

Fairtrade: Study finds premium label does not always benefit workers on South African wine farms

Wine was first produced in South Africa [as far back as the mid-1600s](#) by Dutch colonisers who sold it to passing ships. The industry developed further during the colonial and apartheid eras and wine became an important part of the South African economy.



Image source: [Gallo/Getty](#)

A [recent study](#) reports that the industry now employs close to 300,000 people. A [2021 report](#) indicates that it generates R10 billion (more than US\$550 million) in export value annually. While wine does not rank as one of South Africa's biggest industries, it [contributes 1.1% to South Africa's GDP and 1.6% of the country's total employment](#), making it significant to the economy.

During the colonial and apartheid eras, the country's wine industry was characterised by the [use of enslaved workers](#) and the [exploitation and paternalistic control of black and coloured labourers by white farmers](#). The [black and coloured](#) labourers lived and worked on the farms under the control of the white farmers.

With the formal end of apartheid in 1994, such relations were expected to change. [New labour laws](#) to protect workers from exploitation were introduced. However, many observers [continued to have concerns](#) about the living and working conditions of workers on the wine farms.

Fairtrade certification

In response to these concerns, some South African wine farms applied for and were granted Fairtrade certification. [The Fairtrade label](#) assures consumers that the product they buy has been ethically sourced and traded. [Fairtrade certification](#) is supposed to be given only after an audit to determine that the social, economic and environmental conditions on the farm meet certain minimum requirements.

Fairtrade products, such as Fairtrade coffee, chocolate or wine, are sold at a higher price, with a percentage of the sale value going towards a [Fairtrade premium](#). This premium is supposed to be spent on projects that will improve farmworkers' lives, such as creches, literacy programmes or medical centres.

If Fairtrade certification worked as intended for the South African wine industry, it could offer local producers improved entry into new markets while also supporting farmworkers' developmental needs.

But what is the reality?

That's what we set out to establish in a [doctoral study](#). What makes this study important is that it focuses on the experiences of farmworkers on commercial wine farms. Most Fairtrade products are produced by small-scale producers who are organised into cooperatives. However, in the case of South African Fairtrade wine, it is mostly commercial farms which have been certified.

As [other researchers have pointed out](#), the decision to extend Fairtrade certification to South African commercial wine farmers has been a controversial one. Such farmers, who are mostly wealthy and white, are not the typical producers associated with Fairtrade certification.

Our study can help in reviewing whether the inclusion of such farmers is justified.

As part of the study, interviews were conducted in 2020 with representatives of the [Commercial, Stevedoring, Agricultural and Allied Workers Union](#), other key stakeholders in the wine industry, and workers on five Fairtrade farms.

The five farms are all commercial farms and all hold Fairtrade certification. But the experiences of the farmworkers suggest that while the wine bottles leaving the farm might bear the Fairtrade label, the workers on these farms do not feel they are fairly treated. These findings cast doubt on the efficacy and legitimacy of extending Fairtrade certification to South African commercial wine farmers.

Fairtrade's [stated mission](#) is

“ to connect disadvantaged producers and consumers, promote fairer trading conditions and empower producers to combat poverty, strengthen their position and take more control over their lives. ”

Our study suggests that this mission is not being realised on South African Fairtrade wine farms. Workers on these farms are not being empowered to combat poverty and have more control over their lives.

What farmworkers said

Most of the 30 farmworkers interviewed were not even aware that the farm they worked on was Fairtrade certified. Only one had a good understanding of what the Fairtrade certification and audit process entails, but her account suggests that the process did not function as it should:

“ {W}hen they do audits, the employer will clean. ... {P}eople are forced to clean so that if the auditor comes, they will find everything in good standard. What happens when the auditor comes is that the employer chooses who must talk to the auditor because, for example, me, I will never be called to an auditor because they know that I will tell the honest truth. ”

Regular audits are meant to be conducted as part of the certification process to ensure that farmworkers on Fairtrade farms are fairly treated and adequately paid.

Farmworkers reported poor and unsafe living and working conditions. One woman complained:

“ What happens in the vineyards is that there is no toilet for us as women. We have to relieve ourselves in the vineyards. The toilets you will see when there is an audit. ”

Others described inadequate housing:

“ We were promised that these houses would be temporary. It is cold and when it rains the rain comes in. ... We have reported this, and nothing happens. I have to constantly move my bed when it rains because the water comes through. I have been here since 1979. They [farm management] have ignored me. They don't care. ”

Farmworkers also spoke about increased labour casualisation, especially for women. They further reported being intimidated for taking part in trade union activities, or for speaking out about their conditions. It was clear that, contrary to the [stated goals of Fairtrade International](#), farmworkers on these farms did not feel empowered.

What needs to happen

Fairtrade certification may be helping farmers gain entry to international markets, but our study suggests it is not bringing the anticipated benefits to farmworkers.

Significant changes to the auditing and certification processes need to be made if the certification is to benefit workers on South African wine farms. More transparent and rigorous auditing needs to occur if certification is to be meaningful.

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