# FAIRTRADE AND SUSTAINABILITY

# **DECENT WORK**

For some products such as bananas, tea and flowers, Fairtrade also certifies plantations – companies that employ large numbers of workers on estates.

Fairtrade Standards aim to protect workers' basic rights, including a safe working environment, the right to join a trade union and negotiate with their employer on wages and conditions, prohibiting discrimination and forced or illegal child labour. The Standards also require employers to bridge the gap between actual pay and the living wage in their region through collective bargaining. Through the bargaining process workers can influence the quality of their employment and livelihoods.

A living wage allows a worker to cover the essential needs of their family, with some provision for unforeseen events. The legal minimum wage often falls far short of this and low prices in supply chains mean employers can struggle to increase wages, leaving workers around the world in poverty.

Fairtrade, along with five other leading sustainability standards agencies, are working together to improve wage levels in certified supply chains and have agreed a shared approach for measuring living wage.

<u>New research has calculated living wage</u> benchmarks for rural South Africa, Dominican Republic, Kenya and Malawi for certain industries, with more to come. These indicate the cost of a basic but decent standard of living for workers and their families, taking into account in-kind benefits. They also compare living wage estimates with current wages. This work will be used to equip a range of organisations engaged in living wage, including supply chain partners, workers and trade unions, among others, to increase dialogue and take stronger action to increase wages.

#### 'After the Fairtrade training now workers know their rights... if somebody does anything wrong there are procedures to follow, so they are now happy.' Frida Kidenya, member of the Workers' Committee, Kibena Tea Estate, Tanzania

As well as wages, Fairtrade Standards aim to improve working conditions. This includes stronger requirements by employers to provide quality on-site housing for workers, making sure they have contracts with proper leave and overtime and that they have the right health and safety equipment for their work.

The Fairtrade Premium is also a key benefit for workers and they choose what to invest in. This can be projects that benefit the wider community, such as schools or healthcare facilities, but also those that can reduce the burden on their income, such as support with school fees or loans for fertiliser to help them grow more food. Without lessening the employer's responsibility to move towards a living wage, workers can spend up to 20 percent of the Premium as a bonus payment if they choose.

THERE ARE OVER 200,000 WORKERS IN THE FAIRTRADE NETWORK





# **CASE STUDIES**

#### BANANAS

An <u>impact evaluation</u> of the Fairtrade banana sector in Colombia found that Fairtrade offers substantially better labour conditions such as higher salaries, extra benefits and greater job stability than the non-Fairtrade sector. Only 16 percent of a sample of other plantation workers had indefinite-term contracts compared to almost 100 percent for Fairtrade plantation workers.

Increased use of protective clothing and a reduction in the amount of agrochemicals workers used has improved working conditions and meant incidents of accidents, sickness and being absent from work had decreased.

Together with essential partners such as the organisation BananaLink, trade unions, buyers of banana and retailers, Fairtrade works in the World Banana Forum on better conditions and protection of rights for banana workers.

### TEA

Workers on <u>Satemwa Tea Estate</u> in Malawi who took part in a <u>research study</u> felt that since joining Fairtrade there had been a significant change in the way they were treated by management. These improved relationships have meant they can now easily put forward some of their concerns with confidence.

Fairtrade has also improved working conditions, such as maternity leave, leave entitlements, protective clothing and overtime. Combined with Fairtrade Premium projects, this has increased motivation among workers, although they still felt that wages are inadequate.



Devotha Kiasile, worker at Kibena Tea Estate, Tanzania

Fairtrade is one of the driving partners in a project to improve the sustainability of Malawi tea, including a commitment to a living wage for plantation workers by 2020. In the project Fairtrade works together with Oxfam, the Ethical Tea Partnership, trade unions and major tea buyers.

Workers at Kibena Tea Estate in Tanzania also felt conditions have improved since Fairtrade certification. A Workers' Committee ensures that they are aware of their rights as employees and ensures estate management is accountable in upholding them. Women workers felt there has been an improvement in maternity leave rights and a Gender Committee has been established to report incidents of sexual harassment. Fairtrade guidelines on gender have also encouraged education and training opportunities for women, such as computer training.

Find out more in this film.



#### **FLOWERS**

<u>Research</u> at a Fairtrade certified flower farm in Kenya found that Fairtrade has brought positive changes to female workers, with better working conditions, the establishment of a gender committee, better maternity leave and opportunities to access training.

In a <u>2013 study</u>, workers on Fairtrade certified flower plantations in Ecuador shared what they thought empowerment and Fairtrade meant. Workers cited the ability to express themselves in the workplace, economic security and successful negotiation as key to their empowerment. They also highlighted the challenges of achieving 'full empowerment', which informed revisions to the Fairtrade Hired Labour Standard, providing important feedback for improvements.

Fairtrade works together with a Dutch non-governmental organisation Hivos and fellow-certifier Fair Flowers Fair Plants to promote a living wage for horticulture workers in Kenya, Ethiopia and Tanzania.



Workers at Harvest Limited Athi River flower farm

#### WHAT'S THE LINK TO THE SUSTAINABLE DEVELOPMENT GOALS?

The <u>Sustainable Development Goals (SDGs)</u> are a new set of global targets for future international development. They will follow and expand on the Millennium Development Goals, which expire at the end of 2015. UN member states will be expected to use the SDGs to frame their agendas and policies over the next 15 years.

Fairtrade's focus on decent work delivers towards the following SDGs:

• Goal 8 - promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all

