Minimum wage violations perpetuate modern-day feudalism on Assam's tea plantations

"Hunger deaths stalk Bengal Country," a harrowing article released by *Times of India*, reveals the tragic consequences tea garden workers are left in after plantation closures. The article reports that in the state of West Bengal nearly 100 workers have died due to starvation on closed tea plantations since January of this year. This shocking number, however, is tragically understandable once one explores the labor conditions in tea plantations across Northeast India and West Bengal. Extreme poverty—fueled by cripplingly low wages and social isolation—has led to rampant malnutrition and anemia, often culminating in preventable deaths.

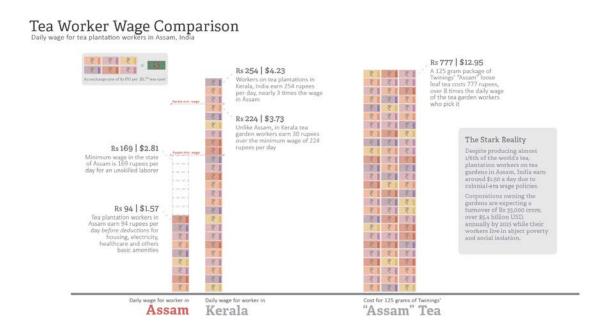


The neighboring state of Assam houses nearly 800 plantations and more than 100,000 smaller tea gardens which together produce 52% of all tea in India and almost 1/6th of the world's tea. Similar to West Bengal, colonial-era labor structures, a faulty trade union, and corporate greed enable unjust wages that not only go against Indian labor laws, but also result in gross violations of workers' human rights under the Indian Constitution. Assam leads the country in maternal mortality, and workers suffer from high malnutrition, poor sanitation, and low literacy levels. Even ignoring accounts of child labor and allegations of human trafficking, the devastating poverty alone is enough to account for an unacceptable number of worker's deaths on tea plantations every year.

Workers—many of whom are descendants of laborers forcibly brought to work in the tea gardens by the British in the 1860s—suffer through the same conditions as their exploited ancestors. As leading labor experts such as Professor Sharit Bhowmik, Ph.D have noted, the current state of tea plantations in Assam is nothing short of modern-day feudalism; by taking a migrant population, placing them in social isolation

and ensuring they live in abject poverty with little to no access to education, health, food, or an alternative livelihood, plantation owners eliminate any opportunity for social mobility. Similar to feudal land-shares, this oppressive social system is *designed* to establish workers' dependence and entrap them and their children in an endless cycle of generational servitude, providing plantations with a perpetual source of cheap labor. This is why we are seeing so many starvations deaths across closed plantations in West Bengal: workers have been imprisoned in exploitative conditions so long they simply have no alternative means for survival.

Despite an expected industry turnover of Rs. 33,000 crore by 2015—roughly \$5.4 billion dollars—tea plantation workers earn the lowest wage of all organized sectors in India. In Assam, tea workers earn Rs. 94 per day (about 1.50 USD). This is *far below* the state's statutory minimum wage for unskilled laborers of Rs. 169 per day. In Kerala, another major tea producer in India, workers earn almost three times more Rs. 254 per day, which is Rs. 30 *over* their state's minimum wage. The wage in Assam is even more unfathomable when compared to the retail price for the very tea being produced in the gardens; 125 grams of Twinings' "Assam" loose leaf tea costs \$12.95, or Rs. 777, over 8 times the *daily* wage of the laborers who pick it.



On top of this illegal daily wage, companies often deduct portions of workers net income to cover the cost of food rations, electricity, and retirement. Expenses related to housing repairs, medical bills, and childcare, are then borne by workers despite the Plantation Labour Act which mandates that plantation's management provide these services free of charge.

Deductions Provident Fund Rs 13 per day Deduction to provide one-time payment upon retirement Equity Rs 4 per day Deduction to participate in APPL's worker shareholder program? Food Rations Rs 0.6 per day

Electricity & Fuel
Rs 6 per day
Deductions for electricity used
across the plantation

Tea Worker Income Breakdown

794 per day

Unlawful Wage

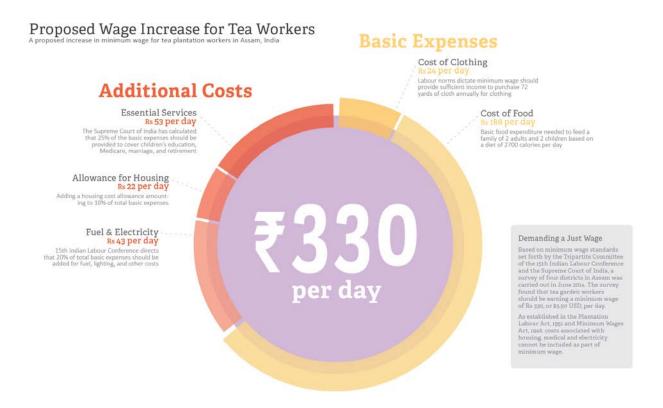
This graph was produced using sample pay slip* from 2014, for a 6 days of work this tes garden worker received Rs 570, of which Rs 143R was deducted to pay for retirement, equity in the garden, food rations, and electricity cost. That is roughly 25% of their total income

These deductions do not include occasional union dues, collections for religious festivals, or emergency expenses such as home repairs or medical costs. Additionally, despite legal obligation, workers do not recieve paid leave on Sunday.

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These injustices caught international attention in early February of 2014, on the heels of a damning report by Columbia University describing the conditions on Amalgamated Plantations Private Limited (APPL) gardens, controlled by the Tata Group. The report called into question the \$7.8 million dollar investment in some of Tata's tea plantations made by the World Bank's International Finance Corporation's (IFC) to set up APPL. In early 2013, three Assam-based NGOs representing the plantation workers, filed a complaint to the World Bank's Compliance Advisory/Ombudsman (CAO) vocalizing concerns regarding the living and working conditions on plantations. The CAO found the complaint "eligible for assessment" in February 2013 and launched an investigation into the IFC's compliance to the World Bank standards and relevant national laws. The investigation is currently ongoing.

While awaiting the outcome of the CAO investigation, activist groups in Assam continue to push for structural change in the sector, starting with demands for a just wage. This has been calculated to be Rs. 330 per day based on wage standards set forth by the Tripartite Committee of the 15th Indian Labour Conference in 1957 and subsequent Supreme Court directives.



Through cycle campaigns and mass gatherings in towns and villages across the state, organizations like All Adivasi Student Association of Assam (AASAA) are mobilizing workers to demand higher wages ahead of the next round of wage negotiations set for Fall 2014. "While tea companies continue to make large profits, often under the guise of fair trade and ethical trading, our brothers and sisters continue to face extreme oppression and exploitation. Workers must be paid a just minimum wage," says Rafael Kujur, President of AASAA. Already, workers have been interrogated, intimidated, and in some cases, retaliated against by plantation management for voicing their complaints. Yet, they hold strong in fighting for the rights they are fundamentally entitled to. The time is now to stop corporate exploitation and demand the fulfillment of basic labor rights belonging to all workers.