

NO CHILD SHOULD EVER BE FOR SALE

JOIN THE FIGHT TO END CHILD SLAVERY

World Vision

For Children. For Change. For Life.

COFFEE'S HIDDEN KICK LABOUR EXPLOITATION IN THE GLOBAL COFFEE INDUSTRY

Your beloved morning cup of coffee:
Would it taste as sweet if you knew it arrived
via exploitative labour practices?

Retail sales of coffee in Canada reached nearly \$1.6 billion in 2012. That was up from \$1.3 billion in 2011. And more is brewing: Those numbers are projected to reach \$3.1 billion by 2017.¹ That's a lot of coffee. Worldwide, it amounts to 400,000 billion cups annually. And although you may spend \$1.30 for a simple cup of joe to \$6 on a fancy latte at your favourite coffee shop, those dollars do not translate to success for millions of the world's coffee labourers. The reality is that many small-farm coffee growers (who produce over 50 percent of the world's coffee²) receive as little as 30 to 50 cents per pound of coffee³, which is typically not enough for them to support themselves or their families.

CANADIANS LOVE THEIR COFFEE

Most of the coffee consumed in Canada comes from countries in Central and South America, Asia and sub-Saharan Africa. While coffee consumption happens mainly in the industrialized economies, more than 90 percent of coffee production takes place in developing countries.⁴

Over 30 of these countries export coffee to Canada⁵, and Canada is the fastest growing traditional importing country in terms of coffee consumption per capita.⁶

COFFEE AND EXPLOITATION: A HOT TOPIC

Coffee production is an industry that relies on cheap labour with farmers routinely being paid less than fair or decent wages for their product. Coffee farmers, who often live in poor rural communities, rely on coffee harvesting as their primary source of income. They are mainly small-holder farmers, who have a small plot of land to grow their crop. Growing and harvesting coffee involves labour-intensive manual work, such as picking, sorting, pruning, weeding, spraying, fertilising and transporting.

Despite the labour required to grow coffee, prices are not set by the coffee farmers. Instead, prices are determined on the stock exchange floors of the industrialized world and in conference rooms far away from the plantations. Most coffee is traded not by the farmers but by speculators who work for companies earning money from the stock exchange.

When prices fall below production costs, farmers struggle to feed their families and pay medical bills and school fees. They are forced to keep their children out of school to work on the farms or in the informal sector of unregulated work (such as making bricks or picking garbage) to contribute to the family income.¹⁴

Price instability in coffee trading can lead to desperate situations where workers and their families have little choice but to labour in exploitative or dangerous conditions in order to earn a small income.



65% OF ADULT CANADIANS
CONSUMED COFFEE IN
THE PAST DAY

FAST FACTS ON COFFEE

- 12,000 cups of coffee are consumed every second in the world. This equates to approximately 400 billion cups⁷ annually.
- Coffee is the second most traded commodity worldwide after oil.⁸
- 25 million farmers and coffee workers in over 50 countries are involved in producing coffee.⁹
- Children work in the coffee industries of 14 countries, mostly in Central and South America, according to the U.S. Department of Labor.
- The top 10 coffee-producing countries are: Brazil, Vietnam, Colombia, Indonesia, India, Ethiopia, Honduras, Peru, and Guatemala and Mexico.¹⁰
- 12 billion pounds: The annual consumption of coffee worldwide.¹¹
- The Big Three — Kraft (Maxwell House and Sanka, owned by Philip Morris), Procter & Gamble (Folgers and Millstone) and Nestle — use over 60 percent of total global green bean volume.¹²
- 25 million small-holder farmers produce 80 percent of the world's coffee supply.¹³

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THE ISSUE: CHILD LABOUR

Children are not commodities. They are human beings. In Canada, we do everything to protect our children. But millions of children around the world are not safe and secure. Their futures are being sold off. Tricked into sexual service. Forced to beg on the street. Sold into domestic slavery or marriage. Trapped on fishing boats. Pushed to work in dangerous mines, fields or factories. This labour damages their bodies, minds and sacrifices their future. Their lives are given to benefit others.

WORK VS LABOUR

“Child work” is work done by a child that is age-appropriate, safe and doesn't compromise schooling. A child might work around the house or assist in farm tasks or with a family business. This work is considered helpful to the individual's development and life experience.

“Child labour” on the other hand, refers to jobs that may be physically, mentally or psychologically damaging, and that deprive a child of proper education. In its worst forms, this means work that exposes a child to danger, injury or death. It can also mean slavery and trafficking.

CHILD LABOUR: WAKE UP AND SMELL THE COFFEE

Child labour has been commonly reported in the global coffee industry.¹⁵ As well, child workers or temporary workers are not officially employed and therefore do not receive labour protections.¹⁶

The harsh reality is, however, that parents must have their children labour because it is the only way their family can make ends meet, because they themselves as working adults are not paid a decent wage. Children working in the coffee industry are also kept away from school for short or long periods of time and are exposed to the physical and psychological hazards of labouring at a young age. Like their parents, they may be working in intense heat, at times amongst venomous animals; are required to carry heavy loads, and work with sharp tools and pesticides. They may also endure poor living conditions in crowded, temporary accommodation, sometimes with no drinking water and no electricity. Working hours for labourers, adults and children alike, are also commonly in excess of legal limits, and workers earn far less than the minimum wage.¹⁷

WHAT COFFEE COMPANIES NEED TO DO

- 1. Plan to be child-labour free.** Companies need to make public their commitment, step-by-step plan and goals for sourcing only ethical coffee.
- 2. Be transparent.** Companies need to tell customers where their coffee comes from. They need to work with third-party ethical certification organizations such as Fairtrade, Rainforest Alliance and UTZ that are part of the ISEAL Alliance to verify their coffee is ethically sourced.
- 3. Support local farmers.** Companies need to pay fair prices for coffee. They need to help educate and facilitate the education of farmers on ways to eliminate exploitive and dangerous labour practices. They need to support initiatives that make it possible for farmers to improve farming methods to produce quality, environmentally sustainable coffee.
- 4. Care for the children.** Companies need to support or help to create programs that rehabilitate child labourers and provide them with access to education, shelter, food and health care.

YOUR COFFEE FIX: HELP CREATE CHANGE

Look for certification: Symbols such as Fairtrade, Rainforest Alliance and UTZ on coffee packaging or signs at your local cafe indicate that the coffee served and sold is ethically sourced.

Ask the questions: If no information about ethical sourcing is on product labels, look to brand websites or ask your coffee shop owner to tell you about where their coffee comes from.

Make it an issue: Express concern over child labour in coffee supply chains with coffee shops or other businesses that sell coffee. Ask about efforts to source ethical coffee and policies and processes to protect children.

Get others involved: Share this information with families, friends and colleagues. Ask your workplace, schools, churches and favourite shops to switch to ethically sourced coffee.

For more information, visit www.nochildforsale.ca

CROP TO CUP: THE COFFEE SUPPLY CHAIN

COFFEE FARMS

Workers plant, graft, cut branches, harvest, fertilize and fumigate using chemicals and pesticides. Farmers may not be paid fair prices and must endure poor working conditions.



BUYERS

Companies purchase coffee from farmers to sell to larger markets. Prices paid differ from farm to farm, country to country.



PROCESSORS

Beans are processed and prepared for export. This labour includes hulling, sorting and grading bean quality. Beans are then sold to exporters in different markets.



EXPORTERS

Companies buy processed beans and sell to brokers around the world.



BROKERS

Companies buy certain types of beans to sell to importers.



IMPORTERS

Beans are sold to distributors for profit.



DISTRIBUTORS

Beans are bought and distributed for profit to retailers (shops, cafes and restaurants).



RETAILERS

Stores sell coffee and coffee-containing products to the public for profit.

1. <http://www.euromonitor.com/coffee-in-canada/report2>. <http://fairtrade.ca/en/products/coffee-03>. <http://www.globalexchange.org/fairtrade/coffee/faq4>. World Development (Elsevier Science Ltd) (2002) "The 'Latte Revolution'? Regulation, Markets and Consumption in the Global Coffee Chain" Available from: [http://www.coffeesoc.com/coffee-in-canada/6](http://my.ewb.ca/site_media/sts/attachments/the_reddedcomments_the_reddedcomment/42847/The%20Latte%20Revolution%20-%20Regulation%20and%20Consumption%20in%20the%20Global%20Coffee%20Chain.pdf). <http://www.coffeesoc.com/coffee-in-canada/7>. <http://fairtrade.ca/en/products/coffee-08>. <http://www.globalexchange.org/fairtrade/coffee/faq6-9>. <http://www.globalexchange.org/fairtrade/coffee/faq10>. Bloomberg (29 November 2011) World's top 10 coffee producing countries (2010-2011) <http://www.bloomberg.com/news/2011-08-19/world-s-top-10-coffee-producing-countries-in-2010-2011-table.html>. <http://www.globalexchange.org/fairtrade/coffee/faq6-12>. <http://www.globalexchange.org/fairtrade/coffee/faq6-13>. Fairtrade UK (May 2012) "Fair trade and Coffee: Community briefing" http://www.fairtrade.org.uk/include/documents/cm_docs/2012/7/FT_Coffee_Report_May2012.pdf. Fairtrade UK (May 2012) "Fair trade and Coffee: Community briefing" http://www.fairtrade.org.uk/include/documents/cm_docs/2012/7/FT_Coffee_Report_May2012.pdf. <http://www.ded.gov/fiba/programs/cts/2012/7/798.pdf>. <http://www.globalexchange.org/fairtrade/coffee/faq17>. Verite (2012) Research on indicators of forced labor in the supply chain of coffee in Guatemala http://www.verite.org/sites/default/files/images/Research%20on%20Indicators%20of%20Forced%20Labor%20in%20the%20Guatemala%20Coffee%20Sector__9_16.pdf

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