

Women provide jobs and raise capital for social change

# Fair

Ironic as it may seem, as soon as the women decided to put up the business, they also made up their minds that they would not be making personal profits. Prior to their becoming entrepreneurs, the women were activists and community organizers—they still are, actually—when they realized that the people they were serving and trying hard to organize desperately needed jobs as well as political reforms. So the women established the Panay Fair Trade Center (PFTC) to meet both needs: to set up an enterprise that would provide jobs as well as raise capital to pursue the social changes that they have been working on for so many years already. The women made this decision five years ago.

Today, PFTC, is a struggling but established alternative trading organisation. It acts as the marketing arm of peoples' organisations in Panay

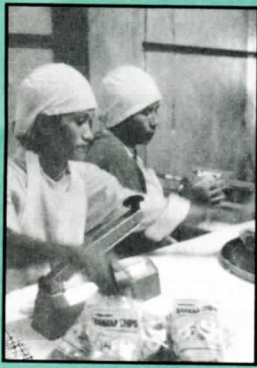
that are engaged in alternative trading. It assists groups expand their markets and seek capital and financing assistance.

More importantly, PFTC believes that its goal is to help people gain confidence in themselves and become self-reliant. Presently, PFTC has a network of 10 federations and organisations.

In 1991, the Kababaihan Bangon para sa Kahilwayan (Women, Rise, Walk Towards Freedom), whose acronym, KABALAKA, also means justice, saw the need to go into socio-economic activities to help urban poor women in the island of Panay in the Philippines to improve their livelihood.

The island of Panay sits in the Western Visayas region of the Philippines. Its four provinces—Aklan, Antique, Capiz and Iloilo—just like many other parts of the country, are beginning to modernise. Small and medium enterprises are rising in both of Panay's urban and rural areas.





photos courtesy of OXFAM

# Trade

by Lilian S. Mercado Carreon

Still, Panay's economy remains largely agricultural. Equally blessed with sun and rain, Panay's weather is ideal for growing rice, corn, sugar cane, coffee, vegetables and fruits. Of its many fruit crops, Panay boasts of quality bananas. So when the women decided to set up the Panay Fair Trade Center (PFTC), they decided to produce something they have been making all their lives: banana chips.

Banana chips production has long been a backyard industry in many of Panay's homes, but only recently did it become a product for alternative or fair trade. PFTC produces banana chips out of naturally-grown, quality bananas that are carefully processed and attractively packaged.

But where to get a steady supply of quality bananas? The women's solution combined in a single strategy their political goals and an excellent business plan. They linked up with poor farmers who would provide them with raw bananas that the

women would process into export products. This way, they, poor urban women and poor upland farmers, would be helping each other.

**B**ananas come from farming communities as far as the mountain areas of Dabong and Leon. Here, farmers grow bananas using only organic fertilisers and without any pesticides.

Many of Dabong's farmers belong to a cooperative called KAMADA, the Katilingban sa Mangunguma sa Dabong (Dabong Farmers' Cooperative). Ever since linking up with PFTC, KAMADA has been selling their bananas exclusively to the Center.

"We used to sell our bananas in town. But prices were very low we might as well have given away our bananas for free. PFTC was looking for groups it can help and when they saw that we were organised into a cooperative, they asked us to join them. PFTC offered to buy our bananas at the same price that



they sold in town," says Paterno Barranco, president of the farmers cooperative.

The prevailing market price for bananas is P2.50 (less than US\$0.10) per kilo. PFTC buys KAMADA's bananas at the same price but the farmers are able to save on transport costs since PFTC sends a truck to pick up the products from the community. Apart from the P2.50 that goes directly to the farmer, PFTC also pays an additional .20 centavos per kilo of banana. This extra amount goes to KAMADA's funds.

"But it was a better deal," continues Paterno, "because they

offered to buy directly from us. We would no longer need to pass through middlemen." He smiles as he says this and the lines criss-crossing his brown face stand out.

Life has been hard for Paterno, making him look older than his 49 years. He is married and has 10 children. But because he and his wife could not feed such a large brood, Paterno gave two of his children for adoption to his sibling.

Paterno is a hardworking person, before as a farmer and now as the cooperative's chairperson. But while the farmers have benefited from Paterno's

dedication, his wife Aurora has had to take up the slack in the farm, working longer and harder now while taking care of the small children left at home.

**B**ananas are supposed to be a year-round crop but farmers lose their harvests during the typhoon season. Panay is often in the path of strong typhoons. In 1995, an especially devastating typhoon hit Panay and farmers lost not only their crops but their homes as well.

When PFTC realized this, they acted to weave disaster relief into their program for farmers. In 1995, it approached Oxfam (of the

# d r e a m s

"My dreams are simple. I dream of giving my children an education, of feeding and clothing them. I dream of having regular work and a steady income. I dream of a home where my family can live. Other than these, I wish for no more." Instead of hope, there was fear in Jocelyn Gabion's eyes as she spoke about her dreams. She knew how far away she was from realising these dreams, no matter that they are simple.

Jocelyn and her husband are industrious people who will accept any job for as long as it was honest. Her husband drives a jeepney, the Philippines' most popular form of public transportation, but his income is never enough. So Jocelyn has been working as a packer at PFTC to help eke out a living.

But work at PFTC is irregular and when there's a lull in the factory's operations, Jocelyn and the other members of the urban poor organization that she leads do odd jobs.

Thirty-two members of NAGKAISA work at PFTC. These workers are actually more than PFTC needs. PFTC has long ago proposed to regularize a few of the them but NAGKAISA's members refused. The women, led by Jocelyn, opted to share whatever work was available among themselves rather than have any one of them go jobless. Jocelyn herself knows what a job means to urban poor women like her. Some extra income, however small, could keep children in school.

"Last year," Jocelyn narrates, "my two eldest sons had to stop studying because we were really short of money. My father fell ill and it was all we could do to make both ends meet". The boys, 15- and 13-year-olds, went to work


as stevedores. Jocelyn saw how his sons labored, carrying sacks of corn or cement that seemed heavier than either one of them. Jocelyn was afraid the load would break her sons' young bodies. The mere sight broke her heart.

Jocelyn, like many other women, has thought of going abroad to work as a domestic helper. She was aware of all the tragic stories of many overseas contract workers but she thought that it was her family's only hope. A year abroad, just one year abroad, she thought, would not only put her children back in school. It would also allow her to save some money to move her family to a better home. Jocelyn's family squats on a piece of private land and she knows their house can be demolished anytime. In fact, two nearby neighbourhoods have already been bulldozed to make way for an international port.

But friends finally dissuaded Jocelyn from leaving. They kept repeating all the sad tales of women who have gone abroad. Besides, her friends told her, there's the prospect that work at PFTC is going to get better.

Today, Jocelyn's children are back in school. Jocelyn is glad that neither one of them is bitter about their lot. She is very proud of them.

Jocelyn and the other urban poor women of NAGKAISA has also started a catering service for non-government organizations and they are able to earn some profit. Orders for banana chips and other products are also beginning to come in and Jocelyn sees that PFTC is working hard to sustain its operation.

Each day, Jocelyn is uncertain of the future. But she has decided to live each day with hope.  by L.S.M. Carreon



United Kingdom and Ireland), a development agency and one of PFTC's fair trade partners, for disaster assistance. More importantly for the farmers, PFTC decided to provide farmers with a safety net by raising the price of bananas during the typhoon season.

**F**rom the farms, bananas are then brought to the PFTC factory in the town of Oton. There, urban poor women work the different production stages of banana chips.

Jocelyn Gabion, who has been working at PFTC for four years now, is also the chairperson of NAGKAISA (*Nagaisa nga Kababaenhan nga Imol sa Syudad* or the Organization of Urban Poor Women). Jocelyn's husband drives a passenger jeepney but his earnings could hardly support their brood of three. So Jocelyn helps eke out a living by working as a packer at the Panay Fair Trade Center (PFTC) factory. Jocelyn, like the other women workers of PFTC, rely on banana chip orders for additional income. She said: "Our husbands have no permanent jobs and we have to work in order to feed our children and send them to school." There are 32 women from Jocelyn's organization who work at PFTC.

"Workers here undergo a one-day training," explains Jocelyn, "during which time they are given a small allowance. After this, they become regular workers. But the work is not really difficult; one can learn simply by looking at how it is done."

Raw bananas are gathered and peeled by the bunch. The workers, using thin flat sticks, apply just the right amount of pressure to separate the skin without scarring the banana's flesh.

The bananas are then sliced. A woman picks up four or five

bananas at a time and rubs these against a tin foil laid flat on a piece of wood. A blade—a very sharp one—protrudes at one end of this simple tool and new workers have to be extra careful not to cut their fingers and not to slice the bananas too thick or too thin.

The banana chips are then gathered on a wide table for inspection by a quality controller. Those that pass are then cooked at a very high temperature to

## The problem they need to beat is sustainability

prevent the chips from sticking to each other and from absorbing too much oil. After draining the excess oil, the fried chips are then cooled and checked again for quality.

Water and sugar are combined to make a syrup where the chips are dipped and then fried again.

After the second fry, a blower dries the chips to prevent them from sticking. PFTC's first batch if chips were all-natural, meaning the women did not add any coloring or flavoring. But the value of an all-natural product was lost on Europeans who said the chips did not smell of "real bananas." After that, the women started flavoring the chips, but only very slightly, for them to have "the natural smell of banana."

### ALL'S NOT WELL

But the problem that PFTC has so far failed to beat is sustainability. Ruth Fe Salditos, PFTC marketing officer, explains

how PFTC intends to achieve this. "We want to go into the domestic market and we are testing this now. We are also developing product variations. We're developing tropical dried fruits products though as of the moment, orders are irregular and we are in no position to invest more finances. We are also studying the possibility of producing salted and spicy banana chips. Fair trade provides us with a lot of possibilities. Through it, we can reach out to a lot of people."

All these are in the drawing board but in the meantime, women workers have been feeling the crunch. Work has been few and far between, sometimes getting as bad as just a few days in a span of six months.

"Of course," Jocelyn says, "we want regular work. But right now, we work only when there's an order. But an order for three tons, for example, we can finish in two-and-a-half days. We get paid for only that amount of work. Sometimes, the order is good for only one-and-a-half days, sometimes, five days, sometimes three days."

PFTC had long ago proposed the assignment of regular workers, just a few since the business cannot as of yet pay so many regular workers even if PFTC wants to.

But the urban poor women declined the proposal, preferring to rotate the work among themselves even if this meant working only for as much as five days in a six-month period. "All of us need the job and we would rather share what's available among ourselves rather than have some members jobless," Jocelyn explained. "This is why our dream is for PFTC to be able to sustain its operation. Our work at PFTC has already added to our meagre



incomes but regular jobs will greatly improve our lives.”

## **CATCH-22**

The general pattern of trade tends to benefit the trader but leave the producer vulnerable to exploitation. The producers that are especially vulnerable are indigenous people, people with disabilities, refugees, urban slum dwellers, seasonally employed agricultural workers and women.

Fair trade hopes to give producers a better deal and strengthen their hand in a trading relationship. Only through fair trade does PFTC see it can assure its workers and suppliers of prices and wages that are better than those being offered by big producers and exporters. But this also means pricing their products at costs that are higher than those pegged by commercial establishments. This also means a dilemma. For PFTC to become sustainable to the point that it can regularize production and, consequently, work, it knows that it needs to break through markets other than those in the fair trade network. It also knows if and when it decides to pursue the opportunities in the commercial or mainstream market, either locally or abroad, it will have to seriously consider lowering its prices.

PFTC of course realises that its workers need regular work and that to provide this, it is crucial for the Center to expand and sustain its operation by going into markets other than those offered by fair trade.

Yet, fair trade has helped PFTC pursue its goal of helping Panay's poor gain some degree of economic stability and self-reliance. It opened opportunities for workers and suppliers from organised communities in Panay and other parts of the Philippines to meet

buyers and solidarity groups from all around the world. It introduced PFTC to new markets which could, hopefully, lead to more orders and mean regular work.

In between orders, the women work odd jobs. They do other people's laundry, vend food on the streets, scavenge and sell junk. But on days when PFTC has work for them, the women are either fetched from an agreed meeting

Fair trade will be  
useful to us if we  
see it as a tool that  
we can use in  
transforming our  
society. Only then  
can we truly  
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lives.

place by PFTC's truck (the same one used to pick and transport bananas from farmers) or are reimbursed for their fare.

On these days too, the women leave their children in the home of the family whose turn it is to serve as daycare center. Initially, the women thought of putting the daycare in the PFTC factory but decided against it after they realised that they would not be relieving themselves of the burden of childcare. So they enlisted their husbands' help and established community-based daycare center instead.

## **TRANSFORMING SOCIETY**

Fair trade has paved the way for visitors to establish direct contacts with PFTC and provide

its workers and suppliers with support: both direct and indirect, moral and material. PFTC is counting their gains: an alternative trade network, a consolidating effect on organised groups, the empowerment of women. Before they had PFTC, the urban poor women felt they were dependent on their husbands. Today, they're able to bring some income home and this gives them a sense of self, of importance and a degree of independence.

Despite its problems, PFTC is doing well in terms of using the benefits it has gained from fair trade to pursue the process of social transformation. Ruth Fe Salditos, who worked with the Women's Center and KABALAKA even before she got involved with alternative trade, believes that fair trade should be an integral component of the people's continuing effort to improve their lives, a goal that can be achieved only by improving society's structures.

This is why PFTC has always ensured that a part of the profit goes to the organisations. These funds are used for skills training, education and community organising. "We do not want our members to lose sight of their overall and long-term goals. This is why the very first thing that we do when an organisation comes to join us is to explain that fair trade will be useful to us if we see it as a tool that we can use in transforming our society. Only then can we truly transform our lives." )

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