



Dairy Impact Survey

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Fair Trade USA™

Lead Authors
Impact, Research and Learning Team



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Executive Summary

As part of Fair Trade USA's monitoring system, the Impact, Research, and Learning (IRL) and Producer Services (PS) teams designed and implemented surveys of fair trade dairy workers and farmers at several dairy farms from 2020-2022. A total of 320 surveys were collected at DFA and Cayuga farms. The most significant monitoring and evaluation findings were:

- 34% of workers have perceived an increase in leadership trust since becoming Fair Trade Certified™.
- The Community Development Fund was the leading benefit the workers see in the Fair Trade Certified program, with 32% of them selecting it as a benefit. The other top benefits are feeling valued by the farm, sense of community, and trainings.
- The average monthly income of the workers is \$3,207 USD.
 - 65% of workers said that in the last 12 months their income has increased, 32% said that it had not changed, and 3% said it had decreased.
- 68% of workers are able to cover their basic needs, this is a 16% increase since 2020.
 - Similarly, to the percentage of workers who are able to cover their basic needs, 71% of workers are able to save a portion of their salary.
 - Workers are still unable to build significant financial resilience since only 26% of them feel like they have the financial ability necessary to deal with an emergency.
 - 66% of workers send money back home to family members, which often makes it more difficult for them to meet basic needs and save a relatively significant portion of their salary.
 - Of those who send money back home, 71% of them send between 1 -50% of their income.
- 42% of workers ever need to borrow money.
- Of those who need to borrow, 51% borrow money from family and friends, 24% from the employer, and 21% from the bank.



Aggregated Results and Analysis

See below for aggregated survey results across baseline or initial surveys collected in H2 2020 through Q1 2021.

Demographics

- 16% of the respondents were female.
- On average, workers report having 3.8 dependents.
- The respondents have worked at their farm for 6.7 years on average.
- 89% of workers in 2022 were permanent, while 10% were temporary workers.
 - 77% of them migrated from their home to work at this farm.
- 50% of the workers have either had no education or completed primary school, 42% of the workers have completed secondary school, and only 7% have completed higher education.
 - The child enrollment of the workers is at 80%. The leading reason of the children not going to school is because the child refused to go to school or they could not afford supplies and enrollment fees.
- 85% of the workers surveyed in 2022 said that they would return to work at the farm the next season.

Individual Wellbeing

- In 2022, 35% of workers have access to health insurance through the farm or an outside provider. This was a 13% drop from 2020.
 - 60% do not have access to health insurance and 6% are not sure if they do or not.
- In 2022, 59% of workers access general health care at a formal institution (such as a hospital or health clinic), this did not change since 2020.
 - 19% chose to not receive any medical treatment.
 - The leading reasons for not seeking medical services is the lack of health insurance and because they cannot afford to pay the medical bills.
- 13% of workers have had to skip meals within the last year.
 - Of those who had to skip meals, 23% did so at least once a month. 18% once every two months, and 14% at least once every six months.
- The average Household Hunger Score for each worker is 0.05, which falls under the 'Little to no hunger in the household' category of the scale built by USAID. To read more on how the scale works follow this link: <https://www.fantaproject.org/sites/default/files/resources/HHS-Indicator-Guide-Aug2011.pdf>.
- Overall access to drinking water is very high. 74% of workers buy bottled water, while 26% access drinking water from their home.
- 71% of workers either strongly or somewhat agree with the statement 'I feel valued by my employer as a worker on this farm'. Only 6% either strongly or somewhat disagree with it.

Empowerment

- 67% of workers said that they voted for the premium project plan. Note: This series of questions were only asked at two farms because the other farms had not yet had an opportunity to vote since they are still in the initial phases of the certification.
 - Of those who did not vote, 24% did not do so because the voting process was unclear, or they didn't receive information about it. 57% didn't vote for other reasons.
 - Similarly, 70% of workers felt like their opinion was considered in the decision process of how to spend the premium.
- 22% of workers have shared a grievance or complaint with leadership in the last 12 months. This has not changed from 2020.
 - Of those who shared feedback, 75% of workers were either very or somewhat satisfied with how leadership addressed the complaint. This was an 8% increase since 2020.
 - Only 11% of workers were very dissatisfied with how leadership addressed the complaint.
 - Of those who did not share feedback, the vast majority (81%) did not do so because they were satisfied with operations and their conditions.
- 91% of workers trust farm leadership.
 - 34% have perceived an increase in trust since becoming Fair Trade Certified.

Fair Trade

- 60% of workers either strongly or somewhat agree with the statement 'I know what the fair trade certification is'. 20% of workers strongly disagree with that statement.
- 61% of workers believe fair trade has had a positive change on the farm, while 17% believe it has had no change. No one believed that it had a negative change.
- Community Development Funds were the leading benefit the workers see in the fair trade program, with 32% of them selecting it as a benefit. The other top benefits are feeling valued by the farm, sense of community, and trainings.
- According to the [Net Promoter](#) calculation, 54% of workers are promoters for their Fair Trade Certified farm, 29% are neutral, and 21% are demoters.
- 11% of the workers have served on either the Fair Trade Committee (FTC) or the social engagement team.
 - Of those who served on either of those committees, 47% of them said they did not learn a new skill while 21% of them said they learned leadership skills. Financial literacy and public speaking were the only other two mentioned skills.
- 63% of workers said that fair trade has improved their life during the last 12 months.
- 66% of workers feel comfortable taking a suggestion to the Fair Trade Committee, while 8% do not feel comfortable
- For the farms that have a social team, 6% of those workers have shared a grievance of complaint with them.
 - Of those who have shared a complaint, they were all satisfied with the way the social engagement team addressed the grievance or complaint.



Workplace wellbeing

- 90% of workers are either very or somewhat satisfied working at this farm
- According to the [Net Promoter](#) calculation, 59% of workers are promoters of the farm, 28% are neutral, and 24% are demoters. There was a decrease in promoters since 2020.
- Pressure to work has remained low across the years, with only about 19% of workers feeling pressured to work more than the hours they would like to be working
- 22% of workers feel like they would need more training to do their job safely, a 5% increase from the previous survey. It is important to note that a lot of these workers spend a significant amount of time with cattle which increases their exposure to danger and additional training seemed to always be appreciated.
 - In fact, 90% of workers feel very or somewhat safe while working at the farm. There was not significant change since the previous survey.
 - Of those who felt unsafe, 42% said it was because they performed dangerous work. This further supports that additional training may be needed and would definitely be strongly appreciated by the worker.
 - Additionally, 19% of workers also said they did not have the correct PPE
- 77% of workers believe the working conditions at the farm are either very or somewhat good, only 1% believe they are somewhat bad.
- Less than 3% of workers experienced an occasion of harassment, sexual harassment or discrimination. Since there were such few cases, it is hard to interpret the data around reporting, not reporting reason, and satisfaction with reporting.
 - Generally, workers were either very satisfied or very dissatisfied with how the reports were handled, indicating that the situations were one offs and difficult to analyze without further context

Income

- The average monthly income of the workers is \$3,207 USD
 - 65% of workers said that in the last 12 months their income has increased, 32% said that it had not changed, and 3% said it had decreased
- 68% of workers are able to cover their basic needs, this is a 16% increase since 2020.
 - Similarly, to the percentage of workers who are able to cover their basic needs, 71% of workers are able to save a portion of their salary
 - Workers are still unable to build significant financial resilience since only 26% of them feel like they have the financial ability necessary to deal with an emergency
 - 66% of workers send money back home to family members, which often makes it more difficult for them to meet basic needs and save a relatively significant portion of their salary
 - Of those who send money back home, 71% of them send between 1-50% of their income.
- 42% of workers ever need to borrow money

- Of those who need to borrow, 51% borrow money from family and friends, 24% from the employer, and 21% from the bank.

COVID

- 84% of workers either strongly or somewhat agree that there are enough COVID safety measures
- Of the challenges experienced by the workers, the two leading challenges were illness in the family (26%) and decreased income or hours (12%)

Community Development Funds

The Fair Trade USA Premium Model

Funded via the Fair Trade Premium, Community Development Funds are invested in projects informed by a Needs Assessment and developed by a farm's democratically elected Fair Trade Committee (FTC). Each dairy farm varies in size, thus the strategies in tackling these similar needs differ. Though the premium participants approve or reject a project with a majority vote, the Fair Trade Committee bears the responsibility of developing realistic project options, executing project logistics, and addressing the positive and negative feedback from premium participants. Fair Trade Committees juggle their long work hours, family life, and premium project tasks, so it is encouraged that FTCs actualize simpler projects throughout the first year or two of their Fair Trade Certified journey.

Past and Current Projects

Throughout the Fair Trade Certified dairy farms, common needs that emerged in the assessments were food security, healthcare, and access to winter clothing. Multiple FTCs determined that food security, particularly in the face of skyrocketing food prices, was to be their primary focus. FTUSA dairy farms are permitted to use up to 50% of their

annual premium income in immediate cash payout or in-kind goods, such as gift cards. Multiple participant farms approved the distribution of gift cards to retail stores, that give economical options in the areas where most workers live. Other dairy farms chose to invest in gift cards to local grocery stores that would simultaneously benefit workers and the community at large. Smaller projects implemented by the majority of the certified dairy farms have consisted in providing pizza or sandwiches for lunch, subsidizing taco trucks, or Gatorade for hot summer days. These seemingly small efforts not only answer a need voiced by participants, but also contribute to the sense of community and belonging among the workers.

In the effort to mitigate the dairy workers' exposure to the elements during the winter season, premium participants on multiple dairy farms have voted to invest in winter coats and/or boots that can be used onsite at the farm, or for personal use. The Needs Assessment results indicated that even though the cost of adequate winter clothing was a contributing factor, access to the stores was the greatest obstacle for workers. Therefore, FTCs have brainstormed ways to increase access to some of these specialty stores by leveraging carpooling, bulk ordering, or facilitating on-farm pop-up shops.



In regards to healthcare access, dairy farms have approached this topic through reimbursement process and facilitating access to services. The reimbursement program, taken by some FTCs, consists in allotting a certain amount of premium for each worker to use for medical or dental expenses. After submitting the appropriate documents, the workers can receive a reimbursement for these costs from the premium fund. At other farms, the answer to the challenge of healthcare access was answered by enrolling premium participants in a community-oriented association that offers a range of services, such as health screenings.

Upcoming Projects

As Fair Trade Committees learn how to navigate multiple projects at once, each of those projects start to cater to different needs, and consequently different groups of premium participants within the workforce. A dairy farm that has a significant number of workers who may continue working at that farm until retirement, wanted to use premium to set up retirement fund accounts, and are therefore working with a local bank to determine what might be their best option. High gas prices have led other FTCs to look at gift cards geared specifically towards gas stations.

The feasibility of each of these types of projects varies according to each farm's workforce size, demographics, location, as well as the accommodations already provided by the farm. These Fair Trade Certified dairy producers are in the process of learning how to discern the root causes of their needs, and how to effectively address them.

Appendix

1.2. Implementation Methodology

As part of Fair Trade USA's monitoring system, the Impact, Research, and Learning (IRL) and Producer Services (PS) teams designed and implemented surveys of fair trade dairy workers and farmers at several dairy farms from 2020-2022.

		Population Size (workers)	Target Sample (minimum)	Actual Sample	Avg. Survey Duration (mins)
DFA	Survey 1	226	141	106	13
	Survey 2	226	133	130	21
Cayuga	Survey 1	115	90	51	12
	Survey 2	115	90	33	37

The Certificate Holders included in these surveys comprise the Dairy pilot. These baseline surveys were intended to capture responses before major changes or interventions were implemented. However, given logistics challenges due to COVID restrictions, the surveys were implemented around the initial audits and over a span of a few months.

These monitoring surveys were co-designed by the IRL and PS teams to include questions that both map to Impact Management System (IMS) indicators and provide insight into specific issues key in the dairy industry. Though these surveys are typically conducted in the local language by enumerators using tablets enabled with the Qualtrics application, the COVID-19 pandemic introduced barriers to in-person interactions and travel restrictions. Keeping workers safe and healthy is Fair Trade USA's first priority. As such, surveys were conducted using the following multiple methods:

1. The impact survey was initially launched in August 2020 at farms via a QR Code that led participants to an Online Survey through Qualtrics in either English or Spanish. All dairy workers received a pamphlet with their pay check explaining the survey process along with the QR code and incentivizing their participation with a chance to win a \$50 Visa gift card.
2. In October of 2020, in person Survey Interviews were performed by an English Speaking Certificate Holder partner who traveled to the farms. They were sent a tablet to collect surveys in English. As they were performing interviews, they also witnessed workers trying to use the QR code but encountering issues in connecting with the survey. They provided feedback that the QR code did not work for some Android users, but they were unable to assist.
 - a. In addition to the QR codes that were distributed within workers paystubs and posted in central locations on the farm site, tablets were also displayed in rest areas for workers to engage with if they did not want to use their own phone. Workers were offered a chance to win a \$50 gift card if they completed the survey. Despite these efforts, response rates were low. While there were several reasons for this, the leading ones were QR code access issues, literacy barriers, lack of buy-in from farm management, and light on-farm communication. The Fair Trade USA IRL and PS teams attempted to remedy the situation by sending tablets to the Certificate Holder



representative so that they could serve as an enumerator, implementing zoom interviews at farms that were amenable, and reaching out to farm management for buy-in.

3. In April and May 2022, a team of FTUSA employees was onsite to conduct the surveys on the Qualtrics app via tablets in both Spanish and English which was a success. The sample sizes at DFA was achieved and the data collection went smoothly.

Typically, Fair Trade USA calculates a sample size for the overall Certificate Holder using a 95% confidence level and a 5% margin of error. It is intended to be representative of the workers by farm site, gender, and employment type. Given the small population sizes, the samples calculated were close to 100% of the population, making it very difficult to achieve. A calculated sample was not reached at either location.

As such, statistically significant claims cannot be made about the overall population of these Dairy Certificate Holders with statistical confidence.

Implementation Team

Names of people involved in this survey listed below. For further details on their qualification, see [here](#):

- Andrea Bassetti – Impact, Research, and Learning Specialist
- Kate Williams – Director of Impact, Monitoring and Evaluation
- Aime Medina – Impact and Research Implementation Field Coordinator

1.3. Outliers and Data Quality

Outliers

The removal of outliers primarily applies to quantitative variables. The most common method of identifying outliers is to use 1.5x's the interquartile range. For any given quantitative vector, the observations demarcating the first and third interquartile are found. The range is then calculated, and multiplied by 1.5. That figure making up the range is then subtracted from the first interquartile observation, making the lower fence. The figure is added to the third interquartile observation, making the upper fence. Anything either below the lower fence or greater than the upper fence is considered for removal. Outliers were also removed using supply chain expertise where possible.

You can find details on how to access the calculations and the exact figures removed in the Annex of this document.

Data Quality

The entire dataset must be caveated that it does not statistically represent the population with high confidence as the sample size was not met. When discussing and sharing this data, please be sure to note this limitation. Also, be aware the various implementation methods and prolonged implementation time period introduce noise within the data that can impact the interpretation of the results. The implementations prior to 2022 were implemented through a methodology that could not support a long survey, therefore there were less questions asked.

Entity months: Free text box response lacking units such that some workers just responded a number without years or months to indicate their tenure.

Related Documents

- [Implementation resources](#) (planning and sample workbooks)
- [Dashboard](#)
- [Dashboard PDF](#)

