



By Carl
Collen

Tuesday 15th December 2020, 11:13 GMT

Base wage for Fairtrade banana workers

Fairtrade takes huge step towards living wages for banana workers across the globe



Fairtrade has announced a new base wage for all Fairtrade certified banana plantations, with the revised standard marking a unique move towards a living wage, benefitting thousands of workers.

The new Fairtrade Base Wage is set at 70 per cent of the take-home pay needed for a living wage and will be paid from 1 July 2021 onwards.

It applies to all countries and is, according to Fairtrade, unique amongst certification schemes in taking a concrete step towards a living wage – defined as a wage that provides workers enough for food, healthcare, schooling and other essentials for themselves and their families, plus a little extra to put aside.

Every Fairtrade banana plantation worker will get at least the base wage, even if the legal minimum wage is lower, and if they already receive more, their wages cannot be lowered.

According to Fairtrade, ensuring a living

wage for banana workers remains one of the most pressing and unresolved challenges for the banana sector, with workers in many producer countries paid the national legal minimum wage which is, in most cases, still below a living wage.

In a number of regions, workers are not represented by trade unions that can negotiate on their behalf for better wages, Fairtrade outlined, while the COVID-19 pandemic has also increased the insecurity and vulnerability of millions of agricultural workers worldwide.

"The new Fairtrade Base Wage means higher wages for thousands of banana workers on Fairtrade certified plantations, and a safety net to help them meet their essential needs," the organisation said.

As well as the Fairtrade Base wage, the revised standard stipulates that up to 30 per cent of the Fairtrade Premium must be paid out as a cash bonus, as a temporary measure to support worker's

incomes and help bridge the gap to a living wage where needed.

This is on top of the existing 20 per cent which workers can receive in cash if they choose so.

Depending on local tax rules, workers may choose to receive the Premium bonus in vouchers, instead of cash. Fairtrade is the only sustainability standard that guarantees a fixed Premium for bananas, that workers decide how to spend.

"These changes are a significant step towards living wages for Fairtrade banana workers worldwide", said Wilbert Flinterman, Fairtrade International's senior advisor for workers' rights and trade union relations.

"While in some countries, many banana workers are already earning living wages, in many others there is still a way to go," he explained. "Now all workers on Fairtrade certified banana plantations will receive a guaranteed base wage and

<http://www.fruitnet.com/americafruit/article/1474/parts-of-san-diego-quarantined-as-psyllid-count-mounts>

© Copyright Market Intelligence Ltd - Fruitnet.com 2014. The copyright on this article and all content published on Market Intelligence Ltd - Fruitnet.com is held by Market Intelligence Ltd - Fruitnet.com Limited, a joint venture between Market Intelligence Limited and Dr Rolf M Wolf Media GmbH. All rights reserved. Neither this article nor any part of it may be reproduced, stored or transmitted in any form, including print-outs, screen grabs and information retrieval systems, without the prior permission of the copyright owners.

additional income support through the Premium until they reach a negotiated living wage.

"Fairtrade strongly believes that collective bargaining is the most sustainable and empowering approach to reaching a living wage, both for workers and their employers in the long term. Therefore, we will continue to work with our partners to strengthen labour relations and support workers to know their rights."

Fairtrade also called on all actors to commit to a living wage, highlighting that more work still remains to be done to make a living wage a reality for all banana workers.

Fully closing the living wage gap would depend on commitment and collaboration between different actors across the supply chain, with the group noting that producers must receive a fair price for their bananas based on their costs of sustainable production - although it highlighted that now more than ever, producers are subject to retail price wars, and under pressure to accept lower prices.

"For Fairtrade it is essential that living wages are recognised as a human right and a normal cost of doing business," Flinterman added. "Fairtrade urges retailers and traders to commit to fair prices, to ensure consistency

between their sustainability pledges and sourcing practices, and to stop a race to the bottom in the banana industry. At the same time, we applaud those companies that have been doing the right thing."

Enjoyed this free article from Eurofruit Magazine and its team of editors? Don't miss out on even more in-depth analysis, plus all the latest news from the fresh produce business. Subscribe now to [Eurofruit Magazine](#).