

Monday 30th April 2007.

Dear sir,

Your article by Caroline Overington (The Weekend Australian, April 28-29) which refers to the international Fairtrade certification & labelling system included a number of errors that need clarification. The Fairtrade system, which along with coffee, includes commodities such as tea, cocoa, sugar, rice and cotton, assists developing world producers and co-operatives to operate in highly competitive, unstable international markets, without reliance on aid handouts or government subsidies. It is a voluntary scheme built on transparency amongst all parties in the supply chain and supported by producers, traders, small and large brands, retailers and consumers.

Fairtrade encourages fair, responsible, and longer term trading relationships between buyers and producers, reducing the length of the supply chain, ensuring more of the money reaches the farmers and supporting co-operatives and farmers to acquire the skills and knowledge to operate in the market.

Your article refers to a claim quoted by Wilson and Davidson that Fairtrade coffee farmers were paid below minimum wages. The Fairtrade standards require that for workers hired casually by small farm producers, steps should be taken to improve working conditions and to ensure that such workers share the benefits of Fairtrade.

In the particular case referred to thorough investigation evidenced that the farms in question were found to be paying workers around 25% more than they could get elsewhere, despite being able to sell only 10-15% of their crop under the Fairtrade system. Far from an indictment of fair trade, this provides a compelling rationale for the system.

While breaches of the standards are minimal, it is more likely to occur where growers are able to sell only part of their coffee through the Fairtrade system, and so have to rely on the conventional system for the remainder, often forced to sell for below the cost of production. Clearly the more market demand for Fairtrade certified coffee grows, the more coffee will be sold through the Fairtrade system under Fairtrade conditions, benefiting the growers, hired labour, their families and communities.

The article also incorrectly quotes Neil Bowker as representing Oxfam Australia. Neil Bowker is employed as Executive Officer, Fairtrade Association of Australia and New Zealand, a not-for-profit member based body which brings together organisations and individuals with an interest in Fair Trade and manages Fair Trade Fortnight.

This Fair Trade Fortnight (April 28 – May 13) we encourage all Australians to see the benefits of Fairtrade for themselves, by attending the many Fair Trade events and talks around the country. The Association encourages Australians to make the switch to buying Fairtrade certified coffee for their homes, businesses, workplaces, and other organisations, and ensure a better deal for Third World producers. For more information about Fair Trade Fortnight and where to buy Fairtrade certified products, visit <http://www.fairtrade.com.au/fff/index.html>.

*Diana Gibson,
Chair, Board of Directors, Fairtrade Labelling Australia and New Zealand Ltd.
Melbourne.*