



March 2002

Fair Trade News

The Newsletter of People for Fair Trade Association Incorporated Reg. No. A0024766A

Thanks to our Volunteers

In a small office in Melbourne Lesley and Karen answer the calls and orders of people all across Australia as they buy their tea and coffee. Their time and location is generously donated by the Christian organisation Navigators. Not so far away in the suburb of Clayton, just across the road from Monash University, a group of volunteers—mostly university students—pack the orders you receive. These orders, packed in a garage “warehouse”, may at times look a little shabby... occasionally these packers may even miss an item but they are packed with compassion and an enjoyment of the smell of coffee. And throughout Australia people kindly volunteer their time to promote and, most importantly, drink, a hard earned fairly traded coffee or tea.

What we have is a whole chain of volunteers giving a little of their time in many different capacities, so that a taste of justice can be restored in the realms of global trade.

Our Contact Numbers have changed!

Note the new Phone & Fax numbers:

Phone: (03) 9650 9912

Fax: (03) 9650 3084

All other contact details are unchanged.

New Order Form

A new order form is enclosed. It incorporates the following changes:

- * Our new phone and fax numbers
- * A few products are no longer available—string bags and the education kit
- * The Promotional Photo set is now only \$5
- * Slightly higher prices for the Garaina tea, a couple of the Papua New Guinea coffees, and the herbal leaf teas—we have had to pass on some higher costs.

Our New Poster

Enclosed is a copy of *People For Fair Trade's* very first poster. We hope you like it and can find a place for it. If you would like more copies, please let us know. We have plenty! We do have a number of unfolded copies which we could send in a post tube if you need one or more without the fold marks. Just call or email.

A brochure is on its way! Please let us know if there is anything else we can do to help inform you or support you in spreading the message of fair trade.

East Timor Coffee

Last year we introduced a new coffee to our range from East Timor. At our 2001 AGM in August Wilf Menke reported on a recent trip to our East Timorese coffee supplier. Here is a summary...

The *Cafe Timor* coffee we sell is grown by the Timor Mogl cooperative. This co-op was established at the time of independence of East Timor. Previously the Indonesian military had controlled the Timorese coffee industry, buying from the farmers and exporting around the world. The co-operative, funded initially by both USAID and private companies, has now taken over.

The co-op focuses on giving the farmers more autonomy and security. They operate five different plants, four of which are called wet processing plants. The plants operate in the hills, near the farmers' homes, allowing the farmers to deliver their coffee cherries—via a buying station—to the plants quickly and avoid spoilage. The coffee is then shipped to a central plant in Dili as dried parchment for the final stage of processing.

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Post:	GPO Box 4636TT Melbourne 3001
Phone:	(03) 9650 9912
Fax:	(03) 9650 3084
Email:	orders@fairtrade.asn.au
Web:	fairtrade.asn.au

East Timor Coffee

continued...

The co-op employs coffee experts to help restore a system of quality which was very low during the Indonesian control. They have also helped the farmers to gain organic certification. Farmers are paid a premium price for their coffee (currently about 25% above market price) and the co-op also provides comprehensive health care for growers and their families. At the end of the year farmers are also paid a dividend from the co-operative's profits.

The East Timor coffee is a delicious mild blend and is available in ground and bean form. Supporting this co-op is a great way to be part of the prosperity of the people in the new East Timor.

A broader perspective...

Coffee prices internationally are at all-time lows: East Timorese coffee growers today are receiving half of what they were paid for their coffee cherries two years ago. Yes, those who are part of the *Cafe Timor co-operative* enjoy some advantages through selling their coffee as part of the co-operative and through our purchase of their product. However, true economic justice will not be restored without some change in our international trading arrangements, and a greater commitment to economic justice from the wealthier consuming countries.



Some extracts from an article titled ...

Price plunge stirs storm in East Timor coffee cup

The Melbourne Age, May 28th, 2001

Coffee has become the new East Timor's economic engine, after much of its infrastructure was destroyed in violence in 1999. But, for the first time this year, the farmers are competing in a deregulated market and are facing a slump in coffee prices worldwide.

But farmers say the price of 10 US cents a kilogram, or 12 cents a kilogram if delivered to the nearest processing centre, is too low.

...“If we don't get 30 cents a kilogram we'll burn your trucks and burn your warehouses,” threatened Jacinto Maia.

...Business association director Sam Filiaci strongly denied his company was deliberately underpaying farmers. “This is caused by very low international prices and we tried to explain this to the farmers,” he said.

Last year (2000) the New York price for a 450-grams bag of grade one coffee beans was US\$1 compared to 56 US cents last month (April 2001), said Mr Filiaci.

For rural dwellers ignorant of the vagaries of the commodities market lower prices translate into harder times...