

8.1 FAIR TRADE COMMUNITIES

(YTH15: FR)

Submitting Councillor: Charlotte Baines

NOTICE OF MOTION

1. *That the City of Monash becomes a Fair Trade municipality by adopting the Fair Trade Communities Guidelines.*
2. *That Council agrees to meet the terms of the Fair Trade Community Program within 12 months.*

INTRODUCTION

On 18 July 2006, Council endorsed the recommendation that Council “*Establishes a young person’s advisory committee, to be called the Young Persons Reference Group.*”

The purpose of this report is to seek Council’s endorsement in pursuing the ideas of this advisory group who represent views of the young people who live, work and study in the City of Monash. Specifically the young people would like Monash Council to use products that do not promote the poor conditions in developing countries, but instead use fair trade products, specifically tea, coffee and chocolate. It further asks Council to ensure that local businesses offer the opportunity to consumers in Monash to also consume fair trade products.

BACKGROUND

At present many residents remain unaware of how their daily tea, coffee or chocolate intake is being produced, and who is producing it. According to World Vision 600,000 children work on cocoa fields on the Ivory Coast and Ghana. These areas combined produce 70% of the world’s cocoa.¹ Of the children working on cocoa fields 80% are exposed to dangerous working conditions including carrying heavy loads, brush burning and using machetes. They often work 80-100 hour weeks, are malnourished and receive beatings. Half of these children don’t go to school and are also being trafficked.

Fair trade is a social movement that ensures farmers in developing countries receive fair prices for their produce, use improved environmental methods and it empowers workers through improved working and social conditions, with the aim to end poverty and exploitation by larger and more powerful companies in developed countries. There is a specific focus on certain exports from developing to developed countries. They include: coffee, cocoa, chocolate sugar, tea, bananas, cotton and wine.

Local solutions remain undervalued and yet pivotal to changing national and international trends. Fair trade is not about stopping the sale of various non-fair trade products (as this would only hurt the farmers working on these farms more) but about increasing the sale of products produced in an ethical way. Currently, fair trade products can be bought from a variety of sources in Monash however the availability of these products needs to be further encouraged.

Monash should be a leader in promoting and developing fair trade practices in our municipality. Over the coming months ahead, Cr. Baines will lobby for a Fair Trade Award to be introduced as a Monash Business Award to raise awareness of third world poverty and the significance of local solutions to global problems in Monash.

DISCUSSION

I raised this issue with the Young Persons Reference Group (YPRG) recently and the members expressed an interest in pursuing this discussion and it has since been discussed further and brought up at the Older Persons Reference Group (OPRG). The OPRG is interested in learning more about fair trade and perhaps also being involved in actions to increase fair trade in Monash.

One of the members of the YPRG is currently involved with fair trade and was able to brief the group on the value of fair trade products.

The group has also discussed benefits of increasing fair trade in the City of Monash, as follows:

- Increasing the consumption of fair trade products will have a direct impact to improve the conditions for many workers in developing countries and reduce trafficking of children. This will also have flow on benefits to their families and communities socially and economically
- Fair trade products have been successful at large institutions in the City of Monash such as at Monash University
- A fair trade business award would advocate for these improved conditions in developing countries and raise awareness in the community of the value of fair trade and what to look out for in fair trade products (e.g. fair trade logos)
- Increasing the availability of fair trade products in Monash should increase the sales of these products, even if they are slightly more expensive to consumers (using the analogy of consumers buying free-range eggs, even though they are slightly more expensive the consumer is prepared to buy them to improve conditions for the chickens).

To implement fair trade initiatives, the YPRG recommend that the City of Monash officially becomes a Fair Trade Community.

There are six broad steps to becoming a Fair Trade Community,² as follows:

Step 1 – Local Council Resolution

The Council passes a resolution regarding Council's support for Fair Trade, commits the Council to serve Fair Trade certified products at its meetings and in its offices and commits the Council to working towards meeting the steps outlined below within 12 months.

Step 2 – Community Steering Group

A local Fair Trade steering group is convened to ensure continued commitment of the Council to its Fair Trade Community status. The steering group should include a Council representative, people representing the area's schools, churches,

community organisations and local businesses. The group is responsible for ongoing monitoring of progress against goals. The group also is responsible for expanding the availability of Fair Trade Products and promotion of the Fair Trade Award through display, media and signage.

Step 3 – Availability of Fair Trade products in local shops

A range of Fair Trade certified products are currently available from cafes and retailers within the City of Monash. As other Fair Trade certified products such as tea and chocolate become more available in Australia, this program will assist in making products more readily available in the area. In order to retain the Fair Trade Community Award in future years, there should be growth in the number of retail outlets stocking Fair Trade products.

Step 4 – Use of Fair Trade certified products in local enterprises

Council shall work through the Steering Committee and the Economic Development Unit to encourage large local businesses to have Fair Trade Award status. The Steering Committee will also work with local schools and community groups in the area to use and promote Fair Trade products.

Step 5 – Media Coverage

The Steering Committee will promote the Fair Trade Award through Council's web site, community Newsletters, club and school newsletters and press releases. This will include a local Fair Trade directory.

Step 6 – Progress Goals

The Steering Committee will develop progress goals to ensure ongoing growth of the program.

FINANCIAL

The Fair Trade Association of Australia and New Zealand charge an administrative fee to councils participating in the program. The City of Monash's fee will be \$ 850. This is a one-off fee, and includes associate membership of FTAANZ for 12 months. After this, FTAANZ associate membership is \$132 per year.

Fair Trade certified products are generally a little more expensive than their conventionally traded counterparts however trials at other councils have found that selected products may be no more expensive than standard coffee.

CONCLUSION

This is a very exciting opportunity for the City of Monash to be a leader within the State of Victoria as well as Australia, to take up social responsibility and encourage the benefits provided by Fair Trade. This opportunity could lead to the development of a Fair Trade Monash Business Award. This award would raise awareness and increase accessibility of ethically produced and traded products.

It is therefore my recommendation that the City of Monash considers becoming a Fair Trade Community.

REFERENCES

1. World Vision, What is the Real Cost of Chocolate? Accessed 25/9/08, <http://www.donttradelives.com.au/dtl/Issues/Chocolate/Default.aspx>
2. Fair Trade Association Australia and new Zealand, Fair Trade Communities, accessed 25/9/08, <http://www.fta.org.au/FTAANZ/fairtradecommunities>