

# **A study on the pineapple industry in Ghana**

## **August 2010**

### **Introduction & background**

A study was undertaken by the Workers Right Consult and funded by Banana Link to establish the extent to which companies involved in the pineapple industry in Ghana respect workers' rights. The research explores the working conditions for both local and migrant workers in this tropical fruit industry.

More detailed objectives included determining the extent to which women's rights are protected in the pineapple industry in Ghana; whether the companies involved observe the labour rights of workers; the remuneration system of the companies; conditions under which local and migrant workers work; what environmental impact the operations of these companies have within their operational areas and to determine if workers are aware of their employer's export figures.

Pineapple exports in Ghana have risen dramatically during the past decade. Between 1990-2004 the market grew from virtual non-existence to 68,000 tonnes per year.

The General Agricultural Workers Union (GAWU) of the Ghana Trade Union Congress is the largest union organising farmers and agricultural employees in both the formal and informal sector in Ghana. The 47,000 strong membership breaks down into 25,000 small-scale farmers and 22,000 formal sector employees.

Four companies were selected for the study - Bio Exotica (Organic), Jei River, Golden Exotics (Inorganic) and Gold Coast Fruits(inorganic). Random interviews were conducted with workers and the management of the four companies using a questionnaire guide.

### **COMPANY PROFILES**

#### **BIO EXOTICA**

Bio Exotica was established in Ghana in 2003. One of their principal products is organic pineapples. It's products are exported to the European market. The company sells it's fruit to 2 European operators in the organic sector - Eosta BV of the Netherlands and HPW of Switzerland.

It's land and crops are certified by Control Union Certifications of Netherlands. Global Gap certification has been obtained and Bio Exotica has been a Fairtrade producer since May 2009.

Workers and staff have gone through a period of learning and development and at present a well trained and dedicated work force is one of the main assets of the company.

The farming area is located at 100km north of the port of Tema, near the village of Gyakiti on the fertile banks of Lake Volta. The total area comprises 120 hectares of prime land and the company has an option on an additional 30 hectares adjacent to the current operational area. The entire area is irrigated.

The Volta lake peninsula is an area of great poverty and most of the population rely on subsistence farming and fishing. Bio Exotica employs about 100 workers from the neighbouring villages. The workforce is fully unionised and the company has an excellent relationship with the local community. The company has built a primary school and has provided school equipment. The company contributes annually, according to its means, to the upgrading of school equipment and other educational programs in the operational area.

### **JEI RIVER**

Jei River Farms Limited is a leading producer and exporter of fresh fruits in Ghana and is located at Ofanko in the central region of Ghana. The company currently has about 469 workers. Pineapples are exported to Germany, Switzerland, Italy, Belgium and the U.K. The company sells fruit to 2 European operators in the organic sector Eosta BV of the Netherlands and HPW of Switzerland.

The Company is Euro GAP and Fairtrade Certified. According to the Management of Jei River, they did not take lands from farmers but acquired them from AGC who also bought the land from SOSHE in 1973, management then added that lands were acquired from the chiefs of the community.

The total area of production is 1,861 hectares comprising of site three sites at Awutu Ofanko, Awutu Bontrasi and Awutu Ofada. The entire area is irrigated

As part of the company's corporate social responsibilities, it has provided K.V.I.P (place of convenience) to some of these communities i.e. Katasi and Bantum. They occasionally make donations to orphanages in Boduasi and Kasoa.

### **GOLDEN EXOTICS**

Golden Exotic is a recent addition to the companies operating in Ghana and is committed to the development of local Banana and Pineapple production. It exports to the European market. The company is run by Compagnie Fruitiere (CF) who invested US\$35 million. The investment was fuelled by Ghana's membership of the ACP group enabling it to benefit from tariff free access to the EU market within the agreed 775,000 tons tariff free quota.

It's production has a great impact on its social environment. Large scale commercial Banana and MD2 pineapple production are new in Ghana, and the company had to train all its employees in the production process.

The growth of this company has contributed to the reduction of unemployment in areas where the plantations are located. Golden Exotics employee 2,200 members of staff, almost 1,500 are direct staff engaged in production

### **GOLD COAST FRUITS**

Gold Coast Fruits Limited was set up in 2005. It pineapples are exported to Europe.

The company has rented a farm which is approximately 600 hectares on a 50 year lease, of which 400 hectares have been cultivated.

Currently the company employs approximately two hundred fifty employees and exports on average 50,000 fruits per week. Markets have now been established mainly in Europe, but also in Africa and in the Middle East.

## **FINDINGS**

### **Women's Rights**

Testimonies indicate that female workers feel that generally women's rights are respected by both the management and male workers in the above companies. Most of the female workers confirm that:

They enjoy maternity protection including maternity leave with pay. However none of the companies had child care facilities for nursing mothers on the plantation.

Women are not discriminated against.

They are also not sexually abused or harassed.

Despite women workers providing testimony confirming that they feel their rights are respected there is a marked difference in the roles which are assigned to workers depending on their gender suggesting that discrimination does occur. Most women were found working in a few specific areas including packing stations, weeding, removal of suckers and the sorting of fruits. Women were not found working in areas involving more technical work. Further investigation revealed that women are usually not assigned to such tasks because the management perceives women to be more vulnerable than men evidencing a culture of discrimination against women. Although all the companies stated that they apply the principle of equal pay for equal work.

Furthermore there was low participation and involvement of women in the union leadership positions. Most women among the current leadership were in the 2nd Vice Chairperson's position which is a position reserved for women.

### **Labour Rights**

Most worker testimonies indicate that there is an appreciable level of freedom of association within the companies. The General Agricultural Workers Union (GAWU) was identified as the main union operating within the companies. These companies appear to encourage and promote negotiations on terms and conditions by means of Collective Bargaining Agreements (CBA). However it was established during the course of the investigation that the request of union workers to hold meetings on the premises to discuss issues of concern are not granted.

Most of the workers said they are not allowed to have meetings during working hours because they have to finish their heavy work load for the day and after work they feel tired and unable to meet. As a result there is appreciable low level of involvement and interest in the union activities especially meetings and prevents any real dialogue taking place.

### **Wages and hours**

The standard hours of work equate to an eight hour day/ 40 hour week. However, workers usually work overtime. All workers are paid using a daily rate. Workers complained that their salaries are too low to meet their basic needs. The net salaries of the four companies range from GH¢88 to GH¢150 for field workers.

One worker reported that his take home salary is GH ¢ 88 but that he incurred a transportation cost of GH ¢ 50 every month. After this expense is deducted, he is left with an insufficient amount for him and his family of five to live on.

Almost all workers responded that their work loads are too heavy and failure to meet targets means that they are marked absent for the day. Consequently they are forced to work until targets are met. They also complained that due to their inadequate salaries it is necessary for them to work on weekends or work overtime to supplement their salaries.

Workers did not know the price of their produce at the international market however when they were made aware of the retail prices in the UK they believed that they should be paid higher wages.

### **Working conditions**

Some workers complained of headaches due to standing in the sun for long periods of time, especially those in the planting, weeding and suckers removal sections. They added that they sometimes get bitten by snakes and scorpions.

Workers at the pack house, workshop and sucker planting and removal sections who do repetitive work complained of back pain due to long periods spent standing and lifting of heavy objects.

Most workers at the spraying section indicated that due to the inadequate personnel protective equipment (PPE) they inhale chemicals. Workers stated that as a result of their exposure to chemicals they experience skin rashes, facial burns, and eye problems. Those workers involved in harvesting complained of skin rashes on their hands developed as a result of picking suckers and harvesting pineapples, although gloves are provided to workers state they are frequently torn before renewal so the workers use their hand to pick the pineapples. Some also complained that pineapple suckers damage their eyes because they are not provided goggles.

The workers involved in technical areas of work stated they inhale smoke and particles as they are not provided masks and goggles and therefore suffer from chest and heart pains. Workers also complained of developing hernias as a result of lifting heavy loads.

Further checks revealed that most companies have adequate PPE however the workers either find it uncomfortable using the equipment or lack the appropriate techniques for using them. However our research showed that sometimes appropriate PPE is not purchased by the fruit companies.

### **Impact on land use**

The research identified that large scale cultivation of horticultural crops entails extensive deforestation and use of agro-chemicals or fertilisers. These fertilisers includes: urea, sulphate of ammonia, potassium chloride.

According to community members, the issue of land grabbing for pineapple plantations is of particular concern to them and is causing disputes. Conflict over land use is consequently affecting the livelihoods of small-scale farmers, especially women and children and worsening food insecurity and environmental sustainability in rural communities. The increased demand for land for pineapple production is inevitably driving up land and food prices. There is a real concern that large-scale foreign-dominated companies establishing pineapple plantations are destroying the environment on which the local community depend on for their livelihoods and threatening rural development.

### **Conclusion**

The companies in this study appear, on a basic level, to respect the rights of workers. This is evidenced by the presence of unions on plantations, the existence of Collective Bargaining Agreements, freedom from forced labour and child labour and maternity leave for mothers. However, most of the workers said they are not allowed to hold union meetings during working hours because they have to finish their heavy work load. Therefore there is an appreciable low level of involvement and interest in the union activities especially evening meetings.

There is a concern that sexual harassment is under reported as the investigation established that female workers do not fully understand what sexual harassment actually is (most female workers believed that it meant having sexual intercourse).

Among the plantation workers, especially women and casual workers, there is a general lack of understanding concerning labour issues. Consequently workers may not be able to fully identify the infringements on their rights. Training is recommended on topics including gender, workers' rights and trade unionism

It appears from the worker testimonies that health and safety education is required to prevent accidents and injuries on the plantations. Fruit companies should be encouraged to replace the necessary tools and protective clothing more regularly.

Female workers should be encouraged to participate in union activities and be empowered to take on more senior roles within the unions and at the plantations. During the investigation it was clear that women on the plantations believe that they are inferior to men. Women therefore feel that they should not contest leadership positions but through education and empowerment this cycle can be broken.