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THE IMPACT OF LABOUR LEGISLATION ON SOUTH AFRICAN FARM WORKERS' LIVELIHOODS IN THE SKUINSDRIFT AREA, NORTH WEST PROVINCE

Astrid Grub



picture taken by Danie Robbertse in 2003

A dissertation submitted to the Faculty of Humanities, University of the Witwatersrand, Johannesburg, in the fulfilment of the requirements for the degree of Master of Arts.

Johannesburg, 2005

DECLARATION

I declare that this thesis is my own unaided work. It is submitted for the degree of Master of Arts (Development Studies) in the University of the Witwatersrand, Johannesburg. It has not been submitted before for any other degree or examination in any other university.

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February 15th 2005, Johannesburg

ABSTRACT

People living and working on commercial farms in South Africa are the poorest and most vulnerable group in the labour market. They rely on multiple livelihood strategies to alleviate risk and to survive. Wages from their employment in agriculture usually constitute their primary source of income and therefore play an important part in their livelihood strategy, as does their dependence on the farmer for housing, food, credit and access to services. The livelihood strategies of these poor people have been disturbed by the introduction of the Sectoral Determination for the Agricultural Sector, which prescribes a minimum wage for farm workers. It is especially the most vulnerable workers who are hit by the farmers' reluctance to grant them the same benefits as they received before. The law thus only succeeds in supporting those workers who are better educated, healthy and able to manage the higher amount of cash wage in a responsible way. It is necessary to protect those who are made worse off through the legislation by a comprehensive rural development strategy. Such a development strategy must target those factors keeping the poorest farm workers vulnerable and struggling for survival.

Key words: farm labour; multiple livelihoods; minimum wages; paternalism

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ABBREVIATIONS

BCEA	Basic Conditions of Employment Act
BMZ	Bundesministerium für Zusammenarbeit und Entwicklung
CCMA	Commission for Conciliation Mediation and Arbitration
CDA	Marico Bushveld Community Development Association
COIDA	Compensation for Occupational Injuries and Diseases Act
CRLS	Centre for Rural Legal Studies
CSSR	Centre for Social Science Research, UCT
DFID	Department for International Development, UK
DoL	National Department of Labour
DSJW	Deutsch-Südafrikanisches Jugendwerk
Ecarp	East Cape Agricultural Research Project
EEA	Employment Equity Act
ESTA	Extension of Security of Tenure Act
HDI	Human Development Index
HRW	Human Rights Watch
HSRC	Human Science Research Council
IDS	Institute for Development Studies, Sussex
LRA	Labour Relations Act
LRAD	Land Reform and Agricultural Development Programme
MBWUA	Marico Bushveld Water Users Association
MRDP	Madikwe Rural Development Programme
NAFU	National African Farmers Union
NDA	National Department of Agriculture
NGO	Non-governmental Organisation
NLC	National Land Committee
OHS	October Household Survey
OHSA	Occupational Health and Safety Act
PAETA	Primary Agriculture Education and Training Association
PPP	Purchasing Power Parity
PSLSD	Project for Statistics on Living Standards and Development
SA	South Africa
SAHRC	South African Human Rights Commission

SA-PPA	South African Participatory Poverty Assessment
SAAPAWU	South African Agricultural Plantation and Allied Workers Union
SALDRU	South African Labour and Development Research Unit
SETA	Sectoral Education and Training Association
SL	Sustainable Livelihoods
UIF	Unemployment Insurance Fund
UNDP	United Nations Development Programme

ACKNOWLEDGEMENT

My gratitude goes out to my supervisor Stefan Schirmer as well as to Noor Nieftagodien and Linda Oldert from the Development Studies Department, who helped to make this of work possible.

I am very much indebted to the people from the Skuinsdrif area, who were cooperative and helpful. Thank you to the farmers, who have willingly granted me access to their farms and who have promised that no negative consequences will arise in response to my findings. Thank you also to the farm workers, who willingly sacrificed their lunch hours and evenings, especially for their openness and trust. And thank you of course to everyone else, who took their time to talk to me and to answer my questions.

Special thanks to William Mogapi and Sam Mothladile, my translators without whom the research would not have been possible.

Thanks to the people from the MRDP, especially Arno Faul, and to Koos, Marie and Danie Robbertse, who have hosted me and supported me.

I want to emphasize that I did all this work with good intentions and that all my writing and findings are based on careful thought and analysis. This is an academic piece of work and no slander is intended. Due to restrictions in space and time this thesis does not attempt to draw an all-encompassing overview of the situation in the Skuinsdrif area and might therefore seem incomplete to people from the area.

Last but not least, many thanks to everyone, who has made my stay in South Africa the wonderful experience it was, and to my family and friends back home, who have supported me during all my crises as best as they could over the distance.

1 INTRODUCTION

South African farm workers are the poorest and most vulnerable group in the labour market. Except for the Western and Northern Cape, most farm workers are African and are generally located at the low end of the distribution of power, education and income. Though farm wages are very low, on-farm employment is the most important source of income in rural areas, but South Africa's rural people have always used multiple livelihoods strategies to alleviate risk and to survive. Farm workers use their skills to run a small business or do some gardening, they rely on family labour to manage the household tasks, they receive social grants and remittances from family members, participate in savings societies and rely on community and kinship networks, especially in times of crises. Another important part of farm workers livelihood strategy is to rely on the farmer as provider of housing, food, credit and access to services. The livelihood opportunities and choices that farm workers face are in constant fluctuation, and are affected by many different factors, Minimum wage legislation has recently become a crucial factor affecting farm labourers' livelihoods.

Historically, farm labour has been more oppressed by legislation than helped. During the apartheid era legislation was used to gradually decrease the rights of Africans. Since the end of apartheid, legislation was issued which affected the economic situation in the agricultural sector as well as the working and living conditions of farm workers and farm dwellers. In December 2002 the Department of Labour introduced the Sectoral Determination 8 for Agriculture. This legislation is an extension to the Basic Conditions of Employment Act and is designed to address the vulnerability of farm workers and to prevent their exploitation. The basic part of this legislation is the prescription of minimum wages for labour in the agricultural sector. Considerable opposition from farming bodies has accompanied the drawing up and implementation of the law, but unions and the ANC-government see it as mile stone to help farm workers to break out of the cycle of poverty and dependence they are in.

Minimum wages are a highly ideologically charged topic and it is not my intention to enter this debate with my research. Rather, I want to distance myself from it and look at it from a different and new angle. The subject of this research thus is the impact that this piece of legislation has had on livelihood opportunities and choices of farm workers in South Africa and how it affected their livelihoods strategies. For about three months in late 2004 I

conducted qualitative research in the Skuinsdrif area in the South African North-West Province. I concentrated on three farms with distinctly different features, the Oosthuizen-farm, which is a medium sized farm that complies to the law but has had problems with workers who objected to the way the new law was introduced; the Robbertse-farm, which is a small-sized farm that also introduced the minimum wage law and features a good relationship with its workers; and Maswela, where the farmer has applied for exemption from the new law because he thinks it gives his workers a bad deal and they rather prefer to stay on the old system. I also talked to other people in the area including farmers and farm workers, business people and policemen, people from the Madikwe Rural Development Programme, as well as to representatives of Agri SA and the South African Agricultural Plantation and Allied Workers Union.

Due to a high degree of indignation and anger felt by many farmers, they withdrew the supportive network they used to offer their workers and immediately started rationalising their work force. The legislation thus helps those workers who are better educated and are already well established in the work force, as well as those who are able to manage these new amounts of cash responsibly. Like every government intervention, this one also had unintended consequences that left many vulnerable people, women, children, the elderly and the disabled as well as the lowest skilled workers, even worse off than they had been before. Therefore, the drawing up of a comprehensive framework for the rural areas is a prerequisite to counter these impacts.

Chapter one of this report reviews the literature on minimum wages and brings it into contact with literature on poverty, inequality and vulnerability. All of this is then drawn together in the section on multiple livelihoods, which forms the basis of the research. In chapter two, an overview of farm labour in the new South Africa precedes a section which explores the pre-1994 legislative development and another section on post-1994 legislative development. The latter is detailed and ends with the Sectoral Determination 8 for Agriculture and two examples of research that have been done on its impact. The research chapter is the main body of this thesis and incorporates an overview over the area, the methodology used and eventually the research findings and the conclusion drawn out of them.

2 LITERATURE REVIEW

In this chapter I will highlight theoretical aspects that were important when refining the research and will later be important in evaluating my research findings. The chapter distinguishes between poverty, inequality, vulnerability and multiple livelihoods in order to highlight the contribution these concepts make to explain the situation of farm workers. Each of these concepts and problems will then be linked to minimum wages. Because of a lack of research and data on farm workers and their livelihoods in South Africa, it is not possible to draw a conclusive picture of their situation. Still, the most important aspects of their lives will be considered and outlined in this chapter. The highly charged ideological debate about minimum wages will be outlined, but no stance for or against minimum wages is taken here. The sole purpose is to show their possible impact on poverty, inequality, vulnerability and the livelihoods of farm workers. The main body of the thesis will then explore empirically how minimum wage have affected farm workers in one locality, the Skuinsdrif area in the North West Province in these respects. The minimum wage literature covered here focuses on developing countries and agriculture.

2.1 MINIMUM WAGE

Minimum wages are generally seen as a way to secure a minimum acceptable social wage and as a way to alleviate poverty and decrease (income) inequality. They principally guarantee a set wage for low-skilled workers, enough to cover their basic needs. The basic aim of minimum wage policies is (1) to ensure that all wage earners receive decent wages, (2) the elimination of "sweating" or exploitation, (3) the preservation of purchasing power, (4) the reduction of poverty, (5) the removal of unfair competition, (6) ensuring equal pay for equal work, (7) preventing industrial conflict, and (8) promoting economic growth and stability (Starr 1981: 17-23)

There are major disagreements amongst economist about the impact of minimum wage legislation. The debate basically revolves around two major "schools". The first says that minimum wage is extremely harmful for the economy and for the working poor, as the latter tend to have the lowest productivity and will be thus the ones fired and replaced by capital-intensive production methods first. The minimum wage thus "often hurt[s] those they are designed to help" (Lal 1998: 8). Lal (1998:8) also says that within recent years there has been a "consensus amongst economists that the minimum wage is not an efficient

instrument to deal with the problem it seeks to solve", which is poverty, and that it "is an inefficient, well-intentioned but 'inexpert interference' with the mechanisms of supply and demand" (Lal 1998: 31).

In opposition to this first school of thought, the second "school" sees minimum wages as a blessing for the economy and the working poor, as it puts an end to the latter's exploitation, which in this case is defined as paying workers at rates that are fare below their productivity. Minimum wages would also increase productivity by increasing the incentive to work harder. The demand for labour could rise due to increased incentives to work and also the demand for products could rise, as more money is available. Through enhancing investment, employment and demand it would then boost the economy. "To date, the minimum wage has been the most direct and comprehensive policy tool for improving the lot of the working poor" (Levitan & Belous 1979: 150) is the conclusion of Levitan and Belous, which is in stark contrast to the findings of economists like Lal.

Of course there are also economists and academics, who say that legislating a minimum wage can have good and bad consequences, depending on the circumstances and its level in comparison to the mean wage (see for example Saget 2001 & 2002). Their voices are, however, rather suppressed in the debate about minimum wage, which is a highly ideologically charged one, where rather liberal political opinion goes along with the rejection of a minimum wage and rather socialistic political believers are highly in favour of a legislated minimum wage.

Despite a lot of econometric work on the topic, there is no conclusive evidence about the effects of minimum wages in any given case. There are many influential factors, such as whether all sectors and/or the whole affected sector is covered, what the elasticity of the labour-capital ratio is in the given sector, how the economy is fairing as such (downturn/or upturn), or how high compliance is. Considering the specific circumstances is thus vital for the success or failure of any minimum wage legislation.

There are many factors that could offset the disemployment effects of a minimum wage predicted by the traditional economists. Usually the employer will require higher productivity by his labourers, which means that unproductive workers could lose out. It also means that moderate minimum wage increases can be offset by this mechanism of increased productivity and might not affect overall employment, says the second school. Often, non-wage compensation is cut by firms. Increases in fixed and human capital are also possibilities to make labour more productive.

> "The very fact that firms may respond to an increase in the minimum wage other than by dismissing employees is important. It means that the implication of workers' and employers' organisations in the determination of minimum wage may greatly contribute to the success of any minimum wage policy" (Saget 2001: 3).

According to the second school, another factor that could offset the disemployment effects of a minimum wage legislation would be an increase in demand, a "demand shock" (Saget 2001: 3). In case of high non-compliance, as is the case in many developing countries, there are lower disemployment effects as well (Saget 2001: 17). As we have seen it is also important how high the minimum wage is set above the average or market wage. Some of these factors can be manipulated by legislation, but others such as the development of demand, are exogenous factors that could have unanticipated effects.

A rigid minimum wage law that does not make any provisions for lower wages for new entrants to the labour market can be a high obstacle for these often young people. New entrants, who have to enter the labour market on a learnership basis, are less productive than long time workers and have to be introduced to the methods of working and the skills necessary for the specific job. Therefore, they are usually paid less than the average worker. If the job they are entering is a minimum wage paying job, it may thus not be possible to pay them less than other workers, which could lead to fewer entrants into this labour market than would have been the case without a minimum wage law.

The general argument that minimum wages decrease employment has been challenged in a study by Card and Kruger (see Card & Kruger 1995). They looked at the fast food industry in New Jersey (where there was a minimum wage) and Pennsylvania (where there was no minimum wage). They concluded that there were no evident disemployment effects in the minimum wage affected area. This study has however been seriously challenged. One major criticism is the possibility to adjust output prices in the sector. Input prices have risen in the whole sector and as competition is only local all players can raise their output prices without major effects on demand (Saget 2001: 5).

Because of the incomparability of circumstances and the lack of data, it is thus generally not possible to pre-evaluate the minimum wage effects in any given case and it is very difficult to come to any comprehensive general conclusions on its impact.

The little data that is available allows us to look at employment and poverty effects of minimum wages. Other effects like training-provision, productivity, working conditions

and prices have been hardly explored. These are the kinds of effects that I will discuss in my research findings in the third part of this thesis.

We can conclude, therefore, that contrary to what Lal claims, it is not yet established among economists as a group, what costs and benefits a minimum wage can be expected to generate. Benefits listed by Levitan and Belous (1979: 23-25) are higher earnings for the poor, alleviations of ill effects of discrimination and labour market pathologies, mild income redistribution, incentive for people to work (instead of relying on welfare) and increased incentive for employers for training, education and health care, to ensure higher productivity of their workers. The macroeconomic virtuous cycle that could be started by a minimum wage was that higher income created higher consumption, which again created higher demand and led to enhanced productivity. This would induce higher investment and lower unemployment. Also, Saget (2002) notes the possibility of negotiations around the minimum wage to enhance and promote social dialogue, thereby creating a stable social environment. Minimum wages can also function as social safety nets, especially in developing countries, where social security is yet little developed. Governments also favour minimum wages because of their ability to redistribute income in society, to promote productive employment and to enhance demand-driven growth. The minimum wage could also ensure a better match between workers' skills and job requirements, thus lowering the opportunity cost of undergoing schooling and training.

Costs mentioned by Levitan and Belous (1979: 26-27) are increased unemployment, an increase in capital-intensive and labour-saving production methods, higher inflation, decrease of wage differential, wage hikes and reduced regional differences (which will effect their comparative advantages).

There is a consensus that in the case of a minimum wage policy, it is especially important to look at the levels at which they are set, the level of coverage and how they are implemented. Otherwise the goal to stabilize the country and the labour market could backfire and lead to severe non-predictable outcomes. Policy makers are thus faced by a dilemma:

> "On the one hand, a high level of minimum wage is an effective way of protecting low-paid workers from poverty, but it might cover few such workers because of job losses, or non-compliance following the introduction of the high minimum wage. On the other hand, a low minimum wage might cover more workers but offer a weak protection against poverty" (Saget 2002: 69).

It is important for policy makers and the state not only to set the "right" minimum wage but also to pursue a growth-friendly strategy so that the economy can pick up accommodate those whose labour has become more expensive due to minimum wage regulations. Only a growing economy will be able to offset the job losses, which may be small but have been observed in almost any case where a minimum wage law was introduced or strongly increased (Saget 2002).

2.1.1 Minimum Wage in Developing Countries

Despite problems particular to developing countries, minimum wage laws are popular with public policy makers and exist in many developing countries, where they were mainly introduced soon after independence. They are perceived as raising the incomes of the working poor and are thus meant to secure political support from this sector. The problems developing countries face are the large uncovered sector and difficulties with enforcement. The latter can be partly offset by maintaining a strong social dialogue, which will enhance compliance in an environment, where only limited resources are available for labour inspections. Also, minimum wages were and are often set at very low levels, thus having basically no impact (Livingstone 1995: 734). Most developing countries have a large informal sector, which obviously is not covered by the law (Jones 1997: 1). It has also been shown that most new jobs created in developing countries are created in this informal and uncovered sector (Saget 2001: 1).

The goals of implementing a minimum wage are the same in the developed and the developing work, i.e. to reduce poverty and ensure a fair wage. A lack of other means to pursue these goals has led many developing countries to pass minimum wage legislation.

> "The desperately low living standards of many wage earners and their vulnerability owing to illiteracy and scarcity of jobs have undoubtedly intensified the pressure on governments in developing countries to take direct remedial action. As a policy instrument for such direct action minimum wage regulation has had considerable appeal. While not involving any significant government expenditure it constitutes a simple and visible means of providing the required protection and achieving the frequently declared development objectives of social justice and improved distribution of income" (Starr 1981: 13).

Minimum wages are therefore often no more than propaganda, as "[i]n many developing countries the minimum wage has been close to the lowest market-determined wage (…), or else it has not been enforced" (Lal 1998: 18).

Especially in developing countries, unemployment is often high and due to generally low skills levels there is high demand and competition for low-skilled and thus low-paying jobs. This competition keeps the prices low and is a major reason why governments tend to introduce legislation to raise the wages (Craig et al. 1982 : 135). This, however, only works if non-compliance is kept at a minimum. If many people are willing to work for a wage below the prescribed minimum wage and there are no controls, producers will have the incentive to stay below the prescribed wage. Therefore, they will be more competitive than those employers paying the minimum wage, because their input costs will be lower. The other problem about the minimum wage being in place in a situation of high unemployment is that unemployment will likely be further enhanced. The absorptive capacity of different sectors in developing countries is much less than it was historically in industrialized countries, where high economic growth often offset the negative effects of the introduction of a minimum wage. Also, the skill-level, mobility and productivity of low-paid workers, especially farm workers, is often so low that it is not possible for them to work in another sector of the economy.

Employment effects in developing countries are more likely to be adverse, especially if there is low labour mobility. As there are little to no social safety nets in place and the poor have little savings to rely on in times of unemployment, there is strong pressure to find employment. In cases where labour mobility is high, retrenched formal sector employees can move on into the informal sector, if their reservation wage is not too high. This would depress wages in the informal sector, but distribute the loss more evenly. "Theory predicts that informal sector wages will fall when the supply of labour to the informal sector rises and there is no matching rise in demand" (Jones 1997: 2). In the case of low labour mobility, "the entire brunt of the legislation falls on the shoulders of workers in the formal sector who experience a rise in unemployment" (Jones 1997: 5).

Jones analyses the case of Ghana since the introduction of minimum wage legislation in the early 1970s. She finds that the country faced significant "job losses during the 1970s and 1980s as a result of its minimum wage policies" (Jones 1997: 9). The job losses were especially acute amongst compliant firms and in the public sector, who fired 2.5 more workers than firms that evaded the legislation. High proportions of Ghanaians who work in the formal sector are employed by the government and were hard hit by this development. Jones observed shifts of displaced formal sector workers to informal activities and

suggested that this led to decreasing wages in this sector. Thus, the wages of those workers who were most vulnerable and could least afford it were reduced.

> "[T]he time-series analysis presents strong evidence that informal sector employment rose in response to Ghana's minimum wage policies. If we assume that there was no simultaneous shift in the relative demand for informal sector workers, this rise in the level of employment is likely to have caused a fall in informal sector wages" (Jones 1997: 12).

Based on evidence from Malawi, Livingstone (1995) recommends that instead of issuing a minimum wage, which will only affect specific sectors if coverage is low, it would be more effective to raise the supply price of labour. This could be done through rural development programmes and by improving the rural cash economy. It is generally observed that compliance is highest among large companies and agricultural estates. This is either because they have a wider margin to cut bonuses or because their profit is usually large enough to be reduced and still be viable. Compliance of these large companies and estates could lead to increased prices of labour in their vicinity, but it could also have the effect of increasing the division between wages in large-scale and small-scale enterprises and sectors. Important as well is whether there is increasing demand for the goods these large firms produce, which will again offset disemployment effects. Such exogenous factors can, however, not be controlled by minimum wage legislation. Especially in the era of liberalization and structural adjustment, some sectors in developing countries are under strong pressure to keep up with the international competition. A more flexible wage policy is thus often recommended to keep up the viability of certain economic sectors.

These examples of Ghana and Malawi show that it is very important to consider the national as well as sectoral circumstances when setting a minimum wage. Therefore, it seems necessary to take these into account and not to embark on a blueprint approach when introducing a minimum wage, otherwise it could lead to unanticipated outcomes and highly adverse effects. Many variations are possible. For example, setting different minimum wages for every sector or dividing minimum wage levels between urban and rural wages, as is the case in Malawi. Also, there is considerable scope for independent negotiations between the employer and employees or the respective unions.

In developing countries there is always the danger of minimum wages becoming maximum wages. Thus semi-skilled and skilled workers will be paid the minimum wage, which makes it more difficult for unskilled workers and new labour market entrants to find

employment. In such a case, a minimum wage could be a major determinant of unemployment for these groups of employees (Saget 2002: 69).

But not all is bleak for minimum wages in developing countries. Minimum wages have had positive effects in an environment of high economic growth and can be a means to distribute gains from economic growth more evenly, instead of relying on trickle-down effects. They can also be part of a demand-led growth strategy, where higher income for the poor is translated into higher consumption, which then promotes economic growth through increased demand for locally produced goods.

2.1.2 Minimum Wage in Agriculture

Some industries are typically low-wage paying. Agriculture is amongst them. All over the world agricultural workers are amongst the poorest paid wage workers. Still, minimum wages are more common among manufacturing and industrial sectors, especially in developing countries. Reasons for this include the high dispersion and difficult observation of compliance in agriculture as well as the dominance of small-scale producers in the sector in many countries.

> "There often is a strong relationship between the occupational mix of an industry and whether it is a low-wage sector of the economy. Low-wage industries tend to have a higher ratio of production to nonproduction workers, laborers to skilled craftsmen, or clerical to professional and technical employers" (Levitan & Belous 1979: 19).

This description of a low-wage industry by Levitan and Belous perfectly fits the agricultural sector in South Africa. A number of studies have shown that minimum wages tend to have a significant effect on wages paid to agricultural workers (see for example Livingstone 1995; Azam 1992 & 1997). But these studies do not weigh the increase in wages with the costs of a (possible) increase in unemployment[1]. Individual and social costs and benefits have to be considered in a comprehensive evaluation of the impact of a minimum wage legislation.

The difficulties of introducing minimum wages that were mentioned above are relevant in agriculture as well. Labour demand in agriculture is highly elastic as employers readily replace labour with capital. Mechanization and the introduction of labour-saving technologies are the "major ways that producers can adjust to higher wage rates as caused

[1] Increased rural unemployment was, for example, a major consequence of the introduction of minimum wages in the Zimbabwean agriculture (see Lipton & Lipton 1993: 1528).

by increases in the legal minimum wage" (Gardner 1981: 214; see also Lipton & Lipton 1993: 1540-1541). Other factors enhancing this elasticity are changing crop patterns and substituting full-time with part-time employment. It is much less possible to change the output prices of produced goods, so it has to be the prices on the input side, which have to be varied (Craig et al. 1982: 132). Because many agricultural products are traded internationally, there is little leeway for producers to change their output price in order to compensate the rising input cost. Especially labour-intensive crops such as tobacco and chilli that used to have high profit margins, are now earning less on the global market then they used to five or ten years ago. This clearly affects the ability of farmers to pay minimum wages.

The wage differential amongst farm workers is generally low (Levitan & Belous 1979: 14). With a minimum wage, the lowest paid workers gain proportionately more than the higher paid workers, which leads to a lower wage differential. This could decrease incentives for higher productivity. Also, for children growing up in farming areas there is little incentive to undergo the opportunity cost of better education, as they do not see any chance of getting any better paid jobs. This will more or less counteract any intention that legislation has had to enhance skills and promote human capital formation. If on-job training is also reduced, there is little chance for farm workers to enhance their skills basis and "step up the ladder".

The following sections look at findings on the minimum wage in US-agriculture, as an example of its impact in an industrialized country, and at the impact of the minimum wage on Moroccan agriculture, as an example of a developing country. It has to be mentioned, however, that these are individual examples and are not representative of all experiences in these kinds of countries.

In the US, the agricultural minimum wage has existed since the 1970s and was generally set at about half the level of the average wage level for manufacturing (Gardner 1981: 212). Gardner (1981: 213) observed that "there is a trend toward a better-educated, more experienced, more specialized hired farm labor force" since the implementation of the minimum wage, but it can not be determined whether this would not have also been the case without a legislated minimum wage. The relation of farm employees and employers has changed over the years in the US, a trend that was most probably accelerated by the minimum wage. From a more personal and family-like relationship it has become more of a wage-earning relationship, similar to factory work in manufacturing. It is a mere 45 hours

job with no other obligations on either side and no further attachments. A drastic decrease of farm employees living on farms and taking part in a 'farm-family' life has also been observed (1981: 215).

Gardner (1981: 218) suggests that because of the minimum wage, farm employment fell more than it would have otherwise. But he points to other factors that also contributed to this decline, such as mechanisation, technical progress, price shifts and unionisation. It is thus very often not possible to disentangle the effects of labour legislation from the effects of other economic and technological changes taking place at the same time.

In Morocco the agricultural labour market is quite monopsonistic. "[F]irms are price-takers in the product market, but have some degree of market power in the labour market" (Saget 2001: 3). There is low labour mobility in the Moroccon case and the low agricultural minimum wage seems quite well enforced. Azam (1992) found that Saget's prediction about minimum wages in monopsonistic markets was true in the case of the Moroccon wheat sector. Azam states that "[w]hen firms are confronted with an increase of minimum wage above the ongoing wage (which is less than the worker's marginal productivity in the case of a monopsony), theory predicts that the best strategy is to increase the level of employment" (Saget 2001: 3). In Morocco, the increase in the real minimum wage increased wheat production and labour demand, as a consequence. He thus concludes, that the minimum wage increased employment for agricultural workers, who are amongst the poorest workers and that a minimum wage in agriculture is thus an effective tool to help alleviate poverty. Another reason why the agricultural minimum wage was effective in alleviating poverty in Morocco is given in Azam, 1997: The minimum wage prevented employers from trying to find the lowest possible level of payment for each employee. Each employer had an incentive to monitor other employers' compliance, as there are employees of different employers in the same household and increases in the wage of one of the workers would not translate into adequate consumption benefits if he had to share his increase. "[I]n this model, the minimum wage works in the common interest of the employers, by preventing some kind of opportunistic behaviour" (Azam 1997: 379). Azam (1997) also found, as did Livingstone in Malawi, that permanent workers on large estates were generally paid more than workers on small-scale production entities. This was the case before the minimum wage was introduced and after its introduction they often earned above the prescribed level. In line with the argument just presented, farmers prefer to employ household members of their permanent workers, either as additional permanent

workers or for seasonal and casual labour, so that the need for the former to share their wage is reduced.

The positive effect of Morocco's minimum wage thus lies in its ability to move the wage level up to the efficiency level, as enhanced income insured enhanced consumption and higher productivity.

> "[I]t has certainly helped to reduce poverty during [1978 to 1991], as agricultural workers are the poorest group in the society. (…) it is possible that the minimum wage is now close to its efficient level, so that any further increase beyond that point could result in a large increase in rural unemployment and a fall in output" (Azam 1997: 380).

2.2 POVERTY

The definition of poverty and deprivation is closely linked to its measurability. Objective indicators are concerned with measurable data such as income levels, consumption expenditure and life expectancy; subjective indicators are based on attitudes and needs and are generally collected from the people directly.

It has been shown that money-metric measures, which best allow for interpersonal and cross-country comparisons, are a fairly good proxy for the standard of living (Ray 1998: 29; May, Woolard & Klasen 2000: 21). The most well known and widely used of these are 'GDP per capita' (calculated with Purchasing Power Parity values) and '$1 per day'. The latter is an internationally applicable poverty line. Other (national) poverty lines have been drawn up as well, considering baskets of goods that are necessary for an adequate standard of living. The share of the poor below the poverty line is called the 'head count' index. The poverty gap, which is the amount of transfers needed to lift all poor out of poverty, measures the depth of poverty. Another dimension is the severity of poverty, which is calculated by looking at the gap between the 'worst-off' and 'best-off' poor. The comparison of income quintiles and their share in total income is also a common measurement of poverty. No prescribed poverty line exists here, but it is set at the lowest 20 per cent or even 40 per cent. This means, that the poorest 20 or 40 per cent of the population are considered poor, irrespective of the exact amount of their income.

All these measurement are rather static and statistical. They focus on money but neglect other needs that people might have. Groups that are slightly above the income measure but are deprived in other ways are also not counted. This is in part made up for by the Human

Development Index (HDI), which is computed and annually published by the United Nations Development Programme (UNDP). It is a composite index which includes three measures of human development. These are longevity, knowledge, and a decent standard of living measured by life expectancy at birth, a combination of adult literacy rate and gross enrolment ratio, and GDP per capita (PPP US$). They are each calculated in a single index, which are then combined to form the HDI. All countries are then listed on a scale from 0 (minimum value) to 1 (maximum value).

It is increasingly recognised that poor people's realities are not only explainable with reference to their financial endowments. Many other features come together to enhance the poverty/deprivation trap ('poverty proper') as defined by Robert Chambers (1983: 108-138). It is certainly true that "[e]conomically marginalized groups tend to be socially marginalized as well, so that there are disadvantages with respect to both resources and power" (Kanbur & Squire 1999: 17).

> "For poor people, achieving security and recognition of their dignity as human beings may be just as important as, or inseparable from, improving their incomes and standards of consumption. Indeed, they may be prepared in certain circumstances to 'trade off' possible gains in income against gains in their security and self-respect" (Bernstein, Crow & Johnson 1992: 18).

Therefore, subjective measurements that usually rely on a Participatory Survey such as the 'South African Participatory Poverty Assessment' are increasingly used to assess poverty and to devise strategies for poverty alleviation. Participatory surveys show clearly that vulnerability and powerlessness are amongst the most pressing deprivations of poor people (Kanbur & Squire 1999: 15-21). However, comparisons of these relative assessments often reveal strikingly close correlations to objective and money metric measures (May, Woolard & Klasen 2000: 26). Therefore, money metric data are good proxies for poverty and are easier and faster to gather than data from participatory or other more extensive surveys.

In general, it is not only the lack of financial and monetary assets that characterise poverty, but also the *overall* lack of assets, which prevents accumulation and coping strategies from emerging (May, Rogerson & Vaughan 2000: 230).

2.2.1 Poverty in South Africa

Quantitative data concerning the South African Poor is mainly derived from the 1993 Project for Statistics on Living Standards and Development (PSLSD) undertaken by the

South African Labour and Development Research Unit (SALDRU) at the University of Cape Town with support from the World Bank. Qualitative research was done under the auspices of the South African Participatory Poverty Assessment (SA-PPA) in 1995-96, which involved various researchers and organisations in fifteen different studies. Much of the literature on poverty in South Africa relies on these data (for example May 2000; Bhorat et al. 2001).

Whatever measure is applied, about 40-50 per cent of the South African population can be categorised as poor, with earnings of less than R 252.53 per adult per month (May 2000: 53). This was the individual poverty line in 1995, set by the October Household Survey (OHS). The overall HDI of 0,677 (1991) does not reflect the great disparities between provinces and races. The HDI of 0,901 for the white population is close to Canada's HDI, whereas 0,500 for the black population rather resembles the state of Swaziland and Lesotho. The best-off province is the Western Cape with an HDI of 0,826. The Northern Province is worst-off with an HDI of 0,470.

Other findings of the quantitative and qualitative surveys are quite unambiguous: The poverty rate is highest and poverty is deepest in the rural areas, with an unequal distribution between the provinces. Poverty is racially concentrated amongst blacks, with children and women being the most vulnerable. There is a strong link between unemployment and poverty in South Africa.

> "The poor are more likely to be African and to live in rural areas. (…) The poor also have low levels of education, lack access to wage employment and are likely to be found in female-headed households. The poor also lack access to basic services and to transport. Given all of the above, it is not surprising that the poor are more vulnerable to illness and to stunted growth. Such physical and human capital deprivations are important in perpetuating the cycle of poverty" (Bhorat et al. 2001: 72).

All national surveys found a high reliance of South Africa's poor on remittances and state transfers. The access to wage income and the amount of it, however, is another major determinant of how deep a households sinks below the poverty line, and of the degree of inequality among poor households (Sender 2002: 12; see also Delius & Schirmer 2001).

2.2.2 Poverty and Farm Workers

Farm workers are amongst the poorest people in South Africa and the poorest formal sector employees. They are caught in a cycle of poverty, which is not only financial poverty, but

also expressed by lack of access to services, inadequate housing and sanitation facilities and a high illiteracy rate. "Farm workers rank as the poorest people in South Africa in terms of many development indicators, including cash income, education levels and nutritional status" (Hall, Kleinbooi & Mvambu 2001: 2).

The SA-PPA identified six dimensions of poverty, which were generally named by participants (see May 2000: 5). These are (1) the lack of job opportunities, low wages and the lack of job security; (2) the alienation from the community; (3) overcrowded houses; (4) family fragmentation; (5) the lack of access to safe and efficient energy; and (6) food insecurity. I will now examine them in light of farm worker's lives.

One of the factors that make up poverty for the people concerned is the *lack of job opportunities, low wages and the lack of job security*. OHS date from 1995 (Bhorat et al. 2001: 80-95) showed that the workers paid worst in the South African economy were agricultural labourers, with a median income of R 428 per month, followed by domestic workers and mining labourers. There was even a high distribution amongst farm worker's wages with over a quarter earning less then R 293, the individual poverty line. The household poverty line of R 650 was met by only 28 per cent of the farm workers. Controlled for inflation within the last 10 years, it means that farm workers' incomes are generally well below the poverty line set by the OHS. This shows that the level of individual poverty amongst farm workers is extremely high. In 1995 15 per cent of all African employees worked in agriculture, compared to less than 5 per cent of Asians and Whites.

> "[I]t is clear that agriculture and household domestic workers present the highest levels of earnings vulnerability in the SA labour market, irrespective of the choice of individual poverty line. The constellation of covariates identified in the previous distribution functions, namely race, gender, education, union status and location, are all informative in seeking to locate and explain employment that is both unskilled and poorly paid" (Bhorat 2001: 95).

Examples from research in the Free State and Western Cape "represent income levels well below urban averages, and which approximate minimum poverty levels" (Husy & Samson 2001:12). There is thus a strong "relationship between poverty and unskilled rural wage labour" (Sender 2003: 414).

Rural unemployment is high, other jobs are difficult to find, and farm worker's skills are largely non-transferable to work in other economic sectors (Aliber 2001: 36). Despite the

passing of new laws designed to enhance job security for farm workers many feel insecure and the enforcement of the laws is lacking (see below).

Another dimension is the *alienation from the community*. Farm workers tend to create their own close knit communities (Kritzinger 2002: 546). However, Kritzinger (2002) also found that in these communities jealousy, gossiping, fighting and alcohol abuse is often high, which makes the coherent and peaceful farm workers community something of a myth. The abuse of alcohol is a serious problem also stressed by the South African Human Rights Commission (SAHRC):

> "Dependence on alcohol is an enormous and difficult social problem, which impact negatively on the enjoyment of human rights (…). Alcoholism fundamentally contributes to an environment in which human rights are systematically undermined and violated. Alcoholism locks farm dwellers into cycles of dependence on the farm owner" (SAHRC 2003: 195).

Alcohol abuse also diverts money from being spent on food and thus plunges the family even deeper into a cycle of debt and poverty (SAHRC 2003: 198).

The other characteristics of farming communities as found by Kritzinger (2002), jealousy and gossiping, lead to internal conflicts. In addition, the communities as well as individuals are socially isolated and there are very few opportunities for leisure activities. Community life was therefore very rarely stated as a positive feature of farm life by Kritzinger's interviewees. The major contributor to farm life being preferred by some people is that it is safer and cheaper, as many daily necessities (housing, electricity, water etc.) are provided by the farm owner (Kritzinger 2002: 552-557). The perception of farming communities as cohesive and peaceful entities thus ignores conflicts and struggles, which are mostly fought out subversively and do not come out into the open.

Overcrowded houses that need maintenance are seen as typical for poor people. Having many children and dependants can be a cause of poverty or deepen it. Most farm workers, permanent and often casual as well, reside in houses provided by the farmer on his property and sometimes have to share houses with other workers. Often only a single room is available to a family (Kritzinger & Vorster 1997: 116; Hall, Kleinbooi & Mvambu 2001: 2). Studies found that the wage of one farm worker supports on average 4-5 other people. This includes not only children but also adult household members (Husy & Samson 2001: 6).

There is also a high tendency for *family fragmentation*. Households disperse their members, especially the children, over various sites as a survival strategy. Many farm

workers' families stay in the former homeland areas, while the husbands and sometimes wives migrate to work on commercial farms. They might be daily commuters, but it is more common that they stay on the farms and go back home infrequently. This, coupled with the high incidence of HIV/Aids in South Africa and the disruption of traditional institutions such as marriage, often leaves households highly patch worked. Sender, however, showed in a purposive study in Mpumalanga, that those female-headed households who were relying on male financial flows were actually worse off than those who fended largely for themselves. He found that "stable financial links with men are neither a necessary nor a sufficient condition for avoiding the depths of poverty. It may even be the case that a stable link with a man has the effect of blocking the most important escape route from poverty" (Sender 2002: 24). Sender argues that dependence on a man often prevents women from taking their own steps towards finding employment or undertaking other income earning activities. Also, women tend to be more money conscious and less likely to carelessly spend their money on alcohol and other non-essential goods. It could thus be argued that family fragmentation is not bad in itself. Also, female-headed households, which are often singled out as the poorest households, are very diverse and can not all be grouped in the same category.

The *lack of access to safe and efficient energy* leads to the reliance on firewood for cooking and heating, as research on farms in the Free State, Northern Province and Gauteng shows (Husy & Samson 2001: 15). Often children have to do the job of collecting firewood and water, preparing food and looking after younger siblings, which keeps them out of school. Even if access to energy is in place, but coupled with a meter system, many farm workers lack the financial means to regularly buy cards with electric units.

Food insecurity, meaning the inability to provide the household with sufficient food, is seen as an outcome of poverty and often hits children the most. The report to the Department of Labour in Employment Conditions in the Agricultural Sector found that children living on commercial farms are more likely to be stunted and underweight than any other children and that only one in four children on commercial farms is 'food' secure (DoL 2001b).

Poverty on South African farms is thus not only a matter of low wages but also embraces many other aspects. Still, an increase in financial means available to farm workers and their families could help to alleviate many of these 'poverty markers'.

2.2.3 Poverty and Minimum Wage

One major reason for implementing minimum wage regulations is to address the needs of the poor. Sender, for example, argues that raising wages, especially agricultural wages, could be a key to alleviating rural poverty, because there is a high reliance amongst the rural poor, especially women, on the agricultural wage labour market (Sender 2002: 21). Still, it has been shown that there are certain trade-offs that have to be considered when implementing a minimum wage law. There is a possibility of minimum wages decreasing the number of the working poor, but not very much evidence that a great number of them will actually be lifted out of poverty.

> "Much of the justification for minimum wage regulations comes from the intention to provide support to the poor. It seems however that in the presence of a minimum wage increase, some low-wage workers may gain and others lose depending on the employment effect and the impact on average earnings" (Saget 2001: 6).

Minimum wages can especially have effects on two major determinants of poverty: wage income and employment. Unfortunately, an increase in one of these factors often leads to the decrease of the other. Traditional neo-classical supply-demand models suggest that the level of employment will decline if the minimum wage is set above the equilibrium wage. This does not necessarily mean that unemployment (especially not according to the strict definition) will rise accordingly. This is so because many workers will move to the informal sector as they cannot afford to be unemployed. In the case of a monopsony model it has been observed that the implementation of the minimum wage actually increased employment or had at least little to no impact on employment (Card & Krueger 1994; Jones 1997: 4).

As mentioned above, the extent to which minimum wages affect employment depends very much on the context in which the minimum wage legislation is undertaken. It is also important for which time frame an evaluation is set. Negative employment effects, which are often said to be only short term, could be outweighed by long-term social benefits. As examples of such positive effects Bell (1974: 3) names the elimination of sweat-shop conditions, the stimulation of higher capital-labour ratios and raising marginal productivity, and the stimulation of technical change which would again increase total employment over time. These positive effects are linked to a shift in occupations, the adoption of new modes of industrial operation and the development of new technology.

In stark contrast, McCulloch considers that in the long run there will be a reduced incentive to invest in sectors covered by the minimum wage and that minimum wage legislation rather leads to negative employment effects, economic inefficiency and lower investment incentives (McCulloch 1981: 323-324).

Another situation, in which it is suggested that employment will be reduced, is if prices are not elastic and it is not possible for the producer to raise product prices in response to increased production costs.

> "Profitable firms might have to reduce their employment substantially if, as in many export markets, demand is highly sensitive to price changes or it is relatively easy to substitute capital equipment for workers" (Starr 1981: 107).

It is thus to be expected that employers will try to keep the wage bill unchanged by reducing the number of the employed, who then get a higher wage, and by raising productivity. This can either happen by higher capital investment or by enhancing labour productivity. From this follows Levitan and Belous' (1979: 148) conclusion that, "[o]n balance [between job losses and income rises], adult workers appear to be made better off by the wage floor". Unfortunately, this calculation applies a poverty rate measure, which only measures the amount of people below and above the poverty line, but does not consider the depth of poverty. Those people close to the poverty line stand to benefit most from the increased wage and might be able to cross the poverty line. The ripple effect states that "for workers above the minimum labor demand increases and the effect declines with the distance from the minimum. For workers who would have been below the minimum the converse holds and adverse employment effects increase with the distance from the minimum" (Jones, 1997: 2). Levitan and Belous thus do not take into account these adverse effects on the poorest and most vulnerable.

Saget (2001: 6) essentially identifies three effects of minimum wages on poverty:

- Job losses in the covered sector result in zero income for the unemployed if there are no unemployment insurance benefits, which is the case in almost all developing countries.
- Workers who were laid of in the covered sector might find work in the uncovered, informal sector. There, wages are generally lower and thus their poverty is deepened or they might fall into poverty.

- Those workers who remained in the covered sector earn more and might be able to escape poverty, if the minimum wage leap is large enough.

In general, she observes a positive correlation between minimum wage and the reduction of poverty (Saget 2001). This, however, is an overall (national or regional or sectoral) measurement and the same problems as above apply: which poverty measures are used, which countries are included etc. Also, certain workers and groups of society might still be worse of after the implementation of a minimum wage than before. Especially those workers whose productivity is furthest from the minimum wage are at high risk of losing their jobs. It is often the most vulnerable who are hurt by legislation that is actually meant to benefit them. Neither the measure on unemployment nor the measure on poverty can highlight who is actually benefiting or losing from changes in minimum wage legislation. Movements in and out of employment and/or poverty are not projected in such measurements.

According to Saget (2001) the correlation between higher minimum wages and lower levels of poverty could also be due to a higher commitment of governments to the reduction of poverty and the existence of social policies targeting the poor. "Furthermore, there seems to be little relation, if any, between the minimum wage and extreme poverty as measured by the $1 per day international poverty line" (Saget 2001: 20). In most developing countries, thus, minimum wage regulations only affect the "less poor of the low-income population" (Saget 2001: 19), as the very low earners are generally to be found in the informal sector and/or in agriculture, which is generally not covered by minimum wage laws. Also, the reduction in the poverty rate does not necessarily mean that the poverty gap has also been reduced. In fact, evidence suggests that minimum wages might even increase inequality, as I will discuss below.

2.3 INEQUALITY

It has been shown that inequality matters for economic growth and development (see for example Ravallion 2001; Naschold 2002). This applies not only to inequality in income, but in access to resources, opportunities and assets. As Birdsall and Londoño put it:

> "[A]n unequal distribution of assets, especially of human capital, affects overall growth, and it affects income growth of the poor disproportionately, presumably because an unequal distribution penalizes the poor. A better distribution of assets increases the incomes of the poor, reducing poverty directly. Also, by

> reducing the negative effect on growth of income inequality, it increases aggregate growth and further reduces poverty indirectly" (Birdsall & Londoňo 1997: 35).

So the linkage goes in both directions: on the one hand, inequality is bad for growth and the more poor people there are the lower the rate of growth. On the other hand, growth is not necessarily conducive to narrowing the gap between rich and poor. That does, however, not mean that the poor are not affected by changes in the economy. Ravallion (2001: 1812) finds that "[t]he poor typically do share in the benefits of rising affluence, and they typically do suffer from economic contraction". Dollar and Kraay (2000) say that average incomes of the poor rise (and fall) proportionately with average incomes. So there is no consensus yet, in how far the poor share in economic changes and to exactly what extent inequality matters for economic growth.

Naschold (2002) argues that poverty and inequality are directly and indirectly linked and cannot be disassociated from each other. Poverty, inequality and growth are thus interacting with each other through two-way links in a triangle. Especially in highly unequal countries, such as South Africa, growth is less effective in reducing inequality and there are often trade-off decisions between growth and distribution. He concludes that, as East and South Asian examples have shown, there is no evident trade-off between equity and efficiency and that a small change in inequality could have very large effects on poverty reduction.

Inequality is measured by the GINI coefficient, which would be 0 for perfect equality and 1 for absolute inequality. Often inequality is also described by expressing the income share of the total income by household groups arranged in income levels. So, for example, the income share of the richest 20 per cent is compared to the income share of the poorest 20 or 40 per cent.

Inequality is not just a matter of monetary income. "Unequal societies will remain unhealthy societies, and also unhappy societies, no matter how wealthy they become" (Prowse 2002). People at the low end of the distribution are under chronic stress, because of their inferior status and self-worth and because of their tendency towards insecurity and violence. Inequality is thus not only bad for economic growth in that it neglects income gains to large parts of the society, it also prevents their productive capabilities from evolving, as they are caught in a cycle of distress and bad health, which again deepens their inequality and poverty.

2.3.1 Inequality in South Africa

South Africa and Brazil are the most unequal countries in the world. South Africa's GINI coefficient is 0.58 (May 1998). The gap between white and black has constantly closed up since the 1970s, but the gap amongst the African population has widened. The GINI gap within this group is 0.54 (May 1998), which is almost as wide as the national figure.

Expressed proportionately, the poorest 40 per cent of households (equivalent to 50 per cent of the population) receive only 11 per cent of total income. This share of households is equal to 50 per cent of the population. The richest 10 per cent of households, which is equivalent to only 7 per cent of the population, receive over 40 per cent of total income. Inequality of income distribution between race groups accounts for 37 per cent of total income inequality. There is high inequality between rural and urban areas. The median incomes of Africans and Coloureds in rural areas is about half of their median incomes earned in urban areas (May 1998).

> "Income inequality in SA is perhaps greater than anywhere for which there are comparable data. Poverty and inequality in SA have four outstanding characteristics – race, gender, region and type of area. They are interrelated, and to a large extent are linked to type of economic activity" (Standing, Sender & Weeks 1996: 19).

Because of South Africa's high inequality, monetary measures such as GDP per capita can be very misleading. Also the HDI, broken up into provinces, shows great disparities for different regions and races (see May, Woolard & Klasen 2000: 22-25).

Inequality, as well as poverty, has a quite clear racial face, even though the distribution has been changing in the last ten years and the highest gap today is between rich and poor black South Africans. Unemployment, also, is a major determinant of high income inequality in the country. Job creation, thus, is named as first priority for almost 50 per cent of the people surveyed by the HSRC in its Public Attitudes Survey in 2000 (2002: 103).

The psychological effects of inequality are also apparent in South Africa. The above mentioned survey found that 23,5 per cent of the respondents felt helpless in dealing with problems in their life, 26,5 per cent described themselves as hopeless and 18,9 per cent agreed with the phrase "life seems meaningless". In the lowest income group this figure is as high as 38,4 per cent. For each of these three questions Africans were the ones who agreed most to being helpless, hopeless and leading meaningless lives. The major reasons given were unemployment and insufficient funds (40,1 per cent for all respondents)

(HSRC 2002: 79). Thus, poverty and inequality are major contributors to these feelings of not being able to live a proper and meaningful life. It can be concluded that these individual attitudes will have a great impact on individual performance as well as South Africa's ability to reach its economic potential.

2.3.2 Inequality and Farm Workers

Farm workers have been and still are at the low end of whatever distribution one is looking at. They are endowed with little human, physical, social, financial and natural capital. This in turn prevents them from taking part in a possible economic up-turn or from diversifying their livelihoods in order to raise their standard of living. Inequality for farm workers has basically two dimensions: The income/asset dimension and the power dimension.

> "Decades of exploitative control have left a social situation characterised by poverty and extreme inequality of power, between farmer and worker, black and white people, and between men and women" (Husy & Samson 2001: 2).

In a case study in the Free State, Murray (2000:123) found that "relations with the farmer were characterised by an extreme imbalance of power". Such unequal relationships pose institutional as well as psychological barriers to achieving a better life.

Factors contributing to stark power imbalances between farmers and farm workers are summed up by the SAHRC (2003: 172) as

- poverty,
- lack of access to justice,
- lack of access to farms,
- people not communicating due to cultural and language differences,
- lack of civil society role-players
- lack of trust between the role players
- the social and economic effects of alcohol abuse by farm dwellers (especially) in the Western and Northern Cape.

They contribute to a sense of meaninglessness and powerlessness as well as feelings of not having achieved anything in life. This despair leads to the misuse of alcohol and effectively locks farm workers into a poverty trap (Kritzinger 2002: 554).

Farm workers' wages are the lowest in formal sector employment (see above) and they own few assets, which their low pay prevents them from acquiring.

> "Although the wage rate grew at a faster rate than many sectors of the economy, the gap between the wage rate in agriculture and other sectors continues to increase. The agricultural wage on the other hand is important for rural households, as it constitutes on average 39% of rural incomes" (DoL 2001b).

Women are at an even more disadvantaged position concerning wages. Women are paid less, because they are mostly casual workers, do typically female labour and are viewed as less skilled. Also, women generally do not get as much payment in kind (DoL 2001b).

> "Women earn vastly less than men on South African farms with women workers earning on average 25-50% less than men" (Husy & Samson 2001: 12).

Access to resources other than wages is very restricted. Land ownership in South Africa is highly skewed and few farm workers have access to land either for tenure or agricultural activities.

> "[T]he restricted access to land by virtue of poverty by black rural dwellers provides a crucial indicator of the limited power the latter wield in the social and political structure of the society" (Husy & Samson 2001: 12).

Illiteracy is higher amongst farm workers than amongst any other employment group (DoL 2001b). There is very little upward mobility, the opportunity cost for education is high, and the benefits of higher education are negligible or unclear. Low levels of education are major contributors to the inability of farm workers to break the cycle of poverty, inequality, vulnerability and dependence.

> "Limiting the access to schooling and education of black people has been a key component of the apartheid strategy to reproduce a compliant working class in rural areas. The low levels of education and literacy in rural areas provides a formidable barrier for rural people in engaging with the state and with policy processes" (Husy & Samson 2001: 16).

2.3.3 Inequality and Minimum Wage

Minimum wages address inequality at different levels. They address income inequality at a national level, inequality amongst workers in one sector, gender-inequality and inequality between permanent and casual employees. The closing of the income inequality gap (within one sector and across sectors) could thus not be proven to be statistically relevant, as has been shown by Levitan and Belous (1979: 154). Minimum wage earners are at the

low end of the income distribution, which does not necessarily mean that all of them are poor. In many industrialized countries a high proportion of minimum wage earners are youths and family members of better off families. In developing countries, minimum wage earners are generally members of poor and low-wage households.

Generally it is said that higher wages produce higher productivity because people have incentives to work harder. A wage differential is generally seen as a necessary incentive for workers to be more productive. This is because the lower paid are seeking to get into higher paid positions and the higher paid want to stay in their superior position and even move on further. Some economists thus argue that the implementation of a minimum wage could lead to wage hikes, as the higher paid will demand higher wages to keep the gap (Levitan & Belous 1979: 27). Lal (1998: 26) does not see this as a problem and rather takes it as a point in favour of minimum wages that they reduce seniority premiums, i.e. flatten the wage structure. Others argue that the incentives for the low paid to become more productive decrease, because they do not receive more benefits for working harder and taking over more responsibility. The opportunity cost to gain better education or higher training could thus become too high to make it worthwhile. Thus, even if the minimum wage leads to an intra-sectoral decrease of wage inequality, it might lead to productivity losses and decrease the incentives for workers to take on more training and more responsibility.

The overall effect on inequality is also not clear. Minimum wages are said to improve the economic conditions of low-wage workers, but they might also be the cause of a reduction in this group of workers, which could have a deteriorating effect on overall income distribution. This is because laid-off workers might not be able to find work and will be worse of than they were before (Saget 2001: 1). An increase in the poverty gap and the income distribution would be the result. The implementation of a minimum wage could also "contribute to widen[ing] the gap between workers in the covered sectors and the others" (Saget 2001: 6; see also Livingstone 1995). As there is a high difference between urban and rural minimum wage settings, minimum wages have driven workers from the countryside to towns. The more appropriate way of lifting rural workers out of poverty may thus be to raise the price of labour through rural development.

The effect on income inequality is predicted to be rather small, but could be quite devastating when micro-levels are considered. As mentioned above, it is important not only to keep the poverty rate measure in mind but also the poverty gap measure and to

ensure that those people who live at the low end of the income distribution already are not forced into even deeper forms of poverty.

2.4 VULNERABILITY

In contrast to the concept of poverty, which is rather static, vulnerability is a more dynamic concept.

> "Although poverty and vulnerability are often related, they are not synonymous. Some groups may be at risk of becoming poor because of inherent vulnerabilities (e.g. different types of discrimination based on class, gender or ethnicity, or factors such as disability or region of residence). Certain combinations of vulnerability may be strongly correlated with poverty, such as female-headed households or families living in deep rural areas. But not all members of a particular *vulnerable* group are necessarily *poor*. (…) Poverty relates to deprivation, while vulnerability is a function of external risks, shocks and stresses" (Bhorat et al. 2001: 54).

The concept of vulnerability is thus said to grasp reality better, as poverty is not a static condition. Many people are caught in transient poverty, meaning that they move in and out of poverty due to life-cycle changes. Vulnerability is thus the risk of becoming poor or deprived.

> "Vulnerability refers to the negative outcomes of processes of change. These may be economic, social, environmental or political, and may take the form of long-term trends, 'shocks' or cyclical processes such as seasonality. The more assets that individuals, households and communities have, and the better they are managed, the less vulnerable they are. The greater the erosion of their assets, the greater their insecurity and associated poverty" (May 2000: 6-7).

Household thus suffer from different kinds of risks that threaten to eat up their assets base and plunge them into long-term poverty. Chambers and Conway (1991: 10) distinguish between stresses and shocks of which the first are long-term, "continuous and cumulative, predictable and distressing, such as seasonal shortages, rising population or declining resources"; and the latter are rather short-term, "sudden, unpredictable [and] traumatic, such as fires, floods and epidemics". The World Bank (2000: 136-138), on the other hand, distinguished between different levels and different types of risks: idiosyncratic risks affect individuals and households (micro-level) and covariant risks affect groups of households and communities (meso-level) or whole regions and nations (macro-level). Sources of risk might be natural, health, social, economic, political or environmental.

The World Development Report (World Bank 2000) then groups the mechanisms of managing risk into three groups: reducing risk, mitigating risk and coping with shocks. Obviously different strategies will be used to face different risks. Risk is reduced by prevention, migration or collective action. Mitigation is mainly based on diversification and insurance strategies. Coping is a rather short-term strategy, which is imminently needed to face the shock. It involves sales of assets, loans or the reduction of consumption. These strategies are very likely to produce high long-term costs for their short-term benefits. Therefore, it is important that these coping strategies are reversible or they might become unsustainable or negative in the long run.

Most other authors do not distinguish so accurately between different strategies of risk management. Some of the coping strategies identified by Chen (cited in Hussein and Nelson 1998: 14) in Gujarat, India, are diversifying income sources, migration, stocking upon various supplies, mortgaging or selling assets, sharecropping, borrowing or lending, drawing upon common resources, drawing upon various forms of social and family relationships. The basis of most coping mechanisms is diversification of livelihoods. However, this does not mean that a diversification of livelihoods is necessarily a response to external shocks or vulnerability, as will be shown in the section on Multiple Livelihoods.

The basis of vulnerability is thus a low asset endowment and no access to insurance mechanisms, which keep individuals and household vulnerable to risks. Risk "keep[s] the poor in low-risk, low-return activities, and endanger[s] what they already have. The usual remedies for risk – borrowing and insurance – are rarely available to the poor and their absence lies at the heart of many of the disadvantages the poor must face" (Kanbur & Squire 1999: 18).

2.4.1 Vulnerability in South Africa

In South Africa vulnerability, as poverty, is closely related to race, location and gender. Francis found that:

> "The most vulnerable households were those without access to a secure source of income and which were not able to follow a strategy allowing them to lessen uncertainty through constructing multiple livelihoods or clustering. This might be because of disability or ill health, or inability to leave children unattended. Other vulnerabilities appeared to stem from contingencies (illness, death, a quarrel in the family), but often had structural origins in poverty and insecurity" (Francis 2002: 29).

The most vulnerable category of households named by participants of the SA-PPA were "single women with children and no support networks" (Delius & Schirmer 2001). The lack of social security and social networks as well as lack of assets enhances the vulnerability of a large proportion of South Africa's population.

There are a wide variety of idiosyncratic risks and shocks that especially people in the South African countryside are faced with, not the least being the insecurity of employment or of access to natural assets. Historically, most formal and many informal institutions have not helped but rather deepened insecurity for rural people, and still "act in such a way as to generate or reinforce vulnerability to risk" (Francis 2002: 30).

2.4.2 Vulnerability and Farm Workers

As one might expect given their poverty, farm workers are amongst the most vulnerable groups in South Africa.

> "One of the key results [of our study] is that domestic workers and farm workers together are the two most vulnerable groups in the labour market. It is the importance of these groups that correlates with the total dominance of African and coloured race groups and the significance of women among the most vulnerable" (Bhorat et al. 2001: 104-105).

There are various factors, which make farm workers the most vulnerable group of employees. Risks that South African farm workers and farm dwellers are faced with are often interlocking and enhance the insecurity and poverty they face. Employment in agriculture differs markedly to other formal sector employment in that the workers are highly dependent on the farmer "for continued access to goods, services and especially homes, as well as for employment (…) the isolation of workers from sources of information and social support beyond the farm [and] the significant obstacles to enabling workers to access their labour rights – even when they are informed of them" (DoL 2001b).

Isolation and low mobility levels have different effects. One is the inability to organise. Accordingly, union membership is very low[2]. This effect works in both ways: It is difficult for unions to access workers and it is difficult for workers to access unions. Isolation and low-levels of mobility are also considered as one cause of the cycle of debt many farm

[2] SAAPAWU (South African Agricultural Plantation and Allied Workers Union), whose slogan is "organise or starve" has just above 20 000 paying members (http://www.cosatu.org.za/affiliates/affisaapawu.htm [11 February 2005]). Compared to almost one million farm workers in South Africa, this is indeed low.

workers are caught in. This debt is accumulated by buying from farm shops or directly borrowing money from the employer. In some cases it was even observed that farmers forced farm workers to buy farm produce at set prices (DoL 2001b).

The informal character of the employment of many farm workers is another reason for their high vulnerability. Even permanent workers often do not have written contracts and even when they do they often do not have a copy of it. There is thus no way to prove their working status, and if disputes occur they cannot refer to their contracts.

> "The importance of written and clear contracts of employment is reflected by workers' proposals to increase their security of employment and income (farm workers' top development priority) in KwaZulu-Natal" (Husy & Samson 2001: 14).

Typically, informal work on farms is casual or seasonal work. Increasingly, though, contract workers are being used, especially in the horticultural sector (Barrientos & Kritzinger 2004). However, in grain and mixed farming labour contracting (i.e. outsourcing) is virtually unknown (Simbi & Aliber 2000: 23).

> "The more informal a worker the lower their security of employment, rights, benefits, social protection or trade union organization. Informal workers thus bear a high level of risk and vulnerability within employment" (Barrientos & Kritzinger 2004: 87; in reference to Barrientos A and Ware Barrientos S (2002): Extending Social Protection to Informal Workers in the Horticulture Global Value Chain, World Bank: Washington DC).

Contract workers are in an especially vulnerable position, as they "rarely benefit from labour regulations, or receive employment benefits, and their employment is highly insecure" (Barrientos & Kritzinger 2004: 84). Unemployment Insurance Fund (UIF) membership, training, medical services or pension fund membership are often restricted to permanent male workers (DoL 2001b).

Often, those who are working informally are those with the lowest skills levels and are thus most vulnerable and unlikely to get access to another job, either off-farm or on-farm, as employment on commercial farms is decreasing. They keep on working in insecure positions instead of demanding better conditions and risking to be layed off.

Women are especially vulnerable in many respects. "Few workers enjoy full labour rights and females enjoy fewer rights than males" (DoL 2001b). Most of the time, women are casually employed and thus the above mentioned risks apply. They also earn less than male workers and do not get benefits or payments in kind. Generally, they are very low-skilled (Husy & Samson 2001: 12). The latter is partly because many girls drop out of school early

due to insufficient financial means and early pregnancy. They are least likely to break out of the poverty cycle and remain in farm jobs, as most of their parents and grandparents have already done (Kritzinger 2002: 563).

Many families have lived on farms for generations. Therefore, many farm workers do not have a family home off the farm (Bosch 1994). Most farm workers, especially permanent workers, live on the farm. In the Western Cape, Kritzinger and Vorster (1997: 130) found that 90 per cent of the farm workers prefer living on the farm while working there and 27 per cent even choose to remain living on farm property on retirement. Also, studies in the Free State and KwaZulu-Natal found hardly any farm where no family lived that did not have a member who was employed on the respective farm (Husy & Samson 2001: 6). They are especially vulnerable despite the legal protection provided by the Extension of Security of Tenure Act. For farm workers, dismissal usually meant and often still means – despite the ESTA being in place – the eviction of the whole family from the only family home (SAHRC 2003: 177). South Africa's six million farm dwellers thus represent one of the country's most vulnerable sectors due to the insecurity of their land tenure rights and their resulting dependency on the conservative white farming sector (NLC).

Retrenchment does not only mean losing a living space, but often results in unemployment, which is a major determinant of falling even deeper into poverty, as there is no social security transfer for unemployed South Africans and the UIF only pays half of the wage for a maximum of 5 months. There are few alternative job opportunities in the rural areas and farm-workers skills are generally non-transferable to other economic sectors.

Retrenched farm workers are among the most vulnerable in South African society:

> "Retrenched farm workers find it hard to find new employment. New jobs increasingly require higher skill levels and are out of reach for most farm workers. Workers who have not had access to much formal education are having trouble to maintaining their living standards" (CRLS 2003: 5).

Job security, therefore, is a pressing issue for farm workers. Two studies in KwaZulu-Natal and the Western Cape found that the vast majority of workers would actually prefer employment security to higher wages (see Husy & Samson 2001: 31). Fears of retrenchment are a constant cause for feelings of insecurity on many farms. Farm workers surveyed by Simbi and Aliber in the Dendron district of the Northern Province testified that "farmers were becoming less kind, meaning more rude, more abusive, or more inclined to issue reminders that farm workers could be fired and replaced at any time" (Simbi & Aliber 2000: 19). Farm workers in the Tzaneen district on the other hand,

described their relationship to the farmer in different ways and had less fear of losing their work. This was largely explained by the good relations that exist between the farmer and his workers and/or because the workers had higher skills levels (Simbi & Aliber 2000: 18). It is thus apparent that individual experiences can be markedly different and no generalizations are possible. The experience in the Dendron district can be ascribed to farmers' responses to feeling overwhelmed by new legislation regulating farm employment (see below).

As mentioned above, the dependence of farm workers on the good (or bad) will of their employers is huge.

> "Workers are thus caught in a situation form which they cannot escape. They are seen 'to be confined to the farms by their low level of education and their lack of skills; they are dependent on the safety net of kin and farmers' paternalism and they too, are held as if by its sticky skeins'" (Kritzinger 2002: 554).

A sense of paternalism and responsibility is named as a major reason for farmers to employ more people than are actually necessary (DoL 2001b), but this sense of responsibility is due to the view that "workers are (…) children dependent on the farmer" (Kritzinger & Vorster 1997: 124). This strong kind of paternalism, where the farmer exercises "traditionally sanctioned authority" (van Onselen 1992: 134) is "distinguished by its 'organic' view of labour relations and the absolute power of the farmer" (Kritzinger & Vorster 1997: 124). Especially since the early 1990s, though, there has been a trend to formalize working relations on farms and to use a modern labour-management approach. This kind of neo-paternalistic structure is concerned mainly with human resource management and leaves the farm workers room to establish representative bodies and to have "a greater say in their own lives" (Kritzinger & Vorster 1997: 124-125). Ewert and Hamman (1999: 202) describe current labour relations on South African farms as "to some extent regulated by state legislation, but imbued with the spirit of paternalism", thus neo-patrimonial. They explain the virtually unchanged power relations with (1) the state not being able to enforce its legislation effectively, (2) the weak social power and organization of farm workers and (3) the high interest of the farmers to maintain this cheap labour strategy (Ewert & Hamman 1999). But they also recognise, that paternalism means feelings of social responsibility of the farmers and leads to many farmers employing more workers than actually necessary. This then leads to low productivity per worker (Ewert & Hamman 1999: 213; see also Agri SA 2002).

Paternalism and the notion of the 'farm as a family', thus, do not necessarily mean that relations were and are always amicable. There are innumerable reports of the abuse of power by the farmers. This does not necessarily mean they always resort to physical punishment. Threats might just be as devastating for a human being as physical abuse. Farmers, though, generally consider working relations as good. 88,8 per cent of commercial farmers surveyed by the Landbouweekblad (2004, May 21) responded that relations between them and their workers were good. According to Kritzinger and Vorster (1997: 119), farmers generally perceived "participation in farm work as functional for building a community of interest, improving labour relations and establishing work standards for the work force". This was especially possible on smaller farms where closer cooperation between the farmer and farm workers are common.

Kritzinger and Vorster's study on Western Cape fruit farms revealed that farm workers consider paternalistic structures as vital for their life and their identity. It is to be expected that this aspect of farm work and life exists all over the country to some degree.

> "For farm workers on the other hand, paternalism often entails a sense of belonging, a sense of identity, the provision of material and psychological security as well as mutual rights and obligations. Workers also have personal access to the farmer – an aspect of great significance to the worker. Farm workers, for example, note that the farmer helps them to solve their problems, show personal interest in them, treats them well or has a good relationship with them" (Kritzinger & Vorster 1997: 128).

Increased formalization, which took place in anticipation of and in consequence of the legislations passed in the 1990s "has lessened the hold that farmers have over their workers, [but] farm rules continue to regulate various aspects of farm workers' existence in farms" (Kritzinger 2002: 555). As I will later show, there is also evidence, that the new legislation has actually increased tensions on farms, worsened working relationships and plunged farm workers into higher vulnerability and insecurity. The lack of information and knowledge concerning their rights and the difficulty of getting help to enforce them are also major determinants of farm workers vulnerability.

2.4.3 Vulnerability and Minimum Wage

Minimum wage legislation is generally accompanied by legislation on employment conditions, which are designed to protect vulnerable workers. Implementing a minimum wage is also common in instances where unionisation and thus the possibility for collective bargaining is low. "The minimum wage is, furthermore, a way of protecting vulnerable

workers who are not able to organize and thus prevents exploitation" (Saget 2002: 67). But minimum wages can also have bad implications for vulnerable employees and prospective labour market participants. In an environment where social security is low, the impact of job losses due to minimum wage legislation might thus be especially negative to vulnerable groups.

People with low productivity have an especially high chance of becoming unemployed. Bell (1974: 10) argues that a government cannot legislate higher productivity, so if the minimum wage is placed above a person's productivity, it is just as if legislating her unemployment. Poor and vulnerable people are more prone to have lower vulnerability than any other group. Bad health, malnutrition and under-nutrition are major contributors to this. Productivity is further decreased as minimum wage legislation discourages on-job training especially for lower education levels (Leigthon & Mincer 1981: 171). Also, the compression of wages will reduce the incentives for workers to incur further investment into the acquisition of general as well as job-specific skills. Poorer and more vulnerable groups will thus rather opt to enter jobs on a low skills basis with little opportunity to enhance their skills base and remain on a low productivity and vulnerability level.

A minimum wage can thus only break the cycle of poverty and vulnerability if the higher wage is used to raise consumption levels. The efficiency-wage theory assumes that the productivity of a labourer depends on his consumption level. This is true not only for food consumption, but also for the consumption of medical services, books and education (Azam 1997: 370-371). If a person is able to increase her consumption she is less vulnerable to the above mentioned cause of job loss and she is able to adjust her productivity to the higher wage.

In the report to the Department of Labour about Employment Conditions in the Agricultural Sector it is suggested that there is a "clear correlation between farm workers income and access to housing and household services, and literacy levels. Thus, a minimum wage or an income supplement aimed at increasing the incomes of farm workers could improve their capabilities" (DoL 2001b). If the enhanced cash wage is misused, for example for alcohol consumption, and its potential to enhance living standards not used, a minimum wage can only have a limited impact on the protection of the most vulnerable and poor groups of society:

> "Improvement of capabilities requires that additional income be invested in nutrition, education, health, etc. rather than in consumer goods. Further, 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 female, 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. (…) A minimum wage can therefore only be one part of the instruments required to eradicate poverty from among farm workers" (DoL 2001b).

2.5 MULTIPLE LIVELIHOODS

The Sustainable Livelihoods (SL) approach is supported by DFID, UNDP and IDS. The working definition of livelihoods that DFID uses is:

> "A livelihood comprises the capabilities, assets (including both material and social resources) and activities required for a means of living. A livelihood is sustainable when it can cope with and recover from stresses and shocks, maintain or enhance its capabilities and assets, while not undermining the natural resource base" (Scoones 1998).

Livelihoods thus are the activities that people engage in to make a living. It is not equivalent to earning an income but comprises all activities relating to "making a living". It is the root of all human development and economic growth (Helmore & Singh 2001: 3) and basically relies on five different kinds of assets:

- human capital (education, skills and health of the household members)
- physical capital (implements etc.)
- social capital (social networks and associations)
- financial capital and its substitutes (savings, credit, cattle etc,)
- natural capital (the natural resources base) (Ellis 1999).

These capitals or assets are the basis that livelihoods are formed on:

> "Livelihoods and the enhancement of human well-being [can be conceived] in terms of different types of capital that are at once the resources (or inputs) that make livelihood strategies possible, the assets that give people capability, and the outputs that make livelihoods meaningful and viable" (Bebbington 1999: 2029).

Livelihoods approaches are mainly applied at the household level, but can also be applied to individuals and macro contexts. What kind of livelihood strategies are used by individuals or households depends on the context, on available options, and on the choices made.

According to Helmore and Singh (2001: 7-8) the livelihoods of one household or community are sustainable if they do not disrupt another's options to make theirs, they must obey the laws of ecological integrity, therefore preserving and restoring resources for use by future generation, and they must be resilient, meaning able to cope with and recover from shocks and stresses.

To achieve these ends it is necessary for livelihoods to be diversified. This serves to reduce vulnerability, to spread risks, to accumulate for consumption or investment or to adapt to environmental changes by relying on a portfolio of resources. Selling wage labour, self-employment, agricultural intensification and migration are commonly used.

Livelihood diversification is defined as "the process by which rural families construct a diverse portfolio of activities and social support capabilities for survival and in order to improve their standards of living" (Ellis 1999). Diversified livelihoods are not necessarily confined to poor peoples' lives. Poor and vulnerable people need to diversify in order to maintain their standard of living and to make ends meet. Better-off people use diversified livelihoods for the accumulation of assets and resources. They have potential advantages in diversification because of their better resource endowment (especially with human capital) and the barriers to entry are not as high as for poor people with a low asset base. History has shown that a growing standard of living usually involved greater specialisation at the individual level. It is also evident that diversification is greatest with the rather poor and the rather better off. The very poorest have few resources to diversify. The poor use livelihood diversification as a means of survival and risk reduction. Better of households diversify their livelihoods in order to accumulate (Ellis 1999). Therefore, diversification is not necessarily a sign of vulnerability. However, for poor people, it is a major mechanism to reduce it. The dynamic adaptation to circumstances allows poor people to sustainably reduce the risks they face.

> "Diversity is closely allied with flexibility, resilience and stability. In this sense, diverse livelihoods systems are less vulnerable then undiversified ones; they are also likely to prove more sustainable over time precisely because they allow for positive adaptation to changing circumstances" (Ellis 1999).

Even though the poorest rural people, who would gain most by diversifying their asset base and livelihood strategies, are usually those who are most unlikely to do so because of their lack of access to education, their remoteness and distance from markets, their low wealth status or their small household size. It is very important to understand the situation of poor people by looking at how exactly they are making a living. Despite restricted choices (see

below) there are still options and choices that poor people can take. This is emphasised by the multiple livelihoods approach, as it tries to understand the situation of the poor by taking on their perspective of constraints and possibilities to lead a secure and diversified life.

This approach is ideal for the micro-level research on farm workers undertaken below. The aim is to find out what assets and livelihood strategies they used and how they are constrained in diversifying more effectively. From such an understanding it will be possible to help poor people diversify and manage risk, to build up an asset base and to succeed in breaking the cycle of poverty, inequality, vulnerability and powerlessness.

Constraints to livelihood diversification that are identified by Hussein and Nelson (1989: 20-21) that have to be looked out for in the research, too, include the *macro-economic and policy context* (e.g. no proximity to markets, low population, restrictions on internal and/or cross border movement and trade); the *physical environment* (degradation or insufficient natural resources); *seasonality*; *lack of flexibility*; *limited skills* (lack of access to education); *lack of time*; *restrictive institutions* (e.g. cultural practices); *lack of access to common property resources*; *membership of organisations* (because the poorest are usually excluded).

A note of caution on the usefulness of the multiple livelihood approach is given by Francis:

> "Much current thinking about livelihoods rests on an implicit assumption that people follow livelihoods strategies, using the assets at their disposal in ways that are shaped by the institutional context. This assumption begs the question of how appropriate it is to conceptualise what people are doing in terms of 'strategising', rather than reacting to systems of power, or situations of crisis" (Francis 2002: 26-27).

This is, however, saying that poor people are not able to make their own choices and are not able to think of possible strategies to better their lives themselves. Every human action derives from thinking about possibilities and consequences. These are determined by various factors and have to be looked at in the respective cultural, political and geographical context. Therefore, a purposive in depth-research is necessary to capture the context, the possibilities and choices, and the constant dynamics that diversified livelihoods are situated in (Murray 2000: 140). Livelihood diversifying strategies are not static concepts thought up by people, but are (deliberate) reactions of people to diverse situations and are constantly in flux. It is more or less impossible to capture the diversity of livelihoods at any one point in time. But to track changes in livelihoods strategies, asset

endowments and the way they are used is an ideal way to gain an understanding of peoples' lives and how they can be supported.

Factors that should be involved in any strategy to enhance the livelihood diversification strategies of rural inhabitants are (1) the improvement of human capital; (2) the improvement of infrastructure; (3) the availability of credits; (4) the creation of an enabling environment for grassroots initiatives (for example local enterprises); and (5) targeting of safety-net support to the poorest and most vulnerable (Ellis,1999).

These issues will all be looked at in my research, to find out how they have changed over time and where it is most necessary to intervene, to help poor people reduce their vulnerability, manage risk and break the cycle of poverty, inequality and powerlessness.

2.5.1 Multiple Livelihoods in South Africa

The most pressing need for viable livelihoods in South Africa is identified by Francis, who did research in the North West Province in the former Bophuthatswana 'homeland':

> "While many people lack land, others have land but not the means to work it. For large numbers of people, the most pressing need is for employment" (Francis 2002: 1).

May, Rogerson and Vaughan (2000: 256) also find that the ownership of assets (e.g. land) does not necessarily translate into improved levels of living, if the means to make use of it are not existent. "Opportunities are severely constrained (…), adding to the persistence of rural poverty". They address the strong need for employment in South Africa and opt for a sustained promotion of labour-intensive macro-economic expansion of the economy and labour market (May, Rogerson & Vaughan 2000).

During the apartheid era the South African rural areas (especially the former 'homelands') were used as reserves for cheap labour. The people living there were mainly cut off from job markets and job possibilities and did not have access to the education needed to gain better-paid jobs. Because of the land shortage in the 'reserves' and the lack of access to financial markets only few households were able to gain a living from farming. "[I]ncome from self-employment in small-scale agriculture is of very limited significance and certainly cannot be relied upon to ensure household survival" (Sender 2002: 8). Most families were thus reliant on remittances from family members that migrated to the cities and mines for work. Therefore, up to now, the most important sources of income in the rural areas of South Africa are wages, remittances (which effectively are wages earned in

urban areas and transferred to household members in the rural areas) and pensions (Francis 2002: 8). "Now the poorest people are prime-age adult without a regular wage or remittance income, living in households in which nobody is receiving a pension" (Francis 2002: 21). This finding is supported by Sender, who found that the poorest of the poor are people and households, which effectively have no access to pensions and other state transfers (Sender 2002.: 8).

Francis' study also shows that it is much more difficult for poor people to diversify and find different and flexible sources to make a living. This applies more to the better off, whose families are active in various sectors and manage to mobilise different sources of income and capital resources. She stresses the importance of social networks, which are vital in order to get access to livelihoods opportunities, and the importance of family and kinship groups, within which diversification across sectors and across space is common (Francis 2002: 14-15). Self-employment, which is usually seen as one major diversification strategy, is not very common amongst South Africa's very poorest. Especially women often do not have the capacities to diversify and run a small business. "[S]elf employment made only a very minor contribution to the income of the poorest quintile of households" (Sender 2002: 2002: 9).

Francis (2002: 28) shows that people in rural South Africa try to face the difficulties of making a living not only by diversification, but also by maintaining contact to a core adult or core group in the rural base. Because of the reliance on remittances and pensions they also 'use' clustering of themselves, or their children, around someone with a regular income, commonly a pensioner. This clustering basically draws on kinship and family networks. But there is a lack of social trust and social networks, mainly stemming from forced removals and patch worked communities. As a result there are few functioning small grassroots organisations, e.g. stokvels[3], and a high incidence of crime, which again leads to higher insecurity and mistrust. Social assets are thus rather underrepresented in the South African countryside as well as in urban areas (Francis 2002: 30; May, Rogerson & Vaughan 2000: 256).

[3] A stokvel consists of a group of people, who contribute a set amount of money at set intervals, which is then paid out according to a rotation system.

2.5.2 Multiple Livelihoods and Farm Workers

South Africa's rural black population, farm workers and their predecessors have always used multiple livelihoods strategies to survive. Their strategies were not only adapted and changed according to climatic conditions, but increasingly as responses to laws by the "white government". A very good example of this is the history of the sharecropper Kas Maine by Charles van Onselen (1996). It shows how this man and his family managed to survive by using his skills and assets as a crop and cattle farmer, as a shoe and saddle maker and his business sense. Work being shared amongst the household members and kinship networks and spacial dispersion of household members to cope with difficult situations are also important strategies. Important also is the relations he developed with their different landlords and other white people. Kas Main, though, was never actually a farm worker, but remained "his own boss" and died in 1985, before the South African transformation to democracy.

Since then, and already in the 1980s, there have been many changes that affected the South African countryside.

> "What is not realised is that commercial farmers have been subject to more change in the past ten years than any other group in this country" (HRW 2001: 24).

It is not only the farmers, who have to deal with pressures for liberalisation and global competitiveness and have to cope with new global, national and local developments. Because of their (inter)dependence, farm workers have to react to the actions and reactions of the farmers to the new laws and requirements as well as to new demands on the sector. They have to adapt their livelihood strategies and the way they do so can give hints to their further needs and how they can be supported in creating a better living for themselves. As Ewert and du Toit (2005: 1) put it, it is important to understand farm workers intertwined livelihood dynamics to address their problems, which requires "a much more broadly based approach to pro-poor policies and citizen empowerment", not only (largely unenforced) labour legislation. Those livelihood dynamics that have occurred within the last years and especially since the implementation of the minimum wage law are what the following chapters will focus on.

In rural areas, agricultural labour is the single most important occupation, whether permanent or temporary. Especially women secure their own and their families' living by engaging in agricultural wage labour. According to Sender's analysis "national survey data provides some evidence to support the conclusion that many of the poorest households in

South Africa rely on the wages received by household members who are agricultural labourers and/or domestic servants" (Sender 2002: 11).

According to Francis (2002:8), "the commercial farming sector is an important source of local employment and offers some of the poorest people a degree of food security", but it is not the only way people make a living. Farm workers engage in livelihood diversification, but "incomes from non-farm sources [tend to be] minimal" (Husy & Samson 2001: 13). Assets and livelihood strategies, however, cannot always be measured materially. Especially human capital and social capital are important for successful livelihood diversification. For income supplements, many households rely on remittances and state transfers, such as pensions, childcare grants and disability grants. The composition of households is often very diverse with different families and kinship groups living together and sharing a living. As a result of the inability to pay bride wealth by most people there is an expansion of unmarried couples and illegitimate children. They are putting severe stresses on households, as they are often left with grandparents or other kin to care for (Francis 2000: 50-51). The reliance on income other than from farm labour is thus very important for families where members only work as casual or seasonal labour on commercial farms. In times where there is no work on the farms, remittances, social grants and help through social networks might be the only way for these households to survive.

Permanent staff on white commercial farms face severe constraints in diversifying their livelihoods in almost all the dimensions mentioned by Hussein and Nelson (1998: 20-21):

- Macro-economic and policy context: historically it was the Pass Laws that limited the freedom to move and to look for work; nowadays it often is the remoteness from markets that limits opportunities. Even if rural migrants secure jobs on the mines the cost of travelling are often so high that it is not considered worthwhile.
- Lack of flexibility: this dimension is closely connected with the following two, which both limit flexibility in livelihood management. Because of limited access to input and output markets as well as lack of skills, farm workers in South Africa are not able to diversify their livelihoods flexibly.
- Limited skills: most farm workers are unskilled, many are illiterate and cannot numerate. This is a severe constraint on opening up access to diversified

livelihood means. It is a barrier to access to other livelihood possibilities and is a constraint on the management of such a possible diversification.

- Lack of time: especially permanent workers face the problem that they do not have enough time available to engage in other activities. According to the Sectoral Determination for Agriculture (see below) weekly working hours are restricted to 45 hours. In addition, overtime and work on weekends as well as holidays is very common. For women farm workers especially, household and childcare duties take up much of their time out of work.
- Lack of access to common property resources: because many farm workers do not live on 'traditional lands' but on the farmer's properties, they are tied to use the resources allocated to them by the farmer. The farmer is responsible for allocating a small piece of ground for a garden, but this is not always happening on a sufficient scale. Often there also is a lack of resources from the state, such as different grants, which is often because of the remoteness as well as low education level and the lack of information about rights (Francis 2000: 50). Whether this has improved since Francis study in the mid-90s is unclear.
- Membership of organisations: Funeral societies and stokvels exist on farms, but are less prevalent than in 'traditional communities'. Also, lack of income restricts these possibilities.

However, farm workers do engage in asset expansion and diversification and use multiple strategies to make a living, for example by using household labour and kinship networks as well as by engaging in other productive efforts such as gardening or small businesses, which might be legal or illegal. This way they are trying to mediate the reliance on a single source of income, which makes households very vulnerable and which is at a very low base level, leaving little disposable income left to invest in livelihood diversifying activities. It is true, from a non-multiple livelihood perspective, that "[p]overty on farms places income issues as the single highest development priority for farm workers. Wages have the most important role to play in raising incomes due to the high reliance on wage income, and the lack of access to other income sources such as use of land, additional economic activities etc." (Husy & Samson 2001: 23-24).

Still, a farm in South Africa is more than a place where wages are earned. As I have shown, the relationship of farm workers and farm dwellers to the farmer is a major

determinant of their living conditions and also their vulnerability. The farmer thus plays a key role in farm workers livelihood strategies. They address him not only about financial problems, but also for health problems, the resolution of disputes, the provision of housing, water and electricity, food and access to services. How this relationship helps to diversify assets and livelihoods is individually dependent and can also change over time.

It is thus important to see how farm workers diversity their assets and livelihood strategies and what role wages and the relationship to the farmer play. This again leads to the question of minimum wages, and whether higher wages will rather decrease or increase efforts for asset and livelihood diversification. Also, the Sectoral Determination for the Agricultural Sector not only prescribes a minimum wage but also stipulates other measures that have to be undertaken by the farmer and the workers, which might influence the possibilities farm workers have and the choices they will take.

2.5.3 Multiple Livelihoods and Minimum Wage

The Multiple Livelihoods perspective has not yet been used to analyse the impact of the recent minimum wage legislation. But because of its micro perspective and its broad view, I deem it ideal for such research. Multiple livelihoods are not judgmental or categorical or guided by an ideological perspective, but look at dynamics and changes from a micro perspective. If these dynamics are understood, one can also see whether there are any revisions to the law that could help South African farm workers to cope with their situation. Also, complementary measures could be necessary and their design could be greatly enhanced when linked to livelihood research. Nevertheless, this study is only a first step in this direction and will only be able to yield locally restricted results. It might thus be the beginning to overcome the highly charged ideological discussions about minimum wages and would allow a more practical dealing with this issue in a way which could actually help some of the most vulnerable people of South Africa.

Some hypotheses on the impacts of minimum wage on multiple livelihood strategies are the following:

A higher income could give more leeway to investments and savings and thus allow the extension and diversification of livelihood strategies and the building up of a (diversified) asset base. Higher local demand for consumption products as well as for services would also stimulate the supply side and boost the local economy. This would only happen, if the

higher cash wages are actually used by the role-players to enhance their living standards by increasing the consumption of food, education, health services and by enhancing their capital base.

If a minimum wage is set too high, unproductive people like women, young and unexperienced people, labour market entrants, elderly and disabled people might lose out by losing their jobs or being forced to enter the informal sector labour market. How these people manage to make a living and how they keep up a diversified asset base and livelihood strategy in order to make a living is a very important aspect of my research. It is to be expected that they have to rely on state transfers, remittances and kinship networks to an especially high degree. However, my research only concentrates on people living on farms and will therefore only partly succeed in obtaining information from people who have lost their job or at least their permanent employment, because they are not to be found on the farms either because they never lived their or because the have already moved off.

It will also be necessary to identify how children are affected by new developments. Whether they are more likely to be sent to school or whether they have to take over more household chores, i.e. whether it is necessary for the household to meet immediate needs or whether the household is secure enough to invest in the human capital of their youngest members.

Kinship and community networks as well as savings and funeral societies might also be affected by legislated higher wages, but possibly also increased job losses. Increased or decreased memberships of such societies as well as changes in their fees are possible. A higher reliance on kinship and community networks by the more vulnerable farm dwellers might overburden these, but they might also create a greater sense of togetherness and unite the communities in a joint struggle. Here again, it will be important to observe people's priorities and changes that took place over time.

A very important part of farm workers' livelihoods, however, is the relationship to the farmer and the services he provides. Farmer were generally against the introduction of the minimum wage law (see below) and it will be interesting to find out whether the passing and introduction of the Sectoral Determination has had any influence on the relationship to their workers. If so, this is most likely to be negative (see for example Condradie, 2003) and could have a devastating influence on farm workers' asset and livelihood diversification.

3 FARM LABOUR IN SOUTH AFRICA

The history of farm labour in South Africa is a history of repression, exploitation and expropriation, but also the history of a very special relation between those in control and 'their subjects'. This history of paternalism, violence and denial of basic labour and even human rights has left deep scars in South Africa's countryside, which the country is still battling with.

In the following I will first present the current state of farm labour. Then I will outline the developments in South African agriculture from the late 19th century on to 1994, which affected farmers and farm workers. In the third sub-chapter, I will have a closer look at the developments and the legislation that was put in place since the transition to democracy in 1994. Special attention will be devoted to the discussion around the Sectoral Determination for Agriculture that was legislated in 2002 and the impact of which is the focal point of my research.

3.1 FARM LABOUR IN THE NEW SOUTH AFRICA

Labour in commercial agriculture still constitutes the most important formal sector employment in rural areas. Just below one million people work on farms and according to official estimates about six million people live on farms (NDA 2001: 1-2). Despite land and labour policies in place there has been little to no improvement in poverty levels for South African farm workers and farm dwellers since the transition to democracy in 1994. Expectations of rural development, increased job opportunities, better wages and working conditions, and access to land raised for farm workers and farm dwellers by the democratisation process in the 1990s have up to now largely failed to materialise (see for example Carte Blanche 2003; Mngxitama 2001).

The report on Employment Conditions in South African Agriculture concludes:

> "The evidence is clear that most South African farm workers live in circumstances of absolute and relative poverty" (DoL 2001b).

Employment in agricultural, which is the primary employer in rural areas, declined faster in the 1990s than it ever did before. The newest Census of Agriculture in 2002 found that between 1993 and 2002 formal agricultural employment decreased by almost 14 per cent to just short off 950 000 (Stats SA: 2004). In 2003 the number was recorded at around 930 000. About half of the labourers are permanent, the other half casual and seasonal

workers, whereas the latter earned significantly less than in 2000, in total approximately one fifth (Stats SA: 2004).

Despite its declining significance as a proportion of total employment in the country (right now about 11 per cent (DoL 2001b)), agricultural employment still generates part or all of the income of a significant part of the rural population (DoL 2001b). In 1998 agricultural employment was the most important source of work for almost 30 per cent of African and coloured rural dwellers (Simbi & Aliber 2000:7). It is estimated that about 6 million people live on commercial white farms and are dependent on wages paid in commercial agriculture (NDA 2001: 1).

> "[T]he fact that there are about 860 000 fewer regular agricultural jobs [compared to 1970] does not necessarily imply that as many fewer families are employed in agriculture, as some of those retrenched or leaving through some other means, may have been male and female partners. As a conservative guess, we might conjecture that over this period, some 300 000 to 600 000 households lost employment and their residences through the process of farm retrenchment" (Aliber 2001: 36).

Aliber (2001: 36) further estimates, that of the job losses "around 8%-15% were casual or seasonal, and the rest regular".

These changes have not served the farm workers well. Now, 10 years into democracy, there has been little change in most rural areas and especially for farm workers there are few positive developments. With the new legislation they do have more rights, but their protection is low, as controls seem to be few. And if a person does not know about her rights and has no access to claiming and enforcing it there is little in it for them. Organization of farm workers in unions is the lowest of all sectors, (Standing, Sender & Weeks 1996: 160; see also Hamman 1996: 363) so that help from this side is basically non-existent, especially in far-off places. Farm workers thus have seen little or no positive changes since South Africa's transition to democracy. Rather they are left worse off. Their purchasing power has worsened, as the wages have not kept up with inflation and the prices for consumer goods rose drastically. "Despite the legislative and policy changes, it is still true to say that not much has changed in terms of improved equality and improved living conditions for the rural poor" (Kirsten & Van Zyl 1996: 233). Also, farm dwellers and labour tenants are "generally exposed to the same treatment and policy practices as in the pre-1994 period" (Mngxitama 2001: 1).

It is not only the physical treatment that has not changed, but the relationship amongst the race groups has not significantly altered and the formalization of farm employment has left

many groups even more vulnerable. The weak trend of increasing wages and the decline of on-farm work has enhanced the importance of off-farm incomes, remittances and pensions for households that still live on white owned farms. It has been observed that in comparison to 30 years back, when the whole family was more or less (at least seasonally) involved with working on their landlords farm, now it is often not more than one household member still being employed there. This has secured their basis of living – accommodation – but has made a vigorous dent in their household income, at least in respect to income coming from farm labour (Francis 2000: 35).

> "The decline and flexibilisation of employment in this sector is especially damaging for rural livelihoods because commercial agriculture represented almost one third of formal sector employment in rural areas in 1998" (Aliber 2001: 22).

Thus, even though employment on commercial farms is hard work and risky because of its seasonality and low labour regulation (at least until recently), farm work "seems to look like a better bet than other options to many people" (Francis 2000: 52). For many rural people working on commercial farms seems to be not only the better, but often the only option for wage work and cash income. Not to mention other aspects such as housing, access to water and electricity etc. The loss of wage income in rural areas due to the decrease in agricultural employment is especially devastating because of the high reliance on wage work and income as a primary livelihood strategy. Accordingly, Conradie (2003: 2) warns that "[a]ny further loss of jobs in agriculture would undermine efforts to reduce poverty and inequality" and stresses the important role agriculture is playing in reducing rural poverty (also see Simbi & Aliber 2000).

3.2 THE AGRICULTURAL SECTOR AND LEGISLATION BEFORE 1994

Before the advent of discriminatory legislation at the end of the 19th century (*Glen Grey Act* of 1894) there was a viable and successful small-scale commercial black agricultural sector. Black South African farmers had taken advantage of the gold and diamond boom and the correlating higher demand for their products. "The most convincing evidence of this success can be found in the unusual measures taken to discriminate against these farmers" (World Bank 1994: v). The policies since the formation of the Union of South Africa were thus "characterized by the suppression of African farming and its eventual isolation from 20th century mainstream agriculture" (World Bank 1994: v). All options for

access to input and output markets as well as to credits were gradually closed for African farmers and only the road to the (agricultural) labour market was left open.

The transition from independent small-scale farming and tenant farming to sharecropping and eventually to wage labour happened slowly and unevenly in the first half of the 20th century. The legislation supported white farmers who moved to intensify their land use (Francis 2002: 20). An extensive support system for large-scale farming enterprises was gradually put in place.

The *Natives Land Act* of 1913 and the *Native Trust and Land Act* of 1936 laid down the present structure of unequal land distribution as it prohibited land ownership by Africans outside the reserves. The reserves area, which was extended from about 7 per cent in 1913 to short of 14 percent in 1936, was not big enough to hold the majority of black South Africans and did not leave enough space for viable farming options. The *Marketing Act* of 1937, which was extended in 1968, was shaping agricultural pricing and distribution systems well into the 1990s.

The reason for cutting off Africans from other sources of income was to generate labour for the large-scale farming sector and the mines, which were growing and demanding more labour in the first half of the 20th century. Therefore the *Masters and Servants Acts* of 1911 and 1932 were passed, which prohibited the breaking of contracts, changing of employer or even assigning other family members to other employers. This was also enforced by the modification of the *Native Regulation Act* of 1911, which established labour bureaus where all African workers had to register. They were then not allowed to change their 'occupation', say from farm worker to industrial worker. The apartheid government, which was in power from 1948 on, did not change these laws substantially but enforced them and put a concise support system for white commercial farmers in place. The *Prison Act* made it possible for cheap prison labour to be used on white commercial farms and the *Pass Laws* severely constricted movements of the black South African majority. The *Land Subdivision Act* of 1970 was also geared to furthering the development of large-scale farming only.

Of course all these regulations were not put in place immediately and were not totally enforced. Some African farmers were able to resist even well into the 60s and 70s. Tenant farming, despite being prohibited since the 1960s, never entirely disappeared. But by the time South Africa made its transition to democracy "the African family farming sector had all but been eliminated, and African peasants had been transformed into wage workers on

large farms, in mines and in secondary industries" (Mbongwa, Van den Brink & Van Zyl 1996: 57).

With the advent of the tractor in South Africa in the 1950s farm employment briefly rose as more land could be made arable, but started declining from the mid 1960s. The introduction of more mechanisation and technical innovations as well as the growth of average farm sizes were probably the main reasons for that. The most intensive growth in mechanisation was in the horticultural sub-sector, which is traditionally labour-intensive, and needs more labour than farming with field crops or livestock. The use of more capital-intensive production was supported by the government, which, mainly in the 1970s, supported large-scale white farmers with cheap credits and the possibility to write off capital purchases on their taxes. Especially seasonal workers "bore the brunt of mechanisation" (De Klerk 1991: 218-219). Schirmer (2004) puts forward another argument as to why farmers undertook this uneconomic process of mechanisation, which may have slowed down the increase in productivity. He argues that farmers were unsatisfied with labour relations and used mechanisation to reduce their work force as well as increase their control over them. It was through state support, though, that this change was made possible.

Agricultural policy in the 20th century was mainly geared towards national food self-sufficiency and sustaining adequate income levels of white farmers, which were both successful on their own terms. In the 1980s, however, policy changes towards limited liberalization and deregulation were introduced. The cut back in support to white farmers and adverse weather conditions (i.e. the drought from 1982-85) led to greater market orientation in the sector. Capital-intensity of production thus declined and consecutively farm employment rose. However, this only made a dent into the overall declining trend, and from 1987 on employment started to deteriorate again. The limitations on labour movement were lifted in the mid 1980s and in the early 1990s the *Land Acts* and *Group Areas Act* were abolished allowing for non-racial, individual land ownership everywhere in the country.

Until 1993 farm workers were excluded from all central labour laws. Their employment rights were subject to the common law and farmers had unrestricted rights to dismissals as well as evictions. Also, there was no freedom of association and organisation. Civil liberties were basically non-existent and the police was often uncooperative in supporting farm workers (CRLS 1994). In 1993 agricultural workers were included in the *Basic*

Conditions of Employment Act (BCEA) of 1983 and the *Unemployment Insurance Act* was extended to include them as well. In 1994 the *Labour Relations Act* was extended to farm workers through the *Agricultural Labour Act*.

The new legislation only succeeded marginally in improving efficiency in the sector which was highly indebted by the end of the decade, with many farms succumbing to bankruptcy during the 80s. The floods in the early 1990s put farmers under more stress and a huge government hand-out as drought relief in 1992 was used to write off many of these debts. The previous extension of agriculture to low yielding and marginal cropping areas further harmed the sector. But these are not the only reasons for the reduction in work force. It is widely acknowledged that the political upheavals and the resulting political (and economic) uncertainty about the future of white-owned farms played a major role in causing renewed layoffs (World Bank 1994: x; Williams 1996: 225).

The GDP-share of agriculture in the 1920s was around 20 per cent and declined to 4.7 per cent in 1991 with high growth in the 1960s but much slower growth in the 1970s and 1980s. 95 per cent of this share was produced by the large-scale commercial sector. This is of course not surprising given the fact that approximately 86 percent of South Africa's agricultural land is held by this mostly white sector. About 29 per cent of the rural population lives in this area, whereas the rest is crowded into the remaining (former) 'homeland' area of 17.1 million hectares (World Bank 1994: iv).

Agricultural employment peaked in 1968-1970 at approximately 1,6 million employees in commercial agriculture (Aliber 2001: 36) and was on a steady decrease since then. In 1993 just above 1 million agricultural jobs still existed. This is a decline of almost about 37,5 per cent, which has been as much a result of mechanization and technological advancement as well as of reactions of farmers to perceived economic and political risks (Schirmer 2000: 149). The latter has become more pronounced within the last decade and will be further elaborated in the following chapter.

3.3 LEGISLATION, ECONOMIC DEVELOPMENTS AND EMPLOYMENT IN AGRICULTURE SINCE 1994

Already in 1990, but especially since the advent of the 'New South Africa' in 1994, several processes have taken place in the agricultural sector. They were aimed at reversing discriminatory legislations, at improving participation, and at deregulating and liberalising

the sector. "Some of these actions had positive results while others had unintended consequences" (NDA 2001: 5). The new government thus promoted and still promotes export led growth and trade liberalisation and new labour legislation as part of a policy of social transformation (Barrientos & Kritzinger 2004: 84). The changes that happened are conclusively listed by the Department of Agriculture's "Strategic Plan for South African Agriculture" (NDA 2001: 5):

- Deregulation of marketing of agricultural products
- Changes in the fiscal treatment of agriculture (among others the abolition of certain tax concessions)
- Reduction in direct budgetary expenditure on the sector
- Land reform (restitution, redistribution and tenure reform programmes)
- Trade policy reform (among others tariffication of farm commodities and general liberalisation of trade in farm produces)
- Institutional reform of the governance of agriculture
- Application of labour legislation to the agricultural sector.

Obviously, I will be mainly interested in the very last feature, which I will treat below. But in order to understand the whole agricultural situation I will give an overview on what impact all these changes had.

Most parts of the agricultural sector have managed fairly well and the agricultural sector is considered to be healthier now in the 'post-deregulation' era than it was before (for example DoL 2001b). Still, many farmers, and therefore also their employees, have become more vulnerable to international shocks, unstable weather conditions, a worsening debt situation and changes in the terms of trade (NDA 2001: 5-6).

In the late 1990s the devalued Rand was in favour of South African exporters. Within the last year, however, the Rand has strengthened and is, along with other developments on the world market, a reason for lower incomes from export earnings. Low tobacco prices, for example, have left South African tobacco farmers with huge losses in the last season and many have opted to rather produce less-risky crops, which require less capital and labour input. This has had an impact on the requirements and possibilities for seasonal work.

Adverse weather conditions, in the last two years especially, have led to many farmers reducing production. This led to increased debt of the farming sector and reduction in farm employment. Interest free loans by the Department of Labour of R12 000 per farmer were not able to effectively lift the pressures on farmers during the ongoing drought (informal conversation with Danie Robbertse).

The responses to changes and challenges in market conditions, global competition and labour legislation have led to different strategies being adopted by different farms, within and between sectors and regions (Barrientos & Kritzinger 2004: 87). There has been a reduction in farm employment and an increase in efforts to formalize employment relations on farms as a part of modernization efforts in anticipation of the extension of labour and land legislation to agriculture (Kritzinger & Vorster 1997: 125).

> "Many farmers and agribusinesses have successfully implemented programmes of rationalisation, cost cutting, improved labour management and cost-effectiveness as part of a strategy to reduce production costs" (NDA 2001: 12).
>
> "South African farmers are confronted with cheap competition and are forced to lower the prices of their products. As a consequence, they must reduce production costs (the cost of inputs like labour) in order to be able to withstand this competition" (CRLS 2003: 5).

Also, pressures of globalisation and market realities have lead to an increased casualisation of farm work. In some areas the use of contractors has risen strikingly (Barrientos & Kritzinger 2004).

> "As a result [of enforced competition by the liberalisation of South African agriculture], farm workers' employment has become increasingly insecure. Many workers have lost their jobs and among those who have kept their jobs, many are now employed on a contractual basis, as casual or seasonal workers" (CRLS 2003: 5).

It is to be expected that the full extent of reactions to new labour legislations and new market realities might still take some time to materialise, as some farmers reduce their workforce through processes of 'natural waste'. This means that retiring or leaving workers are not replaced and the workforce is thus reduced over time. It takes longer and is less visible than abrupt retrenchments (Barrientos & Kritzinger 2004: 87). For farmers to mechanise large parts of their production takes time as they have to experiment to make full use of the newly acquired mechanical implements. Simbi and Aliber (2000: 28) found that there will be a high reliance on a skilled permanent work force to use the new implements and chemicals. The necessity for casual and seasonal work will decrease with the development of these technologies:

> "Permanent employment is shrinking to become the domain of a relatively small core of skilled workers and foremen. Seasonal workers are being made redundant by the agricultural machinery and chemicals that are affecting ever more aspects of the production cycle" (Simbi & Aliber 2000: 30).

The former president of the agricultural union Agri-SA, Du Toit, said in 1999 that the relative cost of labour had risen and was hindering agricultural growth (Nofal 1999). These cost trends were not caused by one particular act or development. Together, the Basic Conditions of Employment Act, the Labour Relations Act and the Employment Equity Act along with the Security of Tenure Act have led to the reduction of the labour force on South African farms to halve of its size in just four years. A Minimum Wage Act was always likely to accelerate this trend (Nofal 1999).

> "Imposing a minimum wage so as to ensure that more wage earnings flow into rural black communities, would likely be self-defeating. Farmers are preparing for just this contingency, and only the core of highly-skilled farm workers would likely benefit" (Simbi & Aliber 2000: 31).

According to a survey by the Landbouweekblad (2004, May 21), only 37,5 per cent of farmers think that minimum wages mean a better life for farm workers and only 5,8 per cent think that land laws such as the Land Tenancy Act are helpful in expanding the workforce on farms.

Kritzinger (2002: 559) states that the new legislation has not only resulted in increased anxiety about a large labour force, but was also "a driving force behind farmers' more recent attempts to house their wage labor force in nearby villages and towns". Because of these legal development and uncertainty about their position, white farmers seem to be reluctant to make further investments into farming. The developments in Zimbabwe and the recent land expropriations in Namibia are casting their shadows over the agricultural sector in South Africa. Farm attacks and resulting farm murders are furthering the anxiety and preventing a more positive attitude to policies in the sector.

> "The findings suggest that farmers' collective decision to shed permanent workers is in large measure being driven by 'non-economic' consideration, including above all: i) fear of losing control of one's land to resident farm workers due to new (and possible future) legislations; and ii) a sense that, because of democracy and a commitment by the state to safeguard human rights, farm workers are more difficult to manage than they were prior to 1994" (Simbi & Aliber 2000: 2).

A major problem when implementing new labour legislation is their monitoring and enforcement. It is important for workers to know their rights, but this does not ensure that their rights are actually executed. Since the Sectoral Determination for Agriculture was put in place, inspections have increased. But there is a backlog in enforcement and the

mechanisms are not used to their potential yet (for example Hall, Kleinbooi & Mvambu 2001).

The new legislation is highly valued by labour representatives and labourers. But the problem that was identified in 1994 already by the CRLS still applies:

> "[I]f the parties see the new labour law as something to fight rather than to use (and adapt, where necessary) to the benefit of the sector, consequences for all are likely to be negative (…) Where labour relations practices are good and farm workers are treated fairly, it is unlikely that the new legislation will cause much disruption" (CRLS 1994: 3).

In cases where the latter does not apply, enhanced tensions could thus be devastating for working relations and conditions, heighten insecurity of farm workers and counter the intentions of the new legislation. Therefore, the government has to keep the warning made by Francis in mind:

> "While the new government retains a large degree of goodwill, it must be aware that failure in this area would have serious consequences for its rural support. (…) If the policy process makes the environment riskier (…), then the policy itself is part of the problem" (Francis 2000: 53).

I will now look at some laws that have been established within the last ten years. Laws that are not treated in full, but also had some impact on the situation of farm labour, are the Occupational Health and Safety Act (OHSA, 1993)[4], the Compensation for Occupational Injuries and Diseases Act (COIDA, 1993)[5] and the Unemployment Insurance Act (UIF, 1993)[6], which were legislated before the transition to democracy.

[4] According to the Occupational Health and Safety Act No 85 of 1993 as amended by the Occupational Health and Safety Amendment Act No 181 of 1993 it is the employer's and the workers' joint responsibility to ensure health and safety at the workplace. A Health and Safety Representative has to be appointed and a Health and Safety Committee summoned. The law further stipulates that a workers might not by fired after suffering an injury at the work place and has to be paid for such an injury suffered on duty. The employer must ensure a safe work environment by avoiding hazardous substances or having safety measurements for their use in place, by maintaining equipment regularly and by providing personal protective equipment.

[5] The Compensation for Occupational Injuries and Diseases Act No 130 of 1993 as amended by the Compensation of Occupational Injuries and Diseases Amendment Act No 61 of 1997 makes provisions for payments to the worker or his dependants in case of disablement suffered by an occupational injury, disease contracted in course of the employment and/or death as a result of such an injury or disease. The contributions are paid by the employer only.

[6] Unemployment Insurance in South Africa exists since 1946 and its coverage was significantly extended in 1993, still by the old government. In April 2002, then, the Unemployment Insurance Act No 63 of 2001 and Unemployment Insurance Contribution Act No 4 of 2002 were implemented. The previous was amended again in 2003 by the Unemployment Insurance Act Amendment Act No 32 of 2003. These laws regulate the kind of benefits allowed (unemployment benefits, maternity benefits, illness benefits, dependants' benefits and adoption benefits) and the collection of the contributions. The UI is supposed to be a short-term relief and is largely paid for by a one per cent contribution of the employees wage by each the employer and the employee to the SARS. Farm workers are included since 1997, domestic workers since 2003. A worker is entitled to benefits according to his average remuneration over the last six months (for lowest paid workers 58 per cent thereof), for a maximum of 238 days. The period of benefits is calculated as one day of benefits

3.3.1 Labour Relations Act (LRA)

When the new Labour Relations Act was introduced in 1995 there was no special provision for farm workers but they have since been included in the Act, which covers all South African formal economic sectors. It provides

- for the introduction of elected work councils to internally participate in labour decisions;
- the right to strike for all employees, if they follow correct procedures, and the protection against dismissals;
- valid reasons and procedures for dismissal are set out, e.g. prior notification;
- more explicit rights for trade unions, but still they only have to be allowed on farms, as long as they are already "sufficiently represented" there and if the farmer is informed;
- for dispute resolution through the Commission for Conciliation Mediation and Arbitration (CCMA);
- for collective bargaining (DoL 1995).

There are certain reasons why this legislation is often criticised as not being adequate for the circumstances in agricultural employment:

- It is unclear, what "sufficiently representative" is in respect to unions. It gives the farmer an instrument so as not to let union representatives on his premises, which again makes it difficult to recruit members among the farm workers.
- Statutory councils, which are responsible for centralised bargaining, can only be established where 30 per cent of the workers are represented by a trade union. This is very unlikely to be achieved in the agricultural sector because of the above mentioned reason as well as the general difficulty of recruiting union members due to distance and separation. Collective bargaining thus seems unlikely to take place in the South African agricultural sector in the near future. This is one of the major reasons why a centrally administered minimum wage was put into place in 2002.

for every six days worked. The worker has to have worked for at least six months previous to the application for UIF benefits and the claims have to be made within six months after termination of the working relationship.

- The scope for workplace forums/committees is extremely limited, as only a very marginal proportion of farms employ more than 100 workers (2 per cent according to Taylor 1996).
- Advice office workers are no longer allowed to represent farm workers in court. They have to be represented by a trade union, a fellow employee, or even a legal practitioner. This makes it likely that many farm workers will effectively be unrepresented in court in case of an arbitration proceeding (Taylor 1996).

In addition to this act, organised agriculture, labour unions and the Department of Labour drafted the "Vision and Code of conduct for Labour Relations in Agriculture", which draws all these institutions together to work for better working conditions, higher equity and participation for farm workers in the South African agricultural sector.

3.3.2 Basic Conditions of Employment Act (BCEA)

Farm workers were included into the BCEA of 1983 in 1992. In 1996 a new BCEA was passed, which covered farm workers until a sectoral determination for them was in place. This Sectoral Determination 8 for the Agricultural Sector was passed in 2002 and will be treated later on. The BCEA regulates working times, leave and prohibits child labour and forced labour. It lays out procedures for ending employment contracts, prescribes how records have to be kept and how wages have to be paid out. To enforce the law employees can appeal to the Director General of Labour and to the Labour Court, if their first appeal is not successful (DoL 1997b). Variations to the BCEA are only allowed through collective bargaining, ministerial exemptions and – to a very limited extend – by individual employment contracts. Sectoral determinations replace the BCEA in many sectors of employment, the most recent being for domestic workers and farm workers.

> "There are a number of important differences between the old and the new Basic Conditions of Employment Acts. The new Act casts its protective net more widely than the old Act, it provides for more favourable conditions for employees in general, and it allows for more flexibility around working hours in particular" (Taylor 1998a: 5-6).

Due to the extensive recording that has to be done according to the law it is now easier to prove violations of the law. Also, inspectors are given more scope "to use mediation as a means of resolving disputes around the application of the Act" (Taylor 1998a: 6). These administrative elements are thus one of the major criticism of the Act by organised

agriculture, as they, along with other elements of the law, increase the administrative work on farms and thus increase labour costs.

3.3.3 Extension of Security of Tenure Act (ESTA)

The Extension of Security of Tenure Act (ESTA) was implemented in 1997. Its main purpose is to give security to people residing on farms, many of whom do not have an alternative living space. It was also geared to counter the "fresh wave of farm evictions [in the early 1990s that] pushed thousands of farm dwellers off the land of their birth as white farmers moved to pre-empt the promised land reform programmes" (NLC). The law, in conjunction with the land reform programme, also aims to establish smallholder farming and secure rights amongst labour tenants. Unfortunately, the law had and has some rather adverse effects, as many farmers – in expectation of the new law - geared up evictions from their farms, because of financial and political anxieties. It discourages farmers from keeping labour tenants and results in even stronger opposition from farmers to take in families (especially extended families) of their workers onto their land (Murray 2000: 140). According to a research conducted by Simbi and Aliber (2000: 25) in the Northern Province, farmers perceived the ESTA to be responsible for a large decrease in employment. It not only discourages farmers to have people living on their property, it is even a reason for reducing the workforce as such. The law stipulates the procedures that have to be followed to evict people from their land, which can now only be done by an order from the magistrate's court. Strongest protection is given to those who resided on the farm prior to 4 February 1997 and to those staying there for more than 10 years (Taylor 1998b).

Criticism raised by farm workers and their representatives is that there is no provision made for people who were evicted prior to the implementation of the law. Rights for long time residents are deemed not to be strong enough and there is no specific tenure protection for women and children (Cosatu 1997). It is still possible for evictions to take place, even though it is very difficult and the courts generally are reluctant to issue eviction orders (Interview with Mark Borlinghaus). The possibilities for evicted farm dwellers to access alternative housing are limited by the shortage of municipal housing and the limited financial resources available to (former) farm workers. The latter is addressed by the "one time settlement grant" of R 16 000 by the Department of Land Affairs, which is, however, not enough to ensure "farm workers real rights in housing" (Taylor 1998b: 5).

Farmers are opposed to this law, because it means that people not working for them anymore are taking up houses, and in order to take in new workers and allow them to live on the farm, new houses have to be built (Taylor 1998b: 5).

> "Many instances are emerging where farmers are refusing to build or maintain new or additional houses due to concerns relating to the establishment of new rights by farm residents. Equally, it would appear that existing land access rights for farm workers are being eroded, while very few new or additional rights are being created" (Husy & Samson 2001: 20).

The value of farm property is reduced if many people are residing on it, which limits the price for resale purposes and makes it more difficult to find a buyer. Further complaints are that the more people there are living on a farm, the more range there is for conflict as well as illegal activities (such as shebeens[7] or crops getting stolen from the fields). The latter is deemed especially high if the people merely live on the farm property, but "do not belong" to the farming enterprise. As a consequence to all these problems, farmers are more reluctant to build new houses or to provide housing to newcomers, even if houses are available. Farmers perceive ESTA as a disincentive to invest in decent housing standards, as the law stipulates that alternative housing of the same standards has to be accessible if the residence is terminated. Hall thus observes that evictions are still taking place and there is little fear of consequences, as supervision is lacking (Hall, Kleinbooi & Mvambu 2001: 4). This stresses the point made earlier that labour and tenure security legislation does not improve the lot of farm workers and farm dwellers, especially if not monitored and enforced by the state.

3.3.4 Employment Equity Act (EEA)

The Employment Equity Act of 1998 is intended to promote "equal opportunity and fair treatment in employment through the elimination of unfair discrimination; and to [implement] affirmative action measures to redress the disadvantages in employment experienced by designated groups, in order to ensure their equitable representation in all occupational categories and levels in the workforce" (DoL 1998a). This covers direct discrimination, for example lower wages and fewer benefits for women farm workers, as well as indirect discrimination. Indirect discrimination would, for example, be demanding criteria for a job which are not sufficiently relevant to the workplace but effectively

[7] A shebeen is an illegal business, often conducted from private houses, but also on other business premises or mobile with a car, that sells alcohol without permission to do so.

exclude a class of persons. This would be the case of long-time experience was asked for a job which could also done with less working experience. Employers are also liable for doings of their employees that contravene the act. Medical testing, HIV testing and psychological testing as a prerequisite of employment or among the work force are not permitted. Labour disputes must be referred to the CCMA, who will attempt to reconcile the dispute. If this fails the dispute may be referred to the Labour Court.

Affirmative action measures in the workplace include

- "measures to identify and eliminate employment barriers which adversely affect people from designated groups;
- measures to further diversity in the workplace;
- Measures to reasonable accommodate people from designated groups to ensure that they enjoy equal opportunities;
- measures to employ and develop people from designated groups and to implement appropriate training measures; and
- measures to ensure that suitably qualified people (…) from designated groups are fairly represented on all occupational levels in the workplace" (Taylor 1999: 3).

The EEA does not prescribe certain measures, "but rather encourages firms to develop targets appropriate to their conditions" (Orr & Goldman 2001). An employment equity plan had to be drafted, with the participation of the employees, submitted to the DoL and subsequently implemented. The DoL is responsible for monitoring compliance with the act and labour inspectors may issue compliance orders. If this fails to be effective, the Labour Court can fine the company in contravention up to R500 000 for the first offence and up to R900 000 for subsequent offences (Taylor 1999: 5).

The act is applicable to all formal sector employment in South Africa. In commercial agricultural it is especially meant to help women, who "are significantly under-represented within the core of permanent workers" and on "job grades requiring greater skills", as women "have [in many cases] been denied access to training and skills development" (Taylor 1999: 5). As mentioned above, women farm workers often earn significantly less than male farm workers and receive fewer benefits, such as access to housing or payments in kind. This wage factor is also addressed in the Sectoral Determination, which will be discussed later.

> "Some of the most important factors [for success of the legislation] involve a shift in thinking about traditional roles at the workplace and within society; the willingness to give women workers new

> opportunities at the workplace, and the willingness to provide significant support to women workers on a range of different levels" (Taylor 1999: 5).

Problems about the implementation of the act that could be difficult especially on farms are highlighted by this general assessment of the possible effectiveness of the EEA:

> "Where there is significant willingness and commitment to achieve affirmative action and a balanced union-employer relationship, such an approach could work well. However, in a situation where there is overt and covert resistance to equity and the elimination of unfair discrimination from management and low levels of meaningful participation from workers, the outcomes are not likely to be progressive" (Orr & Goldman 2001).

Even though the law only applies to companies, who have more than 50 employees or a turnover of more than R2 million per annum, all farmers are required to review discriminatory practices on their farm. According to Taylor, the act is going to have a significant impact within the sector, as many farmers "are going to have to submit employment equity plans" (Taylor 1999: 6). It will require quite a process and rethinking and will take its time to be effectively integrated into working practices. This act also adds to the administrative tasks of the employer, which is a further cause of reluctance to comply.

3.3.5 Skills Development Act

The Skills Development Act, which was implemented in April 2000, establishes Sectoral Education and Training Associations (Setas) for 27 economic sectors.[8] The Seta responsible for commercial large-scale agriculture is the Primary Agricultural Education and Training Association (PAETA). Secondary agriculture has its own Seta. Contributions for the Setas have to be made by the employers who employ more than 50 workers and have to equal one percent of their wage bill. 80 per cent of this amount can be reclaimed and used for training initiatives for employees. "This represents an ideal opportunity for farmers to use this fund to promote the development of employees in line with the objectives of their employment equity plans" (Taylor 1999: 6).

[8] Currently there are 25 Setas and further mergers are planned (www.labourguide.co.za, 11 February 2005).

3.3.6 Integrated Programme of Land Redistribution and Agricultural Development Programme (LRAD)

The Land Redistribution and Development Programme (LRAD) by the Department of Land Affairs, which was started in 2000, is a sub-programme of the land reform programme, which includes land restitution, land redistribution and tenure reform. Its basic principles are the provision of grants. It is demand-led and implemented in a decentralised way. According to their own contribution, South Africans can apply for a Land Acquisition Grant from R20 000 up to R100 000 per head. This has helped some farm workers and labour tenants to acquire land on their own, but the contributions they can make are very limited. Without further financial and training inputs there are severe constraints facing these emerging farmers, who lack the administrative skills of running a commercial farming business. Especially in the light of a global competitive market, new entrants to commercial agriculture are at a huge disadvantage. The support programme, which is a part of the LRAD, was slow to take off and the Department is rather concerned to spend its money and human resources on fulfilling the ambitious target of redistributing 30 per cent of agricultural land by 2014.

Only recently, in 2004, the Skills Development Act and the LRAD have been put together to form a major part of a plan for Black Empowerment in South African agriculture. The framework for Agricultural Black Economic Empowerment (AgriBEE) stipulates goals for redistribution, participation and development in the agricultural sector.

> "The objectives of the AgriBEE are to eliminate racial discrimination in the agricultural sector through implementing initiatives that mainstream black South Africans in all levels of agricultural activities and enterprises along the entire agricultural value chain" (NDA 2004: 9).

High targets are set:

- 30 per cent of agricultural land should be owned by Black South Africans by 2014
- 20 per cent of high potential agricultural state should be available for lease for Black South Africans by 2014;
- 15 per cent of high potential agricultural land should be available for acquisition and lease by 2010;
- 10 per cent of farm land should be given to farm workers for their own agricultural activities;

- the elimination of illiteracy in farming communities by 2010; and
- different targets for black people and black women to become part of the management structure and ownership.

The framework spells out responsibilities of the agricultural sector, the government, and black people in the sector and strives to facilitate a process of communication and participation (NDA 2004).

Many complaints have been raised by the farming sector, especially about the land targets and the per cent of agricultural land that has to be given to farm workers for their own agricultural activities (according to informal conversations with farmers in the Skuinsdrif area and representatives of Agri SA). It still has to be seen, though, whether the targets can be met and whether all stakeholders will be able to (and willing to) perform their roles in this process.

3.3.7 Sectoral Determination for Agriculture

The Sectoral Determination 8 for Agriculture was implemented in 2002 and the major part of this legislation, which is an addition to the BCEA of 1996, is the setting of a minimum wage for farm workers. The minimum wages are administered according to two different areas. In high yielding/more urban areas higher wages are administered. When implemented, the wage for low-yielding/more rural areas (Area B) was R650 and R800 in high-yielding/more urban areas (Area A). These are raised by 10 per cent each year, now standing at R 713,65 for Area B and R871,58 for Area A. Regulations on how this wage has to be paid out are set out as well. Deductions for payments in kind, e.g. for housing which has to be of a certain standard, and for food are not allowed to exceed 10 per cent of the farm worker's wage. Exemption from the new legislation can be issued by the Department of Labour (DoL 2002a).

The legislation is "aimed at eradicating poverty and protecting the rights of vulnerable people" (M&G 2003a) and to prevent the exploitation of farm workers. It is a move by the ANC government to fulfil promises given even before their first election of enhancing working and living conditions on white commercial farms and is strongly supported by the labour unions (for example Cosatu 1999), who even demanded the wages to be set at higher levels (Carte Blanche 2003).

According to the report to the Department of Labour on Employment Conditions in South African Agriculture (DoL 2001b) the aims of implementing a minimum wage law in South African agriculture are

- to improve the conditions of employment[9],
- to reduce inequality between agriculture and the rest of the economy, and
- to reduce inequality within the agricultural sector and improve the situation of the worst off or most vulnerable.

The incorporation into a rural development strategy and an agricultural growth strategy was also envisaged (DoL 2001).

As Membathisi Mphumzi Shepherd Mdladlana, the Minister of Labour, noted in a report on the Sectoral Determination on Carte Blanche, less than 600 farmers had applied for exemption by June 2003. This was surprising, as the Department was expecting up to 20 000 exemption requests "because of the fundamental problems that are being raised by Agri-South Africa in particular" (Carte Blanche 2003). Kleinbooi and Newton note that about 1000 applications for variance were handed to the Department, Most of which were about financial concerns and sundry payments in kind. By early 2004, only 40 to 50 of the applications where higher payments in kind were requested, were approved by the Department of Labour. The other applications were due to be adjudicated by mid 2004 (Kleinbooi & Newton 2004: 25). One of my research farms, however, has not had any response to its exemption request and it is questionable how far this process has progressed in the whole country.

Anticipated job losses of up to 280 000 jobs in the first one to two years did not materialise (Kleinbooi & Newton 2004: 25). Numbers given by Statistics South Africa indicate a job loss of 33 000 between March and September 2002 in the agricultural sector. This data, however, has to be looked at with care, as the lower number of workers in September could also be due to the seasonality of agriculture (Cilliers 2004). A purposive study would thus be necessary to establish exactly what impact the legislation had on agricultural employment.

[9] „However, our analysis has also shown that simply setting a minimum wage may not achieve this goal bearing in mind that existing labour legislation is virtually unenforced" (DoL 2001b).

Discussions are still running and a committee was put into place, which draws together representatives of organised agriculture, labour unions and the Department of Agriculture, to monitor and debate issues concerning laws affecting the commercial agricultural sector.

Complaints from the farming sector are focused on different issues. One is the zoning, i.e. the division in high-yielding and low-yielding areas, which was based on the 1996 census. "But the farmers feel it doesn't reflect reality" (Carte Blanche 2003). A report on Carte Blanche (2003) in June 2003 showed that the dividing line even separated individual farmers' land holdings, because "some farmers have land on both sides of the line and their workers work on both sides; and all the sugar cane goes to the same mill and fetches the same price". Output prices are thus the same, but higher labour costs are created by the law in some areas. Conradie (2003: 5) found that two districts were "classified into different minimum wage categories despite virtually identical farming conditions".

The second issue at stake is the amount of deduction allowed to be made to farm workers' wages.

> "I sincerely hope that this policy (…) is not turned into a racial or political football.
> White farmers and their associations were arguing that they should be allowed to continue paying their workers in kind, and to deduct from their wages more than the allowable 10%" (MMS Mdladlana, Minister of Labour, quoted according to M&G 2003a).

Farmers are opposing this regulation, because the allowed deduction of 10 per cent on housing was not enough to actually cover their expenses. Many thus refuse to undertake any repairs or improvements to keep their costs as low as possible. Also, the allowed deduction of 10 per cent for the provision of meals was not enough to cover the expenses to provide the workers with regular meals, as was the case on most farms before the implementation of the minimum wage. Farm shops have in many cases been totally abandoned, but some farmers are in breach of the law as they deduct money from their workers' wages for products that can be obtained at the shops. This situation is similar to giving credit to workers. If it is done, deductions to the wage of more than the allowed ten per cent will be necessary for repayment. The farmers maintaining these services claim that they are valuable for farm workers' livelihoods, as farms are often isolated and farmers are the only source to provide these services, and that no law will stop them helping their workers (Conradie 2003: 27).

Deductions for housing and transport were the major cause of an illegal strike at ZZ2, South Africa's biggest tomato producer in the Limpopo Province. Because of the

deductions, workers were left with a lower wage than they had been earning before the introduction of the Sectoral Determination. ZZ2 dismissed 1 102 mostly permanent labourers and evicted them from the farm. This affected about 12 000 family members and forced children to leave the farm school abruptly (M&G 2003b). Many of them complained that the government has done them no good and even betrayed them by introducing this law. The farm workers union SAAPAWU stepped in and the CCMA was approached for conciliation (Hlangani 2003a).

As discovered in the research for the Department of Labour prior to the implementation of the law, most farms that could afford it were employing more workers than necessary and better off farmers were generally paying higher wages and offering better working conditions (DoL 2001b). Almost a third of farmers surveyed indicated that they were employing a larger permanent labour force in 2001 than they did three years ago (DoL 2001b). This shows that the effects of the above mentioned laws on labour shedding were probably not as high as they could have been and that farmers accommodated themselves to the new legislation. Still, most farmers replied they would increase mechanisation, rationalise their labour force and/or improve labour productivity in order to deal with an up coming minimum wage, which could lead to increased job losses in the agricultural sector (DoL 2001b). For emerging farmers, the minimum wage poses high start up costs and could be detrimental to their efforts to start a viable agricultural business (Carte Blanche 2003).

Anticipated effects of the minimum wage in South African agriculture mentioned in the report on Employment Conditions in South African Agricultue (DoL 2001b) are:

- possible indirect positive effects on the economy
- possibly greater economic output and increases in disposable incomes for households
- implications for both agricultural and total employment
- although jobs might be shed in agriculture and the economy as a whole, employment in manufacturing could increase
- no significant effects on agricultural output
- no significant impact on price levels in agriculture and the economy.

Most of these effects cannot be verified by a micro-study such as the one undertaken below. Problems that have been discovered up to now is that there were quite a number of job losses and opposition to the law, from farmers as well as farm workers. Still, the high job losses predicted by Agri-SA have not materialised yet. Also, the government has had problems enforcing the law, as the case of the ZZ2 dismissals showed. Warnings by the Minister of Labour, MMS Mdladlana, to take strong actions have largely been without results (Hlangani 2003b). Again, though, the Department of Labour found that farmers were willing to comply and cooperate, the most serious incidents of non-compliance were found in terms of health and safety issues.

There has up to now been no conclusive study on the overall effects of the minimum wage on South African agriculture and South African farm workers. Two studies that have focussed on particular regions will now be summarized.

3.3.7.1 Conradie: Minimum wage in the Breërivier Valley, Western Cape

Six months after the introduction of the minimum wage legislation to South African agriculture Conradie conducted one of the first studies on the employment effects of this legislation. The two districts, Worcester and Robertson, on which her research was focused, are situated in the Breërivier Valley and are "typical of Western Cape agriculture" (Conradie 2003: 2). Even though the two towns are only about 50 km apart and farming conditions are "virtually identical" (Conradie 2003: 2) they are classified differently, Worcester falling into category A, Robertson into category B. The research relies mainly on interviews with farmers, as its focus is on employment effects only. She found little effects of the minimum wage legislation on employment in each of the districts. "Two thirds of farms already paid an average wage of more than R800 in 2002" (Conradie 2003: 10). Raises in Worcester due to the minimum wage were about 18 – 25 per cent, in Robertson they only amounted to 5 – 6 per cent. This is because the district falls into the lower wage category. Also, because general wage rates were actually a little higher in 2002 than they were in Worcester, Robertson "was practically unaffected by minimum wages set at R650 per month" (Conradie 2003: 10), as the raise represents a more or less ordinary raise in wages from year to year.

Historically, under the paternalistic system, workers received free funerals, clothes, electricity, child-care and grocery credit. These services, as well as handouts and benefits

are now being reduced and workers are sourced from town, without giving them living space on the farm.

> "In this paternalistic system farmers (or for that matter workers) rarely know what a particular service, for example childcare, costs. They simply provide it when they deem it necessary. As relationships become more formal and all payments are quantified, farmers are less inclined to do what they have always done" (Conradie 2003: 13).

Illustrative for this trend is the response of one farmer, quoted by Conradie:

> "I'm now going to make them pay. I am not their father anymore. The government is their father. Mbeki can pay. But he won't look after them. I will still have to do it. They will still come running to me if someone needs to be buried" (Conradie 2003: 13).

Farmers were also asked how the legislation affected farm shops, which are no longer allowed to give credit for more than 10 per cent of the workers' wages. They said that their workers as well were very unhappy about this new regulation and in most cases it was not enforced.

Estimates on the costs for maintaining houses for the workers and even building new ones, were rated far higher than the deduction could make up for.

> "Benefits are notoriously difficult to value accurately in order to quantify total remuneration. (…) It is even harder to value free credit and financial management [than for example housing costs], but these services could cause a large welfare loss if farmers stopped providing them. Worker families would lose out directly and place an additional burden on social safety nets in town" (Conradie 2003: 14).

Even though Conradie found only mild immediate responses to the institution of the minimum wage in both districts, it has to be kept in mind that Western Cape agriculture is different to other farming areas in South Africa. It mainly produces grapes for wine and fruits, both for export purposes. This requires higher quality, and thus higher skills from the workers, and generally gives higher revenues than other agricultural products. Workers are mostly Coloureds, whereas in the rest of South Africa almost 100 per cent of the farm work force is African. They have higher skills levels and payment was generally higher to begin with. Also, as mentioned above, short-term and long-term responses can be quite different and changes in production methods are rather a long term issue.

> "The most important consequence of statutory minimum wages is not a direct loss of jobs, but a slow-down in job creation for permanent workers living on farms. Regular workers appear to be contributing a shrinking portion of total labour, and are losing some of the benefits associated with living on the farm, but it is clear to date if minimum wages will speed up this process of labour shedding. (…) minimum wage determination was another measure introduced by the government,

> which leaves farmers slightly more insecure than before. There is no evidence in this study that farmers who are more concerned about labour costs are currently employing fewer people, but such effects may still emerge in the next few years. The legislation has increased labour costs slightly, and more concerned farmers will now think much harder than before about net job creation with expansions of production" (Condradie 2003: 20-21).

3.3.7.2 Eastern Cape Agricultural Research Project (Ecarp), Grahamstown and Port Alfred

The Eastern Cape Agricultural Research Project (Ecarp) surveyed 39 farms in the Grahamstown and Port Alfred districts. They found that legislation in the 1990s had little impact on farm workers lives and most of them were still working and living in the same conditions as ten years ago. They found that 68 per cent of farm workers were not paid the minimum wage, 78 per cent did not have housing meeting minimum standards and more than 79 per cent did not have adequate toilets or tap water (Bruinders 2004).

> "The sectoral determination in agriculture (…) had little effect – primarily because the Eastern Cape Department of Labour seems incapable of enforcing compliance with its regulations" (Bruinders 2004).

Farm workers complained that they were not given proper assistance when going to the Department of Labour and that there were no labour inspectors on their farms. Experiences at their workplace included abusive attitudes of farmers, unpaid overtime work, poor standards of health and safety, insecurity of tenure and gender discrimination. Women were more prone to not getting the prescribed minimum wage. 79 per cent of the women surveyed did not get the minimum wage, whereas 61per cent male workers were not paid the minimum wage.

In response to its survey, Ecarp called a meeting between the Department of Labour and farm worker representatives, where these issues were discussed. Recommendations of the NGO to the Department of Labour included (1) a re-evaluation of its inspection methods; (2) the establishment of an interdepartmental structure to tackle problems of rural development and farm workers in an integrated approach; (3) the careful monitoring of the rural labour market; and (4) a collaborative effort of government departments, NGOs, farm worker unions, and bodies such as the Human Rights and Gender commission to raise awareness, monitoring and enforcement compliance of farm-worker rights (Bruinders 2004).

4 RESEARCH: The Minimum Wage Law and Multiple Livelihoods Dynamics in the Skuinsdrif Area, North-West Province

In the following I will first introduce the Skuinsdrif area, where I did my research, as well as the Madikwe Rural Development Programme (MRDP), which is located in the area and through which I made my acquaintance with the location and its people. I will then explain the research methodology and extensively cover possible problems in connection with the methodology. In the main section of this chapter my findings are introduced. Beginning with the findings on each farm respectively I will then proceed with linking the findings up with issues of multiple livelihood strategies. For this purpose fourteen sub-chapters will explore the importance and dynamics of different livelihood elements as well as factors, which influence livelihood options and choices. A conclusion will be given in chapter five.

4.1 RESEARCH AREA[10]

4.1.1 North-West Province

The North West Province has an especially high poverty rate (57 per cent) and its literacy rate is the lowest in the country (57 per cent). Agriculture, next to mining and some manufacturing, is the second most important sector in the province. It contributes 8,6 per cent to the provincial GDP and 16,7 per cent to employment. 16,96 per cent of all South African agricultural workers are based in the North West. The area is also called South Africa's food basket as it is the biggest producer of white maize in the country (Burger 2003: 21).

4.1.2. Skuinsdrif

The Skuinsdrif area is part of the Marico Magisterial District, its vegetation is mixed sour bushveld and it lies at about 1000 m above sea level. About 40 farmers plant up to 2500 ha of crops per year, of which 2400 ha are under the Marico Bushveld State Water Scheme. This scheme has two dams, Riekertsdam and Kroom Ellebog Dam, which hold up to 27 Million m^3 and 15 Million m^3 of water respectively. Each farmer who contributes to the scheme gets 5400 m^3 of water per hectare per year. In drought times this amount is

[10] The information in this chapter is based on conversations with Arno Faul (head of the Madikwe Rural Development Programme, which operates in this area), different farmers and farm workers and my own experience. For a map of the area see Appendix.

shortened. The dams are connected to the fields by a canal, which is about 95 km long. The dam is managed by the Department of Water Affairs, but a privatization process is in place to turn the dam over to the Marico Bushveld Water Users Association (MBWUA).

The main crops that are planted in this area are tobacco, wheat, maize, vegetables, coriander, chillies, soy beans and sun flowers. The nearest markets for these products are Klerksdorp, Pretoria and Johannesburg, each about 250 km away.[11] There are two intensive cattle farmers, one of whom produces milk, but most other farmers keep some cattle in their bushveld.

Most farms are small to medium in size and many rely on labour-intensive products (tobacco, chillies, vegetables), which is possible because of the irrigation system from the dam. The otherwise quite low rainfall of about 500 mm per m^2 would not allow such crops. According to the minimum wage law Skuinsdrif is in "Area B", which means their first minimum wage in 2003 was R650 and was raised to R713 in 2004.

The farmers are organised in the Marico Bushveld Farmers Union, which is affiliated to Agri-NW, a regional body of Agri-SA. There are two land restitution cases in the area, Tshwarro and Areboetse Bakwena. These two community property associations belong to the National African Farmers Union (NAFU). One redistribution case with the support of LRAD and a land bank loan has already taken place, which benefited a group of six people. Two more cases are pending, which will each benefit another six people. These cases were made possible by the support of the MRDP and Daan van der Merwe, a local farmer.

Arno Faul[12] estimates that there are at the most 1500 farm workers employed in the area and that about 6000 people live in the area in total, of which most are Batswana. According to his estimate, there were at least 3000 people working on the farms when he started working in the area in 1989. There are also about 100-150 white people and 10 Indians living in the area.

The Skuinsdrif area borders the former Bophuthatswana territory. One communal village, Koffieskraal, is about 15 km away. Three others, Mathlako (Pella), Padsdraai and Doornlaagte, are each at about 20 km distance. Many farm workers have houses there and some even commute daily. Each of these villages, except Doornlaagte, has a static clinic

[11] Distance details are given from the Skuinsdrif hamlet, if not indicated otherwise.
[12] Development Worker for the MRDP, see below.

with nurses on permanent duty. The Skuinsdrif area, Doornlaagte and others are covered by the Mobile Clinic, which has two nurses. It visits the Skuinsdrif hamlet every Monday and offers free service to all patients. The area covered by the Mobile Clinic is about 3500 km^2 (40 km E-W by 80 km N-S). The Skuinsdrif hamlet is also visited by a dentist and an eye clinic once a month. The next static clinic with a doctor, who is thus not on permanent duty, is in Groot-Marico, about 30 km from Skuinsdrif. The nearest hospital and ambulance is in Zeerust, about 65 km away.

Zeerust and Lefuruthse, which is about 72 km away, are the administration centres housing the closest government offices and social workers. The closest college is in Rustenburg, about 120 km from Skuinsdrif, which also offers extended shopping possibilities, government offices, movie theatre etc. Mafikeng, the capital of the North-West Province, is about 140 km far away.

The nearest police station is in Groot-Marico and is responsible for the whole of the Marico Magisterial District. Their resources are limited for covering such a huge area, as they only have two cars and about ten police men. However, a Community Police Forum exists in the Skuinsdrif area and most farms have committees to solve internal problems amongst the farm workers or between workers and the farmer.

Skuinsdrif hamlet and the area offer very limited shopping and service facilities. In Skuinsdrif, there is a tavern, a bottle store, a post office with grocery store attached, a vegetable shop and a trader for herbicides and pesticides. There are two co-operatives, Obaro (former Magaliesburg Grain Cooperation) and North-West Koperasie, and four more shops with different but limited supplies, which are spread across the area. Pensions are paid out at two shops (Robins' Roost and Goolap Ameer and Son), each about 3 to 4 km from Skuinsdrif along the tar road.

There are three schools. Riekertsdam Laerskool and Skuinsdrif Laerskool teach up to grade 7 and have about 80 and 150 pupils respectively. Ikagisano Intermediate teaches up to grade 9 and has about 160 students. All schools are farm schools. For children, who want to carry on after grade 9, the closest possibility to do so is Thuto-Ke Matla High School in Groot-Marico. There are also three crèches, which each care for about 25 children. The crèches have been initiated by the Madikwe Rural Development Programme (MRDP), which is also involved with Ikagisano Intermediate School.

All important South African churches are represented in the area, the Zionist Christian Church, the Apostolic Faith Missions, Protestants and Catholics, but there are no church buildings in the farming area. The nearest church buildings are in the surrounding communal villages, where many farm workers travel to on the weekends. Most funerals also take place there, but some also take place on the farms, whereas the reluctance of farmers to allow this has grown since the introduction of the ESTA. Most of the farmers belong to the Nederduitse Hervormde Kerk, the Nederduitse Gereformeerde Kerk or the Afrikaanse Protestantse Kerk, which have their church buildings in Groot-Marico.

There are very few possibilities for leisure activities. Four soccer teams and one netball team, which each have a playing field and play each other as well as teams from the surrounding communal villages or from even further away, are amongst the only leisure opportunities in the area.

4.1.3 The MRDP and my contact to the area and its population

The Madikwe Rural Development Programme is a non-governmental organisation, which was established in 1997 and is financed by the „Deutsch-Südafrikanisches Jugendwerk" (DSJW; German South African Youth Association), which finances itself from the money German students pay for the placement in an internship or university programme in South Africa.

The project coordinator Arno Faul has been working in the area since 1989, when he was appointed rural developer by the "Marico Bushveld Community Development Association" (CDA). The CDA was established in 1986 as a part of the Rural Foundation, which had been founded by students of Stellenbosch University in 1983. Their goals were to promote adult education and social development especially among farm workers. Until 1995, the CDA and Arno Faul organised a couple of development projects, but when the government money for the Rural Foundation was discontinued, the projects were stopped. The DSJW, which had been in contact with Arno Faul since 1993, then approached him and the CDA. They offered to sponsor a development programme in the area and the MRDP with Arno Faul as coordinator was founded.

Since then, the MRDP has built new buildings for Ikagisano Intermediate School, where it is also regularly involved with teaching and the organisation of leisure activities. Together with the community, three crèches have been established and permanent training for the

crèche teachers is given. The Programme also has a Youth Club, which is open for the local youth and is run by German interns. The MRDP is also involved with training workshops such as PAETA workshops for farm workers and has offered a building workshop in conjuncture with the building of a new crèche, which was financed by the German Ministry of Cooperation and Development (Bundesministerium für Zusammenarbeit und Entwicklung, BMZ), in 2001/2002. Arno Faul is also responsible for the employment management part of the upcoming MBWUA.

Because of the sponsorship through the DSJW, Arno Faul and the MRDP are much less dependent on the farmers than they were before, which gives them more room for manoeuvre. Still, because the programme is located on the land of a farmer, where no rent has to be paid, certain obligations have to be met.

Problems of the area that the MRDP has identified are:

- Alcoholism
- Lack of opportunities for further education
- Violence
- Apathy (as a result of lack of a future perspective)
- Malnutrition (especially of children)
- High illiteracy
- Lack of employment opportunities and other opportunities to make an income

Since 1994, German students have visited the area and worked as interns on development projects with farm workers and farm dwellers. I was an intern in 2001/2002. That is how I came to know the area and its inhabitants and developed an interest in their fate.

Because I had been working at the MRDP and made contact to farmers as well as to farm workers and had partly learned their language as well as culture, it was easier for me to start this research than it otherwise would have been. Research in the commercial farming area is generally said to be very difficult, as white farmers are often reluctant to let people talk to their workers and are suspicious and sometimes even hostile towards outsiders. The consent of the farmer, though, is necessary to access his land and thus his workers. When I decided to do this research I talked to some people in the area and most of them were open to it and offered their cooperation.

I then decided to concentrate my research efforts on three farms: The farm of Daanie Oosthuizen, where the change to minimum wage caused disruptions and trouble (in the following: Oosthuizen-farm); the farm of Koos Robbertse (in the following: Robbertse-farm), where little disruptions were observed; and the farm of Daan van der Merwe (in the following: Maswela), who has applied for exemption and is still on "the old system".

4.2 METHODOLOGY

4.2.1 Formulation of research and first approach

As I mentioned above, the formulation of my research was a gradual process of learning about the problems in the area and deciding to do research on the issue of minimum wages and how it changed the lives of the people. The multiple livelihoods approach seemed ideal for this purpose. First I started talking to Arno Faul and Danie Robbertse (the son of Koos Robbertse) about my ideas, and both of them were supportive. They then helped me to get some more contacts and after introductory talks to Daanie Oosthuizen and Daan van der Merwe they permitted me to talk to their workers and move freely on their farms. The same was the case for the Robbertse-farm, to whom I have a somewhat closer acquaintance, due to my friendship with Danie Robbertse.

4.2.2 Data Gathering

Even though minimum wages are a rather quantitative and measurable thing, I decided to do a qualitative study, as I want to look at the farm workers' livelihood dynamics. Qualitative research aims to "describe, understand and explain human behaviour" and "places strong emphasis on many aspect of social, historical and physical context for understanding the social world" (Greenstein 2003: 49-50). According to Greenstein (2003: 49-53) the major characteristics of qualitative research are (1) thick description, (2) the goal to understand the actor's perspective, (3) relative lack of control, (4) process orientation, (5) subjectivity and being inside-centred, (6) being inductive. It works especially well when doing research on behaviour in a complex real situation. As all other research designs it has its strengths and weaknesses, which in this case are both sides of the participative and subjective character that can lead to more insight but also to a biased view, as well as a limited possibilities for the generalisation of the findings. The problematic issues concerning this study are discussed in the next chapter.

I used semi-structured and unstructured interviews with groups as well as individuals. The group interviews were conducted with working groups that were diverse. There are strength and weaknesses to groups being homogenous or heterogonous and group dynamics can be a specific strength as well as a weakness of group interviews (see Robson 2002[2]: 283-289). With that in mind the group interviews were used to get an overview of the situation, to capture people's opinions, to observe the group dynamics and to see with which people it would be interesting to talk about various topics in greater depth further on.

The exact approaches used had to be adapted to the respective situation on the farm and to the people being interviewed. I concentrated my research on people on the farms and did not include people from the communal villages that had become unemployed recently. All the farm workers I talked to lived on the farms at least during the week.

Additionally, I used informal interviews and observation methods. Even though these methods are not suitable as the main data collection method they "can play a valuable part in virtually all flexible design research" (Robson 2002[2]: 282) when used in conjunction with other methods. Observation has special merit because data from direct observation contrasts with, and can often usefully complement, information obtained by virtually any other technique. "Observation also seems to be pre-eminently the appropriate technique for getting at 'real life' in the real world" (Robson 2002[2]: 310). Disadvantages include biased focuses, not knowing whether the behaviour observed is really natural and that it is very time consuming work (see Robson 2002[2]: 310-311; Greenstein 2003: 62-65).

The data gathering mainly took place in September and October 2004. I spent between one and two weeks at a time in the Skuinsdrif area and worked at one farm at a time doing interviews with the workers. Nevertheless, during all the time that I spent in the area in 2004, I regularly visited the different farms and the workers as well as the farmers.

On the Oosthuizen-farm I was introduced to the male workers and foremen by Wessel Oosthuizen during the morning assembly. I introduced myself and explained my intentions of doing research in Afrikaans (barely anyone of the farm workers in the area speaks English) and my translator William Mogapi translated it into Tswana for them. I and William also guaranteed that all information would be anonymous and confidential, in case they agreed to talk to me. Wessel Oosthuizen also guaranteed this, and that the farmer and his men would not try to find out what had been said or punish anyone. After some clarifying questions, they agreed to talk to me. I then decided on appropriate times with

Daanie Oosthuizen to do group discussions with the working teams. Two group interviews with mainly women participants took place on the tobacco field, one before and the other one after breakfast time. The first group had ten, the other fourteen participants. Before doing the interview I explained to the women what this was about, but most of them had already heard about it from the men. Some did not want to take part in the interview and sat on the side. With the men I did one group interview on the olive plantation and one in the work shop, with sixteen and seven participants respectively. Each interview was semi-structured and started by each one introducing himself or herself and saying where they worked, how long they had been working on the farm, their family status and living conditions. Then questions about other income earning activities, stokvels and daily routines at home as well as at work were asked. Then there was open time for discussions, questions and complaints. The group discussions were between forty-five minutes to one hour long.

In the following days I took personal interviews with four men and two women, which were unstructured interviews that explored certain interesting features of their lives they had mentioned before. I took care to interview permanent as well as casual staff and those that had been working on the farm for many years as well as those who had only started recently. The interviews took place during working time and were between half an hour and one hour long. The translations were done by Sam Thuso Mothladile, who is living on the farm and is the brother of one of the ladies working in the household of Daanie Oosthuizen Senior. He was unemployed at that time and speaks good English, but did not have any training in translating.

I also spent a lot of time on the farm, especially in the crèche and the houses closest to the main building, as they are easiest to access and a friend of mine lives there. With her help I could also gain some insight into the daily routine and problems of the people by informal conversations with her and others, as well as through participant observation.

Due to the heavy workload on the Robbertse-farm, it was only possible to do two focus group interviews, one with the permanent staff (all men) and one with the casual staff (largely women). They both took place during lunch time and the workers had previously agreed to sacrifice their lunch time in return for the provision of lunch by me. During my stay in the area, I mostly lived on the Robbertse-farm and had daily contact with the workers. Despite some communication problems I thus had the opportunity to have informal conversations with most of them and was able to do some observations, especially

among the people living close to the farm buildings, who I visited frequently, as one of my former students is living back there. I also did an in-depth interview with his mother, who used to work on the farm until last year. The translations of the group interviews were done by Sam Thuso Mothladile; the in-depth interview was translated by William Mogapi. He is living on property that is rented by Koos Robbertse and borders the farm where the MRDP is located. Since the late 1990s he works as assistant to Arno Faul and has experience in doing translations. Now he is a voluntary part time teacher at Ikagisano Intermediate and his time for doing interviews was thus constrained.

The Maswela farm borders the farm where the MRDP is located and I have had contact to many people who are working their. I introduced myself and my cause to the foremen and community leaders on an HIV/Aids Peer Educator workshop. The head-foremen then talked to the workers on a Monday morning assembly and they agreed to talk to me. I did four group interviews with largely female participants, as the men were scattered over the fields. The focus groups contained between 10 and 16 people. I then talked to another five men and two women, whereas two of these interviews took place after work at the people's home. All of these interviews were translated by William Mogapi. Participant observation was possible as I spent quite some time on the farm and was a guest at a number of parties and festivities.

I also conducted interviews with farmers as well as with local shop keepers and police men. Those were conducted in English and usually took place at the person's working place. They were semi-structured and left enough room for the people to express their opinions and feelings about the minimum wage law and the changes for them and for the worker and to explain their reactions.

I also took two semi-structured interviews with representatives of Agri-SA in Pretoria, with one representative of the Farm Workers Union (SAAPAWU) in his office in Klerksdorp and with one SAAPAWU-representative, who is knowledgeable about the situation in the Skuinsdrif area, via telephone.

4.2.3 Data Analysis

Different kinds of data were collected by me and have to be analysed and evaluated differently, according to their nature and the way they were gathered:

> "As with other flexible designs generating qualitative data, analysis and interpretation of data from focus groups must take account of the context and circumstances in which the data are gathered" (Robson 2002[2]: 288).

My data include:

- Group interviews with farm workers,
- individual interviews with farm workers,
- individual interviews with farmers,
- individual interviews with shop keepers and police men,
- individual interviews with representatives of the farmers and farm workers,
- informal conversations with farm workers,
- informal conversations with farm dwellers,
- informal conversations with farmers and other people in the area,
- field notes and (participant) observations,

The richness of data enhances credibility, validity, reliability and consistency as they can be compared and cross checked with each other. But it also requires a thorough analysis. Most are written notes, which I went over and over again to find commonalities as well as differences. I already did so during my research and was thus able to clarify and/or deepen themes that had occurred during one interview with other groups or people and thus find out whether issues raised by one person were as important to other interviewees. That way, I identified different groups of people, who have had similar experiences and share similar opinions. It is important to note similarities as well as differences and analyse and mention them as such.

Only some of the interviews which I conducted on my own and in English were recorded and then transcribed. The other interviews, especially the group interviews, were too difficult to record and I thus had to rely on notes, which I made as detailed as possible.

Interviews and field notes/observations have been analysed differently and both have been cross checked and validated as far as possible. Some times I had to rely on my experience of living in the area to identify which of opposing information to give more weight and which was more credible. I gathered and analysed my data objectively and neutrally and

any problems that could arise due to my familiarity to the setting as well as people involved, will be raised in the next sub-chapter.

4.2.4 Possible Problems with Reliability and Validity of the Data and its Analysis

There are certain problems that could arise due to my familiarity with the area and the people there. I am aware of the danger of a personal bias regarding the topic as well as persons and their opinions. Therefore, it is important to lay open all information given to me. Collecting data on different levels and from different sources also helps to ensure transparency and reliability. The interview partners were selected objectively and the interviews conducted in a professional and objective manner.

I had predicted the danger of being seen as a friend of the farmer and working for his good. But because I had been working at the MRDP and Arno Faul is highly respected among the farm workers, I did not have problems building up rapport. Only at Koos Robbertse's farm the women refused to answer when asked about their relationship to Koos and his son Danie. They said that there were no problems, but it was clear that they did not want to answer freely. In this case and in general, informal conversations and observation helped a lot to overcome information gaps in the interviews. Informal conversations and personal interviews also proved useful for gaining insider information. Also, people were much more willing to raise complaints and identify grievances of themselves and the other workers as well.

With the farmers, who Arno Faul and Danie Robbertse helped me to get access to, conversations were generally very open and relaxed. They gave me access to all the information I needed and were very helpful, even though they know I have been working in the cause of the farm workers and am befriended with people on their farms. Some farmers, however, did not want to talk to me, but did not really give a reason. Danie Robbertse, though, thinks it was largely problems with the English language that was deterring them from talking to me.

I discovered that group dynamics worked two ways in the group interviews. Either individual people did not dare to speak up, because they were afraid someone will sell them out to the foremen or the farmer and they could get punished and/or loose their job. This was the case on Maswela, where, informally after the group interview and in personal interviews, very different points were made than in the group sessions. On the Oosthuizen-

farm as well as among the men of the Robbertse-farm it was rather the case that they dared to speake up because they were in a group. One could feel that the issues raised had been discussed before and that the people felt safe raising their feelings and grievances in the group. And as the men from the Robbertse-farm said so poignantly: "We might as well tell you our problems with the boss, because he cannot fire all of us" (Robbertse Group 1).

Because the interviews took place during working time, the groups were organised according to working teams. At first this seemed like a draw back to me, as focus groups usually are put together according to certain characteristics of the participants. But it showed that the groups were quite homogenous according to gender, age and place where the people lived. It also proved favourable that the people in the groups seemed to have talked about the topics raised in the discussions before and most groups showed trust in each other and individuals were therefore confident to speak about personal problems and grievance as well.

At first I was also not very happy that the interviews should take place during working time. But the times I tried to make interviews either at night after work or on the weekends proved to be rather difficult. All farm workers are very tired when they are done with their daily workload and the women even have household duties they still have to tend to after work. Therefore, evenings were a bad option. On the weekends drinking is rife and on the two times that the weekend appointments were actually kept, no proper communication was possible. So doing the interviews during working time or during breakfast and lunch times were the only options. Due to it being planting season, though, there was a lot of work to be done and the time during which interviews could be conducted was restricted. A positive aspect of it being one of the busiest times of the year was that I had easy access to casual and seasonal workers. As mentioned above, Daanie Oosthuizen allowed me to interview his people during working time, whereas the interviews on the Robbertse-farm as well as on Maswela took place during (slightly extended) breakfast and lunch breaks. The people, thus, had been asked before whether they would be willing to sacrifice their break and voluntarily did so. Those who did not want to take part kept themselves aside. However, I do not think that this non-participation of some workers contributes to a skewed picture of the situation. Even if people were not willing to speak openly in front of the group about their problems and complaints, some came and talked to me privately afterwards. I am sure that a wide spectrum of opinions was captured and all important aspects were covered.

Due to the interviews taking place at work time, though, it was very difficult to do any long in-depth interviews. Some people told me they did not feel good about being interviewed and exempted from work while all the others in their team had to work. Others said they did not want to talk to me too long, because they were afraid the others might think that we talked about secret things, which could lead to harassment by other workers, foremen or the farmer (this happened on Maswela).

Informal conversations and (participant) observation had to make up for this lack of in-depth interviews. These attitudes and fears already reveal some issues about the realtionship of farm workers to the farmer as well as to other workers and foremen that I will discuss in the next section.

In relation to the transferability of the data it is of importance to acknowledge the existence of the MRDP in the area. It could thus be possible that the farm workers are influenced by it in some way, so that they know about their rights better than farm workers in other areas or that they are better educated. Unfortunately, nothing of this could be detected by me. The workers of the Oosthuizen farm are only benefiting from the MRDP because it is supporting the crèche there and the people on the Robbertse-farm barely have any contact to the MRDP and do not use any of the facilities. And even the people from Maswela, which is located directly next to the MRDP, are not benefiting significantly from this NGO.

One could also expect that farmers, who are willing to let me do such research on their premises would be rather liberal. All of them belong to the rather liberal Agri-NW farmers union – as compared to the rather conservative Transvaal Agricultural Union, which totally opposes the new minimum wage law. All farmers concerned here are faithful church members (van der Merwes and Robbertses belong to the Nederduitse Hervormde Kerk, Oosthuizens to the Afrikaanse Protestantse Kerk, APK) and are regularly involved in their church community. Daan van der Merwe is working in close cooperation with people at PAETA and applied for exemption from the minimum wage law because, in his opinion, it hurts rather than helps "his" people. Also, he helps workers to get access to agricultural land (through LRAD grants) and has a partnership with them in helping them to work it. Both other farmers, Daanie Oosthuizen as well as Koos and Danie Robbertse, are thinking about taking some of their workers into their business or finding another way of empowering their workers – necessary prerequesites to comply with the legislation of the EEA and the AgriBEE framework. Still, I do not think that they are especially liberal

compared to the average farmer in South Africa, as all farmers in this country are faced with similar issues these days and take similar decisions about supporting emerging famers and taking former farm workers on as partners.

Two more issues that have to be discussed are the possibility for inconsistencies with the translation and the impact the choice of translators could have had on the information received.

Because William Mogapi as well as Sam Mothladile are not professional translators, it is possible that some answers were not translated correctly in a word for word sense. How far they translated exactly what was said can not be clarified, as the interviews were not recorded. In cases where there was a lack of clarity I asked again and unclear sections were rectified. I am thus sure that in general there were no major misunderstandings or gross misinterpretations.

The familiarity of both translators with the interviewees as well as the situations on the farms may have two contradictory influences. First, it might have helped to create rapport and animate the interviewees to open up more easily and talk about sensitive issues more openly. On the contrary, the interviewees might have also been afraid to talk about their problems and feelings in front of someone who is acquainted with them and who they meet on a more or less day to day basis. This reluctance has not been observed nor have objections in this direction been raised. Also, William Mogapi and Sam Mothladile promised to treat all information given to them as confidential. They seem to take this pledge very seriously and have not, according to my knowledge, talked to anyone about the research findings except me.

According to our arrangement, William Mogapi and Sam Mothladile were bound to be objective and neutral during the course of the interviews. After all the interviews had been completed, however, they, as they are farm dwellers and affected by the developments on the farms as well, discussed their views of the situation with me. They were very touched by some of the findings. By talking to me they allowed me to learn about their grievances and their opinions of what is happening on the farms right now. Also, they have a wider view than most other people in the area. This is because they are much better educated than the average farm dweller and because they had the opportunity to do the research with me. Therefore, the discussions with them helped me to see things more clearly. But their views have, of course, still to be taken as their personal and subjective opinions and treated as such in the data analysis. On the other hand, these discussions were an opportunity for

William and Sam to talk about what they had heard and to put it into the right framework. Talking about it with me also reduces the chance that the questions and insecurities that they might have built up leads them to talk about it with other people and thus break their pledge for confidentiality.

4.3 RESEARCH FINDINGS

In response to their requests as well as for their security, I will keep all farm worker participants of this research anonymous. I decided against using any made-up names, because of the chance that there is someone on the farm with this name and could thus misleadingly be considered the respondent. That the people talked to me even though they knew that it is not possible to hide their identity totally shows how important these issues are to them and how much they hope to get some help or mediation in these matters, as they seem not to be able to address and sort them out themselves.

I will now proceed in first describing the farms separately, the farms as a business as well as the responses of the people there. I deem this necessary as I have discovered that there are strong differences on the three different farms. The differences are not only determined by the size of the farm and its staff, or according to the farmer, but there also seems to be a distinct community on each farm, which has different ties and opinions and handles its affairs differently. This is an important point to recognise as it shows that the impact of the Sectoral Determination might be different in everyone of the cases studies as well as in any other case in South Africa.

After presenting the findings in the context of the separate farms I will expound findings according to multiple livelihoods options, strategies and problems. For this purpose I am using not only the data gathered on the three farms but also data from interviews and conversations with other farmers and farm workers from the area, business people and police men from Skuinsdrif and Groot-Marico as well as information from interviews with representatives of farmers (Agri SA) and farm workers (SAAPAWU). These data and information will be linked up with other findings from other research and with theoretical literature on multiple livelihoods.

4.3.1 Oosthuizen-Farm

The Oosthuizen-farm, along with Maswela, is the biggest farm in the area. The main crop is tobacco, of which they plant about 100 ha. In winter they also plant some maize or wheat, depending on the amount of the water left after the summer planting. They have recently started planting olive trees as a long term investment. About 250 cattle are kept extensively in the veld and serve as financial back-up. A contract with Rainbow Chicken provides regular financial input, as they fatten up 126 000 chickens every 30 days, with a break of about 10 days between the next batch. The property consists of three different farms in different areas of the Skuinsdrif district, which minimises the risk of hail damaging the tobacco[13].

They have about 37 permanent employees and seasonally employ up to 85 people. Two years ago they used to have almost 60 permanent staff and employed up to 200 people during the planting and harvesting seasons. This was reduced in 2003 and 2004 by using alternative working methods, mechanizing the production process and using less "make-work", i.e. finding something to do especially for seasonal workers if there are no seriously necessary tasks to be done for a couple of days. Most of the employees live on one of the farms belonging to the Oosthuizen property. Whereas until last year workers came in from the surrounding communal villages, this has stopped almost completely and no daily transports are done anymore:

> "In the old days, when we did not have a lot of work to do for two or three days, we would still keep the seasonal workers and give them just something to do. Now, we only keep them as long as we really need them. The time they work per year has gotten a lot shorter. We have to be take care that they do not work more than 6 months a year as casual workers" (Daanie Oosthuizen Junior 1).

These are words by Daanie Oosthuizen Junior, who is managing the farm. He is a trained agricultural economist and started taking over from his father about eight years ago. Daanie Oosthuizen Senior, though, is still working on the farm, as he got his pension fund paid out a couple of years ago, when the farm was in trouble. Wessel Oosthuizen, the brother of Daanie Oosthuizen Senior, is responsible for the maintenance of the bakkies, tractors and the equipment. The chicken houses are supervised mainly by an employee, Christo, and the administration is done by Corleen and Charlotte Oosthuizen, the wives of Daanie Junior and Senior.

[13] It is very expensive but considered necessary to insure tobacco. Unfortunately, Daanie Oosthuizen took the risk of not insuring his whole crop and 30 ha were damaged in December by hail, of which part was not insured.

They changed to the new minimum wage law in March 2003. Daanie Junior says they called the people together and explained the law to them. They also gave them the option to have a meal per day for R3, but the workers, who had received three meals a day before, rather wanted to be paid out in cash. The workers say that they prefer cooking for themselves, because the food they were getting was not always to their liking and that they eat better now than before. They either get up very early in the morning to prepare their food or take leftovers from the night before. If they are working close to their houses the women who do not work prepare fresh food.

The couple of times I was on the fields, it seemed that most people had something to eat with them and most of them not only pap but also meat or merogo[14]. That was in the week after they got paid. All the farmers, however, complained that their people were not eating enough since the minimum wage was introduced and Corleen said that the summer of 2003/2004 was the first time that a couple of people fainted at work. Therefore, Daanie Junior was thinking about introducing meals again, but it seemed that the condition of the people had bettered by the summer 2004/2005.

> "It seemed they only needed a while to get used to the new system. Especially the permanent staff all bring food now and nice stuff as well" (Daanie Oosthuizen Junior 1).

Since the introduction to the minimum wage, the workers who were below the prescribed R650 cash wage, which were all workers except the foremen, were lifted onto that level. Those who were above, which were five foremen, got an accordingly higher cash wage. However, the wage differential decreased and the foremen get fewer benefits and privileges now than they did before, for example were they allowed to use the bakkie for personal matters.

> "We know that this is a problem because the foremen have to have a certain status and having a bakkie to their disposal is worth more than a little money. But we could not keep track anymore how much they were driving and the constant repairs got too expensive" (Daanie Oosthuizen Junior 2).

When the minimum wage was raised to R713, which was about 10 per cent, the ones above the minimum wage only got a raise of 6 per cent. However, the workers refused to acknowledge that they got a raise. I checked some payment slips, which I had asked them to give to me, and it clearly had the R713 minimum wage minus the deductions on it. Daanie Senior told me that for a while, the workers had refused to take the extra money

[14] Merogo is the Tswana word for vegetables. Originally it only meant wild spinach but is now used for any kind of vegetable.

and gave it back to Corleen, when they were paid out. Why this has happened could not really be established by me. The workers insisted they had not gotten a raise, but clearly they had. I think it might be due to the increase in the deductions (as it is a proportion of the wage and thus rises automatically if the wage is increased) that they got somewhat mad and refused the wage increase. This is supported by the statement of a foremen:

> "The money got increased but it is just too many deductions so that the increase does not help us anything" (Oosthuizen male worker 4).

Because the deductions are allowed according to percentages (the Oosthuizens deduct 10 per cent for accommodation) they vary with the wage. In the law there is not even a provision that it can not be deducted from the wage paid for overtime. And the deductions are a matter about which the workers on the Oosthuizen-farm are very angry. Shortly after the introduction of the minimum wage they went on a three day strike, because they demanded that the whole minimum wage be paid out to them in cash. They thus demanded the old benefits like living, transport, and a bag of millie meal[15] for free plus the minimum wage in cash. When they jointly decided that they are not satisfied with the way the law was put into place they decided to strike. They contacted the ANC, who told them that they had to join and address the union for help, which most of them did. A representative of the union came and tried to mediate, but it was not very successful, except that the people went back to work.

> "The guy from the union only came here once. Since then we have not seen him again. They take our money[16] but do not do their job" (Oosthuizen male worker 4).

The major complaint was that the housing deductions were not legal.

> "Even the government told us and the farmer that the housing was not according to the standard. Most do not have toiltets and electricity. Still we have to pay" (Oosthuizen male worker 4).

> "Some of us only live in a little card board room in the glaskamer [tobacco sorting room] and still we have to pay. And if there is more than one workers per house, all of us pay" (Oosthuizen Group 4).

The latter is refuted by Daanie Junior and Corleen, who claim only to charge one worker per house. I could not check this, however. That the workers have to pay for substandard housing is explained by Daanie Junior:

[15] Millie meal is corn flour, which is used to prepare pap, the South African staple food. The bag a permanent male workers would usually receive per month weighs 50 kg and will last his family throughout the month.
[16] The contribution per person per month to SAAPAWU is R30 according to their policy and includes funeral insurance. Because the Oosthuizen-farm has their own social fund/funeral plan, the workers only contribute R 15 to SAAPAWU. This is a bit more than 2 per cent of the current (2004) minimum wage and about the amount three loafs of bread would cost.

> "The law does not stipulate who has to pay the water and the electricity. All of them get water, even if it is not in their house. And those who have electricity use a lot more than they actually pay for. So I have to deduct the allowed percentage from all of their wages to at least cover part of the costs for water and electricity" (Daanie Oosthuizen Junior 2).

Also, Daanie is busy building eight new double-houses according to the new standard. He started building them before the minimum wage law was introduced and stopped building again at about the time of the introduction of the law. He says it is because the money is short at the moment as the earnings from tobacco had dropped about 45 per cent in 2003/2004 and the minimum wages required the farm to have a high amount of cash, which was then not available for building materials. Also, he was reluctant to give the people the new houses, because of the ruptures on the farm and the problems he faced with the other standard houses he has build a couple of years back.

> "What they did to the electric wiring there is dangerous and they do not know how to use the flush toilets. I could go their every day to repair something, but I have other things to do" (Daanie Oosthuizen Junior 2).

He wanted the houses to be a benefit for the workers, as the farming was going well. He says he wants them to be able to upgrade their living standards and to be in charge of their own live, to be happy and to have a nice house. But building houses was only possible when farming was good, as erecting only one house cost about R25 000-30 000.

The workers claim that Daanie Junior is not repairing their houses. There were leaking roofs, broken windows and many other defects. I asked some of the workers who brought these complaints forward, whether they had talked about it to Daanie Junior, and all of them said they had not. This is a very typical example of the communication problems I discovered on the Oosthuizen-farm. Daanie Junior and Senior as well as Wessel and Christo only speak Afrikaans. Most workers' Afrikaans is rather rudimentary. It is mostly good enough to understand working instructions, but even in that respect it is sometimes lacking and misunderstandings occur. I do not think that most workers speak Afrikaans well enough to have a proper conversation about such problems like housing or to understand exactly what Daanie Junior was explaining to them about to the minimum wage law and other aspects of their working relationship. Also, their understanding of many concepts in the law, like the allowed deduction of 10 per cent, is low. They had many questions to me about things they did not understand, especially about working hours and these percentage deductions. Sam and I tried to explain it to them and they said they did

understand more of it now. I left a copy of the law for Sam so that they could always go to him and ask him about things they were not sure about.

This communication problem also leads to a lack of communication and to enhanced distrust between the two parties (Oousthuizens vs. the farm workers). Daanie Junior as well as Senior talk about a breach of trust between their workers and them. The workers, however, attribute this to the leadership style of Daanie Junior. They say the breach and lack of trust has not only started with the new labour legislation, but already started when Daanie Junior took over the farming management from Daanie Senior. They were all of the opinion that the trouble on the farm only started when Daanie Junior came.

> "When the old man and Wessel were still in charge we did not get so much money but we got bonuses two times a year and we got working uniforms. Since young Danie came in charge I only got one bonus. He still owes us old hours and even if we work harder he does not appreciate it. Young Daanie has changes everything. He has cut every thing and he does not care for us. There is a bad relation between him and us and there is very bad communication" (Oosthuizen male worker 4).

The workers claim that there is just as little trust from Daanie Junior towards them as there is trust from them towards Daanie Junior. He, thus, claims that he strives to have a rather modern working relationship. He does admit that he told the workers that whoever is dissatisfied is free to leave and for him that is a normal thing to say. For the workers, however, it rather sounded like a threat. This is again a proof of bad communication on the farm. The workers as well as other people in the area also say that they think Daanie Juniors communication and leadership skills are not appropriate for the situation on the farm, which is not a regular working relationship as it is in the city.

In fulfiling the stipulations of the Employment Equity Act Daanie Junior wants to take on two junior managers from the ranks of his workers. He also proposed to them that in the long run they could have shares in the company and become his partners. They had had an assembly on this matter one or two weeks before I talked to the people. The workers had promised Daanie Junior they would talk about it and get back to him, which they had not done. He then asked me to talk to them about it. When I asked a group of permanent staff (all men) about it they answered:

> "Would you want to be partners with a man you do not trust. He does not even give us a share of the wheat harvest as old Daanie did, so why should we trust him in more serious business matters? We rather want to have our own farm than working together as partners" (Oosthuizen Group 4).

I then asked the workers to go and talk to Daanie Junior about it (I did not talk about it to him), but as far as I know they have not done so up to now.

It is not only a rather modern and managerial working relationship that Daanie Junior has introduced. He has also introduced many new working methods, among others quite a bit of mechanisation. Since a couple of years already he has been experimenting with a tobacco planter and with other mechanical implements that would make work easier and require less workers. Since the minimum wage law has come into place, he has geared up his effort to mechanise most activities on the farm.

> "We have to work more effectively, especially now with the minimum wage. Before the law was introduced I did not want to use the new machines too much, because I wanted to keep on giving employment to my people. But this year I have planted all the tobacco with the planter and I got other machines, e.g. a machine to plant the seeds, which saves workers" (Daanie Oosthuizen Junior 1).

The workers who work with these new implements are not very impressed by them:

> "The new machine [to plant the seeds] does not work properly. It is better to do it by hand. It is also faster by hand and the plants are better. But he [Daanie] uses these new machines to use less people" (Oosthuizen male worker 2).

The people are also aware that there are much less workers now employed than there were a couple of years ago. The permanent as well as the casual staff are less and all of them say that they have to work more. The men and women say they do not mind working harder and most of them opt to work overtime when asked, but they do not think that the wage they receive is appropriate for the harder work they have to do. Nevertheless, they understand that there is no money for more workers or to pay them more. Some get angry and demand more, but others say there is no use to get angry and hope that they will be rewarded if the farming goes better again.

The permanent staff, largely men, and those who used to be permanent staff but are only working casually now are angry with Daanie Junior about the way this new law was introduced. The latter and the women, who have all been casual workers even before the law was introduced but now work much less than they used to, are the ones who feel they have lost most with the new law.

> "If there is no work, we just have to stay at home. There is nothing else to do for us. I am the only one who works in my family and I have to care for my children and my parents. When I do not have work, often there is no food in the house and we have to ask our neighbour for help" (Oosthuizen Group 3).

At least they get more money now when they work, say the casuals, who are mostly women. But the money they receive was gone much too fast.

And even the permanent workers say that the wage they earn is barely enough to make a living for them and their family. "Sometimes all the money goes to food and there is not a cent left". Most permanent workers are men and are the bread winners in their family. In high season, however, most of their women earn an extra income as casual workers.

> "Fortunately my wife can work at least for some time of the year. The seasonal work is getting less and those on the farms are at an advantage. There are barely any people coming in from the villages now, but before there were lots of them coming" (Oosthuizen male worker 2).

The permanent employees also have the advantage of being members of a social plan that Daanie has introduced. They are paying R7 a month and are covered for the death of their spouse or children as well as their own death. In case of a death they get R3000 paid out. Those who quit working for Oosthuizens are free to keep on making their contribution to the society and three or four former worker do so, according to Daanie Junior.

The workers, however, do not seem to be very impressed with this social plan and rather complain about the deductions. Their focus is rather set on having more money in the present. As one foreman put it:

> "The others do not look forward. You cannot keep money in the house, because you will spend it if you want something. That is why I have a stokvel with a friend. Each one of us gives R200, so every second pay-day I have R400. Then I go to Zeerust and buy food in bulk and maybe some extra things like clothes. When the stokvel is not ready, the rest of my wage and the wage of my wife carries us through the fortnight[17]" (Oosthuizen male worker 2).

Apart from him there are barely any workers on the Oosthuizen-farm who belong to a stokvel or any other saving or funeral society. Some of them say they used to be members of such societies, but can no longer afford it.

Alcoholism was not mentioned as a problem by the farm workers during the interviews. But a woman living on the Oosthuizen-farm, whom I had an informal conversation with, singled it out as a source of the problems on the farm:

> "Many fathers spend all the money on alcohol and the mothers have to see how they get themselves and the children through. But some mothers are not better, also. I have heard them talking, when I

[17] The workers on the Oosthuizen-farm used to be paid every fortnight. With the minimum wage law they changed the payment to the first and fifteenth of every month, which lead to upheavals, as it meant that there would be less pay-days a year and the workers had problems understanding this concept. Therefore, they are paid fortnightly again now.

> went to collect my child grant. They just talk about how much money they get and that they will get more money if they have more children. And then they do not even use the money on their children, but on gambling and booze" (informal conversation with female resident on Oosthuizen property).

The crèche teacher also says that the abuse of alcohol is rife on this farm as well as on others and that children are neglected and malnourished because parents are drunk most weekends and there is not enough money for food. This seems to have gotten worse since the wage is paid out in cash only, because there is more money to be spent on alcohol and there is no regular food supply coming into the household.

From all the conversations I had with women and men, casuals as well as permanent workers, it was to be seen that they see the farmer as a major role player in providing their livelihoods. Not only for providing their wage but also housing, water, electricity, transport, food and credit. All these provisions had been taken away from the time the minimum wage law was introduced. The people had to adapt and they discovered that these services ate up their wage quite quickly, even though they still do not have to pay for water, electricity, fire wood and the like. In times of trouble, like illness or death in the family, they still address the farmer for help and most of them have asked the farmer to supply them with a bag of millie meal a month and deduct it from their next wage. It seems, though, that the livelihood strategies have only changed slightly, in that the workers now prepare their own food and that they handle more affairs independently of the farmer. Still, in cases of trouble, the farmer is the one who is asked for help first. And he does not refuse.

> "What can you do? I can't let the people starve. Since we took away all benefits, most of them have come back step by step and we are almost back to where we were before" (Daanie Oosthuizen Junior 2).

Daanie Oosthuizen acknowledges that he has a certain responsibility for "his people". And that is also what the workers expect and claim. The farmer is responsible for them and only a few see it as something extraordinary that "[h]e told us that we should tell him when the money is too little." A typical remark is the one made by a women farm worker:

> "We struggle more since the new laws and since young Daanie has come to the farm. But he is still responsible for us and I do not understand how he can care so little about us" (Oosthuizen Group 1).

4.3.2 Robbertse-Farm

Koos Robbertse's property as well as work force is much smaller than Daanie Oosthuizen's. He and his son Danie manage the farm and his wife Marie does the administration. They plant about 80 ha of wheat, sunflowers, soy beans and vegetables and employ about 10 permanent and up to 30 seasonal workers, of which most live on their property. The property consists of three separate farms, which are much closer together than those of the Oosthuizen-farm.

Until 2003 they were planting tobacco, which is very labour-intensive, and were employing about 35 permanent workers and up to twice as many seasonal workers.

> "Because of the new legislation we are using the natural waste method to gradually employ less people. We always employed more people than we had to and now that we have changed our crop, because tobacco is too much of a risk in the world market today and because we want to have less workers, we can do with a lot less people. Unfortunately it is always the weakest and least productive, who have to go. And we have problems helping them to claim unemployment benefits or disability pension. We have one guy on our farm who has been trying to get that since ages. And you can see him getting weaker by the day. We try to help him, but we cannot feed him through for ever" (informal conversation with Danie Robbertse).

Due to the Rand being so strong, 2003 posed problems to tobacco producers as they could not sell their tobacco at an appropriate price to cover their costs. This and the wish to reduce their labour force because of the minimum wage law, led to the Robbertses' decision to abandon tobacco and to mainly concentrate on wheat, sunflowers and soy beans. They planted vegetables before and extended that area a bit. Last year they planted tomatoes, onions, gem squashes and watermelons, which are mainly sold locally, to traders from Botswana or taken to the markets in Klerksdorp or Johannesburg. They also planted some maize, but maize as well as watermelons are products that are not often planted in the area, and they kept it at a quite low level because theft is very high on these crops.

Danie Robbertse is also busy building new machinery, which will work on a larger scale and thus require less workers.

> "We have to work smarter. I saw what you can do with barely any workers when I was in the US. And that is where I want to get to: Me and two or three guys, we will do the farming; only some seasonal workers for harvesting maybe" (informal conversation with Danie Robbertse).

When the Robbertses changed to the minimum wage law they opted to pay everyone the minimum of R650 and the ones who used to earn more than the others were raised

accordingly. They only deduct UIF, but took away all other benefits such as the bag of millie meal, transport and the borrowing of money or the bakkie. The men thus complained that they did not even know what this UIF was really about and that they do not know anyone who has ever benefited from it. They would rather prefer to have the money for themselves. Also, they said they did not know any other laws concerning their live and work on the farm:

> "I don't know about any laws, but I have not seen that any have helped us until now. The government does not look after us. They don't know what is going on on the farms" (Robbertse Group 1).

My translator was very impressed by the fact that there were no deductions and said "they are at least fair". Like at the Oosthuizen-farm, many of the old benefits have slowly but surely been eliminated. Thus the workers still had complaints. Their biggest complaint was that they did not receive a bag of millie meal as payment anymore. Most of the 10 permanent workers go to the farmer regularly and ask for a bag of millie meal in advance, which is then deducted off the next wage, which is paid out on the first and fifteenth of every month.

> "If we only got a bag of millie meal a month that would make sure that our families have food all the time. Like that, we have to make debts everywhere and when we get our wage we have to repay these credits and then often very little is left and at the end of the fortnight we struggle with food" (Robbertse Group 1).

They say, even though the law is good, that the farmer cut their monthly millie meal provision is the worst thing about it. This provision is so important to them that they would prefer to be paid as they were before, but to receive that one bag of millie meal – and probably the bonuses. Notwithstanding the extra work, they also prefer to cook for themselves, as do the people on the Oosthuizen-farm. With Christmas coming up, they were also very concerned that they would not get a Christmas bonus for the second year. During that time of the year everyone needs more money and they would face problems having a big party and giving presents to their families without the bonus. Also there were no bonuses for birthdays and leave anymore.

The other things the men connected to the new law was job insecurity and the scarcity of other jobs in the area:

> "Our work is not secure anymore. Since the new law eight people were fired and three died and none of them were replaced. We have to work harder but the money is not increased. And if you lose your job there is very little chance of finding something else" (Robbertse Group 1).

Also, they stated that the farmers treated them worse than they had done before:

> "He does not feel shame for us anymore. He does not help if you bring problems to him, but he always used to do that in the past" (informal conversation with Danie Robbertse).

This was because the farmer said that they paid the workers a lot of money now and that they had to get along for themselves now. The workers were upset, because they said they helped the farmer when he asked them to, for example when work had to be done on the weekends. But he did not help them if they asked him to help.

Most of the workers do not have any other income except the wage and especially two of them prefer to work overtime. One of the workers is quite skilful in repairing bikes, but that only gives him very little extra income. Most people, who need their bikes repaired, do not have a lot of money and there is not a lot of demand for such a business on Skuinsdrif.

It is these people with a business sense, however, who seem to profit most from the new law, because they know how to manage their money responsibly and how to invest it in productive assets. But many workers do not take the chances it gives them, says the "business woman" of the farm. She is going to go on pension in two years and has been running a small business on the farm since many years. She sells groceries that she buys in Zeerust and cooks vetkoek, which she sells to the school children and workers. She says that she has a business mind, which the others are lacking.

> "The government is trying to help the people, but it can only help if you have a plan. Otherwise people are worse off now than they were before. If you earn R500 you have to save R200 each month and then you can plan" (Robbertse female worker).

So she says that even with the old system those who really wanted to get a better life were able to achieve that. She and her husband have seven children and managed to build a nice house in a communal village about 30 km away. They have a garden and chicken, which they use for a regular intake of fresh produce. They also have cows, which they are allowed to keep on the farmer's property. The cows serve as insurance for their old age.

She used to work on the farm as head lady of the glaskamer, the tobacco sorting room. Now that there is no tobacco anymore, she does not want to work on the fields and refuses to work on any other farm.

> "I have always worked on this farm as has my husband. Things have changed with the new law, but it is good on this farm. They work the right times and get their money and no one shouts except something is really wrong. There is trust between the farmer and the workers and that is necessary.

> On other farms, it goes very wrong and the people would rather want the government not to help and to have the old system back" (Robbertse female worker).

The women who work on the fields are mostly rather young, often wives, daughters but also sons of the permanent workers. Most of them, they say, used to be employed more or less permanently on the Robbertse-farm before 2002, now they are not allowed to work for more than six months a year. Most of them have young children for whom they get child grants and on which they depend mainly when they do not have any work on the farm, because not all of them have a husband and not all of those with husbands have husbands with a regular incomes. Some also tried to find casual work on other farms, but only few succeeded and when they heard places on the Robbertse-farm were open again they preferred working there.

They say there are much less casual labourers working now then there used to be and that they have to work harder to make up for it. The money increased and that is good, most say. But a discussion ensued over this and in the end they decided that the increase in the wage was actually not enough to make up for the harder work they have to do now.

What exactly the law stipulates and why everything had to change now and what other laws there are to protect them, they do not know. "We have not heard of any other laws. Who should tell us about it?" said the spokeswoman of the working team. When asked what they think the government could do to improve their lot one woman said:

> "The government should force the farmers to plant tobacco. With tobacco there is always work" (Robbertse Group 2).

The others greeted that statement with laughter, because that is not possible, they said. But to have regular work and earn a decent salary is the only thing they can think of that could really help them to improve their lives.

4.3.3 Maswela

Like the Oosthuizens, Daan van der Merwe plants about 100 ha tobacco but also another 100 ha of wheat and about 35 ha of corn. Maswela employs about 100 permanent workers and 50-70 seasonal workers. Most of them live on the farm, at least during the week. Often there are three to five people per family employed. Many of the workers (male and female) have worked on the farm for a very long time, but there are also people who started

working on the farm only recently.[18] The farm is managed by Daan van der Merwe and the administration is mainly done by his wife. He works in a partnership with six Batswana, who own the neighbouring farm and are simultaneously his foremen. The head-foreman, who is also the (informal) head of the group of land-owners, is a very influential person in the area. He is the head of the lekgotla[19] that is supposedly only responsible for people from Maswela, but often involves people from other farms as well. He is a member of the community police forum and generally one of the most important people in the area among the black community. He thus has a lot of formal as well as informal power.

Daan van der Merwe and his partners decided not to implement the Minimum Wage Law and applied for exemption. Daan considers the new law as a major reason for bad relations between farmers and their workers. He says functioning systems were broken down and the employer is no part of the community any more as trust was broken on both sides. Also, the interference by the government has led to a change in farmers' attitudes towards their people:

> "Some farmers tell their workers: 'You voted for the ANC, it is your government that made this law. I am not responsible for you anymore'. The workers hoped for something better by voting for the ANC and actually they do not have another choice in any case. Many farmers actually like the new law, because it makes things so much easier for them. They don't have to care anymore" (Daan van der Merwe).

Daan demonstrated to me with an easy calculation that R650 is not enough for a worker, who also has to provide a family of usually more than five members[20]. He says he explained all the regulations of the new law to the workers and they opted to remain on the old system, because they would loose the benefits. With the two meals at work, free housing and transport and a bag of millie meal a month, even the lowest paid on his farm were better off than with the minimum wage. The workers can also borrow money (on no interest) and get help in case of funerals or sickness. In the farm shop they can buy most necessary things and the credit is then deducted from their next salary, which is between R200 to R400 for the general workers.

[18] Not all of them are very young or school leavers. All who started working on the farm recently said they were forced to do so, because they had financial problems at home.
[19] A lekgotla is a traditional committee and is responsible for the solution of problems among the workers, the people living on the farm, and between the workers and the farmer.
[20] A bag of millie meal is R100, for seshabo it will at least be another R200. Then people have to bay candles and toiletries, stokvel, burial society and the taking part in a funeral, which are ever more frequent recently, is at least another R150-250. Debts that were made at the shebeen or elsewhere will be double the price and a lot of money, easily R100 a month will go to booze. That does not leave a lot of money.

Daan says it is not the cost of the minimum wage that makes him oppose it, but the loss of productivity. Because people will get weaker by getting less food they will lose productivity. Also, he does not want to mechanize but rather keep as many people employed as possible:

> "It is stupid to mechanize because there is so much surplus labour in our country. The government is spending a lot of money on workfare programmes, whereas so many people could be employed in the farming sector" (Daan van der Merwe).

A couple of months after they had applied for exemption, people from the Department of Labour visited the farm and talked to the workers. According to Daan the people told these inspectors they did not want to work on the new minimum wage system and since then there was no reaction from Department of Labour. When I did the group interviews, the people told me just about the same things that Daan had told me: They did not want the minimum wage, because then they would have to pay for the housing and the food and the transport and would not get any other benefits. Thus, they all said they preferred to remain on the old system.

The group interviews were quite stiff and a lot less relaxed than they were on the other farms, but I did not realize that at first. Only when three young men refused to take part in an interview, because "this is just the same as with the Aids courses and testing, where we were forced to take part as well". Of course I did not force them to take part, but the other workers demanded that they were not allowed to listen, then, also. I then started listening closer to what the people were saying in the group interviews and started to hear phrases that I had not realized before:

> "Daan said he would take away all our benefits. We would not get food anymore and he would not help us, when our children are sick. So I don't want the minimum wage because I need his help when my child is sick" (Maswela Group 4).

People said with the little money they got they were not able to save any money and many said they had to drop out of the funeral societies they belonged to, because they just did not have the money to pay the fees regularly. Sometimes, the credit of the shop and of money they had borrowed was their whole wage or they would go home with less than R50 for two weeks. They also feel that they can buy less with their money as they could just a couple of years back and the pressure to earn money and remain in work was higher than it was before and finding work on another farm was very difficult. Because many families struggle at home working on farms is their only opportunity to earn at least a little wage.

> "My mother was in distress and could not afford to send me to school anymore. So I dropped out of school in grade 11 and came here to work. I can't to any other work, because I don't have a certificate. I get by now, but I don't get enough to send any money home and I can only go and visit my mother every couple of months" (Maswela Group 4).

According to the workers, the benefits they get seem not to be as extensive as Daan had told me. The food they get is pap[21] and soup[22] twice a day. One of the workers I interviewed just after he had received his lunch (actually it was breakfast, i.e. the first meal of the day, but it was at lunch time) showed me his empty bowl and said he had just chucked away the soup because he could not eat it anymore and rather ate the plain pap. Also, my translator and I went to the hospital to pick up the wife and child of a worker, who had been discharged, but the worker could not borrow the money to take a taxi and pick them up, as Daan was gone for the day and his wife was not responsible or willing to lend the money.

When I started doing personal interviews, there were some people who did not want to talk to me at all, especially about the minimum wage. One worker said he had never heard of it, even though I know his son is working on a farm nearby where they pay the minimum wage. Other workers told me that they were actually in favour of the minimum wage but that they were forced not to speak out for it. They said Daan had told them that "he would take everything from [them]" and that they were forced to say that they preferred the old system, when the inspectors of the Department of Labour were on the farm.

> "They don't tell us when government people are coming and only few are allowed to talk to them. They were told what to say and they did not dare to speak their opinion openly" (Maswela male worker 4).

Three people, one of whom is dead now[23], told me that they were threatened with losing their job and their place to live if they did not agree with the line of Daan and his partners.[24] I have, however, not had the chance to confront either Daan van der Merwe or the head of his partners with these allegations, as their schedule was busy and my research time restrained. I also do not know from whom these threats originate and whether Daan is actually aware of the exact goings-on on his farm and why his workers are so productive and willing to work overtime for little or no pay and food they dislike.

[21] Pap is porridge made from Millie Meal (corn flour). It is the Southern African staple food.
[22] That is usually a watery soup with some soy mince and potatoes.
[23] He is said to have committed suicide, about two weeks after I had been talking to him and he had told me that he does not dare to speak out freely in the community and is fearing for his life.
[24] Only one of the partners is in favour of the minimum wage and dared to speak up. But he was in hospital when the decision was taken and I have heard rumours that he even wanted to be paid out and leave the farm.

All three of the respondents, who mentioned these threats, also said (independently of each other) that they hoped the government would help them.

> "The government is trying to help with new laws, but the farmers refuse them. There is a bad relation between the workers and the farmer" (Maswela male worker 3).
>
> "I want the government to help us. I hear on the radio that the government is helping other people like building houses for them. But it is only helping other people, not the people in the farms. We need proper houses and jobs and schools are a very big problem, because here our children do not get a proper education" (Maswela male worker 4).
>
> "We don't have electricity here. The government should help us with that, because I hear they are building houses for people" (Maswela male worker 5).

Two issues that were raised a lot more on Maswela than on the Oosthuizen-farm and Robbertse-farm were the wish to own a garden and the difficulty of offering their children the opportunity for a good education with the little money they earn as farm workers. These issues will be addressed in the following section.

4.3.4 The Impact of the Legislation on Various Livelihoods Aspects

There are different ways farmers have translated the Sectoral Determination into action (see also Barrientos & Kritzinger 2004: 87). Most have taken away all support, at least in the beginning, and most take deductions from their workers' wages. These are either the 10 per cent deduction for housing or the use of water, electricity and the allowance to collect firewood on the farm. Wages are an important part of farm workers livelihoods strategies, but there is much more to it. It is difficult to talk about a general trend that has appeared due to the new legislation, especially as my research was not quantitatively orientated. I am relying on information from formal interviews as well as from informal conversations and on observations I made. These issues are often interconnected but for the sake of showing the different livelihood strategies and aspects, I will treat them separately.

4.3.4.1 Housing

Most workers do not live in houses that qualify as standard housing according to the law. Therefore, the farmer would not be allowed to deduct any money from their wage for housing. Still, Daanie Oosthuizen Junior and other farmers are doing it. This is a problem that SAAPAWU has recognised as well, but as their representative in Klerksdorp says:

> "It is no use making a big issue out of the housing deduction problem. It is better for the workers to have any housing at all than being thrown out. Also, many farmers say it is a rent and not really a deduction according to the law, and then it is getting more difficult. Our policy is to rather address other issues first" (Saul Ramatlhoara).

For the workers, however, housing is an important issue. It is not only that it is sub-standard, but it is often not maintained, they have to share it with many people, there is no electricity and water is often far from the house. Sub-standard housing is very common in the farming communities (see Pienaar 2003: 12), which degrades people's dignity and reduces their quality of living significantly.

> "I do not have electricity in my house. And there is no wood and no water tap where I am staying. The farmer does not give me the tractor so that I could fetch wood and water. So I always have to make a plan" (Oosthuizen male worker 3).

These rather desperate living conditions in often badly maintained and overcrowded houses confirm the findings of the Determination of Employment Conditions in South African Agriculture, which was conducted in 2001 on behalf of the Department of Labour (DoL 2001b).

Many farmers also want to keep as few workers living on the farm as possible. Houses that get empty get torn down to avoid someone squatting; new houses for newcomers are mostly not available. No farmer in the Skuinsdrif area is building new houses on his premises any more, which is a similar to Conradie's (2003) findings. Some farmers allow people, who leave their farm, for example because they are going on pension, to tear down the house they are living in and use the building material to erect a new building in the village. Having less people living on a farm raises the property's value, because it is considered to give the farmer less difficulties. Having workers close by, however, can also be an advantage:

> "When there is something unexpected happening, something breaks down or the grain truck is coming unexpectedly on a Saturday afternoon, then it is good to have your workers close by. If you had to drive to the village and call them together that would be quite an effort" (informal conversation with Danie Robbertse).

One farmer in the area has devised a scheme to help his workers to buy their own plot and build a house in the village. He has made an agreement with his workers, according to which half of the workers take turns to work on Saturdays. They earn the daily wage plus the weekend surcharge. This money is not paid out to them but saved until it is enough to

buy a plot.[25] When they have bought a plot all of them will use their Saturday working hours to one by one pull down the houses on the farm and re-erect them on the new plots. On the farm they will erect a hostel, where the men can live during the week. Their families will stay in the villages and they will be transported on Monday mornings and Friday afternoons.

Most workers prefer living in the villages and many have houses there, which either belong to themselves or their parent or other family members. On the farm, they say, the house and the plot it stands on do not belong to them. However, there are factors that make living on the farm an advantage and cheaper (see Kritzinger 2002: 557). For example, one does not have to pay for electricity and water. The latter is important when one wants to have a garden. Also, the access to the field crop is an advantage of living in a farming area that is usually not mentioned openly.

4.3.4.2 Food and Transport

If they could, many say, they would prefer to stay in the village and take transport to the farm. However, that is too expensive, since the farmers do not provide for transport anymore and the workers have to take taxis and pay for them themselves.

> "I do not have a house of my own, but I was staying at my wife's family's place. When there was still daily transport, I barely ever stayed here over night. But now I do not go there very often any more. Sometimes, my wife and child come to visit, usually on pay day to collect some money" (Oosthuizen male worker 3).

That is one reason why women on Maswela say they prefer to stay in the old system.

> "We are transported home every day and that is very important to me. My children are at home and I have things to do there. I could not pay for a taxi every day that is just too expensive" (Maswela Group 4).

An advantage of living on the farm is access to food. In the villages there are shops, but on the farm they can ask the farmer for a bag of millie meal on credit and some people have a garden. Also, they have access to the farmer's fields. Of course, no one says openly that they take vegetables and millies from the fields, but all farmers complain that when they plant produce like millies, water melon, tomatoes or spinach there are always a couple of rows that are almost entirely picked. This has, the farmers say, gotten worse since they do

[25] Those who already have a house in one of the villages had the option of not taking part or using the savings to buy something else. Most did so and have already used their savings, mostly on furniture.

not provide food at work anymore. Also, they say, their workers have gotten weaker, are more often sick and the children are in a bad state.

> "We had three dead children on the farm last winter so I decided that I will give food to the people again, no matter what they say. If they spent their money not on booze but food, that would be better, but I cannot tell them what to spend their money on. So I rather give them food, because towards the end of the month they would come and ask for food in any case. And since then, productivity has risen steeply. Food is important. Hungry people can't work. And well fed people get sick less, whether it is an ordinary flu, poverty-related sicknesses or Aids. Eating properly helps to keep the people alive" (informal conversation with a farmer from the area).
>
> "I've seen people only drinking water for three days. But what can I do? That's the deal and if they can't manage their money properly… I can't always look after them, it's their own life" (Japie Swart).
>
> "After the change to the minimum law it happened for the first time that people fainted during work. Now we at least make sure that there is always enough water on the fields" (Corleen Oosthuizen).

Most people told me that they were eating better now than they did before. This, however, is a qualitative statement and does not necessarily relate to the amounts they are eating. Some have admitted that especially towards the end of the month or fortnight they sometimes struggle to feed the whole family and have to ask the farmer for an advance in order to at least meet the most basic nutritional needs.

This leads to a precarious situation. As they have to take credit to buy food (and often credit is also taken up in shebeens, see below) they are caught in a cycle of debt and by the time they get their next wage, most of it is already gone (Robbertse Group 1). The 2001 research group of the Department of Labour pointed out that workers were dependent on their employees for credit and were stuck in a cycle of debt (DoL 2001b). According to the workers in Skuinsdrif, though, they would prefer to be in debt with the farmer only, instead of being in debt with other creditors as well. However, this depends heavily on the way the farmer is charging them for their debt, whether he is charging interest (which none of the farmers in Skuinsdrif I talked to do) or whether he is deducting high amounts at once from the workers wages (only workers on Maswela reported that this was happening; the combination of the credit from the farm shop plus debt repayments sometimes adds up to almost the total wage of one fortnight).

The representative of SAAPAWU, who lives on a farm near Brits, says that since the introduction of the minimum wage, he buys twice the amount of millie meal than his family would actually need in a month, because his neighbours regularly run out of food before they get paid next time. Community and kinship networks as well as credit thus

seem to be the most important strategies to ensure as much food security as possible, whereas the farmer used to have a more prominent function in this livelihood strategy before.

4.3.4.3 Gardening, Animals and Small Businesses

Gardening in order to supplement their diet is not an option for many workers. This first surprised me, as most of them have enough space around their houses and as farm workers they should know how to raise some plants. However, all the gardens I found were those of pensioners and those tendered by unemployed women and school children. One worker on Maswela specifically said that he is keeping a garden to give his children vegetables to eat so that they would grow strong.

After a couple of informal conversations with different people, however, I found out what was hampering the gardening efforts of many:

> "We tried to have a garden. It was a nice garden; next to our house. We planted water melon and merogo and millies. But every morning when we came out of the house there were less vegetables left. People were stealing all our food. That is why we don't have a garden anymore. The pensioners or those households where there is always someone around, they can keep a garden, because they always watch it" (informal conversation with a resident on Maswela).

This problem is not so prominent when it comes to keeping animals. There are a number of families, who keep chicken, but very few people have bigger animals than that. Few have goats, which mostly the children have to look after, and problems frequently arise if the animals stray into the farmer's fields. This happened a lot in the time while I was doing my research, because the veld was dry and the animals could not find good food there. Very few people have cows, as they cannot be kept at the house on the farm. I know of one family on the Robbertse-farm, which has an agreement with the Robbertses to look after the fences around the veld and can therefore keep their cows together with Robbertse's cows. Animals are a valuable possession and are considered a security in times of (food) crises. They are rarely used to supplement the daily nutritional intake and are rather kept for their meat than for getting eggs and milk from them.

Gardening as well as keeping animals or having a small business are considered to be good and common multiple livelihoods strategies. However, these efforts are hampered in the Skuinsdrif area. As far as extra incomes through selling goods are concerned, there is little

activity. There are a few people, who sell apples or chips or askoek at the soccer matches and at pension days. Also, there are a few people who always have some sweets and groceries on stock that people come and buy. All people who do this agree that it is necessary to "have the right mindset". Not everyone could do such business. First of all, people would have to know how to save money and invest it in things that will be bought by other people. Second, it has to be a business with goods that people demand and something that is not already available. The easiest things to sell and to make some money with are sweets, chips, cigarettes, alcohol and dagga[26]. There is a settled group of people who sell these items. Also, some school children sell chips or cigarettes, but they only do it on a very small scale.

> "I sell a pack of cigarettes a week, mostly on the weekend. I just always carry them with me and offer them to the people. The pack costs me fifteen Rand and it has twenty cigarettes. I sell them for one Rand. So I make a profit of five Rand of which I can buy a bread or sweets" (informal conversation with a school child, resident on Maswela).

The market, thus, is very restricted and there are only few chances for newcomers. Bigger items are also more difficult to buy and sell, because most people have no transport and if they have to pay extra for the transport, they would not be able to be competitive. That is why the tuck shops in the area are in the hands of the farmers. Economic activity in rural farming areas is thus highly connected to farming activities and farmers. The money that is circulating and creating the demand is the wage earned as farm workers and much of the demand above food and daily necessities is centred on farming activities (Lipton & Lipton 1993: 1542). This demand can of course not be fulfilled by small scale vendors.

4.3.4.4 Shebeens and other Illegal Businesses

Illegal goods are the best way to make good money, especially as there is a very high demand for beer and dagga in the area. I know of some of the shebeens on the farms and also know where they get their dagga, but I did not attempt to conduct an interview with the people who conduct these businesses. I confined myself to informal conversation with them and their guests and with observation.

It is a dangerous business because the police are trying to contain these illegal activities. While I was doing my research, there was a raid, which led to the son of the dagga-seller

[26] South African word for marihuana.

ending up in prison. He is seventeen years old and was in prison in Groot-Marico for one or two nights, until his parents could get the bail of R400.

In Skuinsdrif hamlet there is a bottle-store and a tavern, which (until November or December 2004) were owned by a police-man from Groot-Marico. He told me that the good thing of him owning these places was that crime and violence were not so high. He also said that since the introduction of the minimum wage, his total sales had been reduced. But the lump sales went up, as, he says, the shebeen owners can buy larger amounts of beer at once because they make better business. He knows exactly where the shebeens are, but, according to him, it was not easy to interfere there, as it would look as if he only wanted to have more customers for his shops.

Also, not all the shebeens are run by local people. There is one bakkie I know that cruises the area regularly and is selling alcohol to the people. That is often done on credit, so that by the time the workers get their wage, the first thing they have to do is repay their credit:

> "[The guy who runs the shebeen] eats all my money. I can't buy my own car because all my money I have to take to [the shebeen] as soon as I get it to repay my debts" (informal conversation with a Maswela worker).

The people, who run shebeens or sell dagga, are thus among the better off people in the area. They have big HiFi systems, cell phones, bicycles and other rather valuable goods. The family of one worker, who sells dagga, never leave their house and garden unattended. Even if they go to a function further away, which takes a couple of days (for example a wedding or a funeral), one family member has to stay at home to guard their belongings. One week, they told their son not to go to school because the house had to be guarded while the family was gone.

4.3.4.5 Alcoholism

Even though the total sales of alcohol in Skuinsdrif have decreased since the introduction of the minimum wage, no one believes this is due to the decreased (ab)use of alcohol by the individual workers. The higher amount of money they have available is said to often rather finance alcohol purchases than grocery shopping. In formal interviews, however, people were very reluctant to talk about this problem and only in informal conversations and through observations did I get an idea of the extent of the problem.

As I have mentioned above, it was more or less impossible to conduct interviews on the weekends. Visiting the living area of the farm workers on the weekends is an ordeal, because so many drunken people are literally falling around and are being abusive.

Farmers also see the abuse of alcohol as a big problem. The abuse of alcohol at work has been largely abandoned (even though it is still quite common on some farms for workers to smoke dagga during working hours). But alcohol still affects people's productivity and working ability. "Monday-sickness" is a very common feature (see Kritzinger 2002: 554).

> "On Mondays my workers are so weak, they can barely work before they had their breakfast. Sometimes my mom even makes some food for them, so that we can keep them going. And they have to drink a lot. The regular abuse of alcohol is weakening their body, especially as they often don't eat properly over the whole weekend. I think that especially people with HIV do themselves a lot of harm with such a life style" (informal conversation with Danie Robbertse).

The abuse of alcohol does not only affect the health of the individual worker, but of the whole family. They lack food as a result of less money being available and are often the victims of aggressive behaviour. "The abuse of alcohol by adults results in behavior that is often destructive to the lives of children" (Kritzinger 2002: 554).

Most workers, however, deny that they are abusing alcohol. That the use of alcohol is not only a problem in the Northern and Western Cape, as the South African Human Rights Commission states (SAHRC 2003: 32), is also admitted by the SAAPAWU representative Saul Ramatlhoara:

> "People on the farms often abuse alcohol. And I did so myself. But then I saw that my family was suffering and I had many fights with my girlfriend. Since I have stopped drinking alcohol, our life has become much better. But the people on the farm where I live they really go for it, especially since they have more cash available with the minimum wage. That is one major reason why they do not buy enough food and I always keep enough stock of millie meal to help them out" (Saul Ramatlhoara).

The abuse of alcohol is an inherent product of the situation farm workers find themselves in. There is no entertainment in their leisure time, people are often unsatisfied with their life and their working conditions, which leaves them seeking refuge with alcohol (see also Kritzinger 2002: 554).

According to two policemen from Groot-Marico, the abuse of alcohol has risen not only due to the increase in cash that is available to the people, but also as a result of the desperate situation the people are in. In the area, one police man says, unemployment has risen more rapidly since the introduction of the minimum wage than it has before.

Unemployed people were desperate and resorted to drinking alcohol, to criminal activities and also to domestic violence.

4.3.4.6 Crime, Domestic Violence and Prostitution

It is not possible, given my evidence to provide an accurate estimate of the number of jobs lost since the introduction of the minimum wage. Still, everyone in the area, be it farmers, workers, shop keepers or Arno Faul, the development worker, say there has been a marked decrease in farm employment since the introduction of the minimum wage. The workers feel insecure and vulnerable, because many people have lost their permanent jobs within the last year and a half and because it is ever more difficult to find a new job on another farm. Losing a job often means losing a place to live, too, which makes farm workers even more vulnerable (Murray 2000: 123). Aliber thus finds that retrenched farm workers are amongst the most vulnerable people in South Africa, as they have been taken out of their community and live in shacks in squatter camps or remain effectively homeless (Aliber 2001: 36).

However, the number of people living in the area has not decreased drastically.

> "Most people who lost their jobs were people who lived in the villages in any case, or people who still have working family members. So they all remain on that farm. That means that there are more people now who depend on one wage than there was before" (Mark Borlinghaus).

Also, this situation of high unemployment in the area leads to an increase of criminal offences, says this Groot-Marico police-man.

> "We mark an increase in the crime rate since 1994, but when the minimum wage was introduced the crime rate kind of leaped forward a bigger step than it has done within the last ten years. It is that people become desperate, when they don't have work and then they resort to criminal activities" (Pieter Horn).

Criminal offences in this respect are manifold. Robberies are only one example, but more prominent is the increase in violence, both police-men I talked to say. Also due to the people consuming more alcohol, the rate of fights and knife stabbing as well as cases of domestic violence have increased. Often it was the same offenders that are reported and caught, but increasingly new offenders were entering the scene.

> "And there is not a lot we can do. We report the case, sometimes we take them to the cell for a night. We then make an appointment for them with the social worker in Zeerust. But that is just too far. If

> there was someone closer, who could really work with and help the people, maybe the situation would not be as bad" (Pieter Horn).

It also often happens that food gets stolen from the fields. But that is rarely considered a "real crime" in the area. And there is not really a lot one can do about it. Most farmers do not complain, as long as the people use the food for themselves and do not sell it for profit.

> "If they are hungry and take a millie or five, it's kind of all right with me. But if they sell it on the road and make money out of my crop, then I get really mad" (informal conversation with Danie Robbertse).

Prostitution is also considered a problem in the area. Women, who are desperate, especially single mothers without a regular income, resort to selling their body to make ends meet for themselves and their children, says Daan van der Merwe. Especially in these days of HIV/Aids this is a high risk to their own lives as well as to the lives off all others they are in contact with.

4.3.4.7 Women, Children and Family

In almost every setting, women and children are the most vulnerable. Women farm workers in the Skuinsdrif area (and in general, see DoL 2001b) are more often casual workers and have mainly been affected by the minimum wage in two opposing ways: Their wage has significantly increased. They used to be paid much less than their (permanent) male co-workers (see for example DoL 2001b; Hamman 1996: 364). Now, they have to be paid the minimum wage just the same as the permanent staff. Negatively, though, due to this increased cost of employing casual and seasonal labour, many farmers have decreased their seasonal work force. This has hit the casual workers, who used to come from the villages most, because they are the last to be employed. Daanie Oosthuizen Junior, for example, used to employ many people from Koffieskraal and Pella during planting and harvesting. But for the last planting season, there was not a single worker from the villages employed. He says that some of them came and asked for work, but that he rather employed the women who are already on the farm. These are either wives or other family members of the permanent workers or even single women, who live on the farm with their family. This is a logical consequence, according to Azam (1997: 379), because this way the strain on the wage of the permanent worker is reduced and the family as such has a higher chance of being better off. This might not be the only reason, as the people on the

Oosthuizen-farm had already threatened to strike if there was no extra work for casual workers (their women) in the 2004/2005 planting season.

The female workers on the Oosthuizen-farm as well as on the Robbertse-farm complained that they were working much less now then they did before.

> "We are working harder and are less people. And he is now using these machines for planting, so that we only have to check the rows and replant in those spots where the machine didn't do a proper job" (Oosthuizen Group 3).

The loss of employment for this vulnerable group of women and also youth (job entrants, see below) was already predicted by the report to the Department of Labour in 2001, which concluded:

> "Our main conclusion from the analysis in Part I of the report is that the circumstances of farm workers justify the introduction of a minimum wage. However, our analysis also showed that the most vulnerable farmworkers, namely female and children, could lose most if a minimum wage were set too high" (DoL 2001b).

There are quite a number of single mothers who have to care for their children and often for their elderly parents as well all by themselves. During times when they do not have any work on the farm they have to rely on the money they get from the state for their children. In those households with pensioners, their pensions add to the household income.

The lack of commitment of partners and the high occurrence of single mothers is one reason for the high lobola[27] that parents ask for their daughters.

> "They often ask two or more cows and other stuff on top of that. One cow is about three-thousand Rand. We can't pay that, so most people just live together without being married. And if problems come up, one just leaves the other. According to the law we fathers have to pay, and some do. But who around here really earns enough money to give something away? And the women are not using it for the children but for themselves; for alcohol and nice clothes and that kind of stuff" (informal conversation with William Mogapi).

The number of dependants is generally high, whether for single mothers or for fathers as heads of a family. Most women have more than two children and often there are other family members living in the same household, as living arrangements are often constantly changing (see Sender 2002: 3). The general estimate of about 4-6 dependants per farm workers is probably not as exaggerated as I had thought at first (DoL 2001b; Simbi & Aliber 2001). Due to job losses, the dependency ratio also seems to rise, as women and

[27] Bride price that traditionally has to be paid to the parents in law to be by the groom.

young workers lose their jobs and are then dependant on the wage of their husbands and fathers.

Despite many allegations of child labour on farms, I have not found a single incidence where workers under 16 years were employed. However, even very young children are required to help with household chores like fetching water and wood, cooking, washing, gardening and looking after their smaller siblings. The latter is alleviated in situations where there is a crèche close by, which is the case for the Maswela residents as well as the Oosthuizen workers living on Veeplaas. On the other farms, it is often the elderly or unemployed women who look after the smallest children in the mornings, so that the older children can go to school. But before the children go to school and in the afternoons, especially the girls are highly involved with supporting their mother with her household duties.

4.3.4.8 Remittances and Social Grants

Some women and families get money from men or family members who work at the mines or at other places, commonly in Rustenburg. But I have not met a single family who can rely on such a source of income either because it is too irregular or too little or both, even though it is considered to be a very important income source for the rural poor in the literature (Francis 2002; Aliber 2001).

> "I have two sons who work in Rustenburg. Sometimes they come to visit and bring some gifts, but I don't see them very often. They have their own lives and their families are in Rustenburg and they have to care for them their. They don't have a lot of money spare to send to us" (Robbertse female worker).

Social grants, however, are an important source of income especially for single mothers and pensioners. There are also people in the area, who look after the children of deceased family members or friends and who get a foster child grant. The availability of grants is considered a very important and good thing about the "new South Africa". When asked about the most important changes for them within the last ten years, many women replied that getting a child grant was very helpful to them and their family. One female worker on Maswela, a single mother with one child, who lives in Koffieskraal in the house of her parents, says she is saving all the money from the child grant on a post bank savings account.

> "I get by with the money I earn and with the help of my parents. The money is for my child, so I save it that in case that I have an accident my daughter has some money for herself" (Maswela Group 3).

This responsible dealing with the social grant is considered rather uncommon. The police complain that they regularly arrest women who gamble away their money on pension day; and more responsible members of the community condemn those mothers who do not use their child grant on their children.

> "The government should not give money to us, but rather food and clothes vouchers. That way the grant would be spent on the children, or at least not wasted on gambling and booze. But it is not the government's fault. It is the people here themselves, who just don't get it. They have to learn to use their money wisely and to save for times when it is not so good" (informal conversation to female resident on Oosthuizen property).

I have not met anyone in the area who is getting a disability grant, but I met someone who is trying to get it since months. The Robbertses try to support their former worker, who suffers Aids-related sicknesses and is barely strong enough to get to the doctor or to the office of the social worker to apply for his disability grant. But each time he is disappointed anew.

> "I think they make such a long ordeal out of this, because they hope he dies soon and they won't have to give him any money. We support him with food and some money every now and then, but it is the responsibility of the government to look after these sick people" (informal conversation with Marie Robbertse).

4.3.4.9 Kinship and Community Networks, Savings Societies, Community Life

There seem to be huge differences in the community life of the farm workers on the different farms. Also, their mechanisms of mutual help and participation in savings societies are different. This observation has also been confirmed by different farmers who all say that people on the different farms behave differently. In however many ways kinship and community networks or savings societies appear they are important livelihood strategies for farm workers (see Francis 2002: 15, 29, 35).

The Oosthuizen-farm, for example, includes properties which are more than 10 km apart (see Appendix). The people seem to prefer to stick to the people who live on their part of the property and attitudes and behaviours also relate to it.

> "I want to stay here; I would not want to move to Koppieskraal, even as they built the new houses there" (informal conversation with male resident on Oosthuizen property, Veeplaas).

On the Oosthuizen-farm it seems that the more rebellious workers are the ones who live on Veeplaas, close to the main house. Those people from Koppieskraal I talked to rather thought it would be of little use to strike and get angry, but working efforts would be recognized nontheless.

On neither the Oosthuizen-farm nor the Robbertse-farm did I find such open frictions as there were on Maswela. There, people were afraid of speaking out about the minimum wage law and the working and living conditions, out of fear of being reported to the foremen or the farmer. This behaviour was also observed by Kritzinger (2002: 555). He found that farm workers sometimes felt almost spied upon and information was then given to the farm owner to gain popularity.

However, just because I did not found such tensions on the Oosthuizen-farm and Robbertse-farm does not mean that they do not exist there. According to Daanie Oosthuizen Junior frictions between the residents on Veeplaas and Koppieskraal were common, especially because of their different attitudes towards the new laws, striking and attitudes towards him. Still, people seemed open to talk to me even if they had divergent attitudes. On Maswela, they would only talk when the conversation was personal and it had been established that it would be absolutely confidential.

> "There is no trust among the people living here. I don't dare speaking out anywhere. Whoever hears it might tell the foremen and the farmer; I don't even talk about it to my wife or family" (Maswela male worker 4).

Networks of mutual help are often along kinship lines and not necessarily concentrated on the farm. This is especially so in cases where trust among each other is rather low. Of course, friendship networks are also very important on the farms. People help in distress by lending money or helping out with food. Those who can read (often the children), are called upon to read out notes and often asked to help with official applications or the like. Money has to be paid back, but other favours are returned by helping each other. For example when I visited a family that I knew, I found someone I did not know doing the washing.

> "She does my washing because I am giving her clothes for her child. She does not have anything else to give me back, but I have clothes from my child left, so why shouldn't I help" (informal conversation to female resident on Oosthuizen property).

It is also quite common to share shoes or clothes among family members.

The participation in stokvels, savings clubs and funeral societies seems to be rather small. Most of the people, no matter on what farm, said they did not have the financial means to take part and to make their contributions regularly.

> "I don't have the money to pay my contribution to the funeral society every month. Sometimes my child is sick or there is a funeral of a family member, where I have to go, and then there is no money left. But they don't accept it. They want the money or you're out" (Maswela Group 4).

Many had to drop out of the savings clubs they belonged to and all their previous contributions were lost. But especially single women who live in the communal villages seemed to take care to regularly contribute to a savings fund in their village. A group of women from Brakkuil, who I talked to on Maswela, said they all contributed R50 a month to a funeral society. They say they have to take measures in case something happens to them, so that their children can at least finance the funeral and maybe even have some money left.

On the Oosthuizen-farm, the permanent workers on the Oosthuizen-farm are compulsory members of the funeral society, in which Daanie Oosthuizen Junior has enlisted them. They contribute R7 a month and are covered for the death of a spouse or a child or their own death with a pay-out of R3000. Some of them are not very satisfied with this solution, because they only see money being deducted from their wage, and maybe also because they do not trust Daanie. But Daanie says that there are former workers who keep on contributing, and for those who fail to contribute for a couple of months he then takes over the contribution "because I don't want them to lose their claims; but I remind them and want them to pay the money back" (Daanie Oosthuizen Junior 2).

I only talked to one worker (on the Oosthuizen-farm, living on Koppieskraal), who has a stokvel with a fellow worker; these arrangements seem to be rather scarce. He says he is only able to finance the stokvel, which is R200 per month, because his wife is also working. He uses the money he then gets out of the stokvel (R400) every second pay day for bulk food purchases in Zeerust.

Another way of saving money is practiced by the soccer team of Maswela. When soccer teams meet they always play for money. Every team member has to make a contribution for every match and the winner takes home the pot. There, it is saved and when enough money has been accumulated it is used to finance a braai for the team. The money is also used in cases where a player got injured in the course of a match, to pay for his transport to the doctor and the treatment.

The observation that "[r]apid social, demographic and economic change can undermine the basis for trust and reciprocal relationships, and the nature of networks may change along with the extent to which different groups benefit from their use" (May, Rogerson & Vaughan 2000: 253) thus holds true for farm worker communities and their networks as well as the relationship of farm workers and farmers (see below).

It seems that kinship and community networks as risk absorbers are eroding, due to social changes in the Skuinsdrif area (see Francis 2002: 37). This is especially harsh as workers who lose their jobs will be dependant on these networks to carry them through or help them to find a job somewhere else.

4.3.4.10 Health and HIV/Aids

HIV/Aids is a very serious issue in the Skuinsdrif area. There are said to be many more deaths than there were a couple of years ago. Many orphaned children are left behind and are often cared for by other family members. The nurse says that she does not see a correlation between changes to the minimum wage law and the occurrence of HIV/Aids or other sicknesses. Still, the farmers maintain that their workers are weaker since the minimum wage was introduced and that they eat less and drink more alcohol. Whether it is HIV/Aids or poverty related sicknesses that are nagging at the people, it is often the women who suffer the most. During winter 2004, two women died in the vicinity of the MRDP, both of tuberculosis, but it is generally said that these were Aids-related illnesses. A main problem, thus, is that it is often very unclear what the exact cause of death was, because Aids does not come on its own but is disguised by other sicknesses. People are very afraid of it, but many myths revolve around this sickness: For example it is (or was) often believed that the fluid in the condoms infected the man with HIV/Aids, or that HIV/Aids was similar to a sickness that is traditional to Tswana customs and can be healed through the help of potions from the traditional healer. Again, women are at a disadvantage, because men do not want to use condoms. "They want flesh to flesh" was I told three years ago by a school girl.

Recently, there was an HIV/Aids workshop on Maswela, which was financed with PAETA funds. The course were conducted by two people, a man and a woman, from Peoplemanagement from the Western Cape. A group of about 25 members was trained to be Peer Educators. This group also includes one worker and two residents from the

Oosthuizen-farm and two people working at Water Affairs at the Riekertsdam. The workers were educated in the transmittance and effects of HIV/Aids, how to protect yourself and your partner and what to do in case of an infection. Then, there was a general testing in which everyone was allowed to take part. It was anonymous and voluntary. Afterwards I heard some rumours that the participation in the courses as well as in the testing was not as voluntary as was announced to the public. Most people were very afraid and many did not want to take part out of fear of being HIV positive.

> "People were very afraid. Just think of the slogan "Aids kills" they used when this whole campaign started. But now they are happy that they are not positive and the awareness is very high" (informal conversation to a female Peer Educator).

Still, about 230 people took part and a more or less representative sample was achieved. The HIV/Aids rate on Maswela according to the test is thus 17 per cent, which is much less than the wild guesses that were produced in the beginning. The MRDP and Daan van der Merwe take this as proof that poverty-related sicknesses are causing the many deaths in the area and for Daan it is further reason to keep on going with the old system, so as to keep the people fed.

People who already suffer chronic illnesses, are more likely to be unproductive and will be the first to lose their jobs. It is the sick and the elderly, as Condradie (2003: 20) also observed, who will be pushed onto the social safety nets, as far as they are accessible to them (see also Pienaar 2003: 15). The alleged problems of insufficient nutritional intake and increased alcohol consumption, connected with the introduction of the minimum wage, further weaken these people and put them even more at jeopardy of getting seriously ill and of loosing their job.

4.3.4.11 Skills and Job Opportunities

Just as Johnson and Schlemmer (1998) found in KwaZulu-Natal, most the farm workers in the Skuinsdrif area are members of a settled worker class, who are farm workers in the second or third generation.[28] Often, they are still working and living on the same farm and for the same family as their parents and grand-parents. Most of them do not expect to go anywhere else or to do anything else. Very few of the workers had education above grade 5 and most are barely literate (see also DoL 2001b). But I also found, unlike Johnson and

[28] An interesting difference to what would generally be considered a settled working class is that unionisation among farm workers is very low.

Schlemmer, that there are high hopes for the coming generations. Parents hope that at least their children will be able to escape the life as farm worker and have a better life. This also showed in research conducted in the Western Cape amongst women farm workers by the Centre for Rural Legal Studies. Most women farm workers dreamed of their children not becoming farm workers and striving to become something, to achieve more than their mother/parents had (Sunde & Kleinbooi 1999: 59). The main way to do so is by ensuring better education for their children. Therefore it is generally very important to parents that children go to school and get a good education. Most farm workers have a very low education and single that out as one of the main reasons why they are stuck where they are. Also, non-transferability of farm worker skills is a major issue in this respect (Aliber 2001: 36).

> "None of us has had a good education, some haven't been at school at all and very few went further than grade 5. Many can't read or write. What else could we do than working on farms? We don't know anything else than farm work and there is no other job that we could do with such little education and skills. And these workshops we do here don't really help as well" (Maswela male worker 3).

On Maswela and the Oosthuizen-farm, there were PAETA training workshops taking place in 2004. Two employees of Skills for All from Potchesfstroom were training the workers in management and different working skills and there was a driving license course. In coordination with the MRDP, an adult school programme is planned for these two farms in 2005 and onwards, also financed by PAETA.

Many families go through quite a lot of trouble to ensure that they will be able to pay the school fees and to buy the necessary school uniforms.

> "The school year starts at a very stupid time of the year, because just after Christmas many people don't have a lot of money left. So what some people do is, they give school clothes for Christmas presents and sometimes the schools allow instalments, so that one can pay the fees spread over the year" (informal conversation with a MRDP worker).

Unfortunately, some families still cannot afford this for their children and children tend to miss some years of schooling. Some enrol again, others do not. It is very common that children drop out of school because of financial problems at home. For girls, another reason to drop out is often an early pregnancy, even as early as 14 or 15 years (see also Kritzinger 2002: 563). A few farm children have managed to attain their Matric, but are still stuck on the farms. Some people from the area have managed to get jobs in Rustenburg or even further away, often through kinship or friendship networks (see

Bebbington 1999: 2027). However, the importance of the mines in Rustenburg as employer seems to be getting less, as they do not employ as many workers as they used to.

A problem that is also singled out by people in the area is the lack of motivation to attain a higher education.

> "The problem here is that there is no motivation to got to school and finish it. The children see their brothers and sisters and aunties working on the farm, so they only attend school up to grade seven or so and then they also go working on the farm" (informal conversation with a female resident on Oosthuizen property).

This pattern was also observed by Kritzinger who found that beside high hopes for the following generation, most children of farm workers remained living and working on the farms after finishing school (Kritzinger 2002: 547).

This, however, seems to be getting more difficult since the introduction of the minimum wage law. There are less job opportunities, and especially for new job entrants the minimum wage law holds problems as it requires the farmer to pay these untrained new entrants the same wage as he is paying his other workers (see Pienaar 2003: 1).

> "I rely on my permanent staff and those I train so that we can work more productive with the new machines. I don't take new people in; that would be stupid if I have to pay them the minimum wage. Maybe I'll have to take in some new people later, but up to now there is no need to and I'll stick to my people" (informal conversation with a farmer from the area).

Similar answers from farmers lead Simbi and Aliber (2000: 29) to the conclusion that the trend in the South African agricultural market was leading to a core of regular workers, who are non-resident, and who are trained to use highly-sophisticated machinery. Casual workers will then become even more obsolete the more sophisticated the machinery will get. This is why they state, that "[i]mposing a minimum so as to ensure that more wage earnings flow into rural black communities, would likely be self-defeating. Farmers are preparing for just this contingency, and only the core of highly skilled farm workers would likely benefit" (Simbi & Aliber 2000: 31).

Other job opportunities in the area are very rare and some people have tried to find a job further away or even worked there for a while. Some have managed to establish themselves and their family in the city and are rather "lost to the farm". Others do not manage to permanently get a job and have to come back to the farm, where they have left their families behind.

> "I worked in Rustenburg in a company that does these rubber linings in the bakkies. Do you know that? It's a cool thing to do, but they didn't have any more work for me, so now I am back. I was gone for about a year and my family was staying on here on the farm. Maybe I'll try to open my own business, because now I know everything about rubber linings now; I've already talked to some friends" (informal conversation to a male Maswela resident).

> "You know, I was working in Rustenburg, but now there is no more work for me there and I don't want to leave my family behind all the time; I'm thing about asking Daan for work again" (conversation with the same person about four months later).

This supports the statement by the SAHRC that "where a farm workers loses employment there is little likelihood of employment elsewhere in the labour market" (SAHRC 2003: 33, according to Seafield, VA, National DoL, SAHRC Transcription, National Public Hearings, 179: 165-166).

Those with some kinds of skills are more important to the farmer and seem to be aware of their position. This is similar to finding of Johnson and Schlemmer (1998) as well as of Simbi and Aliber (2000), who all found that workers with higher skills were generally more confident about their status and less worried about losing their job. This finding was true according to interviews with farm workers as well as with farmers (for example Daanie Oosthuizen Junior and Danie Robbertse), who said that in the long run they were planning to work with a reduced and specialised workforce.

Especially the workers with less education and "lower" jobs were thus feeling insecure about keeping their job.

> "Since the minimum wage law, so many people have lost their jobs. I wonder who of us is going to be the next. And the chance to find a job somewhere else is very low. No other farmer employs people anymore and there are no other jobs we could get, especially not around here" (Robbertse Group 1).

4.3.4.12 Productivity, Mechanisations and labour-intensity

Most farmers claim that the productivity of their workers has decreased since the introduction of the minimum wage law. They attribute this mainly to the lack of proper nutrition of the workers. One farmer whom I know has therefore started to give his workers food again and does not charge them. Since then, he claims, their productivity has risen remarkably. Others try to increase their productivity by introducing more mechanisation and by using fewer products that have to be produced labour-intensively. This is because

farmers producing labour-intensive crops are especially affected by the law, as wages make up a higher proportion of their production cost (Pienaar 2003: 4).

A farm dweller who is busy applying for an LRAD grant to start his own farming business, told me that he and his partners are not planning to plant any labour-intensive crops.

> "We will stick to wheat, sunflowers, soy beans and the like. That way we'll be able to manage the work ourselves. Employing workers is just too expensive and too much of a hassle" (informal conversation with male resident on the Oosthuizen-farm).

Emerging farmers are thus "hardest hit as they not only need to cover their production costs but have to generale enough money to repay loans" (Pienaar 2003: 4). It also shows that black farmers are using the same labour-saving methods than white farmers (Aliber 2001: 55).

Especially farmers doing mixed farming and labour-intensive farming, like those in the Skuinsdrif area, are forced to mechanise in order to reduce their input costs and keep up their productivity (Simbi & Aliber 2000: 28, see also DoL 2001b). It is different in the case of high-value crop farmers like those in the Western Cape, who already paid higher wages before the introduction of the minimum wage law. This is why the findings of research in the Western Cape, as it was done by Conradie (2003), might easily show different result to a study done in other parts of the country.

The workers claim that their productivity has increased. They were less people now and the farmer was making them work harder. For this increased work-load, they do not deem their wage appropriately high. There thus seems to be a different perception between farmers and workers as to the productivity effects of the legislated minimum wage.

> "We are much less people now than we used to be. And we have to do all the work. He expects so much more of us and therefore the pay is just not enough. But we don't dare complain. At least we have work" (Robbertse Group 2).

Workers with low productivity are especially job insecure and fear for their job as they are the first ones to lose their jobs (Pienaar 2003: 2). It is the people who are most vulnerable already who get laid off. This includes the sick, the old, those that have a low education, that are unqualified and those who are new entrants to the farm labour market. The farmers also acknowledge this:

> "Because we have to work more rational now, it is the least productive workers who have to go first. These are often sick people and they are plunged into quite some desperation when they are without

> work. But farming is a business, not a charitable organisation" (informal conversation with a farmer from the area).

Many farmers claim that they used to employ more people than was necessary out of responsibility for them and often these were also unproductive people from the vulnerable group above (see DoL 2001b). This is now stopped as they see the labour legislation as cutting in between their relationship with the workers.

Skills training, as supported by PAETA and as conducted on Maswela and the Oosthuizen-farm, is also used to increase productivity. On the job training is also a common feature on the farms in the area. It is thus various kind of consumption that can raise productivity: Not only food and medical services, but also 'consumption of education' (Azam 1997: 371; DoL 2001b).

Setting a minimum wage is often said to raise productivity, because the business will be forced to enhance productivity, either by enhancing the productivity of the individual worker or by introducing productivity-enhancing technologies, to counter the increased input price. A rather unintended side effect is that farm workers are too weak to keep up their productivity and that especially the already vulnerable are hit by high productivity-demands of the farmer and stand to lose their jobs first.

4.3.4.13 Relationship and Communication with the Farmer

The relationship between the farmer and his workers as well as their ability to communicate with each other depends on various aspects.

As Kritzinger and Vorster (1997: 119) as well as Johson and Schlemmer (Johnson & Schlemmer 1998: 60) have observed, there seems to be a difference between big and small farms. On a small farm the farmer works more closely together with the workers, on a big farm the farmer has a more managerial position and does not usually take part in the actual work. This shapes the relationship of the farmer and his workers. He is more easily accessible to them, they talk together about all different kinds of things while they are working and make their jokes together. This is more in respect to male workers. Female workers have a somewhat more distant relation with the farmer and are often only supervised by a foreman.

> "It may be that smallholders with tiny workforces know their workers very well individually and have correspondingly closer and better relationship with them, but one also suspects that among the full-

> time medium-size farmers there was a more routine, workdaday attitude – with perhaps more realistic responses" (Johnson & Schlemmer 1998: 60).

Whether the latter holds true has to remain unanswered, but the difference in working relations between a small and a bigger farming enterprise has proven obvious in the difference between the relation of the workers and to the farmer on the Robbertse-farm and on the Oosthuizen-farm as well as on Maswela. The latter two are rather big farms with up to or even more than 100 employees. These employees are in constant contact with the foremen, who relate the directions of the farmer. The farmer rather takes on an observing and managerial position.

> "I regret it that I can't do more work myself. But there are so many things to do that most of the time I can only go and check and then I have to go back to the office and sort other things out" (Daanie Oosthuizen Junior 2).

The relationship between the workers and farmers especially on the Oosthuizen-farm was described as a bad relationship without trust on both sides. It is interesting to note that in this situation the farm workers sought the help of the union, whereas on the Robbertse-farm no worker is a member of a union. It has also been observed by Johnson and Schlemmer (1998: 86) that unionisation is higher in cases where the relationship with the farmer was described as being bad, though they were not able to distinguish whether the membership to the union or the bad relationship were chicken or egg. In the Skuinsdrif area, however, the few union memberships that have occurred within the last years, all occurred due to problems with the minimum wage legislation and out of an attempt by the workers to seek help in their struggle with the farmer.

Danie and Koos Robbertse, however, work closely together with their workers. There is no designated foreman on the farm and the whole business is run by father and son. Even though the relationship between them and their workers is described in good terms from both sides, workers say that "he [the farmer] does not feel shame for us any more" (Robbertse Group 2), because he does not help the workers any more as much as they used to.

The generally very positive picture of the farmer-worker relationship, which is often painted by rather shallow observation and research, is, however, often a similar myth to that of a coherent and integrative farm worker community. The relationships might be long standing and of mutual trust, but they are also characterized by power inequalities and power struggles: "a private world of pressures and counter-pressures" (Johson &

Schlemmer 1998: 87). This already tense situation is faced with all the conflicting currents in this fast-changing environment of the new South Africa, not only considering labour legislation but all the other pressures on farming as well as on South African society as such.

Even though with the introduction of the new minimum wage law, the support of the farmer for his people has generally decreased, most farmers, especially those who work closely together with their workers, are informed about the goings on in their workers' families and lives. This lack of support has, however, led to mistrust of some of the workers towards the farmer. In my research this was especially true on the Oosthuizen-farm. However good the relationship was and still is there remains an imbalance of power (see also Murray 2000: 123):

> "He [the farmer] is the one who owns the place and who is able to kick me out. What can I do if I don't agree with him?" (informal conversation with a farm worker in the area).

Another factor, which is very important in this destruction of a trusting relationship as it has happened on the Oosthuizen-farm, is the inability of the workers and the farmer to communicate and for the workers to understand these new legal concepts. Not all farm workers speak Afrikaans well enough to have a normal conversation and very few actually understand enough Afrikaans to understand the explanation of a law, which is difficult already. Daanie Oosthuizen Junior called a meeting, as did all other farmers in the area, and explained the law to his people. He did, however, not bother to employ an interpreter and it seems that many misunderstandings came along that way. The workers were very unsure whether things that were happening on their farm and with them were really according to the law. They asked me over and over again about the regulations according to working hours[29], deductions[30], required housing standards, UIF[31] and the rounding of the wage[32]. They neither understood the law as it was explained to them, nor were they

[29] According to the Sectoral Determination for Agriculture it is allowed that farm workers work three months of 40 hours and three months of 50 hours a year according to the season. This means that most farms work 40 hours for three months in winter, then 45 hours for three months transition, 50 hours in summer and another 45 hours transition again, which makes a full years cycle. Every month of these is paid the regular wage as if the worker had worked 45 hours.

[30] The concept of percentage-wise deductions was alien to most workers and they did not understand how they could be made to pay more for their living in months that they had earned more due to working overtime.

[31] See footnote18.

[32] If, due to the percentage-wise deductions, where uneven sums are calculated, rounding is used to make the payment easier. In year's total, however, it is checked that the rounded sums do not fall negatively to the workers costs.

able to look it up (as most farm workers are illiterate and law texts are difficult to read even for educated people), nor did they trust the farmer to use the law in the correct way.

All workers, no matter whether they had a rather good or not so good relationship to the farmer, asked me to mediate between them and the farmer and to relate their grievances to him as they did not want to talk to him in person, mostly because they feared his anger and the loss of their job.

The relationship between farmers and their workers is a very difficult one and often full of tension. Between the workers and the farmer there often stands the foreman or foremen. They are often considered to be the executors of the farmers will and his spies. Especially in the last ten years these relationships were not only exposed to many criticisms but also to many ruptures from within and from the outside. The introduction of controversial labour legislation and allegations that farmers were being abusive towards their workers has fuelled tensions and conflict in this relationship. The farmers are angry and vow to execute the law exactly according to its writing and to cut back all extra benefits to their workers. The workers on the other hand demand their rights, but do not want to give away any of the benefits they received before. The strong interference in this relationship from outside through the government, without properly knowing what was going on on the ground, as many farmers and farmers' unions claim, has led to many farmers hardening their positions and refusing to take responsibility for their workers any more. But this attitude is already softening and farmers are about to turn back to (parts of) the old system. This was confirmed by a representative of Agri SA. Still, the relationship between farmers and workers has been damaged seriously within the last ten years and farm workers as well as farmers are turning to the government for help and advice.

> "They [the government] make all these new laws, which actually leave the workers off. And then they don't take their responsibility of caring for the people and we step in again. And they knew exactly we would step in again and would help the people" (Daanie Oosthuizen Junior 1).

> "I know that the government is trying to help us, but nothing has changed in our daily lives. We need proper houses and electricity and our children need education. That is what they should care about. A proper wage would help, but it is more important to have a job at all and a safe place to live" (Maswela Group 2).

4.3.4.14 Attitudes towards the Minimum Wage Law, other Labour Legislation and the Government

As could be seen in the media especially before and just after the Sectoral Determination was introduced, farmers' unions are generally in opposition to to interventions by the government and farm workers unions are generally in favour of stricter labour legislation and more intervention in the farming sector. But this general picture is much too easily painted. It is for example Daan van der Merwe who says that in his opinion, farmers actually like the minimum wage law because it is an excuse for them to work on a strict cash-only basis with their workers, which is easier in its administration and saves them the hassle of being responsible for other demands of the workers. This corresponds with findings by Johnson and Schlemmer that most farmers as well as workers in KwaZulu-Natal would prefer to make payments in cash only (Johnson & Schlemmer 1998: 85, see also Pienaar 2003: 4). Still they doubt that such a change would really be possible because of the "overwhelming dependency of workers on their employees" (Johnson & Schlemmer 1998: 85, see also DoL 2001b). This supports what has been discovered by my research, i.e. that the farmers who withdrew all benefits and help with the introduction of the minimum wage system to their farming business are gradually returning to similar help-patterns as had existed before.

I cannot distinguish, percentage-wise, how many workers are in favour of the new system and how many would prefer to go back to the old system or remain on it. What was interesting, however, was that on the Oosthuizen-farm, where most eruptions had happened as reaction to the transition to the minimum wage law, the workers were generally not at all in favour of going back. Their major concern was that the law should be adhered to, but they also complained that benefits like working clothes and the allowance to use the tractor or bakkie for private purposes should still be an issue.

On the Robbertse-farm, in contrast, were the transition to the minimum wage was rather smooth and the workers are receiving the full minimum wage without deductions except the UIF and money they borrowed or purchases Robbertses made for them, the workers were rather in a position of favouring the old system.

> "If we would only get a bag of millie meal again and the Christmas benefits and would be sure that we can keep our jobs, we wouldn't mind to be paid the same as we were paid before" (Robbertse Group 1).

The deduction of benefits was a very serious issue to the Robbertse workers, maybe more than on the Oosthuizen-farm, because on the latter the benefits had been cut back for several years already. The Robbertse-workers maybe also felt more strongly that leaving workers had not been replaced and the workforce had shrunk to a very modest size. The remaining workers felt their vulnerability probably more than the workers on the Oosthuizen-farm, where there are still more than 30 permanent workers employed.

On Maswela, on the other hand, some workers said they would not want to do without the benefits, but others were highly in favour of the minimum wage law and angry that they were not allowed to speak out about it. Due to the very tense situation it can not be estimated, whether the general opinion is in favour or rather against the minimum wage law.

The findings of Johnson and Schlemmer (1998: 83/84) as well as of Kritzinger and Vorster (see Husy and Samson 2001: 31) clearly show that workers generally prefer job security over higher wages. A noticeable finding of Johnson and Schlemmer (1998: 84) is that better educated workers were more in favour of payments in kind than lower educated workers, which is contradictory to what I found. In the Skuinsdrif area I found that the better educated, or rather the people with the best business sense and managerial skills, were more likely to be in favour of the minimum wage as a cash-only payment, but they also realized the problems that it entails for people who are less able to "hold their money together".

One of the supporters of the minimum wage law on Maswela said:

> "The people must have the right to chose what they want to do with their money. Even if that means they will buy more booze instead of food for their children. Most people will be smart and will invest the money in the future of their children" (Maswela male worker 1).

This, however, is doubted by an elderly lady on the Robbertse-farm, who is running a small business:

> "Most people don't know how to use that much money they are getting now. They would have to save two hundred Rands every month and then they have to think what they can do with it. But the people here, they spend all their money and before the month is over nothing is left and they have to ask their neighbours for food. For the people, who have not learned how to manage their money, the new system is a really bad thing" (Robbertse female worker).

The representative of SAAPAWU, Saul Ramatlhoara, also confirms that those people, who have problems managing their money and people who are addicted to alcohol or dagga, are

having problems saving up their money until the end of the month. His experience with the minimum wage law is first hand, as he is living on a farm near Brits in the North-West Province. Since the minimum wage law is in place, he says, he has to buy more food to be able to help his neighbours out, when they have spent all their money on alcohol and dagga. But he is not mad at these people, because they are forced by their addictions to act so irresponsibly.

On all farms the workers did not know of any other laws that affected their working or living conditions. They were generally not informed about their rights. For example, they know nothing about their residence rights according to ESTA or regulations concerning the one-time settlement grant, and if so they would not know how to enforce them. Access to the next ANC office was in Zeerust, almost 70 km away, and workers could not visit that office during working hours. This is a common feature in farming communities. It also shows that some labour legislation is not enforced and there are no awareness campaigns for farm workers (see for example DoL 2001b). It seems very unlikely that the farmer will inform the workers and dwellers on his farm of their rights.

Farmers, of course, know about the laws. Some are struggling to integrate them into their business management and some have already been influenced by these laws. For example, farmers have for a long time been opposed to allowing workers to live on their property and to increasing the size of their workforce. My findings support the predictions made by Simbi and Aliber (2000: 26) that the farmers, partly because they feel they have been treated harshly and unfairly by the government, were prepared to act quickly in reducing their work force should a minimum wage law become a reality.

> "[F]armers' reactions to ESTA can be characterised as one of feeling treated harshly and unfairly by government. (…) As with ESTA, farmers tended to regard the policy discussions about the minimum wage as unwelcome interference form government, which was also adding to the strains between farmers and farm workers. While there is no evidence to suggest that farmers are reducing workers pre-emptively (…) there is no doubt that they are prepared to act quickly if and when it is introduced" (Simbi & Aliber 2000: 26).

In position to the government, most farm workers feel that they have not benefited from any actions by the government since the transition to democracy. Generally they answered that nothing has changed within the last ten years. Some positive answers stressed the availability of the child grant, of the general pension and the disability grant. However, there were rather negative words as well: Some workers complained that they could buy less with their money now than they could ten or fifteen years back and that the health

service was worse because there was no doctor coming to Skuinsdrif any more. In general, people did not expect any help from the government. But many still had hopes, especially the people on the Oosthuizen-farm, who asked me to talk to the people from the government and tell them about the problems of the workers. Some people had requests to the government, which were not really connected to the labour legislation. Two respondents, for example, were wondering why the government was building houses for all people (as they heard on the radio), but not for farm workers.

5 CONCLUSION

It is true, in some parts, that farm workers are still stuck in the old South Africa, as a Madikwe police man told me and SAAPAWU announced in 2003 (Carte Blanche 2003). Still, there are many developments happening in the farming areas that impact on farm workers livelihoods, on their ability to diversify their income sources and their livelihood strategies as means to alleviate risk and vulnerability.

The goals behind issuing a minimum wage law for the agricultural sector in South Africa were to protect the most vulnerable workers, and to reduce inequality in the economy (DoL 2001b; Pienaar 2003: 1). It is hoped that the Sectoral Determination 8 will help to prevent the exploitation of farm workers and break the cycle of their poverty (M&G 2003a). My research shows that there are cases in which this holds true, but there are also people who have lost out (as was predicted by DoL 2001b; Saget 2001:6). Winners are especially those permanent workers with specific skills, as the trend is to mechanise and to keep a small, more skilled work force. Also, those who are able to manage the new higher amount of cash money and the enhanced individual responsibility are at an advantage. Despite the fact that seasonal workers are now entitled to the minimum wage, which is generally much more than they earned before, they are mostly on the losing end. Seasonal labour has been significantly reduced and the required productivity has been raised. Those worst affected are women, the young, the disabled and the elderly, who are generally the least productive workers. They now rely mainly on social grants from the government and community and kinship networks. Increased availability of cash leads to the abuse of alcohol, as does the higher desperation due to unemployment or the threat of it. Both lead to increased (domestic) violence, which mostly affects women and children. Children are also affected in those cases where increased dependency ratios do not allow them to continue their education, or where the abuse of alcohol does not leave enough money for a sufficient nutritional provision of the family or money for schooling. This is why many people in the Skuinsdrif area say that it is actually the most vulnerable people, those who should be helped, that are harmed most by the introduction of the Sectoral Determination 8 (see also Carte Blanche 2003). It cannot be said from this study exactly how high the job losses have been. However, it was established that the fear of becoming unemployed and not being able to find another job is strong among the farm workers in the Skuinsdrif area. This is also due to the worsening of the relationship between farmers and farm workers, which was already tense before the introduction of the minimum wage law. The changes and the

opposition to these changes from both sides has lead to mistrust between the workers and farmers. Networks of mutual help, a basic livelihood strategy of farm workers, are being threatened.

It has clearly been shown that many farm workers in the Skuinsdrif area are caught in a deprivation trap as outlined by Chambers (1983: 108-131) due to their powerlessness, isolation, vulnerability, poverty and physical weakness. The minimum wage law can only be part of a package to help farm workers to break out of this cycle. As has already been suggested by the report to the Department of Labour (2001b), this legislation can only be successful if it is accompanied by rural upliftment programmes and support for those who are losing due to the new development in the agricultural sector. These, however, have been lagging behind and no signs of such support have appeared in the Skuinsdrif area. Every law has unintended consequences, which was exaggerated in this case by the harsh reactions of many farmers. It is, thus, necessary to address these developments and to offer new opportunities for retrenched farm workers.

This research showed that it is important to look at rural people's lives from a micro perspective to be able to pursue an effective policy to help them. The minimum wage effectively fails to address the core issues that lock farm workers and farm dwellers into a cycle of poverty, inequality, vulnerability and powerlessness. The most vulnerable ones are hurt by this legislation and have to be supported by a comprehensive rural development strategy.

Such a rural development strategy has to consider the livelihood strategies of farm workers and support them in using multiple livelihood sources and in diversifying their risk. As the reliance on the farmer to provide housing, services and access to them as well as credit and food is still very high, it would be important to open up ways to access such goods without being dependant on the farmer. Also, raising awareness of farm workers rights and helping them to enforce them, would be a huge step to address the power imbalance between farmers and farm workers, which is a major depressant of farm workers' quality of living.

The issues that farm workers perceive as lacking and as being necessary thus move along the lines of what Ellis proposes as policy priorities for rural areas to enhance livelihood diversification (Ellis 1999). These would have to be prioritised in a rural development strategy. (1) The possibility to improve *human capital* by gaining better education, especially for their children, is a major concern of farm workers. (2) Improvement of *infrastructure* are necessary to allow easier access to health care and other services and the

provision of electricity and water in the house are important to workers in the Skuinsdrif area. (3) The possibility to access fair and independent *finance* would reduce their dependence on the farmer or on the high interest credit obtainable from shebeens and other illegal vendors. (4) Easy access to *targeted safety-nets* for the poorest, the elderly and the disabled would be necessary to off-set the negative effects the introduction of the minimum wage has had and is likely to still have. (5) The *support of private non-farm productive enterprises* has not been addressed at all. Those who do have small businesses running are content with their size and are at most slowly enlarging the size of their operations, and those who do not have such business attitudes are most concerned about keeping their job as farm worker.

It can thus be said that the minimum wage accelerated a trend of mechanisation and labour shedding, but has done so in a context where the necessary safety nets to buffer its negative effects are not present. These are issues that have to be addressed not only by the Department of Labour but by a joint initiative to increase rural people's living standards. One major part of such a strategy must allow rural people to creatively make their own choices about their livelihood preferences and to support them in these.

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INTERVIEW REFERENCES

Maswela

Daan van der Merwe, 20 June 2004

Maswela Group 1 (10 women) 1, 13 September 2004

Maswela Group 2 (15 women, 1 man) 2, 14 September 2004

Maswela Group 3 (5 women, 7 men) 3, 15 September 2004

Maswela Group 4 (9 women, 3 men) 4, 16 September 2004

Maswela female worker 1, 15 September 2004

Maswela female worker 2, 30 September 2004

Maswela male worker 1, 16 September 2004

Maswela male worker 2, 29 September 2004

Maswela male worker 3, 29 September 2004

Maswela male worker 4, 29 September 2004

Maswela male worker 5, 30 September 2004

Oosthuizen farm

Daanie Oosthuizen Junior 1, 21 June 2004

Daanie Oosthuizen Junior 2, 9 December 2004

Corlene Oosthuizen, 30 June 2004

Oosthuizen Group 1 (9 women, 1 man), 12 October 2004

Oosthuizen Group 2 (16 men), 12 October 2004

Oosthuizen Group 3 (14 women), 12 October 2004

Oosthuizen Group 4 (7 men), 13 October 2004

Oosthuizen female worker 1, 14 October 2004

Oosthuizen female worker 2, 14 October 2004

Oosthuizen male worker 1, 14 October 2004

Oosthuizen male worker 2, 14 October 2004

Oosthuizen male worker 3, 15 October 2004

Oosthuizen male worker 4, 15 October 2004

Robbertse-farm

Robbertse female worker, 1 October 2004

Robbertse Group 1 (5 men), 4 November 2004

Robbertes Group 2 (13 women), 5 November 2004

Others

Pieter Horn (Farmer in the Skuinsdrif Area and Police Man in Groot Marico), 4 September 2004

Mark Borlinghaus (Owner of the Bottle Store and the Tavern in Skuinsdrif Hamlet and Police Man in Groot Marico), 9 September 2004

Japie Swart (Farm-Manager in the Skuinsdrif Area), 13 October 2004

Kobus Kleynhans (Agri SA), 29 November 2004

Johan Pienaar (Agri SA), 29 November 2004

Saul Ramatlhoara (SAPPAWU North West), 1 December 2004

Matthew Tau (SAPPAWU North West), 1 December 2004

Arno Faul (MRDP), 8 December 2004