urban workers is 40%, for unemployed urban workers approximately 55%, for agriculture between 60 and 65%, and for unemployed non-urban workers it is between 75 and 80%.

Table 10: Mean and median hourly wages by industry, 1997

Industry	Mean (Rand)	Median (Rand)	Median as % mean	Agriculture as % of sector
Agriculture	3.57	1.68	47	100.00
Mining	11.95	7.67	64	29.87
Manufacturing	13.07	8.73	67	27.31
Electricity	16.08	11.11	69	22.21
Construction	9.83	6.39	65	36.32
Trade	10.77	7.07	66	33.15
Transport	14.37	10.16	71	24.84
Finance	18.26	11.46	63	19.55
Services	17.87	13.85	78	19.97
Domestic	4.10	2.60	63	87.10

Source: Budlender (2000)

Table 10 shows the wage distribution by industry in South Africa. It is evident that farm workers and domestic workers earn the lowest wages in the country, while the financial services and electricity sector workers are paid the highest (this remains true even when the 20% estimated in kind payment is added to the agricultural wage). The skewed distribution of farm wages is also evident from these data. The ratio of mean to median income in agriculture of below 50% is not found in any other sector of the economy.

Finally, **Table 11** shows the relative rate of increases in real wages in the South African economy from 1970 to 1998. The data show that the growth rate in agricultural wages was higher than the average for the economy, and higher than all sectors except for mining. Real hourly wages in agriculture grew by 46. % between 1970 and 1998, at an average rate of 1.6% per annum.

Table 11: Growth rate in real wages per sector, 1970-1998 (%)

Sector	Total increase	Average real growth (% pa)
Agriculture	**46.14**	**1.65**
Total Mining	**105.2**	**3.76**
Total Manufacturing	**5.17**	**0.18**
Total Services	**27.22**	**0.97**
Total Economy	**40.55**	**1.45**

Despite this increase in the real wage, the unit cost of labour, measured as the ratio of the total cost of labour to the total value of output has remained relatively stable over time. In 1970, 16 cents was spent on labour for every R1,00 of output produced. This decreased to 13 cents in 1980, increased to 19 cents in 1994 and decreased to 17 cents in 1998.

Data on wage levels and the distribution of wages from the primary survey tell much the same story. Yet the cash wages reported by employers and employes varied significantly. It is, therefore, necessary to examine:

- the range of wages reported by employers: the highest and lowest wages they pay, presented within race and gender categories; and
- the range of wages reported by employees: statistics on the raw wages reported by respondents, together with cross-tabulations of wages by the gender of the employee, the sector in which the employee is employed and the province in which the farm is located.

4.1. Survey data: wages reported by employers

Employers were asked to note the highest and lowest wages paid to permanent employees, by race and gender. The range of minimum and maximum wages reported by employers was between R6 and R60 a day for temporary workers, and R37 to R1200 a week for permanent workers.[33] The average wage for temporary workers was R24 a day.

There were only a small number of employers who reported employing permanent coloured and white workers in the sample. This, coupled with the absence of any employers who reported employing Asian workers, precludes an analysis of wage differentials by population group. However, an analysis of the range of wages paid to African workers provides insight into the variation, and specifically the gendered variation, of wage scales.

[33] R1 200,00 per week was reported for a white male permanent employee, who appeared to be a non-agricultural worker such as a farm manager, and therefore should be excluded from the existing range of wages.

Figure 24: The range of weekly wages paid to African farm workers

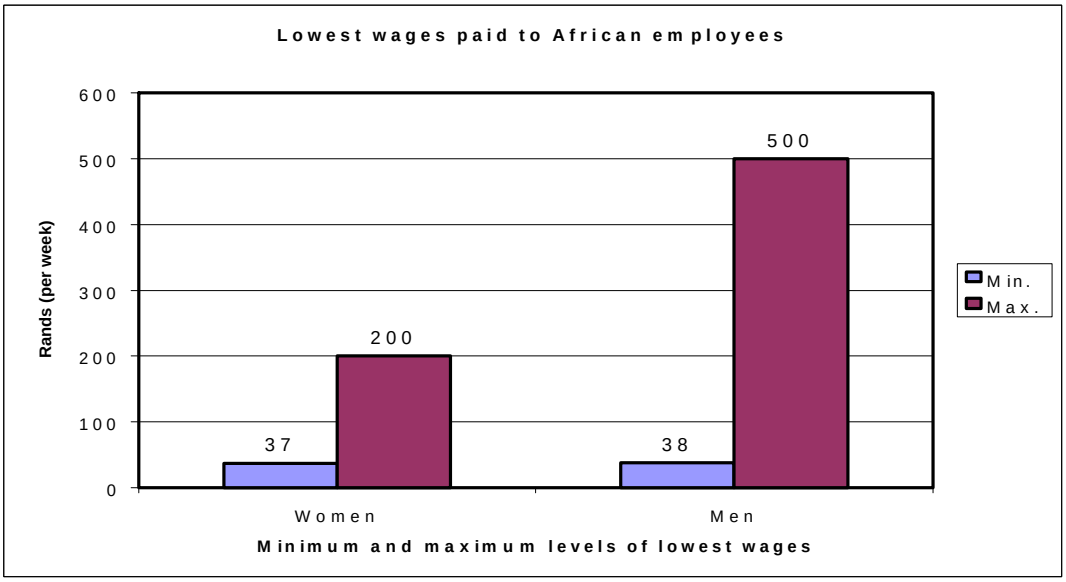


Figure 24 above depicts the highest and lowest weekly wages paid to African men and women permanently employed on the farms. There is no substantial distinction between the lowest wages paid to African men and women – R37 for women and R38 for men, yet the highest wages reported by employers were R200 for women and R500 for men. However, it is clear that these wages are skewly distributed, with more workers earning the lower wages. This is especially true of women's wages, as is illustrated in **Figure 25** below.

Figure 25: Percentage of employers citing lowest and highest wages lower than R200 a week

Thus, the data show that while only 37% of employers reported that the highest wage they pay African men is below R200,00 a week, 77% pay all African women less than R200. This graph indicates that gender discrepancies are more exaggerated towards

the top end of the spectrum (the highest paid employees) than at the bottom. Women's wages are more clustered towards the bottom end of the spectrum that men's wages.

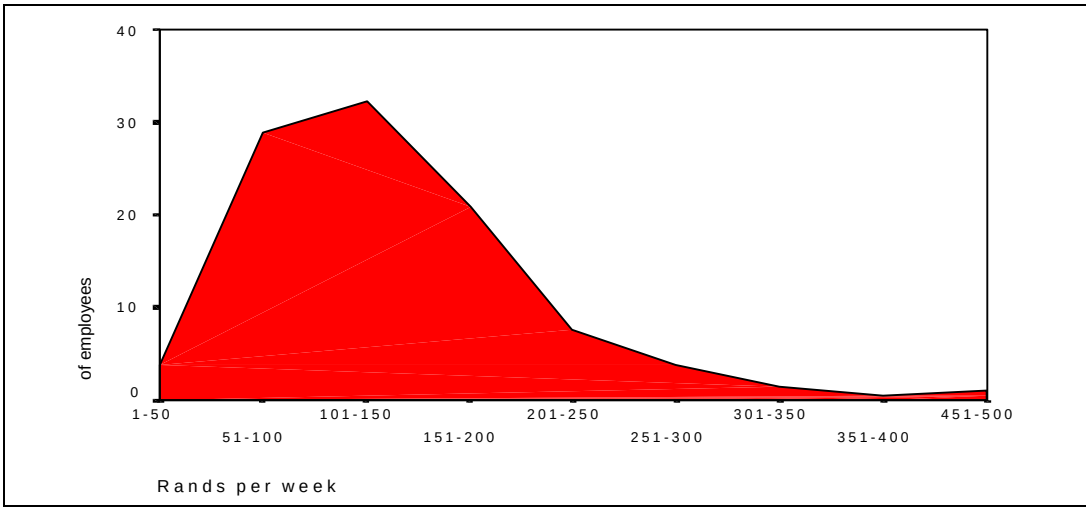
The survey data also showed that there was considerable variation in wages reported by employers between horticulture, field crop, livestock and mixed farm enterprises. It appears that wages paid by employers in the livestock sector were less varied than among employers engaged in horticultural or field crop production. This variation has implications for the sectoral determination. In those sectors and provinces in which wages are relatively dispersed (i.e. where the gap between the highest and lowest paid workers within enterprises is most significant), the introduction of a minimum wage may result in employers freezing the wages of higher paid employees in order to offset a potential increase in the wage bill.

4.2. Survey data: wages reported by employees

The range of wages reported by employees was between R40 and R145 a week (R8 and R29 a day for a five day week) for temporary workers[34] and between R17.50 and R487 a week for permanent workers.[35]

Figure 26 shows the distribution of weekly wages among employees. It is clear that the distribution of wages is skewed to the left. The data show that 31% of employees earn between R101 and R150 a week, 86% earn R200 or less a week, and 98% earn R300 or less per week. The average wage of general workers in the sample is R139.59 a week or R560 per month.

Figure 26: The range of weekly wages cited by employees



[34] Given the small proportion of temporary workers interviewed, these figures are unlikely to reflect actual wage ranges.

[35] Except where otherwise indicated, all figures for wages refer only to full-time .

There were some discrepancies between the wages reported by employees and those provided by the employer. In 31 cases - exactly half of the 62 cases in the sample - permanent employees reported being paid wages lower than the lowest wage cited by the employer. In addition, in 26 of the 62 cases employers said they did not employ any women on a permanent basis, yet on 12 of these farms CRLS fieldworkers interviewed women who reported that they were permanent employees.[36]

To illustrate, on a particular farm in the Northern Province, the farmer reported that the lowest paid permanent employee on the farm received R88,00 per week in cash, but later that same day a fieldworker interviewed an employee who reported that her wage is R65,00 per week. On another farm in the same province, on which the employer reported the lowest wage paid to any permanent employee as R114,00, two permanent full-time employees were interviewed whose wages were reportedly R85,00 a week.

The anomaly between the range of wages reported by employers and actual wages reported by employees could result from the following:

- employers reported inflated wages
- employees referred to wages after, rather than before, deductions
- employers' definitions of what constitutes a permanent employee differed from the understandings held by employees and/or as framed by the law.

Given the conflicting definitions of categories of employment and the higher number of employees in the sample, data from employees has been used in the following discussion.

The major fault line along which wages vary appears to be the gender of the employee. Data from **Table 12** show that 97% of the women in the sample, compared to 82% of the men, earn R200,00 or less a month. More significantly, 53% of the women, compared to just 26% of the men, earn R100,00 or less a week.

Table 12: Weekly wages by gender

Rand per week	Female		Male	
	% of		% of	
		Cumulative		Cumulative
1-50	9		3	3
51-100	44	53	23	26
101-150	30	83	33	59
151-200	13	96	23	82
201-250	2	98	10	92
251-300			5	97
301-350	2	100	1	98

[36] We provided working definitions to guide fieldworkers in clarifying such terms so that their use is consistent with the Basic Conditions of Employment Act (BCEA). A temporary employee was defined as "if you have an agreement (written or verbal) about when your service will come to an end. You are a permanent employee if you do not have an agreement about when you will stop being employed OR you have a reasonable expectation that you will continue to be employed by your employer". Fieldworkers were briefed on interpretations of a reasonable expectation (e.g. temporary employment on an annual basis), as clarified in CCMA judgments.

351-400			1	99
451-500			1	100
Average (Rand)	**R105.91**		**R154.05**	

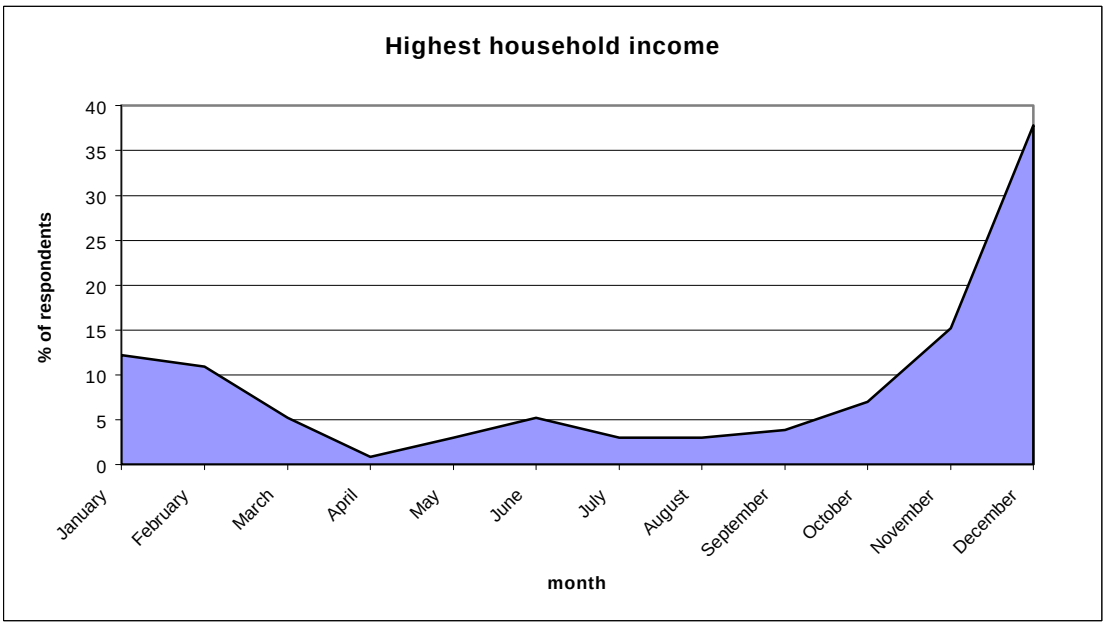
This pattern is due to both direct and indirect factors. Firstly, women are paid less because of the gender division of labour operating on most farms - the tasks typically performed by women are viewed as less skilled tasks. Secondly, farmers tend to value women's labour at a lower level than men- women are paid less on average precisely because they are women. An indirect cause of the gender disparities in wage levels is the nature of contractual relations between the employers and employees. Employers often choose to view male employees as 'permanent' workers while female emloyees are viewed as 'casual' workers whose employment is contracted via a male partner and who are paid at lower rates.

This gender disparity in wages exists despite the fact that the women in the sample were, on average, more educated than men in terms of the number of years at school completed. However, women were much less likely to have undergone formal training to enable them to perform skilled tasks on the farm.

The limited sample size precludes any generalisations about provincial variations in wages being drawn on the basis of this study. This is also true of wages per commodity sector.

Cash income among farm workers is highly seasonal, fluctuating with periods of peak demand and 'slack time'. Employees were asked to indicate the months in which their household receives its highest and lowest incomes. This was a multi-choice answer in which employees could indicate more than one month.

Figure27: Months in which respondents reported highest household income



The month most frequently cited by employees, as the time of year in which their households have their highest incomes, was December (see Figure 27). This was explained as due to the additional income of bonuses – either a Christmas bonus or a harvest bonus, which employees receive at the end of the calendar year. However, Employees also noted receiving bonuses early in the year, at the end of a crop cycle, or after periods of high labour demand – particularly harvest and planting seasons - in which they worked overtime or at piece rates.

Thus, seasonal fluctuations in the incomes of farm workers and their households differ according to the sector in which they are employed. Almost all respondents believe that the reason for fluctuations in household income were due to a peak in labour demand resulting in additional income from piece rates, harvest or planting season bonuses, and the provision of seasonal employment to additional household members, particularly women and children.

The information gained through this study indicates that wages vary significantly within enterprises as well as between them. Some of the factors determining different wage levels within a farm are the gender of an employee and also sometimes (but not always!) the experience, length of service, level of responsibility and skill of an employee. Variations between farms appear to coincide to some extent with the type of production activities (the sector) and may do so across province though this is not evident from this study.

5. Payment in kind, benefits and deductions

The following discussion provides a breakdown of how farm workers are paid. This is critical for an understanding of the ways in which the cost to an employer may differ from the benefit to an employee. Employers and employees understand remuneration in different ways. This is a compelling conclusion, when considering the disjuncture between the benefits which employers said they provided (during the past year) and those that employees reported they had received.

5.1. Level of payment in kind

Employers were asked to estimate what proportion of the total remuneration that they pay to permanent is accounted for by payments in kind. For this purpose they were asked to include under the category of ‘payment in kind’ all non-monetary benefits, including accommodation. The results are presented in Table 13. The average of all employers’ responses was 28% - in other words, about a quarter of ’ remuneration is paid in kind. Half of the employers reported that their payment in kind accounts for 25% or less of their payments to workers and 25% of employers indicated that payment in kind constitutes 40% or more of ’ remuneration.

Table 13: Employers' estimates of payment in kind as a proportion of total remuneration

% Payment in kind	Responses		
	Count	%	Cumulative %
0	2	3	3
1-10	6	10	13
11-20	11	18	31
21-30	16	26	57
31-40	10	16	73
41-50	7	11	84
51-60	3	5	89
61-70	1	2	91
> 70	0	0	91
Don't know	6	10	100
Total	**62**	**100**	

Employers were also asked to indicate the cost to them of providing each benefit, in order to derive an estimated total. Employees were only asked to indicate what was provided to them.

The average annual cost to employers of payment in kind to permanent employees was R125 375. The minimum level was R0 (in other words, were paid in cash only) and the maximum level was R1 708 000,00. Among the employers 50% indicated that they spend R60 000,00 or more a year on payment in kind and other non-monetary goods and services for permanent employees. Although these figures were derived from a record or estimate of each expenditure item, it is possible that employers overestimated the cost to them, as there was a tendency to amalgamate items of farm expenditure together with the payment in kind (e.g. running costs like electricity, transport, etc.).

5.2. Types and incidence of benefits

Employers were asked to itemise their expenditure on benefits and payment in kind for permanent employees. Employeees were also asked to indicate what benefits and forms of payment they receive. In each case, a list was provided to prompt respondents and space was allowed for additional items not included in the list.

Figure 28: Benefits for permanent according to employers and

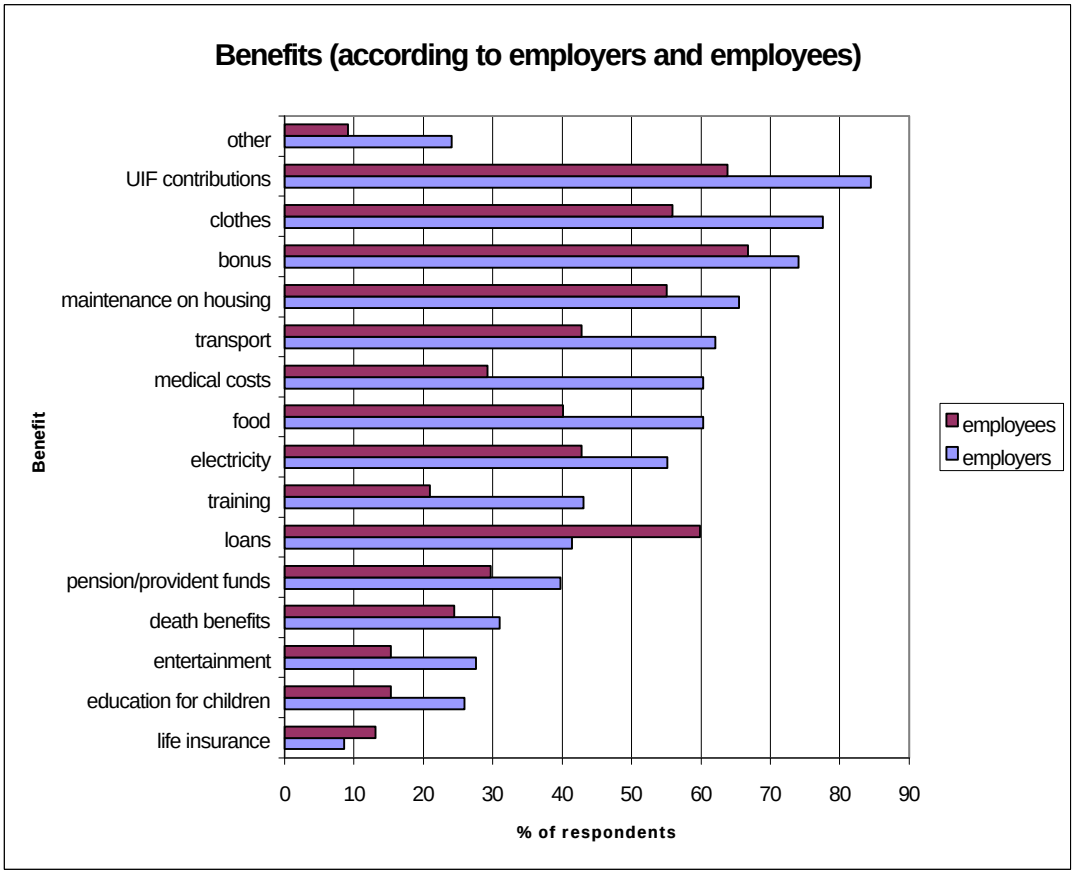


Figure 28 above depicts the contrast between employment benefits as reported by employers and by employees. Given that four employees were interviewed on almost each farm, one might expect the figures provided to coincide. However, there may be good reasons to explain the gap.

First, employers were asked to report their expenditure on benefits over the past year. This does not imply that the benefits were distributed uniformly among employees. Given that a range of employees on each farm were interviewed, it is possible that within our sample we captured a portion of those workers to whom these benefits were not available. This could explain the lower levels of benefits in most categories, for example:

- insurance of all kinds, including Unemployment Insurance Fund (UIF), accident insurance, life insurance, pensions and provident funds, which are mostly available to permanent workers
- education for children, which would not be a recognised benefit for all employees, since not all employees necessarily have children of school-going age
- employers noted what they spent on benefits, but it is clear that sometimes a portion of this financial outlay is recovered through deductions off employee's

wages. Thus the same items mentioned by employers as 'benefits' are cited by their as 'deductions'.

Second, expenditure that contributes directly to production can be confused with benefits for employees. Clothing, for example, can only constitute a benefit if it is unrelated to employees' work. However, a number of employers who provided information on the cost of clothing clarified that this expenditure was for overalls and work boots. Many employees, therefore, who (correctly) do not consider this to be a benefit, did not cite clothing as a benefit they receive.

Third, since loans may not involve a financial contribution from an employer, but could in fact signify a source of revenue, it is unsurprising that loans were the single item which employees reported more frequently than employers did. Employers were asked to cite loans only if they provide loans on subsidised interest rates, whereas employees were asked to report whether employers provide loans – regardless of (a) whether interest is charged or not, or (b) whether the interest rate is lower or higher than commercial lending rates. The higher proportion of employees indicating that employers provide loans may mean that some employers provide cash advances (or interest-free loans), but also that some charge interest rates at or above bank rates.

The most frequently mentioned additional benefit cited by employers under the category 'other' was water, followed by firewood. The provision of grazing and dipping for cattle belonging to employees was cited as a benefit, although a few employers cited the amounts they charge for these services – R10,00 and R25,00 per head of cattle per month were amounts mentioned.
The provision of land for cultivation and the use of a tractor (partially to collect firewood) were also cited by employees as additional benefits.

5.3. Types and incidence of benefits by gender

The benefits that accrue to permanent employees seem to depend substantially on the gender of the employee. **Figure 29** indicates the 'gender gap' in access to employment benefits.

Men reported receiving every benefit more frequently than women did. The gap between men and women varies across the different benefits, but for most categories, women reported receiving most categories of benefits between a third and a half as frequently as men did.

The smallest gaps between women and men are evident in those benefits that frequently accrue to households rather than to individual employees. The frequency with which women and men reported receiving maintenance on housing, education for children, entertainment and education were most similar – i.e. the gender gap was smallest for these items.

The gap between women and men who reported receiving UIF is the most substantial. This again points to the fact that some employers define only men as permanent employees, so that a distinction between the benefits provided to permanent and

temporary employees is manifest as a gender distinction. The gap is especially serious as UIF provides for maternity benefits. Other items which few women received were training, medical services and pension or provident funds. Again, employers providing these benefits were likely to distinguish between men, who would qualify for these benefits as permanent employees, and women who, if seen as temporary employees, would not.

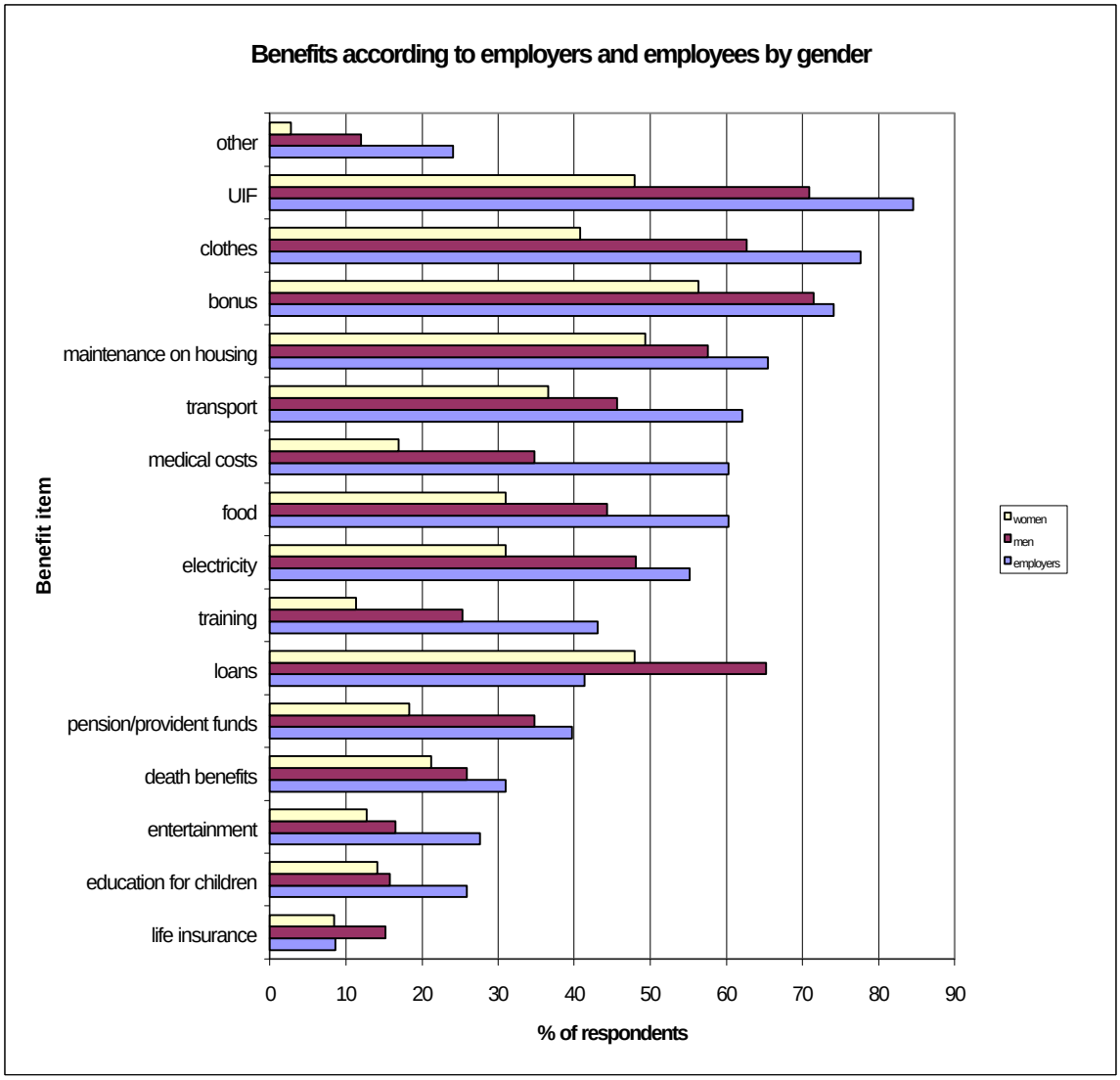


Figure 29: Benefits for permanent by gender

If employers do not simply see women as temporary and men as permanent employees, but see women as gaining indirect benefit through their partners, this poses an additional challenge to the drafting of the sectoral determination. With the imposition of a regulated wage floor, employers might remove benefits from workers whose status is most insecure, or to monetise those benefits.

5.4. Deductions

Employees were asked to estimate the average size of weekly deductions from their wages. Half of them did not cite the size of their deductions, since 21% said they do not have deductions and 29% did not know the size of the deductions. Among those respondents who reported amounts were deducted, the most frequently reported size was R1,00 to R10,oo, followed by R21,00 to R30,00. These deductions are significant as a proportion of wages, particularly as a few respondents reported deductions exceeding R100,00 a week. The average size of deductions wages was R21,45 a week.

Employees were also asked to estimate the average amount of each deduction. This proved difficult, both because employees were unsure of the amounts and because of the irregularity in incidence and size. The question was therefore read as for what reasons are deductions regularly made from your wages? The answers are reflected in **Table 14**, which shows the ranking of the incidence of items for which deductions are being made, as reported by employees (e.g. most – 44% -reported that UIF was deducted from their wages).

Table 14: The incidence of deductions

Rank	Deduction item	Percentage
1	UIF contributions	44
2	Pension / provident funds	20
3	Food	17
4	Repayment of cash loans	14
5	Electricity	14
6	Rent for housing	13
7	Clothes	9
8	Days absent from work	9
9	Medical and healthcare	8
10	Other	7
11	Repayment of debt to farm shop	5
12	Life insurance	5
13	Burial costs	4
14	Damage to property	4
15	Education for children	3
16	Water	2
17	Accident insurance	1
18	Transport	1
19	Entertainment	0.4
20	Training	0.4
21	Maintenance on housing	0

A number of themes emerged in discussions with employees about deductions. Firstly, employees pointed to a cycle of debt either to farm shops or directly to the employer. This appears to be due to the isolation of farms and reliance on employers to provide transport into town so that workers can spend their money elsewhere. Many respondents said that employers keep stocks of basic goods that they sell to employees, leading to high deductions from wages and a situation in which employees have little scope for discretionary spending.

Secondly, they identified a phenomenon of what can be termed 'forced purchases' where the employer insists that they buy certain items, normally farm produce, at specific rates. There does not appear to be a clear distinction between payment in kind and forced purchases. The distinction may lie in the regularity of the transaction. For example, if an employer gives each employee half a sheep every month, this may be seen as payment in kind. If the farmer gives each employee half a sheep on an irregular basis and then deducts money from his or her cash wages to pay for it, this may be viewed as a 'forced purchase'. Some forms of payment in kind are highly seasonal (for example, after a harvest) and are not negotiated. In such cases, the employer sets the price, and employees may experience the transaction as less than fair.

5.5. Conclusions: payment in kind, benefits and deductions

In the course of conducting the fieldwork for this study, two conceptual issues emerged. First, there appears to be a lack of clarity among employers and employees on the distinction between payment in kind and benefits that form part of the conditions of employment. For example, farmer A explains to farm worker A that she will be paid R100 a week and that, as part of her package, she will receive a house in which to live on the farm. In this case, the house is part of an employment package and not a form of remuneration. Therefore, it does not constitute payment in kind. If farmer B, however, explains to farm worker B that, in lieu of rent, the employee will forfeit a portion of her wage and only receive R100 of the total in cash, housing may be considered a form of payment in kind.

Second, there appears to be a similar conflation of payment in kind and deductions. In practice, there may be substantial grey areas between the two, particularly in the case of accommodation and other goods and services for which deductions are made but at below a market rate.

6. Conditions of employment

During the course of the primary fieldwork working hours, annual, sick and maternity leave, unemployment insurance and child labour issues were also investigated. Thus, the study looks at the ways in which the agricultural sector complies with the Basic Conditions of Employment Act (BCEA).

6.1. Working hours

Employees were asked to state the maximum hours they work in a week **during peak periods**. Only 223 workers responded to this question, 70% of whom worked 41-60 hours per week. More than half of the workers indicated that they have worked for more than 48 hours during some part of the year.

The average maximum hours worked per week **during peak periods** for all workers were 56,3 hours- significantly higher then the provision made in the BCEA but does fall within the 45 ordinary hours plus allowed overtime. More than two thirds of respondents reported that the maximum they work in any week is between 41 and 60 hours. The lowest figure cited was between 0-10 hours a week (a part-time employee)

and the highest was 112 hours – a figure well exceeding the legal maximum of 45 hours a week stipulated in the BCEA.
Despite the fact that 54% of the workers worked longer hours than the legal limit some of them do not receive any compensation for working overtime. A number of respondents also referred to their unhappiness with long working hours. This was a problem because of the physical strain it involved but also because employees felt that the level of remuneration was not commensurate with the length of hours they are required to work What emerges is not only long hours but also unsocial and unhealthy hours..

- "It is difficult … we work many hours but we get little. Sometimes we work from as early as 04h00 and knock off at 17h00" - 52 year old man, Mpumalanga.
- "We are not happy about working more than 48 hours for week. The employer once told us about 48 hours that we have to work in a week, but in actual fact it does not happen that way. We are aware that we work far more than 48 hours" – 57 year old man, Free State.
- "We are not happy about the long hours that we work" – 29 year old man, Free State.
- "We wake up at 5.00am to start work (59 year old man, Gauteng).
- Waking up before 3am every day disturbs the body. It is very stressful" – 18 year old man, KwaZulu-Natal.

The horticultural and field crop sector have 'high' season and crop cycles during certain months and workers in certain of the livestock subsectors work longer hours in particular months. 42% of all the workers in the field crop sector and 39% of workers in the live stock sector indicated working longer hours.

There was no substantial gender discrepancy between the maximum working hours cited by women and men in the sample. While 75% of men said that the maximum hours they worked in a week was 60 hours or less, this was the case for 80% of the women. Nevertheless, it is evident that there is a problem with enforcing maximum working hours/overtime during peak periods of labour demand. This problem is compounded by the situation regarding overtime payment.

6.2. Overtime payment

Figure 30 below shows the responses to questions regarding payment for overtime work. Only 39% of the respondents reported that they received any overtime payment, thus 61% said that they are not compensated when they work overtime. The majority of those who reported they get overtime payment believed that they are not compensated in full.

The forms of compensation for overtime work varied. Workers reported to be compensated with:

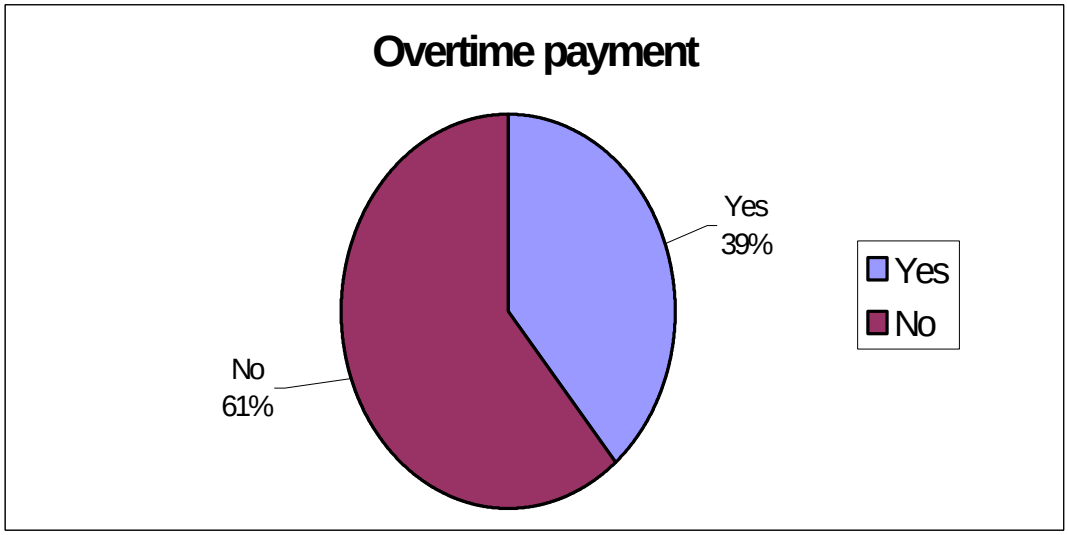
- **cash payments.** The majority of workers indicated there did not seem to be a set standard for overtime payment. Workers either receive the normal wage per hour, or an additional percentage of the normal wage per hour or they work at

piece rate compensation. A great proportion of workers reported the employer decides what the overtime payment is going to be. The payments varied from an extra R1,00-R10,00 per overtime period, and are not calculated per hour

- **bonus.** Workers are compensated with a bonus at the end of the year or after the peak season
- **off-days.** Leave days are extended or workers are allowed to take days off if they work overtime or work fewer hours in winter
- **payment in kind.** Workers get extra food i.e. vegetables, fruit, meat or maize meal.

Due to fluctuating labour demand in various sectors workers is required to work longer hours in certain months. A substantial proportion of the employees worked longer hours during the months of October, November, December, January, February and June. Workers in the horticulture sector work longer hours during harvesting (December through to the end of February). Most forms of field crop production have two peak seasons, namely during the planting period in October and November and during harvesting in June.

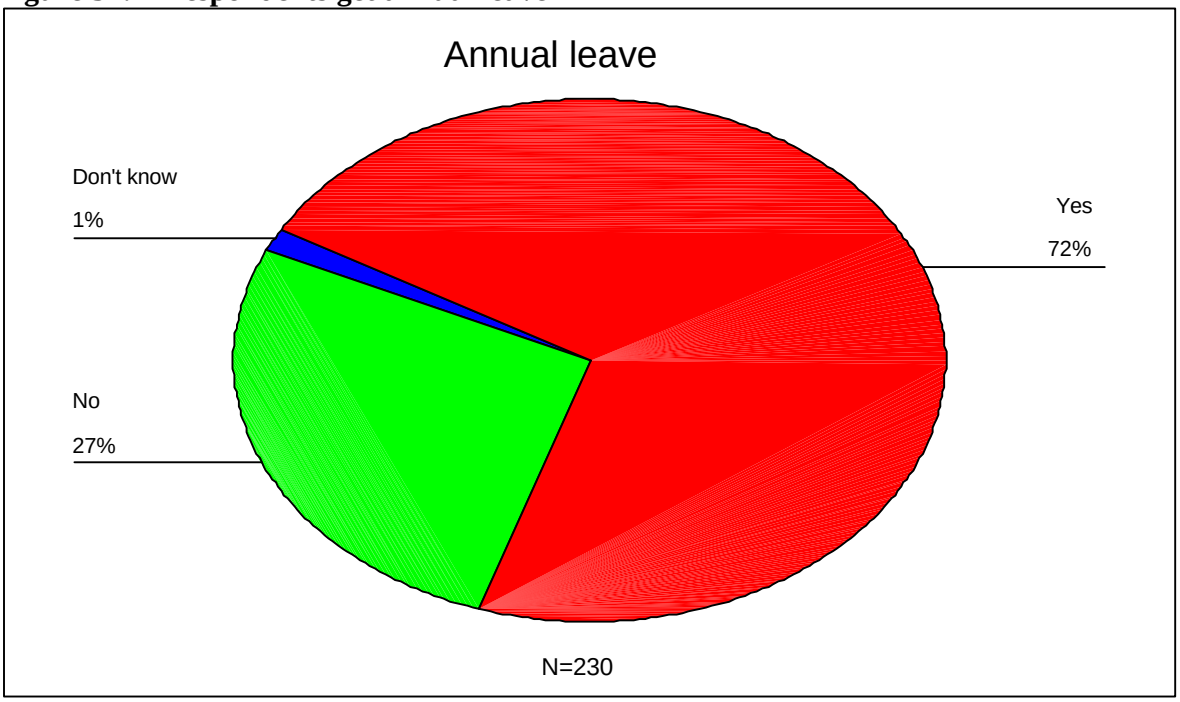
Figure 30: Overtime payment



6.3. Annual leave

As **Figure 31** indicates, 27% of the 230 farm workers in the sample do not get annual leave even though they qualify under the BCEA for full or pro-rata leave.

Figure 31: If respondents get annual leave



A further 1% of the workers interviewed said they do not know if they will get annual leave. One of the reasons given was that they have not been working sufficiently long on the farm to know whether they will be able to claim this condition of employment. This is indicative of a broader issue identified through the research: that many employees are not aware of their legal entitlements and that these are not made explicit between employers and employees at the time of employment.

Of the 211 farm workers who do get annual leave 25% said they get at least 21 days annual leave. Permanent full-time employees were more likely to get annual leave – and to be paid for it – than part-time and/or temporary employees. Of the 218 employees in this category, 74% get annual leave. However a notable 25% reported that they do not.

62% of the permanent full-time employees reported that they get fewer days of annual leave than they are legally entitled to[37]. By contrast, 40% reported that they get between 21 and 30 days a year, which is at or above the legal requirement. Among those who get annual leave the average duration is 17 days. Of those who are paid for leave, 87% said they receive a normal wage. However, a significant 13% of workers said they are not paid a normal wage.

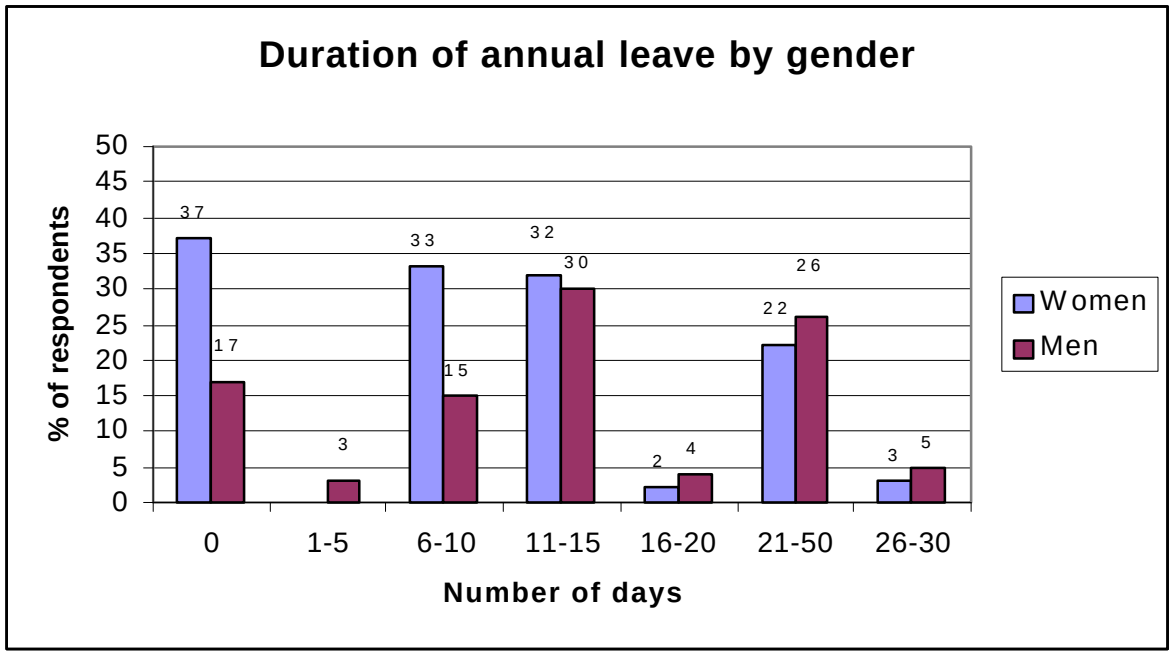
It is clear that the condition of annual leave is differentiated along gender lines. Fewer women than men reported that they get annual leave. Traditionally women were not regarded as permanent workers and were - according to farmers - not entitled to annual leave. Although the BCEA provides for annual leave for all categories of

[37] Some respondents only get public holidays off.

workers, this tradition prevails and the study show that women are still struggling to realise the right to annual leave.

Of those women employed full time who indicated that they get annual leave, 28% indicated that they do not get paid for their days of leave, while 92% of the men reported they get paid annual leave.

Figure 32: Fully paid annual leave by gender



6.4. Sick leave

Another problem area with respect to compliance with the BCEA seems to be in the provision of paid sick leave. Many workers (66%) confirmed that they are paid for days they are absent due to illness, but only if they can produce a medical certificate. However, some respondents said that even if they produced a medical certificate they are often compelled to continue working or had to return to work before the period indicated by a doctor had expired. On further probing, it also appeared that of the 211 permanent full-time workers who reported they get sick leave, 31% said they do not get paid for this time off.

There was substantial variation in responses on the same farm, most but not all of which may be accounted for by gender. Payment for sick leave therefore appears to be treated by many employers as a privilege rather than an entitlement.

6.5. Maternity leave

We asked all employees, both women and men, whether women on the farm were able to take maternity leave, and if so, for what period of time and whether the woman

would be paid during this period. Respondents found questions regarding maternity leave particularly difficult to answer. More than half of all respondents did not know whether women on the farm get maternity leave. 51% of all the farm workers in the sample did not know how long the maternity leave period is for pregnant women on the farm, while 7% said women get no maternity leave and 13% said the question was not applicable for one of the following reasons:

- no women were permanently employed on the farm
- no women were employed throughout the year on the farm
- the situation had not arisen during the respondent's employment on the farm.

Of the remaining 28% most said women get less than 60 days of maternity leave. A very small proportion of the sample (3 respondents) reported that women take the 120 days maternity leave that the law permits.

Workers who receive leave do not necessarily get paid during the leave, those workers who indicated that women are paid during maternity leave clarified that the payment is received from the Unemployment Insurance Fund (UIF) rather than from their employers. The UIF pays a maximum of 45% of the worker's normal wage. The issue of contributing to the UIF is critical in understanding women's access to income during maternity leave.

6.6. Unemployment insurance

Employees were asked whether they have 'blue cards' indicating contributions to the Unemployment Insurance Fund (UIF). More than 60% answered in the affirmative, 34% reported that they do not have UIF cards and 3% were not aware whether they do or not. Men were more likely to contribute to the UIF (70% of men compared to only 47% of women) even on the same farm. There may be a number of explanations for this rift. First, where women's employment status is seen as temporary, employers may not register them with the UIF. Second, if men are considered to be household breadwinners, and women's employment is considered to be a strategy merely to augment household income, employers may choose not to register women with the UIF as the loss of women's income is not seen in a serious light.

Even among permanent women employees, 52% do not have UIF cards and would therefore not be able to claim from the UIF during maternity leave. The gender disparities in access to UIF, coupled with a clear indication that few employers pay women during maternity leave, are cause for serious concern.

6.7. Child labour

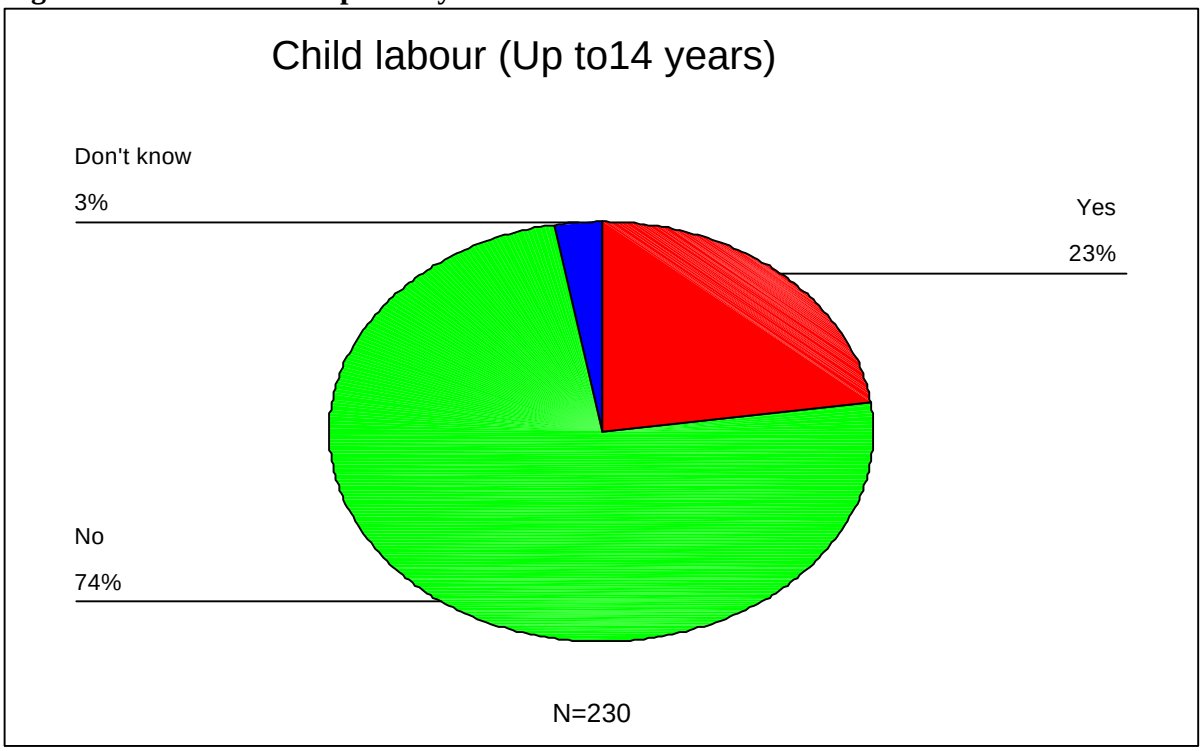
Employees were asked whether children of 14 years or younger, or those between 15 and 17 years work on the farm at any time. Where this was confirmed, they were then asked what was the maximum period in a year that a child in each age group was employed on the farm.

Children of 14 years and younger were reported to be working on farms in seven of the nine provinces, and 23% of employees confirmed that on the farms on which they

work, children of 14 years and younger are employed at some point during the year (see **Figure 33**).

A third of those respondents who indicated that children up to 14 years work on the farm reported that they work between 41-50 hours per week (i.e. full time) and a smaller proportion said the children work between 51-60 hours per week**.** The types of farm work which children in this age group were engaged in included weeding, picking, pruning, thinning, feeding of cattle, planting, ploughing, and changing irrigation sprinklers.

Figure 33: Child labour up to 14 years



Child labour seemed to be relatively less prevalent in the horticulture subsector and most prevalent on farms that farmed predominantly with field crops (see **Figure 34**).

Fig. 34: Child labour (14 years and younger) by subsector

In addition, more than a third of the employees in the sample stated that children between the ages of 15 and 17 years old work on the farms. Most of these children between 15 and 17 years perform the same tasks as adult employees.

Some of the comments by respondents on the issue of child labour (15 to 17 years) are captured below.

- "assist if employees are on leave during December"- Women 41; Gauteng
- "replace those absent"- Man, 46; KwaZulu Natal (KZN)
- "clean the stables" – Man 30 KZN
- "operate the planter" – Man, 46; North West
- "picking fruit and vegetables" – Man' 48; Western Cape
- "planting of onions" – Woman, 40; Western Cape
- "dig up potatoes and fill bags"- Man, 37; Free State
- "feed calves, assist in milking" - Man 71; North West
- "vineyard work - one of the boys does women's work all year round" - Woman, 31; Western Cape
- "ploughing"- Women, 32; Eastern Cape
- "spray and irrigation"- Woman, 35; Western Cape

6.8. Other conditions

Employees were also asked whether they were given rest breaks during the working day. Almost two thirds were able to rest for more than an hour per day, with most receiving from 60 to 90 minutes' breaks. Employees were also asked whether they were expected to work on Sundays. Few were, apart from workers in the livestock subsector (mainly dairy).

6.9. Conclusion: conditions of employment

It appears that there is room for significant improvement in the adoption of existing labour legislation on farms in South Africa. Few employees seem to enjoy full labour rights, and women enjoy fewer rights than men. The position of pregnant women could be a particular cause for concern because many do not get paid maternity leave, and few are registered with the UIF. The prevalence of child labour, especially of those under 14 is a further cause for concern.

A further point to note is the absenteeism rates experienced by most employers. According to their answers, absenteeism was not a major problem, with 72% of employers saying that they do not lose more than 5% of labour time due to absenteeism.

Chapter Seven

Income and capabilities

The evidence raised in this Chapter is clear: most South African farm workers live in circumstances of absolute poverty. Moreover, when their standard of living is compared to that of other urban and non-urban workers, their relative poverty is also evident. Some form of policy intervention is therefore needed to redress the situation. Whether intervention is successful will depend on the extent to which the capabilities of these workers are improved.

Calculations based on the data presented here show that there is a clear correlation between farm worker income categories and their access to housing and household services, as well as between income and literacy levels. Thus, policies such as a minimum wage or an income supplement aimed at increasing the incomes of farm workers in South Africa could at the same time improve their capabilities. Yet this need not be the case, for a number of potential reasons:

- income supplements may end up in the hands of male workers, whose spending patterns are different to those of women. Improvement of capabilities requires investment in nutrition, education, health, etc. rather than in consumer goods
- a minimum wage that is set too high may benefit those who are able to retain employment, but could harm those who become unemployed. As the latter is more likely to include vulnerable groups such as women, the youth and non-South African workers, there is a limit to the extent to which a minimum wage can be used to take people out of poverty.

This latter effect can be illustrated by means of an example of the potential effect of a countrywide minimum wage of (a low level of) R200,00 per month. The analysis is done with reference to **Table 14**, where there is a comparison between the primary demographic characteristics of workers earning below R200,00 per month and those earning above R200 per month, together with the average for all farm workers. The demographic characteristics of the unemployed are also included to assess the degree of difficulty these workers will have in trying to get a job.

Table 15 shows that women, the youth and non-South African farm workers are the most vulnerable to unemployment. For example, the Table shows that comparatively more women earn less than R200 per month in relation to the total farm worker population (i.e. 59.5% of men earned less than R200 per month, while fully 73.6% of women earned less than R200 per month in 1996). Women in the economy also bear a disproportionate share of the unemployment burden. **Table 11** also shows the extent to which younger farm workers, those aged 15-34 earn the least. Non-South African farm workers are also relatively more vulnerable.

Table 15: Comparative demographic profile

		<R 200	R 200+	Farm Workers	Unemployed
Gender					
	Male	59.5	73.6	71.0	43.7
	Female	40.5	26.4	30.6	56.3
		100	100	100	100
Cumulative Age	15-19	8.2	4.8	5.7	6.2
	20-24	25.6	19.5	21.1	27.6
	25-29	40.8	36.8	37.8	48.6
	30-34	54.1	52.1	52.6	64.8
	35-39	65.5	64.9	65.0	77.0
	40-44	75.1	75.8	75.6	85.7
	45-49	83.4	84.6	84.3	91.8
	50-54	89.6	90.7	90.4	95.6
	55-59	94.4	95.3	95.1	98.1
	60-64	97.3	98.0	97.8	99.2
	65+	100.0	100.0	100.0	100.0
Nationality	South Africa	94.8	97.8	97.0	99.5
	Southern Africa	5.1	2.1	2.9	0.4
	Other	0.0	0.1	0.1	0.1