Stereotypes cloud complex situation amid turmoil on Cape fruit farms

Margaret Visser and Stephanie Barrientos

REPORTS on turmoil in the Western Cape's fruit and wine farms over the past two weeks have hived out some entrenched stereotypes. Besides being unhelpful, more crucially these cloud a complex reality.

Growers do not operate in a vacuum, but are part of global value chains subject to various pressures. Unless this broader context is understood there is little hope of resolving the current volatility.

The first stereotype is that most fruit farmers are cash rich. Research conducted by the Capturing the Gains project – which examined the possibilities of social and economic upgrading in value chains – found differently. Many farmers are struggling. According to industry data, 36 percent of grape farmers in the Hex River Valley, the fulcrum of the recent protest, sold their farms between 2007 and last year.

In response to various pressures, farmers have restructured their workforce, retaining a core of skilled workers on permanent contracts, while employing rising numbers of seasonal ones. Some are employed on a temporary basis, some casually or through brokers. Permanent workers fell from 86 percent to 32 percent of the total fruit workforce in 2007 to 2010/2011.

This brings us to the second stereotype: that all agricultural workers receive the same low wage. The reality is that agricultural workers are split into two groups: the core of permanent workers are paid better, usually have on-farm housing, vegetable gardens, chickens, provident funds, bonuses and training opportunities. Capturing the Gains research found that permanent workers could earn 20 percent to 30 percent more than seasonal workers. Conversely, a growing pool of seasonal workers receive only the agricultural minimum wage (unless they do piece work), do not have access to a provident fund and may live in poor accommodation.

While farmers are casualising their workforce, meeting supermarket standards requires more skilled workers. But given the agricultural sector’s low wages, those with skills are leaving for the city. The high turnover of seasonal workers calls for constant retraining. The result is a skills dearth and intensified pressures on workers. Better government resources are needed to support training of seasonal workers, and to halt the increasing outflow of skilled workers, it is critical that they receive higher wages.

One stereotype that is probably warranted is that most farmers dislike unions. But in the absence of effective independent unions and social dialogue, farmworkers are without a voice and bargaining power. Frustrations become pent up and erupt.

Given the commercial pressures on farmers, their ability to pay higher wages is dependent on their negotiating better prices with supermarkets. A living wage needs to be factored into supermarket pricing and guaranteed to all workers.

All actors have a role to play in improving workers' remuneration and conditions in value chains. The government can act as a facilitator of this process, but also has to ensure that minimum wages reflect the rising cost of living. It should also provide better services and support to farmworkers. The government will also have to rethink its policy on general support for the sector if it is to be a mode of employment growth, as stated in its National Development Plan.

Visser is a part-time researcher at the Labour and Enterprise Policy Research Project, UCT. Barrientos is a senior lecturer at the Institute of Development Policy and Management, University of Manchester. This article is based on research that will be discussed at the Capturing the Gains Global Summit in Cape Town from December 3-5. For more information: www.capturingthegains.org