

## COUNCIL BUSINESS ITEMS

---

### 3.1 Fair Trade

---

File: 33/10/03  
Responsible Officer: Coordinator Environmental Management

#### **Purpose**

1. To recommend that Council becomes a Fair Trade Municipality by participating in the Fair Trade Awards Program.

#### **Background**

2. Fair Trade is a growing, international movement, which ensures that producers in poor countries get a fair deal. Fair Trade is an alternative approach to conventional trade. It contributes to sustainable development by offering better trading conditions to, and securing rights of, marginalised producers and workers - especially in low-income regions.
3. This means a fair price for their goods (one that covers the cost of production and guarantees a sustainable livelihood) long-term contracts which provide income security and, for many, support to gain the knowledge and skills that they need to develop their businesses and increase sales.
4. Fair Trade products currently available in Australia include coffee, tea and chocolate.

#### Fair Trade Award Program

5. The Fair Trade Award Program has been developed by the Fair Trade Association of Australia and New Zealand (FTAANZ) in order to provide a generic set of goals or guidelines which institutions and communities across Australia and New Zealand can adopt as a focus to promoting Fair Trade within their sphere.
6. Participants within the program work towards achieving a set of goals to promote Fair Trade within their institution's procurement practices, workplaces and membership or community.
7. There are six broad steps to the Fair Trade Community Program Process.

#### Step 1 – Local Council Resolution

8. 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

9. 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

10. A range of Fair Trade certified products are currently available from cafes and retailers within the City of Yarra. 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

11. 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

12. 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

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

### **Consultations**

14. Council currently has ongoing involvement in fair trade products through the promotion of Friends of Baucau coffee. Council is currently trialling the use of Jasper organic fair trade coffee in the Richmond Town Hall. This trial will obtain feedback from Council staff and Councillors regarding the quality of the coffee and make a cost comparison with standard coffee.
15. Council has contacted the Fair Trade Association of Australia and New Zealand to obtain details regarding the Fair Trade Award Program.

### **Financial Implications**

16. The Fair Trade Association of Australia and New Zealand charge an administrative fee to councils participating in the program. The City of Yarra's fee will be \$850.
17. Fair Trade certified products are generally a little more expensive than their conventionally traded counterparts however the current trial with Jaspers coffee is no more expensive than standard coffee.

### **Economic Implications**

18. The Fair Trade program supports people in developing countries by providing long-term contracts which provide income security, support to gain the knowledge and skills that they need to develop their businesses and increase sales.

#### **Environmental Implications**

19. The Fair Trade program educates farmers regarding sustainable land use practices ensuring that the land is productive and that the surrounding environment is not damaged.

#### **Social Implications**

20. The ultimate social beneficiaries of the program are the communities in the developing world who benefit from receiving a guaranteed fair and sustainable price for their products, better working conditions, and a contribution toward community development.

#### **Council Plan, Strategy and Policy Implications**

21. This program responds to the core principles of the Council Plan including leadership, partnership and diversity. It also supports the strategic objective of improved quality of life for the socially disadvantaged.

#### **Legal Implications**

22. There are no legal implications of being part of this process.

#### **Proposal**

23. Council support of the Fair Trade Award Program will enable Council to act as a community leader, providing a strong, positive example of fair trade practices to residents, schools, business and industry.

#### **RECOMMENDATION**

24. That Council become a Fair Trade Municipality by participating in the Fair Trade Awards Program.

#### **COUNCIL RESOLUTION – PROCEDURAL**

**Moved:** Councillor Farrar

**Seconded:** Councillor D'Agostino

That standing orders be suspended in order to hear public submissions on this item.

**CARRIED**

#### Submissions

*Ms Marilyn Parker of Jaspers Aust Pty Ltd addressed the Council on this matter.*

## **COUNCIL RESOLUTION – PROCEDURAL**

**Moved:** Councillor Maltzahn

**Seconded:** Councillor Jolly

That standing orders be resumed.

**CARRIED**

## **COUNCIL RESOLUTION**

**Moved:** Councillor Meadows

**Seconded:** Councillor Fristacky

1. That Council:

- (a) become a Fair Trade Municipality by participating in the Fair Trade Awards Program;
- (b) thanks Jaspers (Aust) Pty Ltd for its assistance; and
- (c) appoints Councillor Sekhon to the Fair Trade Community Steering Group.