

FAIRTRADE RESPONSE TO TOM HEINEMANN DOCUMENTARY

With joined forces we can improve working conditions for employees on wine farms.

Right now working conditions at South African wine farms are being given lots of attention. That farm workers are amongst the most vulnerable working forces in the global trade is not news to anyone. Many people work long hours for a low wage, scared to claim their rights due to a risk of losing their jobs. Official employment agreements, the right to freedom of association, fair wages and rights to basic medical care is often missing. When it comes to the wine farms in South Africa, only one fifth of the workers have permanent employment, the rest are seasonal workers. The wine producers act in a very competitive market that is dominated by low prices. Competition leads to pressure on prices that goes all way down the value chain, which eventually leads to very low wages for the farm workers. To affect the situation, Fairtrade started to certify wine producers in 2003.

Fairtrade is working on building better working and living conditions for the most vulnerable. This is done through a guaranteed minimum wage (to be eventually raised to a living wage), a premium that is used to develop the society (building schools, educating medical staff, or free medical insurance) and to make sure that ILO's core conventions are followed on the ground. Fairtrade certified producers are monitored by FloCERT to make sure that the strict criteria regarding freedom of association, wages, health and safety, non-discrimination and other rights are followed.

One central issue that has been raised in the official debate are the workers' wages. This is a question that is very important for Fairtrade and the progress of getting proper living wages in place has always been a part of Fairtrade's criteria. But the issue is not uncomplicated. The criteria for an employed work force, puts demands on the farms to pay workers the minimum legal wage. The challenge here is that there are not any criteria on minimum *living wage*. Therefore, Fairtrade and other organisations have worked together on developing guidelines for a living wage in countries and regions that we are present in. Through determining these guidelines we can identify a goal and then work towards that. The time line for raising wages is being negotiated by representatives for the workers. This is where the unions have a really important role. Though, a single farm cannot raise the wages and still be competitive. Then the employees are risking losing their jobs and ending up in a far more difficult situation.

To further stress the issue around low wages, Fairtrade also introduced a change in the criteria for the Fairtrade premium in 2014. This means that the Fairtrade premium committee can decide that up to 20 per cent of the annual premium can be divided between full time employees, part time employees and seasonal workers, and handed out in cash. In conclusion we hope that the tools we are providing will help to achieve a long term, sustainable change regarding working conditions on farms.

But there are no easy fixes to the problems employees in countries like South Africa face. And Fairtrade is not the only solution to the challenges. To be able to create sustainable progress we need to work together through the whole value chain. Producers need to take their responsibility for their working conditions. Importers need to determine that their producers are providing this. Systembolaget needs to work more actively in shops

to help consumers to choose ethically produced wines and also broaden the assortment of ethically certified brands so the consumers can make conscious choices. Finally, the consumer needs to, even more than before, choose products that consider the person behind the label. Together we can contribute to a better life to producers and workers in these countries.