ADDRESSING THE HUMAN COST OF ASSAM TEA

An agenda for change to respect, protect and fulfil human rights on Assam tea plantations

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Workers on tea plantations in the Assam region of India are systematically denied their rights to a living wage and decent working and living conditions. The fact that they are unable to meet their basic living costs is starkly illustrated by our finding that 50% of the households that researchers visited on behalf of Oxfam owned ‘below poverty line’ ration cards issued by the Government of Assam, making them eligible for rations of 5kg of rice per month per family member. Tea workers also struggle to get timely and good quality healthcare, access clean drinking water, and provide their children with a decent education.

The root causes are deeply embedded in the history and evolution of the Indian tea industry, which has led to a pervasive inequality of power between the women and men who produce tea and the brands and supermarkets that sell it to consumers.

For every kilogram of packaged Assam tea that is sold, tea brands and supermarkets take a sizable cut – up to 95% in some cases – while a marginal proportion – less than 5% – remains on tea estates to pay workers. These inequalities in how the share of the end consumer price of tea is distributed contribute to poverty and suffering for the women and men on Assam tea estates, while driving a sustainability crisis for the wider tea industry in parts of India.

Women bear the heaviest burden of systemic inequality, as they are concentrated in the lowest paid plucking roles and also shoulder most of the unpaid domestic care work. Meanwhile, plantation owners claim that laws making them responsible for housing, healthcare and education of workers and their dependents are challenging to implement – and therefore not effectively executed.

Oxfam’s new research shows that the solutions lie in a fairer sharing of the end consumer price of tea, stronger gender policies and a review of plantation labour laws to ensure that women and men in Assam can lead dignified lives.
SUMMARY

People have been enjoying the refreshing, health-giving qualities of tea for over four thousand years. Today, tea is one of the most widely consumed drinks in the world, second only to water. Two billion cups of tea are consumed globally every day.

In India, over 850 million people and nine out of every ten households consume tea daily. In markets such as the UK, consumers drink some 165 million cups of tea a day – enough to fill 20 Olympic-sized swimming pools.

Assam tea is particularly valued by consumers for its rich, robust and aromatic flavour. Like champagne, Assam tea is named for the region where it is grown: the lush, humid plains of the Brahmaputra River valley in North-East India. Often, supermarkets sell it at premium prices, either as pure Assam tea or as part of popular blends such as ‘English Breakfast’ tea.

Building on the findings of a series of reports by local non-government organizations and international media outlets, new research commissioned by Oxfam and undertaken by the Tata Institute of Social Sciences (TISS) on 50 tea estates shows the shocking scale and depth of human suffering of the women and men that produce our tea.

The new research finds that the workers who bring us this prized brew struggle to earn enough to cover their basic living costs, to find drinking water that will not give them typhoid or cholera, to reach a medical facility in time to treat illnesses, or to find shelter from the monsoon rains under the dilapidated roofs of their cramped houses.

Researchers interviewed 510 workers on 50 Assam tea estates that supply to tea brands and supermarkets internationally, revealing appalling working and living conditions that constitute a failure to respect, protect and fulfil international human and labour rights. These findings include:

- **Poverty wages** that are below the minimum wage for Assam’s unskilled agricultural workers. Half of households interviewed receive government ‘below poverty line’ ration cards. A third experience recurrent debt. Lack of promotion opportunities means that some workers have remained on the same pay grade for 15–20 years.

- **Injustice for women.** Oxfam-commissioned research shows that including unpaid domestic work, women tea workers undertake up to 13 hours of physical labour per day after just six hours’ rest. They do the labour-intensive, low-paid task of plucking tea, while men get the better paid, more respected factory jobs. They are excluded from decision making and from pay and working conditions negotiations, partly due to being under-represented in trade unions. These add up to a working life deprived of dignity.
Lack of basic healthcare, education, housing, food and sanitation entitlements. Housing and toilets are dilapidated or non-existent. Most workers do not have access to safe drinking water, so despite doctors’ warnings they have no choice but to drink the contaminated water, meaning diseases such as cholera and typhoid are common. Indian tea estates are legally obliged to provide decent housing, healthcare, education and working conditions – but are clearly failing to do so.

As explained in Oxfam’s Ripe for Change report, the root cause of exploitation in food supply chains is a marked and widening inequality of power. At the top, big supermarkets and other corporate giants dominate food markets, allowing them to squeeze ever more value from supply chains that span the globe, while at the bottom, the bargaining power of small-scale farmers and workers such as those in Assam has been steadily eroded.8

A lack of transparency regarding where supermarkets source their tea only worsens the challenges facing workers, as consumers are generally unaware of the conditions in which the people who pluck and produce our tea products are forced to live, and the problems that they face might appear remote and distant.

Several international studies and campaigns have illustrated the importance of tea brands and consumers in foreign markets to improving the working conditions of Assam’s tea workers, although little attention has been placed on the Indian domestic market. However, industry insiders estimate that 80% of tea produced in Assam is consumed domestically in India.9

New estimates, commissioned by Oxfam and undertaken by the Bureau for the Appraisal of Social Impacts for Citizen Information (BASIC), show that supermarkets and tea brands in India retain more than half (58.2%) of the final consumer price of black processed tea sold in the country, with just 7.2% remaining for workers (using plucking costs as a proxy indicator of labour costs).10

Therefore, for a typically sized pack of branded black tea sold in India priced at INR 68.8 ($1.06) for 200g, supermarkets and tea brands would retain some INR 40.4 ($0.61) while workers would collectively receive just INR 4.95 ($0.08) per pack.11

These trends are replicated in export markets:

- In the United States, supermarkets and tea brands are estimated to receive 93.8% of the final consumer price for bagged black tea sold in the country, while labour costs to pay workers represents just 0.8% of the final price.12

- In Germany, supermarkets and tea brands are estimated to receive 86.5% of the final consumer price for bagged black tea sold in the country, while labour costs to pay workers represent just 1.4% of the final price.
In the Netherlands, supermarkets and tea brands are estimated to receive 83.7% of the final consumer price for bagged black tea sold in the country, while labour costs to pay workers represent just 2.9% of the final price.

In the United Kingdom, supermarkets and tea brands are estimated to receive 66.8% of the final consumer price for bagged black tea sold in the country, while labour costs to pay workers represent just 4% of the final price.

The relentless squeeze by supermarkets and brands on the share of the end consumer price for tea makes poverty and hardship for workers in Assam more likely. But, combined with rising costs and the impacts of the climate crisis, it is also contributing to a severe economic crisis for the entire Indian tea industry – with several tea estates in West Bengal and Assam either closing or facing the threat of closure.13 14

The causal factors behind the human suffering faced by tea workers in Assam include a historical legacy of injustice and deep inequalities of power. These inequalities exist between workers on the one hand and tea brands and consumption outlets such as supermarkets on the other – who are able to squeeze prices and push risks down the supply chain.

However, the Oxfam-commissioned research shows that a living wage could be within reach for workers on Assam tea plantations. Workers on tea estates in Assam currently receive the equivalent of just $0.04 (€0.03) per 100g of bagged black tea sold to consumers but would require the equivalent of only $0.10 (€0.09) to enable a living wage to be paid.15

Oxfam is calling on those with a stake in the industry not to abandon the millions of workers who are dependent on it. Tea estate closures in West Bengal have been associated with extreme suffering and even starvation, and this should be avoided in Assam at all costs.

The problems highlighted in this report are not exclusive to Assam – they are endemic throughout the tea industry and beyond. But they are particularly acute in Assam. Tea brands and supermarkets should work with trade unions, civil society, producers and the relevant government bodies to address the systemic challenges facing the industry and end the human suffering of the millions of workers who depend on tea for their livelihood, not turn their backs on them.

Accordingly, we call for urgent action from supermarkets, tea brands and state authorities to end the human suffering of Assam’s tea workers, and support a life of dignified work by:

• Committing to support a living wage for workers and ensuring the commitment is actioned.

• Ensuring that women workers have a voice in decision making and can work in decent conditions without discrimination.

• Improving transparency for consumers around where their tea (including Assam tea) comes from and how much is paid for it at each stage of the supply chain.
• Ensuring that tea estates comply with their legal obligation to provide decent housing, healthcare, and education under the Plantations Labour Act (PLA), 1951.
1 INTRODUCTION

In 2018, Oxfam commissioned two independent pieces of research to gain a deeper understanding of the conditions faced by workers on Assam’s tea plantations and some of the causal factors and economic dynamics behind the well-documented violations of their basic human and labour rights.

The research was conducted by two different organizations:

- **The Tata Institute of Social Sciences (TISS)** interviewed 510 workers from across 50 tea estates about their pay, working conditions, housing, healthcare, education, access to clean water and whether they can access nutritious food.

- **The Bureau for the Appraisal of Social Impacts for Citizen Information (BASIC)** provided a contextual background on the Assam tea industry and mapped the distribution of the end consumer price along tea value chains in India and five export markets.

For more detail on the research methodology and to access the full publications, please see the [methodology note](#).

Section 2 of this report covers background information on the tea industry worldwide and the tea industry in India and Assam, including history, size and scope.

Section 3 traces the journey of Assam tea from the plantations to the consumer’s cup via factories, auctioneers and traders, packaging companies, tea brands and retailers such as supermarkets.

Section 4 looks at the evidence from the new research commissioned by Oxfam and undertaken by TISS of the human cost of producing Assam tea.

Section 5 focuses on the greater burden borne by women workers on Assam’s tea plantations.

Section 6 explores the root causes and economic dynamics of the issues within the tea value chain.

Section 7 examines what would be needed to ensure that workers on Assam’s tea plantation are paid a living wage.

Section 8 provides Oxfam’s recommendations to the companies growing, processing, trading, marketing and retailing tea, and for other stakeholders including governments and certification bodies.
Assam in North-East India has long held a prominent position on global trade trails because of the British passion for tea. During the period of their colonization of India, seeking to free themselves from the Chinese monopoly on tea cultivation, the British transplanted tea plants first in Assam and later in other parts of the empire. They controlled the tea trade, forbidding local people from undertaking commercial cultivation.

Post-independence, Indian companies have assumed ownership of most tea estates, while the national and state governments (e.g. Assam) own others. But some of the worst characteristics of the colonial tea trade have persisted, including the almost total dependence of tea workers on their employers. This is true for tea workers throughout the Indian subcontinent, for example in countries such as Bangladesh and Sri Lanka,
as well as other parts of India, but is a particularly acute problem in Assam.

In the 160 years since the British established tea production, Assam has become the largest tea-producing state in India and the largest tea-producing region in the world, besides being the world’s fourth largest tea exporter.\(^{19}\)

However, little has changed for workers since the 1840s when poor, landless, largely tribal people were lured from central India – where they faced disease and starvation\(^{20}\) – to become tea labourers on remote plantations in Assam. Between 1870 and 1900, it is estimated that up to 750,000 women, men and children were brought to Assam. In 1877, children made up one-third of the workforce and by 1930, they accounted for half of the workforce.\(^{21}\)

Historically, estate owners preferred tribal migrants over members of the local community who were unwilling to commit themselves to the extremely hard work and drudgery on plantations. The new workers were treated with the kind of brutality associated with the African slave trade – hunted down if they tried to escape (even once they had completed their contracts), and subject to harsh physical punishment for perceived misdemeanours.\(^{22}\) There was no escape for these highly vulnerable people, hundreds of miles from home.\(^{23}\)

Today’s tea workers are the descendants of those tribal migrants. Despite this, they are not eligible for government quotas and benefits for ‘scheduled tribes’\(^{24}\) as they are not indigenous to Assam (yet no longer officially belong to the states their ancestors originated from).\(^{25}\) They have also faced violence from Assam’s own indigenous people who fear competition for scarce resources. Although relations with locals have eased over time, these tea workers are still perceived as outsiders – speaking their own hybrid dialect – and remain socially excluded and politically and economically disadvantaged.

Decades of isolation and under-education have left Assam’s tea workers short on options. For many, the only world they know and the only skills they have are bounded by the tea estates. In response to their vulnerable situation, grassroots organizations such as Promotion and Advancement of Justice, Harmony and Rights of Adivasis (PAJHRA), Peoples’ Action for Development (PAD) and Diocesan Board of Social Services (DBSS) have been campaigning for many years to protect workers’ rights, supported by national and international organizations such as Nazdeek and Accountability Counsel.

While tea production in Assam traditionally takes place on plantations or estates\(^{26}\) – large tracts of land growing a single crop – there has been an upsurge in ‘small tea growers’ and independent ‘bought-leaf factories’ (BLFs) that are changing the dynamics in the industry. While this is providing a livelihood for thousands of people, their emergence is disrupting the market by creating an alternative source of tea, but at the same time depressing prices.
Large buyers like Tata and Unilever are increasingly buying from BLFs that can provide tea at a lower cost. While BLFs are subject to the requirements of the Indian Factories Act, Minimum Wages Act, and Payment of Wages Act, the growers that supply them are not subject to regulations under the Plantations Labour Act (PLA) (see Box 2) and so have lower overheads.\textsuperscript{27}

The problems facing small tea growers are similar to those of small-scale farmers everywhere. They are vulnerable to exploitation as they have even less negotiating power than larger estates, they do not have the benefit of economies of scale, and they do not have their own factories. However, this briefing focuses mainly on workers in the traditional large tea estates who remain trapped in poverty by a system and structures created by British colonial tea planters and historical economic, political and cultural injustice.
3 FROM PLANTATION TO CUP: THE JOURNEY OF ASSAM TEA

TEA – ONE OF THE MOST WIDELY CONSUMED DRINKS IN THE WORLD

Every day, around two billion cups of tea are consumed around the world.\(^{28}\) Tea is the second most consumed beverage globally after water, with average consumption of over 35 litres per person annually in 2017.\(^{29}\) The global tea market had an estimated value of €44bn in 2017 – expected to reach €65bn by 2024.\(^{30}\)

In India, nine out of every ten Indian households consume tea daily.\(^{31}\) They buy largely packaged tea from well-known brands such as Tata, Brooke Bond and Lipton but also from smaller local brands.\(^{32}\) Tea from Assam remains one of the most recognized and valued by Indian consumers,\(^{33}\) and industry insiders estimate that 80% of tea produced in Assam is consumed in the domestic market.\(^{34}\)

In Europe, tea remains popular too, with the UK alone consuming 165 million cups a day – enough to fill 20 Olympic-sized swimming pools.\(^{35}\) Of that, 15% is sourced from India. In Germany, another key market, some 18.7 billion cups of tea are consumed daily, largely of black tea varieties such as those from Assam.\(^{36}\)

COMPLEX SUPPLY CHAINS AND HIGH LEVELS OF MARKET CONCENTRATION

The way that tea is produced, traded, packaged and sold is complex – usually with multiple different companies involved before it reaches the consumer (see Figure 2).

Production of tea in Assam continues to be dominated by large, private tea estates with in-house processing units. This is despite the upsurge in ‘small tea growers’ and independent BLFs as described in Section 1.
Estate tea sellers will go to centralized auctions and sell to brokers, who set prices based on the tea’s appearance, flavour, texture and fragrance. These brokers, in turn, sell to packers who sell the tea on to tea brands. Brands may also buy directly from estates or producer companies. These then find their way on to the supermarket shelf as part of well-known branded varieties or for ‘private label’ Assam tea – which is tea marketed under the name of the supermarket.37
Significant concentration remains in parts of the tea value chain. For example:

- About 45% of Indian tea production is channelled through the auction system where only a small number of brokers – such as J. Thomas & Co Pvt Ltd (which handles 37% of tea auctioned in India, Eastern Tea and Contemporary Brokers – are important players.38
- The packaging, branding and marketing stages of the tea value chain globally have also demonstrated high market concentration internationally. Just seven companies – Unilever, Van Rees, Finlays, Tata Tetley, Twinings, Teekanne and Ostfriesische Tee Gesellschaft – were estimated to account for 90% of tea traded into European and North American consumer markets in 2006.39

DO INDIAN, US AND EUROPEAN SUPERMARKETS SOURCE PRIVATE LABEL AND BRANDED TEA FROM ASSAM?

The endpoint of the journey of Assam tea is our tea cups and mugs, both in India itself and around the world. Much of it – especially in Europe and the USA – is sold via supermarket shelves, either through branded tea or as supermarket ‘private label’ Assam tea. It is also used as a component in blends, such as the globally popular English breakfast tea.

It is difficult to trace most exported Assam tea to its origins. Many supermarkets fail to disclose the country or region of origin of their private label black tea. In India, supermarkets and tea brands also remain opaque about their supply chain relationships.

However, 80% of Assam tea is consumed domestically in India and it is also widely exported to the UK, Germany, the Netherlands and the USA, among others. These four countries alone collectively imported nearly 40,000 tonnes of black tea from India in 2018.40 Many supermarkets in the United States and Europe stock either private label black or Assam tea, alongside well-known branded varieties of Assam.41

In response to a request for information, the majority (14) of the supermarkets included in Oxfam's campaign responded to either confirm or deny Oxfam’s request for more information on their sourcing relationships. Only Aldi North and Edeka did not respond to Oxfam's request.42

Of the supermarkets that responded, four denied sourcing tea from Assam and eight supermarkets, from Germany, the Netherlands, the UK and the USA, confirmed that they either source tea from Assam or one of six tea brands whose suppliers appear on the list of the 50 estates visited by TISS researchers.43 Two companies have responded to Oxfam's
request but did not provide information to confirm nor deny specific supply connections in this report.

We welcome companies' willingness to share more information about their supply chains and encourage all companies to go further and improve public transparency of their supply chain disclosures. This should follow the welcome move from tea brands such as Yorkshire Tea, Twinings, Tetley, PG Tips, Clipper, Typhoo and Ringtons (alongside supermarket Marks & Spencer) in publishing their suppliers in Assam.

Despite this, several well-known tea brands – including Van Rees, James Finlay, Teekanne and Ostfriesische Tee Gesellschaft have failed to provide equivalent transparency and disclose their sourcing relationships.

Greater transparency in tea supply chains is vital to improving working conditions in Assam, as it is only by shining a light on these complex supply chains that all stakeholders – from civil society, to trade unions, to companies themselves – can understand the risks of human rights violations and address them.
4 THE HUMAN COST OF PRODUCING ASSAM TEA

New qualitative research commissioned by Oxfam and undertaken by TISS on the tea plantations of Assam paints a troubling picture from the testimonies of more than 500 women and men working there.

Box 1: Data challenges

To provide readers with a sense of the scale of the issues described below, we need to know the total number of workers and dependents on the tea estates that researchers visited for this report. Knowing this, we could, for example, work out the doctor-patient ratios. It has proved challenging to ascertain the worker and dependent numbers for each estate, as researchers were not able to engage with managers to get basic data such as this, and estate sizes vary considerably. Oxfam has therefore made an estimate based on available figures for Assam, which has been verified by industry experts. We estimate that there are on average around 1,000 workers per tea estate and around 5,000 people living on an average tea estate.

Many of the labour and human rights violations uncovered echo and confirm those documented by academics, media, trade unions, local activists and non-government organization (NGO) groups over the past decade.

These issues affect women workers particularly severely. The tea plantation system – reinforced by social norms – traps women in the lowest paid jobs with the fewest benefits and amenities, working long hours plucking tea, on top of the unpaid care work they do at home. This double burden on women workers is explored in more detail in Section 5.

Unlike most other businesses, tea plantations’ overheads include the provision of a range of basic services to workers and their dependents, which is required by law. This means workers lose a portion of their cash wages for this, wages which are already much lower than the state-specified minimum. (See Box 2). However, there are serious problems with how this is implemented (if at all), which presents challenges to workers. (See Box 3).

Box 2: The Plantations Labour Act (PLA) of 1951

The PLA of 1951 provides for the welfare of plantation labour and regulates the working conditions on plantations. The Act states that no adult worker and adolescent or child shall be employed for more than 48 hours and 27 hours respectively a week, and every worker is entitled to a day of rest in every seven-day period. In every plantation covered under the Act, medical facilities for the workers and their families are to be made readily available.
Also, it provides for the setting up of canteens, crèches, recreational facilities, suitable accommodation and educational facilities for the benefit of plantation workers in and around the work places on the plantation estate.\textsuperscript{48}

The Government of India is planning to subsume the PLA in the Labour Code on Occupational Safety, Health and Working Condition Bill, 2019. This new Bill inter alia aims to provide fair wages to plantation workers by limiting the in-kind component of their pay and instead providing welfare facilities through the welfare schemes of the government, involving appropriate agencies in both providing schemes and enforcing the provisions of the Act. The proposed Bill also aims to provide better welfare facilities to plantation workers, including medical, drinking water, educational facilities, housing facilities, etc.\textsuperscript{49}

Extremely low wages lack transparency in wage calculations

The researchers commissioned by Oxfam found a bewildering array of criteria used to calculate the cash component of tea workers’ wages (which includes a piece rate determined by the weight of leaves plucked), and variation across the tea estates they visited.

Box 3: How are tea workers’ wages calculated?

Indian tea workers’ pay package consists of a number of elements (although the exact components and proportions vary from state to state and from estate to estate).

Oxfam-commissioned researchers found that while some workers (notably the male-dominated factory workforce) received a monthly salary, tea pluckers (the majority of whom are female) received a daily wage. This includes elements such as a piece rate (based on the weight of tea leaves plucked) and attendance bonus. In addition, workers usually get an annual cash bonus.

Cash payments are supplemented by the provision of food rations and free housing, healthcare and primary education, as required by the PLA (see Box 2). India’s Minimum Wage Act of 1948 stipulates that in-kind benefits may not form part of the minimum wage calculation. However, the Act is not compulsory and Assam (like West Bengal) has agreed an exception for tea companies.

As a result, workers are paid in a ‘blend’ of cash and in-kind benefits and services. Plantation owners describe wages in terms of the total value of both cash and in-kind benefits, claiming that this meets minimum wage levels. But others reject this and stress that the cash component of Assam tea workers’ wages is well below the minimum wage level of unskilled agricultural workers in the state (INR 254.91 or €3.30, as of 2019).

However, it is important that only the cash element should be included in wage calculations, as workers should earn enough for a decent life without having to depend on their employer for essential goods and services. In the analysis that follows, we look only at the cash component of tea workers’ wages.

Further, punishments and deductions applied by tea estates are extremely high compared to the wages and disproportionately impact incomes.
Although wages are set at an industry level, Oxfam-commissioned researchers found that permanent workers across the districts studied are paid a cash component of between INR 137 and INR 170 (€1.78–€2.21) a day. Private plantations pay INR 167 per day, but the state-owned tea estates pay as low as INR 137. As already mentioned, this is well below the minimum wage level for unskilled agricultural workers. Given this, 50% of the households visited owned ‘below poverty line’ ration cards issued by the Government of Assam, making them eligible for rations of 5kg of rice per family member per month. This is official acknowledgement that tea workers do not earn enough to survive on.

The research reveals that for more than a third (37%) of the households surveyed on the tea estates visited, their expenditure exceeds their income, which means that they have recurrent debt.

The TISS study found that most workers are not aware of how their wages are calculated. This is sometimes because payslips are not provided – more than 50% of the workers interviewed said they do not receive a payslip against their weekly or fortnightly payment. Those that do receive them say the payslips can fail to document deductions such as for the worker’s provident fund (pension), electricity, water, medical costs, trade union fees and firewood. But, as one 34-year-old worker told us, even if payslips are provided:

‘Because of illiteracy, the [pay]slips become insignificant for the workers. We nevertheless keep it for future purposes.’

Provident fund deductions are a statutory requirement, but workers reported being unaware of the amount deducted. They also described difficulties claiming their benefits on retirement. Workers reported that it takes 12–36 months to receive their pension. In one case, the estate has gone into debt and can neither pay the pension nor return the workers’ contributions.
NO ALTERNATIVE LIVELIHOOD OPTIONS LEAD TO BONDAGE-LIKE CONDITIONS

Despite tea being a year-round crop (with seasonal peaks), the study found that employment is not guaranteed – even for so called 'permanent workers'. Worker-manager conflict over wages and conditions has led to some estates closing completely, leaving workers destitute (see Box 4). A worker on a government-owned estate that had closed for three years from 2001 to 2004 said that during the closure, workers and their families only avoided starvation by seeking menial jobs outside the estate, or selling wood stolen from nearby forests.

Box 4: Case study – Estate closures highlight the dependence of tea workers on them

On 13 December 2017, the workers of Bogidhola tea estate protested in front of the owner’s bungalow against the non-payment of their provident funds, gratuities and bonuses, to which they were entitled. The owner opened fire on the workers, injuring 14 of them. The owner was subsequently arrested, and on 3 February 2018 the district administration closed the estate.

The workers now struggle to earn enough for two meals per day. They have lost all the other benefits they used to get from the estate, including rations and a medical allowance.

Most of the women workers are now plucking tea in the nearby private tea gardens as daily labourers – though this work is not guaranteed either. They receive between INR 110 and INR 130 a day – well below the lowest-paid permanent worker, who also receives in-kind benefits. The men travel outside the area to find work.

One of the interviewees said he often travels the 21km to the main town to find work as a daily labourer, only to return without having found any. Another was just returning from working in a stone quarry two hours’ walk away. The commute is particularly hard for him as he has to get home before dark because of an eye condition that causes low visibility at night. He has not been able to access medical help because the hospital has been shut down. He also described how he and his family sit up all night when it rains because rain pours in through the holes in the roof.


According to Oxfam-commissioned researchers, there is a growing tendency to employ temporary workers on estates, as they are not eligible for PLA-mandated benefits or provident fund provisions. However, on most of the estates visited by researchers, they found no specific criteria or wage advantage for being a permanent worker.

There were also no promotion mechanisms for workers; some had been working for 15–20 years on the same pay grade.
Box 5: Case study – Job and housing insecurity

A worker interviewed by Oxfam-commissioned researchers reported that he was suffering from tuberculosis. He was unable to do the regular work his employers expected of him, and they would not give him lighter work to accommodate his illness. When he sought medical treatment from them, instead of receiving help, he was immediately dismissed. That was over a year ago and he remains unable to work or earn a living.

Other workers told us of families that had been evicted from their housing because the only tea estate worker in the family had become too ill to continue. The loss of their job means they are no longer eligible for the housing that comes with the job, so the families not only lose their wage earner, but also become homeless.

There is weak and inadequate representation for workers, especially women

Indian tea workers' wages are set by tripartite negotiations involving tea companies, government and trade unions, yet they remain an ongoing topic of contention and protest. Most Indian trade unions are affiliated with political parties; while this increases their potential influence, it undermines confidence in their commitment to addressing workers' issues. The research highlighted that even though trade union fees are deducted from workers' wages, most workers are unaware of the role of trade unions.

Further, there is evidence that women – who form most of the lowest paid sector of the workforce – are not well represented by workers' unions. A 2017 research report submitted to the Indian Ministry of Women and Child Development by Dibrugarh University's Centre for Women's Studies says: ‘It was found that the Workers' Union is primarily dominated by men. Based on the responses, the study found that women are strategically left out from the political and economic domain of the Workers’ Union. This reflects the historical process of keeping women out of the decision-making bodies.'

Although trade unions do publicly lobby for wage and other improvements, with some measure of success, they are often unable to bring about significant change due to the financial challenges facing the tea industry. This compounds workers' lack of confidence in the unions and has led to workers harbouring suspicions of trade union corruption.

Food rations form a much-valued part of Assam tea workers' pay package. Yet the Oxfam-commissioned study found that the quantity and quality of these rations was a serious cause of concern for workers. Interviewees also criticized the trade unions for failing to resolve the problem.

Workers also told researchers that they felt unions could have done more to help resolve protests against the non-payment of statutory provident funds and retirement gratuities, which resulted in the four-year closure of one estate.
Researchers also learned that workers who ‘raise their voices’ are targeted by management – for example, by being given harder work or even being arrested. Speaking of the 2013 arrest of workers who were protesting at the failure to provide food rations, one worker said:

‘If demand for ration is a crime, violation of our rights is a more serious crime.’

Yet the researchers did hear of one case where workers successfully negotiated directly with management, leading to a 100% wage increase and a 20% bonus. The resulting wage of INR 137 a day was still far below Assam’s minimum wage rate for unskilled agricultural workers and highlights how appallingly low their original wages were.

**SUBSTANDARD HOUSING**

The PLA requires management to provide housing of a certain standard to all workers employed for more than six months, and to ‘rectify … with the least possible delay … any defects in the condition of a house which make it dangerous to the health and safety of the worker’.  

However, the research confirmed the numerous media, academic and NGO reports of poor housing on Assam’s tea estates. Workers reported either receiving no help at all from management in improving their housing, or delays of up to four years in carrying out repairs. As already mentioned, some workers reported that leaking roofs have meant their families had to use umbrellas inside the house during the rainy season. This is a serious issue in Assam, where heavy rains are common. As recently as July 2019 severe floods devastated the region. On some tea estates no housing at all was provided. Many workers reported living in *kutcha* (crude, makeshift) housing, sometimes that they built themselves with no compensation from management. Others reported that management prohibits the building of *pucca* (solid, permanent) housing on the estate.

Workers also said that a lack of adequate space within their housing is a major problem, causing particular challenges for women and girls within the family, who lack privacy.
OCCUPATIONAL HEALTH AND SAFETY PROVISIONS ARE INADEQUATE

Plucking tea, pruning and spraying tea bushes, and working with often outdated tea factory machinery are hazardous occupations. Around 45% of workers reported suffering from water-borne diseases such as diarrhoea and typhoid. Factory workers also reported jaundice, eye irritation, asthma, coughs and allergic reactions to dust and fumes.

Over half of the women workers interviewed reported having suffered from dehydration and fever. Even more disturbingly, a number of workers reported birth defects and other illnesses that they believed were caused by pesticides. Additional hazards of working among the tea bushes include spiders, scorpions and snakes.

Yet on most of the estates the researchers visited, workers reported not receiving gloves, boots or goggles to protect them from harmful chemicals. Others stated that they did receive protective gear, but could not use it due to the heat, humidity and poor quality of the equipment. Some reported that they received such equipment only when the management were expecting auditors or other visitors.

Injuries can also be costly; a female tea plucker told researchers that she had received no compensation when she lost two fingers in a work-related accident: ‘Because of the accident my plucking has become very
slow’ and, since pluckers are paid by the kilogram, her income will have suffered. A former tea worker told us he had lost his job after losing an eye in a factory accident.

A worker suffers from skin issues as the result of exposure to pesticides. Photo: Roanna Rahman/Oxfam

**Major gaps in access to healthcare**

Working in such hazardous conditions means a higher than usual demand for good healthcare. Yet researchers found a shortage of trained health personnel in most of the estates visited – with just one ‘compounder’ (pharmacist) and two nurses at most estate clinics. Most of the estates visited did not have doctors at all; at some, doctors visited infrequently.

Researchers found that medicines for minor complaints were free in all estate hospitals but were not received in good time. Patients with more serious diseases tended to be referred to the nearest government hospital. However, ambulance services as well as road conditions were found to be poor in almost all the estates visited, making access to these hospitals challenging.

There were also reports that sick workers are required to report three times a day to the clinic. If they fail to do so – even if it is because they are too sick to travel – they are deemed to have taken ‘leave without pay’ rather than using their paid sick leave entitlement.
LACK OF ACCESS TO CLEAN WATER

Researchers discovered severe water problems in every tea estate visited. Workers say they are required to pay between INR 60 and INR 300 a month for water provided by the estate, which many cannot afford. Others have water provided by the government, but, as one worker explained, ‘We do not have time to stand in the line to collect water from the government taps. The government water supply is available only from 7.30am to 8.30am. We need to be at the garden by 7.45am.’

Workers reported that water provided by the estate is of very poor quality; it is brought to workers in the field in a rusty tanker, making it smell and taste of iron. In one case, researchers found 45 households sharing a single tube well which supplies water that runs almost yellow with iron. In the dry season, the water levels – and quality – drop, making it unfit for consumption.

The lack of clean and plentiful water on the estates – and the fact that the habit of filtering water is almost entirely absent – means that diseases such as cholera and typhoid are common. Doctors have repeatedly advised local people not to drink this contaminated water, but they have no alternative.

Water shortages also create hygiene problems – for example, women told researchers that they are forced to reuse inadequately washed menstruation cloths, which can cause reproductive tract infections.58

Management are required to provide toilets in workers’ accommodation, but workers reported that some of these are of inadequate quality and are often patched up or repaired by the workers themselves. Many have no toilets at all, leading to open defecation – a major cause of disease. None of the estates visited had yet benefited from the Indian government’s toilet and housebuilding schemes.
Excessive working hours

The practice of paying pluckers – who are predominantly women – by the weight of leaves plucked means that they have to work long hours to earn sufficient income for the day. On top of the punishingly heavy physical work, women must sometimes walk several kilometres to and from home, often carrying babies or firewood.

But male labourers too – predominantly responsible for digging, pruning, etc. – are subject to excessive hours. One worker told researchers: ‘If the work should be done by four people, they will employ two, and will save the cost of two workers.’ He gave an example of having to sling mud from the bottom of a 15ft pit he had dug alone.

Many women said that their wages – and sometimes rations – were deducted if they arrived even a minute late. However, they may have to wait for up to two hours at the end of the working day for the manager to arrive and weigh the tea they have plucked. Sometimes they do not get home until 7pm as a result.

Lack of access to education and childcare

Most of the estates visited have primary school facilities within the estate, but workers reported that they are not in good condition and that the quality of education is poor. It is not easy for younger children to reach them without transport. There are not enough teachers and too little space, leaving children unmotivated to study.

Upper schools were found to be mostly located within 5km of the estates, but without school buses it is not easy for tea workers’ children to reach them. Only 12 of the 50 estates visited provide a school bus, which could be a contributory factor in the high number of women on the estates who have not been educated beyond primary level.

A midday meal is provided in schools but respondents claimed that the quality of the food is poor and not enough to fill the children’s stomachs. Estates are legally obliged to provide crèches and midday meals, which could help to alleviate malnutrition, but researchers found that less than half the estates visited provided these. Even the crèches that are provided are too far from work sites – 85% of the women interviewed said they were unable to use them for this reason. Government centres (known as ‘Anganbadis’) meant to help with childcare and nutrition, were also found to be lacking in number and quality.

This systemic under-provision of education and nutrition is a denial of children’s basic rights and contributes to a vicious cycle of vulnerability. Illiteracy or low education levels mean tea workers’ children – especially girls – end up with little or no option but to follow their parents into work on the plantation.
5 WOMEN WORKERS BEAR THE HEAVIEST BURDENS

A DOUBLE MARGINALIZATION

Assam’s women tea workers are doubly marginalized – firstly as isolated and unassimilated descendants of migrant labourers, and secondly as women. Oxfam’s experience suggests that traditionally people with low incomes in India prioritize boys over girls when allocating limited resources for education, healthcare and nutrition. For example, the research commissioned by Oxfam found that around 78% of female tea workers are either illiterate or can only sign their names to collect their wages (compared to around 40% of male workers). Researchers also found a correlation between workers’ level of education and gender. (See Figure 3).

Figure 3: Literacy rates among tea estate workers (%)

It is predominantly women who carry out the labour-intensive job of harvesting tea. This is because women’s hands are perceived as being better suited to plucking the delicate tea leaves for processing. Yet the concentration of women in these low-paid jobs; their low levels of literacy, education and union representation; and their high levels of dependence on employers are strong markers of gender discrimination.

Work in the factories – which is better paid, has better facilities and is regarded as more dignified and prestigious – is done predominantly by men, although women workers interviewed during the research asserted that they are just as capable as men of doing factory work.

There is little room for rest or recreation during the gruelling daily routine at work and at home (see Box 6). Including the unpaid domestic work women do, by the time they go to bed (usually for a maximum of six hours) they have done around 13 hours of physical work, including plucking and carrying up to 30kg of tea leaves. This is sometimes while carrying a baby on their back, and often in temperatures of up to 38 degrees or in torrential monsoon rain.

### Box 6: A typical day for a woman tea worker in Assam

- 4am–4:30am: Wake up and clean the house and courtyard (some also need to collect water)
- 5am–6am: Prepare food for the day
- 6am–7am: Get ready and leave for work, walking 8–9km to reach the plot
- 8am–4pm: Work in the garden (if even one minute late she could lose an entire day’s wages)
- 4pm–5pm: Weigh the plucked leaves (assuming manager arrives on time – if not, much later), sometimes collect firewood on way home
- 5pm–8pm: Home, freshen up and prepare dinner
- 8pm–9pm: Eat dinner
- 10pm: Go to bed

Source: Based on actual and average figures and times provided in: TISS. (2019). Decent Work for Tea Plantation Workers in Assam: Constraints, challenges and prospects.

Facilities such as canteens and toilets (which are generally available in the factories, where workers are predominantly men) are lacking in the fields, which is where women mainly work. Researchers learned that because of the presence of mostly male ‘sardars’ (supervisors), women try to find privacy to relieve themselves, moving far away from where their colleagues are working; however, this makes them vulnerable to sexual abuse or attacks by wild animals.59

The lack of hygiene facilities in the fields, as well as water shortages at home (for washing menstrual cloths), pose health hazards for women. As a result, many stay at home when menstruating, thus losing out on earnings.

The pressure on women workers in the tea industry continues throughout pregnancy and motherhood. A 2016 fact-finding mission in West Bengal
and Assam by the Global Network for the Right to Food and Nutrition found that women are not given lighter tasks during pregnancy, and while most return to work a month after delivery, some workers reported being put to work the very next day after giving birth. Temporary workers do not receive any maternity benefits.60

Anaemia is a leading contributor to maternal deaths in Assam’s tea estates, with 363 maternal deaths per 100,000 live births in 2017 – compared with 174 for the rest of India.51 Indeed, according to the British Medical Journal ‘Assam has almost double the national average maternal mortality rate’.62 Yet Oxfam-commissioned research found that pregnant women were missing out on regular health checks because the roads to health centres and hospitals were in such poor condition, which also makes it difficult for ambulances to reach women (they can take a whole day to arrive).

The lack of childcare facilities means that mothers of newborns often work with them strapped to their body – or leave them at home in the care of older children. One woman worker explained that ‘most of the elder girls have to stay at home and manage the [house] work if their mother is a permanent worker in the garden’ and that dropping out of school at the age of 12 is therefore common. This perpetuates the vicious circle of under-education, exploitation and lack of capacity to stand up for their rights.

Another issue that emerged during the research is that domestic violence against women tea workers is common. This is within the context of wider Indian cultural norms that traditionally sanction violence by men to control women and girls, and where gender norms reinforce inequality and lack of women’s agency.63

As well as physical violence, one woman worker told researchers how ‘the psychological stress borne by the pluckers is very high inside the gardens’ too. Both this and domestic violence could be an underlying symptom of alcohol abuse, which is common and cuts further into workers’ meagre wages.

As media enquiries have revealed,64 the poverty and hardship of life as a woman worker on Assam’s tea plantations have driven some young women and girls to seek a better life elsewhere. However, they can find themselves in even worse situations, trapped by traffickers in domestic or sexual slavery.

These are some of the many insidious ways in which women workers on Assam’s tea estates are exploited, marginalized, disempowered, abused and ignored. Any attempt to bring about improvements in the lives and working conditions of Assam’s tea workers must therefore begin with addressing the specific challenges and vulnerabilities facing women workers.
As described by Oxfam in its publication *Ripe for Change*, the root causes of human suffering in food supply chains is related to the increasing power of supermarkets and other ‘lead firms’ on the one hand, and the declining power of small-scale farmers and workers on the other.

This dual dynamic has created a market pressure which pushes down prices for suppliers and passes on risks for producers while increasing the supply of labour that is vulnerable to exploitation. In this regard, the tea industry is no different.

**Figure 4: Inequality of power is the root cause of labour exploitation in food supply chains**

New research commissioned by Oxfam and undertaken by the organization BASIC aimed to understand how this economic dynamic has played out within the tea industry in Assam over time. The research report gives a detailed estimate of how the end consumer price is distributed between those at the beginning of the chain – tea workers in Assam – and consumers in India and export markets at the end. It
concludes that the proportion of the end consumer price of a packet of black Assam tea that goes to the worker is negligible.

In India, tea prices have risen for branded tea while labour costs have stagnated

The Oxfam-commissioned research suggests that from 2004 to 2017, the price of unbranded loose black tea declined in the Indian market, though the price of branded packs of tea increased. Analysts show that this is largely due to brand-based campaigns from tea companies to create a ‘premium’ tea product for consumers – resulting in a shift in demand away from loose leaf tea towards higher-value products.66

While demand has increased for premium brands of black tea, BASIC’s research shows that the plucking costs on tea estates (which can be used as a proxy indicator for labour costs) have stagnated. These costs related to labour have gone from INR 23.60 per kilogram ($0.36) in 2003 to INR 24.68 ($0.38) in 2017 – a small 4.5% increase in 14 years – after adjusting for inflation.67

Using retail prices as a proxy indicator, the research estimates that supermarkets and tea brands in India would retain more than half (58.2%) of the final consumer price of black processed tea sold in the country, with just 7.2% remaining for workers (using plucking costs as a proxy indicator).68

Therefore, for a typically sized pack of branded black tea sold in India priced at INR 68.8 ($1.06) for 200g – supermarkets and tea brands would retain some INR 40.4 ($0.61) while labour costs to pay workers represents just INR 4.95 ($0.08) per pack.69

Overseas, supermarkets and tea brands capture much of the end consumer price

These trends are replicated in the export market for tea. Oxfam’s newly commissioned analysis shows a marked inequality in how the end consumer price of Assam tea is shared between supermarkets and tea brands on the one hand, and workers on the other.

Analysis of retail markets in Germany, the Netherlands, the UK, the USA and France shows that supermarkets and tea brands capture a significant cut of the end consumer price of black tea, with only very small amounts accruing to workers on tea plantations or small tea growers.

The research shows that in France, the USA and Germany, black tea such as Assam is sold as a premium, luxury product with relatively high retail prices on average. In markets such as the UK and the Netherlands, supermarkets sell black tea at very low prices on average, highlighting the possibility that the product is a ‘loss leader’ – where goods on the retail shelf are priced below the cost of sustainable production.
Our analysis shows that supermarkets take a significant amount of the end price of a pack of tea bought by consumers, with very small amounts for labour costs to pay workers. For example, BASIC’s estimates show that:

- In Germany, supermarkets and tea brands are estimated to receive 86.5% of the final consumer price for bagged black tea sold in the country, while labour costs to pay workers represent just 1.4% of the final price.

- In the Netherlands, supermarkets and tea brands are estimated to receive 83.7% of the final consumer price for bagged black tea sold in the country, while labour costs to pay workers represent just 2.9% of the final price.

- In the United Kingdom, supermarkets and tea brands are estimated to receive 66.8% of the final consumer price for bagged black tea sold in the country, while labour costs to pay workers represent just 4% of the final price.

- In the United States, supermarkets and tea brands are estimated to receive 93.8% of the final consumer price for bagged black tea sold in the country, while labour costs to pay workers represents just 0.8% of the final price.70

Figure 5: An illustration of how much of the price consumers pay for tea is received by workers

- Paid by consumers in supermarkets
- Received by workers

Source: Data from BASIC. (2019). Study of Assam Tea Value Chains.
These estimates mean that:

- In Germany, for a typically priced pack of bagged black tea retailing at €2.48 ($2.76) for 100g, supermarkets and tea brands would retain some €2.15 ($2.39) with workers collectively receiving just €0.03 ($0.04) per pack.

- In the Netherlands, for a typically priced pack of bagged black tea retailing at €1.16 ($1.29) for 100g, supermarket and tea brands would receive €0.97 ($1.08) and workers collectively receiving just €0.03 ($0.04) per pack.

- In the United Kingdom, for a typically priced pack of bagged black tea retailing at £0.74 ($0.94) for 100g, supermarket and tea brands would receive £0.49 ($0.63) and workers collectively receiving just £0.03 ($0.04) per pack.

- In the United States, for a typically priced pack of bagged black tea retailing at $4.96 (€4.46) for 100g, supermarket and tea brands would receive $4.65 (€4.19) and workers collectively receiving just $0.04 (€0.03) per pack.
7 TOWARDS A LIVING WAGE FOR ASSAM’S TEA WORKERS

THE GAP BETWEEN CURRENT WAGES AND A LIVING WAGE

Oxfam-commissioned research shows that labour costs to pay worker wages in Assam have stagnated over the past 14 years. The analysis also shows that workers on tea estates receive a negligible share of the end consumer price for Assam tea in comparison to powerful tea brands and supermarkets.

Partly as a result, there remains a striking gap between current wages for workers in Assam and an estimated living wage – which is a calculation of the amount needed to enable a basic but decent standard of living.

Local activists, including legal empowerment organization Nazdeek, calculated that to enable a living wage for Assam tea workers, they would have needed to earn INR 330 per day ($5.07) in 2014 or INR 400 ($6.13) per day in 2017. This figure aligns with other living wage estimates from the Global Living Wage Coalition benchmark and the Minimum Wage Advisory Board for tea workers, and with union calls for a national minimum wage of INR 350 per day ($5.37) for unskilled agricultural workers – which was agreed by the Indian government in 2016 but is yet to be implemented.71

To achieve an estimated living wage rate of INR 400 ($6.13) per day, the lowest paid tea workers in Assam (receiving wages at an estimated INR 153 ($2.25) per day in 2017) would need to have their wages multiplied by 2.6.72 However, as BASIC’s analysis confirms, to achieve this level – and to maintain wages at a living wage level year on year – would require a profound transformation of the unequal power dynamics that have been in place for almost two centuries between workers, tea estates, tea brokers, tea brands and supermarkets.
A LIVING WAGE IS WITHIN REACH

BASIC’s analysis suggests that closing the gap between current wages and living wages for tea workers in Assam could be supported in one of two ways. Either by supermarkets increasing the end consumer price of tea, alongside making a commitment to pass this increase to workers rather than increasing their own margins. Or alternatively, by maintaining current prices but redistributing some of the retailer and tea brand share of the end consumer price to workers.

The analysis shows that the amount of additional money required to enable a living wage for workers is relatively small. For example, in Germany, workers currently receive 1.3% of the end consumer price, and would need to receive 3.4% to enable a living wage. Other examples of the gap between the current workers’ share of the end consumer price and what is required for a living wage are illustrated in Table 2. In real price terms, that the research shows across all of the markets assessed, workers on tea estates in Assam currently receive just $0.04 (€0.03) per
100g of bagged black tea sold to consumers and would require only $0.10 (€0.09) to enable living wages to be paid.

Table 2: Share of the end consumer price required to enable a living wage for tea workers in Assam

<table>
<thead>
<tr>
<th>Country</th>
<th>Share of the end consumer price for black tea to supermarkets and tea brands (%)</th>
<th>Share of the end consumer price to workers (%)</th>
<th>Share of end consumer price required by workers to enable a living wage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Germany</td>
<td>87.5</td>
<td>1.3</td>
<td>3.4</td>
</tr>
<tr>
<td>India</td>
<td>58.2</td>
<td>7.2</td>
<td>18.7</td>
</tr>
<tr>
<td>Netherlands</td>
<td>83.7</td>
<td>2.9</td>
<td>7.6</td>
</tr>
<tr>
<td>UK</td>
<td>76.1</td>
<td>4.0</td>
<td>10.4</td>
</tr>
<tr>
<td>USA</td>
<td>93.3</td>
<td>0.8</td>
<td>2.1</td>
</tr>
</tbody>
</table>

Note: All estimates based on prices of loose black tea, except for the Netherlands where bagged black tea is used due to data availability. Figures are for 2017. For methodology and datasets, see the methodology note in the appendix at the end of this report.

SHOULD SUPERMARKETS RELY ON CERTIFICATION ALONE TO IMPROVE WORKING CONDITIONS ON TEA ESTATES?

Many supermarkets rely on certification to convey to consumers their commitment to social and environmental standards.

In Assam, several certification schemes cover tea estates in the region, including:

- Rainforest Alliance, which aims to improve environmental and social standards and has 130 certified estates in Assam.
- Fairtrade, which has specific standards for plantations that support worker representation to negotiate with management and progress towards living wages. Workers on Fairtrade certified plantations can also spend up to 20% of a ‘Fairtrade Premium’ on cash or in-kind benefits, alongside quality requirements and guidance for workers’ on site housing. Fairtrade has 12 certified estates in Assam.
- Trustea, which covers the domestic Indian market and certifies tea against social and environmental criteria. Trustea has over 460 certified estates in Assam.

Of the 50 estates that TISS visited as part of its research, 25 were covered by one or more of these certification bodies.

Although not certification schemes, other organizations such as the Ethical Tea Partnership also aim to convene the tea industry,
development organizations, and government to improve the lives of tea workers – and may also have visible labelling on tea products.

The price pressure faced by tea estates, and the stark inequality in power between supermarkets and tea brands on the one hand, and workers on the other – means that certification alone will be insufficient to improve the conditions for workers in the tea sector without fundamental changes to business practice and government policy.

These ongoing challenges mean that local activists in North-East India have criticized certification schemes such as Rainforest Alliance, Trustea and Fairtrade for failing to improve the severe problems of poverty, including the lack of access to clean water, decent healthcare and education in the region. This failure is also evidenced by a study undertaken in 2013 by Oxfam and the Ethical Tea Partnership as well as the latest research undertaken by TISS.74

Given the huge power imbalances in the tea industry, supermarkets and tea brands need to work with relevant stakeholders (labour unions, farmer’s associations, communities and certifiers themselves) to understand the human rights concerns in their supply chains and show that they are addressing them – rather than relying on certified products alone to achieve this aim.
8 RECOMMENDATIONS

Oxfam’s campaign to end human suffering and gender inequality in food supply chains urges urgently calls on supermarkets to act to protect the rights of workers in their global food supply chains, and to increase the transparency of their sourcing. It also calls on governments in producer countries to put in place a policy agenda that supports, rather than undermines, crucial labour rights for women food producers.

A full set of recommendations for this campaign can be found in Oxfam’s Ripe for Change report. These recommendations sit alongside the Supermarkets Scorecard, which provides a set of benchmarks for supermarkets to use to improve their policies and practices on human rights in their supply chains.

Assam tea, with its isolated, dependent, under-educated and predominantly female workforce, is a classic example of a supply chain with high risks of human rights violations. The research that Oxfam has commissioned confirms that Assam tea workers supplying supermarkets in the USA and Europe continue to be denied their basic human rights and are not sufficiently empowered to claim those rights.

The research demonstrates that companies profiting from the Assam tea trade are failing to abide by the UN Guiding Principles on Business and Human Rights, which call on companies to respect the rights of workers and enable them to attain remedy for any wrongs they suffer. It also shows that the governments of Assam, India and buying countries could do more to live up to their responsibility to protect the human rights of workers on Assam tea estates.

Companies at all stages of the value chain, as well as governments, need to take urgent action to ensure that workers producing this globally valued product can enjoy and defend a decent, healthy and viable life. Supermarkets and their first-tier suppliers, which are gaining the largest share of the end consumer price of Assam tea, are the ones with sufficient leverage to lead the process of change.

Oxfam recommends the following actions by supermarkets and other key stakeholders to drive positive change for the women and men working in Assam.

ENABLE LIVING WAGES TO BE PAID

- Supermarkets: Work with supply chain stakeholders to ensure that workers are paid a living wage. This can be supported through paying higher prices for fresh tea leaves and excluding the costs of labour from price negotiations. Ensure that tea is priced sustainably and that the Unfair Trading Practice of selling tea as a loss leader is avoided.
• **Tea brands:** Ensure that the costs of labour are excluded from price negotiations with fresh tea producers and/or that prices enable a living income for small tea growers. Work with producers to enable wages to increase to the living wage level, as determined by workers and their representatives (ensuring that those representatives are allowing the voice of women to be heard).

• **Tea estates:** Ensure that workers’ needs are genuinely represented in tripartite negotiations, such that they are able to earn enough to cover basic needs without depending on in-kind benefits from the company. Provide payslips with clear and transparent information and ensure that workers understand them.

• **Government of Assam:** Enforce exclusion of in-kind benefits from minimum wage calculations on tea plantations. Implement a recommended minimum wage level of INR 351 per day ($5.39).

**ENABLE WOMEN WORKERS TO BE EMPOWERED**

• **Supermarkets and tea brands:** Sign up to the United Nations’ Women’s Empowerment Principles. Work with producers to analyse unequal gender norms (such as the concentration of women in the lowest paid jobs) on tea plantations and help them develop and deliver action plans to address inequalities.

• **Tea brands:** Sign up to the United Nations’ Women’s Empowerment Principles. Include standards for gender issues in your code of conduct for suppliers and support them to realize these. Where possible, buy from women-owned producers or those that prioritize gender equity.

• **Tea estates:** Sign up to the United Nations’ Women’s Empowerment Principles. Develop effective gender policies based on gender analysis and sex-disaggregated data on work roles, wages and representation. Support more effective representation of women tea workers through training for trade union representatives, and the setting up of women’s committees.

• **Government of India and Government of Assam:** Ensure that laws designed to protect women workers, such as the 2013 Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, are implemented.

**BE TRANSPARENT ON SOURCING**

• **Supermarkets and tea brands:** Publish the country and region of origin clearly on tea packaging. Publish supply chain information for tea – including all tiers of suppliers – and the distribution of the end consumer price at each stage.
• **Tea brands**: Ensure site visits to producers are unannounced and include sight of living quarters and work taking place on tea estates. Publish and act on the findings.

• **Tea estates**: Allow civil society organizations to access tea estates and workers' living quarters to assess conditions.

• **Governments in consumer and producer countries**: Make human rights due diligence mandatory for tea companies.

• **Certification bodies**: Include tea workers in governance structures to ensure their meaningful engagement and contribution to change. Require retailers carrying the certification label to disclose country and region of origin on their packaging.

### Implement PLA requirements

• **Supermarkets and tea brands**: Enable implementation of PLA requirements by working with suppliers, government and civil society to improve producers’ ability to provide decent housing, healthcare, water, sanitation and education through improved trading practices and external support.

• **Tea brands**: Favour suppliers who implement PLA requirements and incentivize and enable others to do so. Engage with national and state governments to find practical solutions to challenges to implementing them.

• **Tea estates**: Implement PLA requirements to an adequate standard to ensure decent living and working conditions for Assam tea workers and their families.

• **Government of India and Government of Assam**: Strictly enforce implementation of PLA requirements to the appropriate standard and strengthen monitoring mechanisms to ensure that workers can report any violations on a regular basis without fear. In the proposed labour law changes, ensure that the PLA provisions in the Occupational Safety, Health and Working Conditions Code further the realization of workers’ rights and human rights.

• **Certification bodies**: Actively promote workers' human rights, including living wages, decent working conditions (such as healthy working hours and occupational health and safety), fair employment conditions (such as proper contracts and clear explanation of wages and deductions) and decent housing, healthcare, sanitation and education. Ensure that only estates that can prove that they respect these rights in practice receive certification.
NOTES


6 The violations of human and labour rights in Assam have been the subject of local activism, national campaigning and multiple media exposés for many years. These include the BBC’s revelations of appalling living conditions on Assam tea estates supplying UK supermarkets, including overflowing cesspits, malnourishment and chemical spraying with no protection (BBC, 8 September 2019, The Bitter Story Behind the UK’s National Drink); Columbia School of Law’s indictment of the use of World Bank funds to create a partially worker-owned tea company with equally poor conditions (Columbia Law School Human Rights Institute, 2014, ‘The More Things Change... The World Bank, Tata and enduring abuses on India’s tea plantations); and legal empowerment organization Nazdeek’s recent report on an anaemia crisis among pregnant women on Assam tea estates (Nazdeek, 2018, A Matter of Life and Death: Surviving childbirth on Assam’s tea plantations).

7 Note that the legal basis for international human and labour rights obligations is found in the Universal Declaration of Human Rights (1948); the International Covenant on Economic Social and Cultural Rights (1966) and the International Covenant on Civil and Political Rights (1966). Other relevant international labour standards can be found in the eight fundamental Conventions of the International Labour Organization, which can be accessed here: http://www.ilo.org/global/standards/introduction-to-international-labourstandards/conventions-and-recommendations/lang--en/index.htm


9 Statistic based on email correspondence between Oxfam and a tea industry representative, August 2019.


11 Oxfam calculation based on research and data by BASIC (2019) Based on exchange rate $1 USD to INR 65.121

12 For data and research methodology, see BASIC (2019).


15 Oxfam calculation based on research and data from BASIC (2019). Figures based on average wages of INR 153 ($2.25) per day and the estimated living wage of INR 400 ($6.13) per day in 2017.


17 BASIC. (2019).


19 Assam is said to be producing approximately 57% of India’s tea and nearly 13% of the world’s


24 The Indian Constitution defines certain marginalized and underprivileged communities as ‘Scheduled Castes’ and ‘Scheduled Tribes’ and seeks to support their development through programmes and initiatives such as job and university quotas, grants and programmes. Local activists such as the All Adivasi Students’ Association of Assam are lobbying for tea workers to be recognized in Assam.


26 In this report, the terms ‘plantation’, ‘estate’ and ‘garden’ are used interchangeably – as per common usage – to describe units of land where tea is grown and processed.

27 Note that as small tea growers are often family businesses, there is an increased risk of unpaid labour – particularly for women and children.


31 Statistic based on email correspondence between Oxfam and a tea industry insider, August 2019.


33 Ibid.

34 Statistic based on personal correspondence between Oxfam and a member of the tea industry, August 2019.


37 Note that so called ‘private label’ tea is also called ‘own brand’ in some markets.


41 At the time of our research, eight of the supermarkets named on Oxfam’s Supermarkets Scorecard stocked private label black tea. Of these eight, three did not disclose any country or region of origin on packaging, one disclosed India as region of origin, and four disclosed Assam specifically as the region of origin.

42 Aldi North did not respond to our request for information for this report but have responded to a request for information in Oxfam Germany’s report Schwarzer Tee, weiße Weste.
Menschenrechtsverletzungen auf Teeplantagen in Assam und die Verantwortung deutscher Unternehmen.

43 Oxfam and TISS have decided not to name the tea estates visited during the research process to protect the anonymity of respondents.


45 Note that the legal basis for international human and labour rights obligations is found in the Universal Declaration of Human Rights (1948); the International Covenant on Economic Social and Cultural Rights (1966) and the International Covenant on Civil and Political Rights (1966). Other relevant international labour standards can be found in the eight fundamental Conventions of the International Labour Organization, which can be accessed here: http://www.ilo.org/global/standards/introduction-to-international-labourstandards/conventions-and-recommendations/lang--en/index.htm


50 As per the exchange rate on 20 May 2019.


52 Since having a common desirability among the workers to gain permanent status and work on a regular basis, plantation owners have failed to reduce this increasing number of casual worker or ‘non-residential’ workers. Most workers’ perceptions meet at the point that the management do not want to bear the additional welfare costs of appointing permanent workers hence casual work is encouraged. The growing number of temporary workers also reflects on the unavailability of secondary work or an aversion towards it.” Tata Institute of Social Sciences. (TISS). (2019). Decent Work for Tea Plantation Workers in Assam: Constraints, challenges and prospects.

53 The following unions were active on the estates visited by researchers for this study: Assam Chah Mazdoor Sangha (ACMS); Akhil Bharatiya Chah Mazdoor Sangha (ABCMS) and Bharatiya Mazdoor Sangha (BMS), allied to the ruling Bharatiya Janata Party (BJP).


65 BASIC’s researchers (BASIC 2019) use data from national statistical offices, socio-economic studies and interviews with key informants to determine price information on plantations, costs of production, worker wages and costs of living. They also collect and analyse price information downstream (after the agricultural production stage) to conduct quantitative and qualitative assessments of the distribution of the end consumer price for tea. See BASIC. (2019). Study of Assam Tea Value Chains for more information on methodology and limitations.

66 BASIC. (2019).

67 The BASIC study also shows that the price paid to small tea growers (who sell the tea they have grown to BLFs rather than working on tea plantations) has also declined significantly over the past eight years. After deducting input costs and wages paid to temporary workers, the income generated by small tea growers has fallen by 42% from 2009 to 2017 (from INR 45.30 per kilogram to INR 78.45). This is a fraction of the auction price received by tea brokers. This trend has significant implications for small tea growers who are likely to rely on the cash generated through sales of tea leaves to pay for food, education and healthcare for their family. See T.A Braga et al. (2010). Unilever Sustainable Tea: Leapfrogging to mainstream. Dutch Sustainable Trade Initiative. Note that smallholder tea growers and pickers are likely to employ tea sales as part of an overall livelihood strategy that includes production of subsistence crops, whereby sales of tea fund important household expenditure.

68 For full methodology, see BASIC (2019). Data based on an analysis of black CTC processed tea sold in India, 2017.

69 Based on exchange rate $1 USD to INR 65.121

70 Note that the amount received by workers remains consistent, however, the relatively higher or lower share of the end consumer price is determined by the average retail price in each market.


72 BASIC (2019). Based on 2017 estimated actual wages and living wages. Note that higher paid workers (INR 170 per day) would need to multiply their wages by 1.9 or 2.4 to achieve a living wage level for 2014 or 2017 respectively based on Nazdeek’s benchmark.

73 Note that Fairtrade is currently undergoing a review of its tea standards and pricing model, in consultation with stakeholders, including local civil society. The review will look at the level the minimum price is set at in combination with the need for stronger socio-economic requirements for plantation employers. A first published draft of the standard shows proposals to increase wages, introduce worker participation in verification of compliance, improve quality of housing and sanitation, support occupational health and safety, and protect the rights of women. For more on the Fairtrade approach to tea, please see http://www.fairtrade.org.uk/en/farmers-and-workers/tea/about-tea


75 The campaign is called Behind the Barcodes in some markets and Behind the Price in others.


78 This means workers should earn a salary that allows them and their family to lead an independent life (without dependence on PLA services).
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