

**GLOBALISATION AND LIVELIHOODS IN SOUTH AFRICAN FRUIT –
THE EXPERIENCE OF CONTRACT WORKERS**

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Introduction

Globalisation is having complex consequences for workers linked to the global economy. It is leading to changing patterns of employment, with declining secure and permanent work and increasing informal and insecure work, even in relatively buoyant export markets. This trend is typified in the South African fruit sector. The expansion of fruit exports in the context of globalisation during the 1990s has led to both the 'modernisation' and transformation of employment on farms. This has involved a significant reduction in the use of permanent on-farm labour, and a shift away from more traditional 'paternalist' patterns of employment. Simultaneously there has been a rapid rise in the use of off-farm contract labour provided by third party agents. An important factor in the expansion of contract labour is the need to respond to the pressures of globalisation in the sector, particularly the increased risks and requirement for flexibility associated with global integration. But it also leads to a significant increase in the insecurity and vulnerability of workers employed in the fruit export sector.

The livelihoods of fruit workers, who are being shifted from more stable and permanent forms of employment into new types of contract work, are being affected in complex ways. Contract work does provide opportunities for farm workers that have been laid off from farms as a result of the commercial pressures facing the sector in the context of global integration. Also, contract work does not necessarily lead to a reduction in the incomes fruit workers are able to earn (though for some it can involve very low incomes). But the intensification of insecurity and vulnerability amongst contract workers, and the increased precariousness of their existence, can have detrimental effects on their livelihoods and well being. Thus, while globalisation is helping to stimulate expanding global exports, for some involved in the production (such as contract workers) it helps to generate a process of relative poverty. There is not necessarily a situation of abject income deprivation, but a more complex deprivation of their capability to function in an uncertain socio-economic global environment. Contract work thus highlights some of the complexities of change facing poor workers linked to the global economy.

A livelihoods perspective provides an analytical approach to understanding the complexities of vulnerability and risk arising out of the process of globalisation. It moves beyond an examination of income alone, and a narrow economic analysis, to a broader socio-economic and inter-disciplinary understanding of the nature of poverty. It facilitates an understanding of its effects on the well being of poorer groups,

including those that are being shifted into insecure and fragmented forms of employment. It helps to unpack the diverse strategies households adopt to cope with the consequences of global integration.

This paper explores the employment and livelihood dimensions of a group of contract workers in two regions of the South African fruit sector, using semi-structured and in-depth interviews. It examines the effects of contract work on their livelihoods, and the contradictory ways in which it increases their insecurity and risk, which affects their employment, family and community relations. It provides an example of the implications of fragmented employment in a globalised export sector. In response workers adopt different livelihood strategies to cope with the insecurity, experiencing some gains as well as significant losses from entering this type of work. The first part of the paper examines the changing employment strategies of fruit producers in the context political transformation and globalisation. The next section considers the nature of livelihoods as a basis for analysing contract work. This is followed by an exploration of the existing employment arrangements for contract workers', and the effects on their income and household strategies. Finally the paper considers the consequences for the family and community relations. In the concluding section we identify important themes and concerns emerging from our examination of contract workers.

Globalisation and the South African Fruit Sector

The South African agricultural sector has experienced radical changes since the early 1990s following political democratisation, reintegration into the global economy, and a changing state regulatory environment. South Africa historically has a significant market for its fruit in Europe, and particularly the UK.¹ Here supermarkets increasingly dominate the retailing of fresh produce,² and act as dominant buyers working through integrated value chains they are able to govern through their dominant position. Supermarkets are exerting increasing demands on fruit growers, including pressure to meet tight production schedules, and high quality standards. However, fruit sold to UK supermarkets is largely on a 'consignment' basis, in which prices are not agreed until very close to the point of final delivery. At the same time, global integration has been combined with deregulation of the deciduous fruit sector in 1997, which saw the dismantling of the single channel export system controlled by Unifruco (Birch 1993; Deciduous Fruit Grower various issues; Eurofruit various issues). This resulted in competition becoming much more intense within South Africa, with a rapid expansion in the numbers exporters operating out of the country during its export 'window', and an increasing supply of South African fruit. Combined with this, there has been a rapid increase in the export of fruit during the same window from other southern hemisphere countries, particularly Chile (DFPT 2000). The combination of increased global competition and over supply has led to a downward pressure on real value of exports (Abstract of Agricultural Statistics, various years), including those paid on a consignment basis by supermarkets. Global integration has thus led producers to be faced by a 'pincer movement' of increasing demands to meet tight production schedules, standards and quality, with declining real prices realisable on global markets. Global integration has thus led to significant changes in the commercial environment underlying the employment strategies of fruit growers.

Combined with these commercial changes, South Africa has also undergone a transformation in its political process as part of its reintegration into the global economy, which has included the extension of employment rights to previously excluded groups of workers. It has been suggested that, contrary to the 'retreat' tactics of the neo-liberal state elsewhere, the South African state has actively intervened in the agricultural labour market (Barrientos et al 1999; Kritzinger and Vorster 1999). South African fruit producers have not been able to arbitrarily shed labour or follow a 'hire and fire' strategy in order to cut labour costs. The fruit sector has since 1993 been exposed to a radically changed legislative environment aimed at providing farm workers with greater protection and security. Some of the most significant legislation concerns unemployment insurance, basic conditions of employment, labour relations and the right to strike action, security of tenure and employment equity (Hamman 1996).³

The combination of pressures on growers following global reintegration during the 1990s has led to significant changes in the pattern of agricultural employment. Official statistics, estimates that 114 000 regular jobs have been lost in commercial agriculture between 1988 and 1996, while the number of permanent jobs lost in 1994 is recorded as 19 percent (Simbi and Aliber 2000). The percentage of farm workers in the total rural labour force has fallen from 15,2 percent in 1991 to 12,3 percent in 1996 (Statistics South Africa and National Department of Agriculture 2000). In a survey conducted in 1998/9 on deciduous fruit export farms (Kritzinger and Vorster 2001) it was found that the average percentage of permanent workers of the total labour force had increased with 9 percent over a five-year period. However, on the majority of farms this increase reflected a change in women workers' employment status, that is, from temporary to permanent status. Therefore, it was evident that the increase in the percentage of permanent workers did not necessarily represent an increase in the size of the labour force living on the farm.

What is significant for this discussion is that growers already indicated in 1998/9 that they were planning to decrease their permanent on-farm labour and, that should the need for more labour arise in future, they would recruit more off-farm temporary and/or contract labour. More than 40 percent of growers, for example, indicated that their seasonal and contract component would increase over the next five years. While 33 percent in 1994/5 (Kritzinger and Vorster 1995) argued against the enlargement of their casual and contract component, the corresponding percentage was 4 percent in 1998/9. It was clearly evident that the employment of categories of off-farm labour had become an attractive option for fruit growers within a context increasingly being characterised by competition.

These trends appear to have been confirmed by a more recent study by du Toit and Ally (2001) on wine, fruit, mixed and table grape farms in the Western Cape. They conclude that, on the whole, the data indicate a 'definite job-shedding and externalising trend in some of the most important districts of the key labour absorptive agricultural sectors of the Western Cape rural economy'. Overall, formal permanent employment has decreased to a third of its previous levels. In terms of stated future plans the most significant trend appears to be in the direction of the shedding of labour. This shift, however, is not homogeneous and some producers are following different strategies. Some growers, for example, have chosen not to change the number of permanent workers. Interesting relationships were also found to exist

between past changes and future plans that confirm the 1998/9 research findings. On farms, for example, that had shed labour over the past three years, more than half of growers indicated plans to shed more labour in future.

Elsewhere it was argued (Kritzinger and Vorster 1999) that, while the trend towards the shedding of permanent labour and the employment of off-farm temporary labour in the deciduous fruit industry could be attributed to a range of pressures, two considerations are of special significance. Firstly, in the event of an expansion of production and the corresponding need for labour, producers are reluctant to build more houses on their farms due to escalating costs. The employment of off-farm temporary and contract labour are seen by producers as a means to cut labour costs as housing is normally not provided for these categories of workers⁴. As a rule such workers are also exempted from certain conditions of employment and benefits. Secondly, legislation on land tenure and property rights (ESTA) poses a threat to producers' property rights. In 1998/9 it was already evident that some growers were reluctant and even unwilling to fill existing houses on their farms, while others had demolished existing houses (Kritzinger and Vorster 1999). More recent data obtained by du Toit and Ally (2001) indicates a similar pattern. All in all a third of farmers included in their study were considering abandoning the traditional obligation of the Western Cape wine or fruit farmer to provide housing by either demolishing existing housing (21 percent) or changing its function (12 percent).

One of the most important patterns in the use of temporary labour is the development of a labour contracting sector. Labour contracting arrangements and types of outsourcing existing on Western Cape fruit farms are varied and complex. However, what these systems do have in common is that, contrary to past arrangements, farm workers are now being employed by independent contractors and not producers/growers. For the purpose of our discussion the difference between casualisation and externalisation of labour needs some clarification. In the case of casualisation, although employees' status within the enterprise changes, their status as employees does not change. The employment relationship remains susceptible to regulation even though it may be more difficult (Cape Argus, 23 July 2001).⁵ In the case of externalisation, however, goods and services are supplied in terms of a commercial contract rather than in terms of an employment relationship. This reduces the scope for all forms of regulation. The consequences of these two processes are also significant. Externalisation usually creates a new layer of entrepreneurs (contractors) some of who will be drawn from the ranks of those who were formally employed as well as the unions. It is also true that 'externalisation is generating casualisation' and workers are in 'the most casualised form of employment possible' (Theron 2000, p.63).

The growing tendency towards externalisation of farm labour in the export fruit sector has raised new concerns regarding wage and security levels and legislative protection for farm workers and it means that an increasing number of workers are being drawn into a global value chain on the basis of low wages and insecure work (Barrientos 2000). This has potential implications in terms of the increase of poverty amongst workers linked to this global sector.

Globalisation and Livelihoods

Before considering the linkages between globalisation and poverty further, it is important to unpack the nature of poverty itself, as different approaches can have implications for the type of results found from any analysis. In the economic literature, poverty has traditionally been linked to income and expenditure levels as a primary measure, hence whether or not an individual or household is poor is determined by whether their income falls below a given poverty line. This provides an easily quantifiable approach to calculating poverty, either on an aggregate basis as the total number in any country or group falling below, or a per capita basis. A regularly used and easy measure of poverty in low income countries has been the US\$1 per day line, with absolute poverty being calculated as the numbers falling below that line. This provides a crude but easily identifiable baseline for International Development Targets, and a rough basis of comparison of poverty levels between countries.

Analysis of poverty, particularly since the 1980s, has developed beyond this fairly narrow interpretation to encompass broader concepts of well being and livelihoods. This shift in approach has been partly influenced by the work of Amartya Sen. He explored wider concepts of well being linked to the capabilities and functionings of a person. This goes beyond income alone, to whether a person is able to achieve a sufficient quality of life, through their entitlements and access to commodities, education, health, literacy and a decent living. Not all individuals will have the same freedom to achieve the same capabilities. Personal constraints (such as being disabled), or their social position for example discrimination, can restrict their entitlements and hence capabilities (Dreze and Sen 1989; Sen 1984 and 1999). A person's employment situation could also affect their capabilities and functionings, for example if someone is in informal work with no employment rights, their capabilities and functionings could well be restricted compared to someone in formal permanent employment that does have such rights. Hence the well being of a person is not determined by income alone but by the broader socio-economic environment in which that person lives, and the capabilities which facilitate their quality of life.

Further more critical analysis of poverty was developed through the work of Robert Chambers. He also took the analysis of poverty beyond concepts of income deprivation alone, and explored wider issues of vulnerability, social and physical isolation, powerlessness and lack of voice as contributing to a person's lack of well-being (Chambers 1983, 1989, 1997). His was in part a reaction against a top down approach to development, in which the voices of the poor themselves were rarely sought or heard, yielding development policies that did not necessarily reflect the actual needs or interests of the poor. He developed a participatory approach to poverty alleviation, particularly focusing on the rural poor, which aimed to empower the disadvantaged themselves.

A livelihood perspective has evolved out of this more socio-economic analysis of the complexities of poverty. It takes a multi-dimensional and dynamic approach to the analysis of poverty, which includes an understanding of the social and institutional context of poverty, and an assessment of the vulnerabilities and assets that underpin the livelihoods of poor people. The vulnerability context of poverty can include seasonality, the likelihood of drought, lack of employment opportunities, and shocks such as economic crises. The assets (physical, social, human, and financial) that the

poor have access to will affect their ability to withstand vulnerability, and the net outcome, and play an important role in their ability to attain sustainable livelihoods (Ellis 2000; Ellis and Seeley 2001). Policy, therefore, needs to be participatory both in order that poor people can identify their own needs and to empower them in addressing those needs. Through the 1990s, acceptance has grown in development of these broader approaches to poverty, reflected recently in the World Bank Development Report, which focused on issues of vulnerability, insecurity and powerlessness (World Bank, 2001).

Development analysis traditionally focused largely on poverty as arising amongst those outside formal paid employment or with insufficient access to assets, and hence suffering from income deprivation. However increasing analysis of the socio-economic complexities of poverty has led to a better understanding of poverty arising amongst those who do have access to (at least some) assets and/or waged employment. Vulnerability and insecurity can undermine the livelihoods of poor groups, even where they do have access to some assets and income generation. These groups may not be in absolute poverty (such as those below the US\$1 per day line), but they may still be in relative poverty compared to other groups, with a low level of economic and social well being.

Analysis of groups with poor livelihoods has often concentrated on the rural poor, particularly peasants and small-scale producers and those in the informal urban sector. Those integrated into global export sectors and waged labour in commercial agriculture have often been overlooked. The competitive drive of global capital and economic deregulation has led to increasing informalisation of work within many sectors linked to the more formal export economy and the shift to more 'flexible' labour patterns (Standing 1999). With this, there is an increasing recognition that poverty can arise amongst those in work, and linked to the global economy, where the pressures of globalisation had increased their vulnerability and undermined their livelihoods. The linkages between globalisation and poverty are thus beginning to be drawn out and understood in more depth.

Analysis of the complex ways in which globalisation affects the insecurity and livelihoods of poor groups linked to global production differs according to the perspective taken. Economic analysis tends to concentrate on the market linkages, between changes in tariffs and the prices of traded goods and their effects on the incomes of poor households (McCulloch et al. 2001). In a deregulated economy, some accept that poor groups can be vulnerable to trade shocks, particularly where tariffs or other forms of protection are removed, and they have to adapt to a new trade environment. But it is assumed that in the long term at least, trade liberalisation will increase efficiency and growth, and that following a process of adjustment, the incomes of the poor will improve as a result of opening up to the global economy. The economic focus on income poverty, however, tends to ignore the more complex socio-economic effects on livelihoods at a micro level.

The livelihoods framework in contrast is built on a more complex analysis of poverty as encompassing *risk, vulnerability and well being*. It therefore encompasses advances that have been made in the analysis of poverty, which have not yet been integrated into the market-oriented economic approach to trade and poverty linkages. The livelihood framework formally recognises the relevance of markets as part of

‘institutions’ which people interact with. Yet the main focus of the analysis is the complexity of how livelihoods are constructed at the micro level, and the integration of the role of markets into an understanding of that complexity of poverty remains limited, as do the linkages with wider global processes (Kanji and Barrientos 2002).

The challenge of this paper, is to examine changing livelihoods in the context of a particular market (contract labour in South African fruit) linked directly to a global export sector. It aims to analyse the effects of global change on contract workers, in the context of their working environment. Interpretations of livelihoods can vary in different contexts,⁶ and the definition drawn on in this paper have been summarised by Scoones (1997) in the context of sustainability as:

'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 97:5)

Our focus in this paper is on a particular aspect of waged employment, and we are not examining the rural poor in general, nor do we include the effect on the environment. Our specific concern is to explore the nature of contract work and its implications for the livelihoods of workers drawn into its ambit. We do this in the context of four aspects of livelihoods identified by Scoones (ibid):

(i) *Creation of working days:*

Unlike permanent workers, or even seasonal workers with relatively secure work for fixed periods of time, contract workers have no security of employment from one day to the next. At one extreme workers show up at a pre-assigned location (or are even arbitrarily stopped in the street), and if lucky are selected for work that day by whatever contractor needs them. At the other extreme, some contract workers are able to develop employment relationships with a contractor, who repeatedly employs them. For all contract workers, however, the number of days work they are able to piece together or sustain is a crucial factor affecting their livelihoods, although there is no benchmark in this precarious employment.

(ii) *Poverty reduction:*

Money income earned through wages is central to maintaining the livelihoods of contract workers. This can be supplemented through other forms of household income (eg. benefits, selling goods). Contract workers often have few assets of their own beyond their human capital, and are largely dependent on waged work. Their total household income will determine where they fall in terms of absolute or relative poverty.

(iii) *Well-being and capabilities:*

Contract workers usually have few or no legal employment entitlements, restricting their capabilities in many respects. Even where entitlements formally exist, the precariousness of their work mitigates against accessing these. Linked to this, contract workers usually have little or no organisation or voice, which further undermines their well being. However, where contract

workers are drawn from those made redundant, they often already have human capital skills, and social networks they can draw on to enhance their capabilities and employment opportunities, off-setting adverse affects of this type of work on their well-being.

(iv) *Livelihood adaptation, vulnerabilities and resilience:*

Retrenched or unemployed fruit workers drawn into the contract sector usually have little choice but to adapt their livelihoods. Where this involves leaving permanent employment with secure housing and moving into informal peri-urban settlements with minimal infrastructure or sanitation the downward slide can be marked. The combination of insecurity of work and precariousness of their existence leads to marked increase in vulnerability. Social and family networks often come under stress where workers move from more stable farm environments into contract work, but they can also help to provide support mechanisms that enhance resilience to this type of work and life.

The net effect of contract work on livelihoods is thus complex, and is composed of a number of inter-related factors. We explore these in the context of contract work in two locations in the South African deciduous fruit sector in the Western Cape. Through this we are able to highlight both complexity and heterogeneity of contract work, exploring not only its effects in terms of income deprivation, but also broader issues of vulnerability and insecurity that can adversely affect the livelihoods of workers in this particular form of employment linked to the global economy.

Research methodology

The data on which this paper is based is part of a much larger study.⁷ In the latter study data were obtained through semi-structured interviews conducted during 2001 with 16 contract workers from Grabouw and Ceres - two important regions of the South African deciduous fruit export sector. Both these areas are situated in the Western Cape. Producers included in the broader study indicated whether they made use of contract labour⁸. If they did, the contractors of these contract teams were traced and interviewed by one of the researchers involved in the study. In total semi-structured interviews were conducted with eight contractors (four Ceres, four Grabouw) and a selection of two contract workers per contractor, broadly representing the composition of the contract team, was done with the assistance of the contractor.

For the purpose of this paper, additional in-depth interviews were held with eight of the sixteen workers. The interviews, some lasting more than three hours, were conducted with four Coloured women, three Coloured men and one African man. Two of the interviews were conducted during working hours on the farm and two on days that workers did not work. The remaining interviews were completed after workers had completed their day's work. Since many workers earn their wages according to a piece rate system, the researcher who interviewed workers during working hours was assured that the relevant workers would not be penalised financially for participating in the study. With the exception of one, all the interviews were conducted in Afrikaans⁹.

The ages of the eight contract workers vary between 18 and 41 years and five of these workers are between 30 and 40 years of age. One female worker is 18 years old. With

the exception of one Xhosa speaking African male worker, all are Coloured and Afrikaans speaking - although two of these workers can speak English as well. Regarding level of school education attained, five of the eight workers received between seven and nine years of schooling, while one female and one male worker attained six and five years of schooling respectively. One African male worker received no schooling at all. Three of the eight workers are single (two women and one man). The remaining workers are either married or cohabiting with a partner.

Recruitment and employment arrangements of contract workers

In most employment relationships, the employer owns or controls capital (particularly financial and physical) and employs labour in order to engage in productive activity. In the case of contract labour, the contractor acts as the employer, but is at the same time only an intermediary for a producer, and owns little or no productive capital him or herself. The employment relationship between contractor and contract work is thus based on the ability of the contractor to access work, and his/her relationship with the producers. The livelihoods of contract workers are therefore bound up with the functioning of the contractor(s) themselves, and we need to consider contract work in this context.

Contracting arrangements operating within Western Cape horticulture - and specifically in the fruit sector - are varied, complex and highly fluid. For one, there are different types of contractors involved in such arrangements. The contractors who employ the workers included in our study can be described as 'generalists'¹⁰ in that they provide general services like pruning and thinning of trees and picking of fruit. The smaller contractor employs relatively small numbers of contract workers, does not provide highly specialised skills, has very little capital to invest in his/her business, usually does the supervising her/himself, services a small core of farms, is more likely to experience cash flow hick-ups and is more likely to work with their team(s) in the orchards. Farmers/growers usually supply light equipment such as stepladders, sizing rings, pruning shears etc., while workers have to provide their own working clothes. Smaller operators usually lack transport facilities and are dependent on the farmer to provide transport for contract workers. Given the insecurity that characterises this type of business, the small contractor has virtually no access to credit.

Larger operators/contractors do not operate very differently from the former - the most significant difference being the size of the labour force, the number of farms serviced and the number of supervisors allocated to the management of teams. Management of teams working on different farms are allocated to different supervisors and, although larger contractors employ larger numbers of workers, they normally still rely on a small number of core workers. The larger contractors included in our study also lack transport and enjoy limited access to credit. The assets of the contractors themselves are thus usually limited, restricting their ability to make provision for their workers.

Contract workers in our study described their job as that of '*general contract farm worker*'. This usually entails pruning and thinning of trees and picking fruit during harvest time. More specialised work entailing, for example, irrigation, spraying, tractor and forklift driving, is usually reserved for the core of permanently employed

workers still residing on farms. Before workers are employed they often have to demonstrate their skills – especially pruning skills - as contractors emphasise the importance of quality work. While many contract workers acquired their skills during their employment as on-farm labour, most contractors provide on the job training for their workers on an on-going basis. Contractors wishing to secure regular agreements with farmers, can ill-afford employing workers who do not possess the necessary skills. Despite the lack of formal training, human capital thus remains an important asset in this labour intensive export sector. Unemployed fruit workers currently provide a pool of skilled labour that contractors can draw on, but that pool could become depleted with time raising questions as to the sustainability of contract work in a global export sector that emphasises quality (du Toit and Ally 2001).

The recruitment process and employment relationship

Lack of assets and institutional support for contract work is however compensated by the use of social networks through which contractors and workers maintain their position, and that underpins their flexibility and adaptability to the ebbs and flows of work. The over supply of farm labour means that in most cases workers have to rely on personal relations and informal networks in securing contract work and all the contract workers who participated in this study accessed employment through informal channels. The experiences of some of these workers illustrate this pattern. Aletta (divorced and 39 years of age) first worked as a permanent worker on a fruit farm but had to leave the farm after her divorce. She moved to an informal settlement in the Grabouw area and started working as a temporary off-farm worker through contact with a foreman whom she knew. A contractor replaced the foreman and Aletta became a contract worker. Magdalena (18 years) worked in Cape Town but wanted to return to her family. A family member informed her that her uncle – a contractor - was recruiting people to help with thinning of fruit trees. She was subsequently included in one of his teams. Roslyn (41) had years of experience living and working on fruit farms in the Ceres district. She was fired and eventually moved to an informal settlement in Ceres. She started doing contract work through a friend whose uncle was recruiting workers at the time. Carolus (31 years) had become friends with the son of a contractor and eventually came to meet the father. The contractor questioned him about his pruning skills and decided to offer him a job. A friend of Willem (32 years) who works for a contractor was instrumental in getting Willem contract work, while Klaas (35 years) was visiting a neighbouring farm to look for work. The manager of this farm (whom he knew) advised him to see the contractor who was working in the orchards at the time. He spoke to her and immediately started work. As he says, 'the manager of this farm vouched for me as he knows me and I have working skills'.

Contractors interviewed confirm the role of personal contacts and networks when recruiting potential workers. Operating in the Ceres area one contractor comments:

When I need another worker, I contact someone I know living in one of the Ceres neighbourhoods and I ask him to find candidates for the job. Since I don't have a telephone or car, I take the taxi to his house in the informal settlement. Then I accompany him to the person he was considering and we talk to each other for a long while. Nowadays you can't trust any person so I prefer to talk for a long time to get to know the candidate and to see what type of person he/she is.

Another contractor explains that he needs only to drive around in the neighbourhood and ask anyone walking on the street whether they are interested in doing contract work. 'Not even five minutes pass before I have a group of people interested. Everyone knows me; everyone knows my car'. A contractor from the Grabouw area says that everyone in Pineview knows her. 'People come to my house and ask for work; whenever I walk down the road people approach me for work'. Some of the contractors recruit through supervisors and contract workers employed by them. One contractor explains that 'workers talk to their friends and each year a worker brings someone along asking for work'.

Contractors also attribute the success of informal recruitment practices to the over supply of agricultural labour (or high unemployment levels) in the agricultural sector. A contractor comments:

The rate of unemployment is so high at the moment that it is not difficult to find prospective workers. For instance, last year I met people from Malmesbury along the road and I gave them work. This year they just returned to the farm on their own – they were so desperate for work.

Contractors and contract workers fall outside the normal institutional arrangements that cover employment relations, depriving contract workers of the security that other forms of employment enjoy. Contract workers do not have signed written agreements with their relevant contractors. Nor can the latter ensure long-term contracts for their employees given farmers' reluctance to enter into long-term agreements. In order to maximise competition farmers are hesitant to negotiate long-term agreements. Workers comment that 'one is just never sure' (securing a contract) and the 'uncertainty affects everything'. Nevertheless, workers have expectations to secure 'long-term' or 'permanent' employment with a specific contractor. While permanent employment is not possible within the contracting sector, 'permanency' has over time taken on a somewhat different meaning in this context. Those who have succeeded in being a core member of a contract team tend to view themselves as being 'permanent' workers. Thus, in order to secure a regular income, workers aspire to be a 'core worker' and a contractor who treats someone as part of the core, is perceived by workers to be a 'good' contractor. Workers develop a 'trust' relationship with contractors as is evident from Klaas's comments below:

This is my second contract with this contractor and I know that she will employ me again in the future. She will never let me go, and I know that she is at this moment looking for work for us once this contract is finished.

What became evident from our study is that male workers appear to be more confident about their employment than women and to rely on their special skills to cope with employment insecurity. Carolus is a good example. He says the contractor knows that he does work of a high standard and 'since I work so well – especially pruning – he actually makes a profit out of my work!' Other contractors, he says, have seriously asked him whether he is jinxed because his pruning is of such a high standard! Women, on the other hand, although appearing less confident, nevertheless believe they will be employed on an on-going basis. They report being nervous and anxious about doing contract work and, for Stella in particular, this is a problem. She

discusses her feelings with co-workers and her contractor and this reassures her that 'everything would be okay'. While being fully aware that the contractor must first secure a contract with the farmer, Aletta puts all of her trust in her contractor:

I am not certain about the matter (ongoing contract). There is always the element of uncertainty. However, as I see things between the contractor and me, I think she will definitely keep on employing me – I feel positive about our understanding for one another. I ask her now and again if she is still satisfied with my work; that is also one way of knowing exactly where I stand with her.

A central factor in maintaining the livelihoods of contract workers, examined in our study, is the number of days they work. We found that whilst contract work is highly insecure in comparison to permanent and more stable seasonal work, some contract workers were able to find work for prolonged periods of time. Three of our eight respondents work the whole year, one works for 11 months and three for 10, 7 and 6 months per year respectively - except for days when it rains¹¹. Contract work per se therefore does not necessarily undermine livelihoods by enforcing short working periods, and in comparison to seasonal workers can extend the working period. However, the precariousness of the work does undermine the security of the livelihoods it provides.

Payment system and benefits

Income is another important element in determining the poverty levels and livelihoods of workers. The household income of contract workers is not solely determined by contract wages, but given a lack of access to other assets or forms of income generation it can provide an important component. In contrast to the more stable wage systems based on a fixed weekly wage enjoyed by permanent workers, contract work also involves highly variable and fluid payment systems. Wages are negotiated between the grower or farm management and the contractor before work commences and wages are usually calculated according to piece-rate. Price is calculated per hectare but, more often per tree. After a week's work wages are sometimes renegotiated taking into account factors like size of tree and the specific cut/shape the tree requires. When harvesting apples and pears, price is usually calculated per bin. Those workers, for example, who are responsible for emptying bins, usually receive a daily wage.

Negotiating wages is a tricky process. As one contractor explains, 'you can't make the price too high – then you won't find work; you can't make the price too low – then you don't find any workers to work for you!' Due to high unemployment levels and the seasonal nature of work, contractors are able to easily source labour at low levels. Gender relations clearly structures wage levels. Wages vary but on average women earn between R30 and R37 per day during harvesting time, R24 during pruning time and R30 during thinning time in spring (1 euro = R9,69). During harvesting time men could earn up to R60 per day and R50 during pruning and thinning time. On average supervisors are usually paid between R400 and R500 per week. Two women contract workers included in our study earn as little as R20 per day. Workers are also highly dependent on good weather conditions and often work for only two to three days per week when it rains (some farmers make provision for work inside sheds and pack houses when it rains – workers get paid for doing this work). Not all workers work

overtime and, when they do, rates vary significantly. In some cases, workers (Stella and Roslyn for example) work up to 3 hours overtime per week and are paid R7 and R1 per hour respectively. Others work between 3 and 6 hours per week overtime and are paid according to piece rate.

Very few contractors are formally registered at the Department of Labour. Thus, they are not paying tax and no benefits can be paid out to workers at this stage. This means that contract workers employed by them as a rule do not enjoy UIF, overtime pay, paid leave and other benefits, for example, contributions to medical expenses. The lack of benefits is especially stark when considering the benefits received by on-farm workers. Most farmers now comply with legislation and provide the following benefits stipulated by legislation: paid holidays, paid sick leave, paid public holidays, paid maternity leave, UIF, overtime pay and a work pension scheme¹². There has also been a major improvement in the availability of day care for children on farms although in some cases workers are required to make a small contribution towards this facility. Larger growers also contribute to a funeral policy and provide training for workers.

From the interviews conducted with contract workers it was evident that they associate 'real' permanency with on-farm employment. Most contract workers have previously lived and worked on farms and they are painfully aware of the employment and other benefits that they are losing out on. Roslyn articulates this very clearly:

I wish I were back on the farm with all the benefits and facilities. Farmers help you with many things. As a permanent worker I used to get a bonus, I had a savings account and there was a crèche. I earned R28 per day plus benefits (10 years ago). Now I get paid R20-R30 per day and receive no benefits. We used to receive gifts at Christmas.

The denial of employment (and other) benefits to contract workers thus deprives them of an important source of livelihoods, particularly when they are unable to work, intensifying their vulnerability in the face of insecure employment. For Carolus, contract work means 'missing one's children, having one's belongings stolen, having no benefits and losing one's job easily'.

Housing arrangements

In most sectors housing is not normally provided as part of the employment relationship, but for permanent farm workers in South Africa, it still remains an important benefit of employment, which is central to maintaining their livelihoods. As retrenched farm workers, some still have access to on-farm housing through family members, but when made unemployed many have been forced into off-farm housing.

Compared to workers living on farms, the housing arrangements of contract workers could be described as dismal. Of the eight contract workers interviewed, four live in shacks in informal settlements and one has a house provided by a government scheme (RDP housing). Those living in shacks as well as Willem - who lives with his partner on farms during contract working - have no access to electricity, indoor running water and inside or outside flush toilets. Access is limited to outside running water/tap and

safe drinking water. Stella, who lives in a RDP house, has access to electricity, outside running and safe drinking water as well as an outside flush toilet. Shacks are notoriously small and structurally vulnerable – especially in bad weather conditions. Roslyn remarks that ‘strong winds blew the one side of the shack away – before we could prepare the wall we were burgled’. Others remark on the wood and planks they need to strengthen housing structures. Stella is equally unhappy about her RDP house. She says that her house is ‘very damp and cold’ and that ‘almost all the people in the neighbourhood have TB’. Due to the dampness they had to ‘move their furniture onto bricks’. Aletta, who now lives in a shack, comments: ‘I especially miss living in a brick house with a bathroom and a flush toilet; at present I have to make do with a plastic tub and a bucket for a toilet’. ‘Not having a house drives me mad – it creates too much instability’ says Carolus. ‘If I had a choice’ says Klaas, ‘I would go and work on a farm permanently just to get a house for the sake of my wife and children’.

Living with their parents and in laws most of the time, both Carolus and Klaas enjoy more favourable housing since their families live on the farm. They occupy brick houses and enjoy access to electricity, indoor and outdoor running and safe drinking water as well as an inside flush toilet. But in this case their livelihoods are improved not by virtue of their position as contract workers, but through their family connections to permanent farm workers that continue to enjoy the benefit of on-farm housing.

From the above examination of contract workers’ employment situation and housing it is evident that contract labour is characterised by risk and insecurity. Employment takes place through informal mechanisms - personal contacts and informal networks. Some contract workers in our study were able to sustain employment for relatively long periods of time, often longer periods than seasonal workers whose employment duration is relatively fixed by the local season. But even though some contract workers trust their contractors to guarantee employment, often describing their work as being ‘permanent’, there is no guarantee of employment. Agreements between contractors and workers are neither written nor long-term in duration. Many contract workers do not enjoy all-year employment – usually women – and work for only a few months per year. In conjunction with the insecure work situation, the wages that are paid for contract work are relatively low and highly fluid. Weather conditions dictate income levels as wages are usually calculated according to a piece-rate system. As a rule, off-farm contract workers do not receive employment benefits stipulated by labour legislation and, employment is usually dependent on the goodwill of others. The housing arrangements of these workers are dismal and many live in shacks located in informal settlements devoid of the basic services. Contract workers thus lack the benefits of permanent workers, such as UIF and housing, through which they can smooth their incomes and livelihoods through the year. Combined with their insecurity of work and income, this compounds their vulnerability and risk. Securing work is thus essential, but not a guarantee for maintaining the livelihoods of contract workers.

Consequences for sustaining livelihoods: household income and household strategies

Period of work and wage income from contract work are only two components making up the livelihoods of workers. They determine the income of an individual

contract worker, but we also have to take into consideration the total income of his or her household to have a full understanding of their livelihood. In addition, we need to look beyond income alone, in order to have a fuller understanding of the capabilities and well-being that contribute to livelihoods, and the adaptability and resilience of contract workers to their situation. This is linked to the broader issues around how contract workers perceive their situation, and the household strategies they are able to adopt, despite limitations on their entitlements and capabilities, in order to maintain their sense of worth and limit their vulnerability and risk.

Household income

Total household income for contract workers vary and relates to number of household members earning an income, state grants and pensions received by members, remittances and time of year. Table 1 presents data on contract workers' household size, highest and lowest levels of household income and average income per household member at the time interviews were conducted with workers. The average income per household member is the highest in the case of Carolus (R640) and Jimmy (R1000) and the lowest in the case of Aletta (R317) and Roslyn (R320). The remaining workers belong to households with an average income per household member of between R400 and R500.

Table 1: Household income

Name	Household size	Highest HH income pm	Lowest HH income pm	State grants and pensions	Present HH monthly income	Per capita household income pm
Stella	5	R2000	R1200		R1940	R388
Aletta	3	R950	R550		R950	R317
Magdalena	7	R5090	R2830	Foster Child Grant	R3330	R475
Roslyn	2	R1200	R0		R640	R320
Carolus	9	R5770	R5070		R5770	R640
Willem	5	R2160	R1740	Old Age Pension & Disability Grant	R2160	R432
Klaas	9	R7000	R450		R3820	R424
Jimmy	1	R1080	R250		R1000	R1000

In only two of the eight households – those of Magdalena and Willem – did some of the household members receive state assistance in the form of state grants and pensions. Magdalena lives with her father, stepmother and four siblings. The stepmother receives a foster child grant of R1 200 per month. Willem lives with his parents and two sisters. While his mother receives an old age pension amounting to R540, the father receives a disability grant of R500 per month.

Some of these households appear to have other sources of income. Aletta, for example, who is a single parent, makes doilies and other knitwear and bakes 'vetkoek' which she then sells to neighbours in the informal settlement where she lives. Magdalena's household income is supplemented by her father who makes brooms which he sells over weekends, while her mother receives maintenance from the father of an adopted child living in the household. Roslyn supplements her and her husband's income by travelling with her partner to farms when she is not doing contract work. There she cooks food for contract workers who live on the farm for the duration of the contract work. Carolus's father supplements household income by selling cigarettes (generating R50 per month), while his sister receives maintenance from the father of her child.

When asked which member's income in the respective households are seen as the most secure, it is significant to note that state grants and pensions are viewed as the most secure income in households where a member receives such grants/pensions (see, for example, Magdalena and Willem). In the remaining households, the income of members (usually male) who are permanently employed or who do contract work for up to 11 or 12 months per year are seen as the most secure. The wages of household members (usually women or children) who do contract work for fewer months per year (usually seasonal) are viewed as very insecure. It is evident that social security grants and pensions received from the state play an important role in keeping households above the bottom of the scale of poverty and reach much wider than only direct recipients. Grants contribute to food and household security of entire households and often present the only secure or constant source of income. In the context of high unemployment levels and precarious employment contracts resulting in a lack of social insurance, grants provide protection against contingencies of a dynamic market economy (Vorster et al 2000).

The issue of relative deprivation is raised when workers compare their respective households' income with those of others. Four of the eight workers rate their respective households as being average compared to other farm workers in their communities, while three workers rate their households as being either poor or very poor. Only Klaas (average income of R424 per household member) rates his household as well off. Aletta on the other hand - single and divorced and with the lowest average income of R317 per household member - rates her household as being average. Living in an informal settlement with little or no infrastructure, Aletta views her situation as not being much different from those living in her community. It would also appear that average household income is not the sole basis in terms of which contract workers rate their households as being poor, very poor, average or well-off. Those workers who rate their households as being poor or very poor, view their situations relative to those of on-farm permanent workers, especially as far as housing arrangements are concerned. Housing arrangements have a significant affect on workers' perceptions of their relative poverty.

The difficulty of evaluating their respective households is illustrated by Carolus when he says: 'I am not sure whether we are better off or worse off than other people, but there are times when we struggle to make ends meet'. Workers seem to feel that their household income is enough to meet their basic minimum needs (food, shelter, bills etc) when income is at its highest point in the year. However, what is disturbing is that

six of the eight workers claim that their income is not sufficient to buy food or a decent meal when income is at its lowest point.

Household strategies

In order to sustain their livelihoods contract workers have devised a range of strategies. One of these strategies entails modifying household food consumption patterns. Stella explains:

When we struggle to make ends meet I don't buy meat. Instead I buy more maize to make porridge for the children and I bake "vetkoek" on the gas stove. My father lives on a farm in Villiersdorp where he grows his own vegetables – he knows that I struggle and often sends me some vegetables with one of the drivers.

Workers make ends meet by buying food in bulk. According to Aletta, 'I do my shopping at a certain shop where I buy a food hamper for R125 – it lasts a week – and I buy extra vegetables and more meat on weekends'. Willem suggests that one strategy to survive is to buy less food, while Carolus says, 'My mother bakes her own bread – much more affordable than buying bread from the shop on the farm'. One worker reported that they (household members) ask people in the neighbourhood for food. Buying food on credit is often seen by workers as a strategy to sustain their households.

A popular and dominant survival strategy followed by contract workers involves borrowing money from either relatives, neighbours or foremen but, more often, from contractors who employ them. Some workers utilise all these resources to make ends meet. One of the woman workers describes her situation as follows:

My relatives live close by and help when I struggle to make ends meet. I've had to borrow from the contractor as well a couple of times, e.g. my brother died last week and I had to contribute R300 towards funeral costs – it was a crisis and I had to borrow money from him. I've also borrowed R200 from him to pay for my son's school fees. He then subtracts the money from my weekly wage over a period of time.

Although workers usually borrow money from the contractor (the latter sometimes borrows from the farm owner), workers also borrow directly from the farmer. According to one worker '(t)he farm owner also allows some of the older workers to borrow money from the farm when they struggle to pay all their accounts'. The deduction of borrowed money from their weekly or monthly wages means that workers are often left with very little money to sustain their households.

The ways by which household members supplement household income were noted above. These, of course, also represent strategies to sustain livelihoods. Selling cigarettes, brooms, doilies and 'vetkoek' enable households to survive – especially during off-season. Other strategies include doing domestic work. Roslyn explains, 'I do domestic work for other people in Nduli and in return they give me food and perhaps a R10 for the day's work'. Her partner worked in a butchery prior to entering farm work. He now cleans the butchery in return for meat. According to Magdalena,

‘Every now and again, when things are really bad, I would work at the broker’s depot (packing potatoes) and get a bag of potatoes and R10 as rewards’. Another strategy is to save money during the months when household income is at its highest. One of the women explains that ‘(d)uring summer I manage to save approximately R30 or R50 a week because during that time we work every day – no rains!’ Others, like Klaas, try and supplement income by trying to find any kind of employment:

In September when the pruning is finished, I would have to leave Grabouw and go and work in other areas. I feel that I have to bring something into the house and support my family; we cannot depend on my in laws. I will do any kind of work to earn money for my family.

Many contract workers, therefore, are vulnerable to poverty and relative livelihood deprivation. In the areas we studied they had limited alternative forms of income generation or employment, few assets and poor infrastructure. However, some households were able to offset risk and vulnerability in their livelihoods through supplementary alternative income sources, mobility and diversification in their household livelihood strategies. The extent of their adaptability depends in part on household composition and circumstance, as well as the employment relation they have with their contractor. However, a broader assessment of the complexities of the livelihoods of contract workers helps to understand the mechanisms through which they are able to develop resilience to their situation, and cope with poverty and deprivation.

Consequences for family and community relations

Developing strategies to maintain household livelihoods can, however, come at a cost. The lack of formal institutional support for contract workers (such as security of employment, benefits and housing) can put pressure on individuals and families, that can bear the brunt of flexibility in alternative livelihood strategies devised to off-set risk and vulnerability. This can undermine their resilience, and ability to adapt to the insecurity and vulnerability of their situation, particularly in terms of their personal and social well-being.

Family relations

In many cases contract work appears to put substantial pressure on couples and families to maintain sound relationships – especially in cases where the husband/male partner is a contract worker. Husbands/partners leave their households to work on farms away from home. Our research suggests that wives/partners especially fear extra marital affairs developing between their partners and women who live on farms. In my opinion, one woman says, 'doing contract work in other areas (and not sleeping at home) is not a good thing – men and women sleep around'. Another explains her reasons for accompanying her partner:

I prefer to accompany him when he works elsewhere, mainly because I don't trust him. I once caught him with another woman – when men work away from home they hire prostitutes.

There are also financial considerations. For this reason the wife/female partner often chooses to accompany her partner and co-workers to these farms. Roslyn is a case in point and chooses to accompany her partner and cook for the team members:

Another reason is when you stay at home and your partner only comes home during the weekends, he does not bring as much money home as he would have if you were with him. He spends too much money when he is alone. This has caused a lot of friction in our relationship. We often fight and we don't have a perfect relationship, but I prefer to stay with him than to be on my own. If I left him and stayed on my own, other women will call me a "slut" and they would not trust their husbands/partners to be friends with me.

However, not all relationships suffer from fears, suspicion and mistrust and some fathers try to involve themselves in the lives of their children. Klaas is an example when he says:

I think she understands that I am not sleeping away out of choice. I did contract work before and we did not have any problems. She trusts me and knows that we work hard and you do not have time for nonsense in the evenings.

Klaas's eldest daughter has to look after a younger brother. In the past the children stayed with their grandparents. Now they do not want Klaas and his wife to leave the house without them:

They are scared we are going away for a long time again. I had a lot of plans for my children, but you cannot argue with financial facts – my only hope is to give them a better life and win the lottery! I go to the school meetings (only a few times a year) and ask about their schoolwork when I am there. We make them do their work. They are really not bad kids – as far as I can tell.

Doing contract work could also result in little communication and contact between family members and, given these conditions, mistrust can easily develop. Like himself, Carolus's partner also does contract work. Her parents are permanent farm workers living on another farm and, when she is not working, she and the children stay with her parents when he has to go away. Consequently they see one another only over weekends. He explains:

We've talked about getting a house of our own so that we can live together as a family, but at this stage we don't have the resources to set up a home of our own. We have a close relationship, even though we don't see each other often. I don't bother with other women when I stay on farms. My partner has accused me of being unfaithful but I think she is just a bit jealous. When I have a bit too much to drink I accuse her of sleeping with other men – I don't get violent – but we fight about it. Fortunately this doesn't happen often. My partner wants to get married within the near future but my problem is that I don't have adequate finances to get a house of our own.

Because Carolus's partner takes the main responsibility for the children's upbringing he does not see them often and misses them. He says that the children know him and

like him even though he sees them so seldom. 'I have accepted the fact that I am the breadwinner and have to work on farms and not have a house of my own. When my partner works on a farm, the contractor pays an older woman R10 per child per week to look after the children on the farm. We provide their food for the day'. Jimmy being divorced and living on his own only sees his children when he visits the Eastern Cape. He writes to them and according to him 'they are happy to see me when I arrive home'. His children visit him during school holidays and he encourages them to attend classes.

Roslyn sent her children by a previous partner to live with their grandmother in a different town some two years ago. She realised that they would be better off with her mother than in an informal settlement. Although she misses them she feels they now live in a better house with adequate space for them. She and the father of her children send money and the father visits them on a regular basis. Despite this she feels that 'they are actually longing for a father figure in their lives'. She is very sad about these arrangements, but as she says, 'I would have preferred them living with me. I think it is important for children to be with their mother. If only I had a big house and enough money to raise them myself!' When she visits them there are 'tears of joy' to see her. Roslyn is also concerned about her children presently living with her. Her partner's mother who is physically disabled and an alcoholic looks after the children while she is at work and, according to Roslyn, does not like the children. As she was desperate for money, she had to start working.

Working together as contract workers in the same team can also help to foster and sustain a healthy intimate relationship. Willem and his girlfriend, for example, have been together for four years. They work together in the same contract team and they stay on the same farms. He comments as follows:

I would not have liked it at all if she stayed on another farm. We want to get married during this year. As a couple we visit friends and family. My partner keeps me on the right path – I used to be very involved in gangster activities but fortunately I left the gang when my first child was born. My partner is very strict and forbids me to get involved in any fighting with other people.

Community relations

On-farm worker communities have been described as close-knit social units and to exhibit their own distinctive values, norms and 'life styles' (Kritzinger and Vorster 1996) and often putting great pressure on workers to adhere to certain norms and 'understandings'. While this has led to the 'obstruction of choice', on-farm workers usually emphasise the mutual help and understanding and sense of community this context provides for them. Contract workers' experience quite the opposite. People moving into informal settlements are usually strangers to one another and it is difficult to develop and sustain a 'sense of community'. These settlements also lack community activities in which people can participate. This further serves to undermine the sense of well-being and livelihoods of contract workers, and can intensify their sense of insecurity, vulnerability and risk.

Stella is extremely critical and emphasises the remoteness of residents and the abuse of alcohol:

The residents are cold and remote (“afsydig”). Everyone keeps to him/herself and people don’t really socialise. During weekends most people are drunk and cause trouble wherever they go and accuse us of being unsociable because we don’t drink. Alcohol is much cheaper in town than on farms. The situation has become extremely bad – on Friday evenings police patrol the area and are on the look out for abandoned children (many mothers leave their young children at home alone when they go to the shebeens). There aren’t any community activities in Pineview – the church is situated in another neighbourhood.

Magdalena and Roslyn share many of Stella’s views. According to the former ‘everybody shouts and yells and fights’. She usually takes the boy living with them (a retarded 6 year old) and goes for a long walk until things have cooled down.

There are gangster areas in Hamlet. They shoot and fight each other. We keep the door closed at night and we have dogs in the yard that would bark if there’s any trouble.

Despite her concerns she actively participates in church activities and sings in the church choir. The church choir organises outings and she gets to visit nearby towns. The church sisters listen to her problems and often visit her home to pray for the family.

Roslyn does not actively participate in community life. She keeps to herself when she is at home and, in any case, she says, ‘there aren’t any community activities in this informal settlement’. Like Magdalena, she also attends church services. It is only when she keeps to herself that ‘people in my neighbourhood tend to like me’. ‘If one brags and acts boisterous they don’t like you and ignore you’. Compared to farm life she says, living in town is ‘rough’. People living on farms ‘are much more tolerant and caring towards one another’.

Aletta’s experience as a single and divorced mother living in an informal settlement is vastly different. She is very involved in church activities and tends to define community life in terms of participation in church affairs. While she is not a church official, she is very much involved as an ordinary member. According to her, she is ‘close to one of the church sisters and they share problems and concerns’. She also attends church meetings and services on Tuesday and Thursday evenings and joins outreach trips organised by the church. She sums up her attitude as follows: ‘My faith keeps me on the right path; I enjoy serving the Lord; I don’t belong/feel at home in the material world’. Jimmy, also single and divorced, participates only marginally in community affairs. He is not a member of any committee but participates when community problems have to be solved. He does not participate in sport but attends soccer matches as a spectator. For him community life in the informal settlement is not that much different from what it is on a farm.

Klaas enjoys a more established sense of community. Living with his in-laws on a farm means that he knows virtually everyone in the neighbourhood. Neighbours socialise on a regular basis and they visit one another. He watches rugby and drinks beer and wine with his friends and his father in law. For Willem it is difficult to define ‘community’ and community activities. The farm where he and his partner work

during the week is the closest to representing community life. In the event of staying on the farm during weekends, he visits permanently employed workers living on the farm – usually on Sundays. They socialise in the farm hall, watch TV together and play games (domino's). He also plays in the farm rugby team. He sees himself as being 'part of the farm' ("ek voel deel van die plaas") and attends farm meetings along with the permanent workers on Wednesday evenings. At these meetings work-related as well as personal problems are discussed. In an important sense, 'the farm' has become Willem's community. Carolus misses not having a house of his own and complains that 'one always sleeps in different houses and you have to carry all your belongings with you wherever you go'. Under these circumstances he has difficulty in experiencing a sense of belonging and community. Although he is considering obtaining a RDP house, he still prefers a house on a farm because they have kitchens and are generally much better equipped.

Overall, the above suggests that contract workers find it difficult to maintain close family relations and develop a sense of community. While we are not able to generalise, it would appear that contract work often facilitates suspicion, mistrust and fear of infidelity amongst partners. This seems to be especially the case where partners do not work on the same farms or in the same teams. Contract workers who are away from home more often and/or for longer periods of time (usually men), also seem to experience difficulty in maintaining an involvement in the lives of their children.

As far as community involvement is concerned, type of neighbourhood and settlement appears to play a crucial role. Many contract workers working in the Grabouw and Ceres areas come from elsewhere in search for employment and move into informal settlements because of unavailability of alternative housing in proximity of employment opportunities. Some of these settlements are quite vast. Resident turnover is high and residents perceive one another as 'strangers'. Lack of infrastructure and community facilities characterises these settlements and poses severe obstacles to the creation of a context in which people can develop a sense of 'belonging'. Alcohol abuse and crime are rife in these informal settlements and impinge negatively on the development of some kind of community life. Within this context the church appears to play a significant role – especially for women. In an important sense, participating in church activities comes to represent community participation and provides women with an opportunity to share some of their burdens. Those contract workers, on the other hand, who are members of households on farms or who have access to farm communities while doing contract work on farms, appear to experience and articulate a much clearer sense of community belonging.

Concluding comments

The examination of the livelihoods of contract workers helps to provide some insight into the externalisation of farm labour on South African fruit farms. The tendency towards externalisation has been in response to global as well as local pressures. The discussion demonstrates the tendency for an increasing number of workers to be drawn into a global chain on the basis of low wages and insecure work. Contract workers appear to have gained very little – if anything at all – by participating in a global economy. Insecurity and uncertainty mark their work life as well as their

family and community relations. They are liable to be exposed to poverty, and their livelihoods are characterised by increased vulnerability and risk.

The growing trend towards the externalisation of farm labour raises many concerns as well as questions. In this section we wish to raise two themes emerging from our discussion both of which link with the risk and insecurity associated with contract work. The first concerns employment justice and the lack of legislative protection for these workers and, following from this, the second relates to the relationship that is evolving between contractors and contract workers in the wake of insecure and unprotected employment.

Externalisation and casualisation are efforts on the part of employers to lower labour costs. In the fruit sector major growers are facing liquidation due to depressed world prices as participation in global markets combined with other more localised factors has shifted risk to the producer end of the fruit supply chain. As our analysis has shown, contract workers have gained little from participating in global export markets. Compared to on-farm permanently (and even temporary) employed workers, contract workers have no access to benefits and protection provided by legislation. Theron (2001, p. 65-66) points out that, although 'permanent' is not a category of employment that is explicitly acknowledged in South Africa's labour legislation, the protections that the legislation provide are nevertheless premised on the 'permanent job'. The dispute resolution system and the right not to be unfairly dismissed, for example, are relevant to permanent workers only.

Furthermore, all forms of labour regulation have 'evolved in response to the organisation of workers, and depend on them for their efficacy' (Theron 2001, p.6). Thus the degree to which workers are able to organise themselves and articulate their interest must therefore be central to any scheme to better protect peripheral workers. Rights to organise make no concessions to the difficulty of organising peripheral workers for in South Africa the Labour Relations Act, for example, assumes there is a workplace that is controlled by an employer. In the absence of worker organisation there can be no collective bargaining. Thus, although unions have had a measure of success in organising agricultural workers in the past (Murphy 1995), they have made virtually no inroads into the contracting sector.

In the absence of legislative protection and union organisation, the relationship between contract workers and their contractors is taking on a special significance. The relationship appears to have become more personalised and the contractor has taken on the role of 'protector' who has to provide employment security and minimise risk and vulnerability. Recruitment is based on personal relations and social networks; workers want to secure employment by becoming a core member of a contract team and, instead of farmers, contractors are now providing skills training. The relationship of dependency often extends beyond work-related concerns. Workers often approach their contractors to assist in personal and social problems and they are dependent on their contractors to lend them money when they experience financial difficulties. Borrowing money from the contractor is an important strategy employed by workers to offset their livelihood deprivation. Analyses of traditional paternalistic relations existing between farmers and farm workers on South African farms have identified and/or highlighted many of these elements as important features of this type of relationship (Du Toit 1992; 1993 and Kritzing and Vorster 1997). Externalisation

appears to facilitate the development of a new type of dependency relationship. However, a relationship of dependency also allows exploitative practices to develop. While legislative measures have had relative success in curbing exploitative practices in the case of on-farm permanent workers, the informalisation of the employment relationship and the lack of protective legislation for contract workers leaves them vulnerable and open for exploitation.

Of course, it could be argued that externalisation has empowered workers – especially contractors who have previously laboured on farms. Women contract workers are also being empowered - their employment no longer being dependent on the employment by the farmer of a male partner or male family member. A woman can secure contract work independently from her spouse/partner¹³. Male contract workers like Klaas and Jimmy also experience a sense of empowerment for, as the former notes, ‘you (worker) decide on your own when and where and how much you will work’.

The paper highlights the need to further explore the implications of globalisation and the externalisation of farm labour for poverty in rural areas. It highlights some of the complexities of contract work for the livelihoods of workers drawn into its ambit. In terms of income alone, some contract workers are relatively better off than others, and in terms of length of employment some contract workers are able to gain a degree of 'permanency'. But the insecurity and risk they face underlines vulnerability in the livelihoods of contract workers. The strategies they are able to develop can provide some resilience, and offset their livelihood deprivation in this respect. But they are reliant on informal means of support from family, community and contractors that are best variable amongst this heterogeneous and fluid group of workers. Lack of institutional support or security of employment leaves all contract workers ultimately vulnerable to the ebbs and flows of a potentially volatile global fresh fruit market.

Notes

¹ Approximately 76 per cent of South African deciduous fruit is exported to the EU (Deciduous Fruit Producers Trust - personal communication)

² UK supermarkets were responsible for the retail of 70 per cent of fresh produce in 1997 (Keynote 1998), but industry estimates are that has now reached 80 per cent, with 20 per cent going through wholesale markets.

³ The Unemployment Insurance Act (UIA) 1993 provides for an unemployment insurance fund, while The Basic Conditions of Employment Acts (BCEA) 1993 & 1998 stipulate basic conditions of employment. Under the BCEA seasonal workers employed for 4 months or less were not entitled to sick leave or annual leave. The BCEA of 1998 provides greater protection for seasonal and temporary workers. The Labour Relations Act of 1995 gives workers the right to strike action and protection against unfair dismissals. The Extension of Security of Tenure Act (ESTA) 1997 provides workers with a basic level of tenure security to protect workers from unlawful evictions and, The Employment Equity Bill (EEB) 1998 stipulates the implementation of affirmative action programmes for particular categories of employers, for example, women.

⁴ Many farmers/growers who use contract labour accommodate workers in empty or special houses or barns for the duration of the contracted work.

⁵ By law, any employee who works for more than 24 hours a month is not a casual employee, but they are often exploited. The Department of Labour has pledged to investigate the situation of casualisation

of labour as more businesses shift to short-term contracts. It is estimated by Statistics South Africa that 1.5 million people are employed on a casual basis. This includes 167 218 farm workers and fishermen. In the Western Cape alone, 180 525 casual workers are employed, mainly in agriculture, fishing and mechanical sectors (Cape Argus 23 July, 2001). As pointed out earlier, many casual workers are also contract workers. Casual workers lose out on major benefits and rights and are often subjected to unfair labour practices and made to work for long hours.

⁶ Some analysts of livelihoods emphasise the role of assets, for example Ellis (2000). However, in the context of contract labour, assets are fairly minimal (beyond skill or human capital), and our focus here is more on issues around vulnerability and insecurity.

⁷ The larger study on Globalisation, Production and Poverty within South African horticulture is being conducted by the Department of Sociology, University of Stellenbosch and the IDS, University of Sussex. The study on which this paper is based is essentially exploratory in nature and entails a relatively small number of case studies. Therefore, findings cannot be interpreted as being representative of the contracting sector in the whole of the fruit sector.

⁸ A total of 18 producers were interviewed – 9 in the Grabouw and 9 in the Ceres areas

⁹ The translation of direct quotes from Afrikaans to English inevitably leads to loss of meaning.

¹⁰ Du Toit and Ally (2001) differentiate between generalists (small and large operators), the well-resourced specialist who provides a comprehensive set of specialised quality services (harvesting, pruning, trellising, thinning, installation of irrigation systems, fencing, pole planting and vineyards establishment) and, the labour-only contractor. The latter does not take responsibility for managing the completion of tasks, but functions only as a source of labour. Workers are paid per hour hourly rate. The agency supplying the labour usually charges a daily fee of between R7 and R12 per head on top.

¹¹ According to one worker, he has only started out as a contract worker and is unable to make an estimate at this stage.

¹² Although most farmers are complying with the basic conditions of employment, research indicates that since 1994/5 there has been a substantial decrease in the percentage of farmers who offer workers production bonuses, bonuses for length of service and financial schemes for major household purchases. Many of these schemes have been institutionalised features of the employment arrangements on fruit farms and cost-cutting efforts on the part of producers appears to be the main reason for its demise (Kritzinger and Vorster 1999, pp.12-13). There is also a reduction in the availability of fringe benefits and facilities, for example, subsidised transport of women workers to church services, literacy classes, library facilities, women's clubs etc. These latter benefits have special significance for women workers as women.

¹³ Traditionally the unit of employment for those workers living on Western Cape wine and fruit farms has been the workers family rather than the individual. When appointing men workers, for example, it is assumed that wives/partners (and adult children) are to contribute their labour towards the farming enterprise. Thus, a woman's employment is dependent on her male partner or family member being employed.

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