

# THE PRICE OF TEA

## Record Earnings

Ceylon tea is a global brand of a product that people across the world savour. In 2011, the tea industry made record earnings of over a billion euros.

## Record Poverty

In 2011, thousands of tea workers earned less than 2 euros per day, continued to live in poverty, remained illiterate and faced daily abuse.



## Is this a price worth paying for your cup of Ceylon tea?

We are campaigning to improve the living conditions of plantation workers. Nobody is listening to the tea workers but the voices of thousands of tea drinkers will be harder to ignore.

# The key facts

- Ceylon tea is a global brand enjoyed and sought after across the world.
  - In 2011, Sri Lanka produced 328 million kg of Ceylon tea, of which 323.7 million kg was sold outside of the country.
  - The biggest buyers of Ceylon tea are Russia and the Middle East.
  - Sri Lanka is one of the top three suppliers of tea to the EU. The UK buys about 10 million kg of tea from Sri Lanka.
  - In 2011, tea exports contributed 2.5 per cent to Sri Lanka's 50 billion euro economy.
  - The industry employs over a million people – about 150,000 of them are tea pickers and most of those are women.
- A tea picker earns 2-3 euros a day.
  - The tea industry made 1.16 billion euros in earnings in 2011.

## Here is what we want to know

Where is the money going?

Why does a tea picker earn so little for such difficult work?

Why are the biggest contributors to the thriving, successful tea industry the poorest and most marginalised in Sri Lanka?

THE PRICE OF TEA





## Who are the plantation workers?

As early as 1820, and continuing through the nineteenth century, *Indian Origin Tamils* (IOTs) were brought over to Sri Lanka from South India by the British colonial rulers to live and work on tea, coffee and rubber plantations. According to the Ministry of Plantation Industry, IOTs make up approximately 80 per cent of the plantation worker population.

They are also known as ‘upcountry Tamils’ as most of them live and worked on plantations in the country’s hilly areas. They are Tamil by ethnicity, their mother tongue is Tamil and they are Hindu with a small number of Christians. A large number of IOTs are oppressed-caste Dalits and face significant levels of caste-based discrimination.

The following table provides available and current census statistics:

Year	IOT (%)	Total Population
1911	12.93	4 106 400
1971	9.26	12 689 900
2001	5.1	16,929,689

# Statelessness and Citizenship

When Sri Lanka gained independence in 1948, plantation workers were deemed 'stateless' and undeserving of citizenship status on the island.

- Most of them remained stateless until in 2003, the Sri Lankan parliament passed legislation finally granting all Tamils of Indian origin citizenship.
- To this day, about two thousand plantation workers still do not have national identity cards (NICs) and lack proper documentation such as birth certificates. This continues to affect their security; political rights such as being able to vote and socio-economic rights such as getting a government job.
- During the country's recent conflict, plantation Tamils were not seen as being directly affected because they lived away from the war zone. However, their security was often compromised because they were Tamil in ethnicity, spoke Tamil, and did not have proper documentation.





## Housing and Land rights

- A majority of the 914,000 inhabitants of the plantation sector live in estate plantation housing known as 'line rooms' – characterised by long rows of small units (8 x 12ft each) attached together, with common sanitation facilities.
- Often made with poor quality material, they are inadequate to withstand the cold and rainy weather of mountainous areas. Sanitary facilities are poor. Cramped living conditions mean children, parents and extended families share the same sleeping space.
- A government survey in 1994 revealed the seriousness of the housing problem in the estates: 45 per cent of houses were overcrowded; 64 per cent had inadequate lighting, and 64 per cent had poor ventilation. Sixty-two per cent of residences had no latrines and 42 per cent did not have sufficient water.

# Poverty

Plantation Tamils have the highest poverty rate of 11.4%, which is staggering compared to the national rate of 8.9%.

Below you will find census data revealing the percentage reduction of poverty levels on the national level as well as in the urban, rural and plantation sectors:

Sector	1990/91	1995/96	2002	2006/7	2009/10
National	26.1	28.8	22.7	15.3	8.9
Urban	16.3	14.0	7.9	6.7	5.3
Rural	29.5	30.9	24.7	15.7	9.4
Plantation	20.5	38.4	30.0	32.0	11.4

- The standard of living, per household, of members of the plantation sector is significantly lower to that in other sectors. This is in part because the plantation wages do not match the rise in commodity prices. It is also due to health and other social issues, described in the sections below.
- Of those impoverished in the plantation sector, a majority are women and children.





# THE PRICE OF TEA

## Education

- Male literacy in the plantation sector is 88.3 per cent and the female literacy rate is 74 per cent compared to the national rate of 91.4 per cent.
- A government survey in 2009-10 found that the percentage distribution of population by level of education as follows:

Education Level	National (%)	Plantation Sector (%)
No education	4.2	13.1
Up to 6-10 Level	44.6	37.7
Passed GCE (A/L) or above	11.2	2.3

- Children from the plantation community often drop out of primary school in order to work, which is uncommon in the rest of Sri Lanka. According to a report by the Coalition of Agricultural Workers International in 2010, about 10,000 children from the plantation community are believed to be working as domestic workers in the urban sector.

The Ministry of Education and Higher Education compared 1990 *Drop-out* rates:

Grade/Year	Nat. Av.	Plant. Sch.	Grade/Year	Nat. Av.	Plant. Sch.
Year 2	1.72	1.72	Year 5	4.6	28.57
Year 3	2.70	2.70	Year 6	5.49	29.57
Year 4	4.17	4.17			

# Health

- The healthcare facilities available to plantation workers are inferior to those available in other sectors. One health facility must serve the inhabitants of multiple plantations, which means the facilities are overextended and lacking in resources.
- The plantation workers face a variety of risks (mechanical, biological, etc.) as a part of their daily lives. The healthcare facilities in place do little to help those who have been severely handicapped by their working conditions (e.g. back, leg, heart injuries).
- The increase in the use of pesticides on the plantations has had adverse effects on the workers, including the spread of disease and the risk of earth slips. Despite these dangers, the workers are not offered any more healthcare outreach.
- Within family planning programmes, maternal and child mortality rates are particularly high. Expecting and new mothers are of low body weight and give birth to underweight and undernourished infants. Mothers lack adequate pre- and post-natal nutrition education.

THE PRICE OF TEA







## Wages

- The tea pickers' wages depend on how many leaves they collect. The agreed daily wage, between the Employers' Federation of Ceylon and the Ceylon Workers Congress (CWC), as of 6 May 2011, is Rs. 380 per day (about €2). To earn this rate, an individual tea picker would have to pluck between 15 and 20kg per day. The trade unions had originally proposed for the basic wage to be 500 rupees or €3.
- In addition to this basic wage the worker is also entitled to an attendance incentive, which can take the total up to 515 rupees but to earn this the individual has to work three quarters of a month.
- The wages are decided by a collective agreement signed by three major plantation trade unions and the Employees Federation of Ceylon (EFC). This signed agreement can only be proposed every two years.

# Situation of Women

- Women make up a little more than 50 per cent of the plantation workforce. These women work longer hours (9-10 per day) than men.
- Female workers are expected to harvest a *minimum* of 15-20kg each to receive the daily wage.

*Both men and women have access to the same daily wage, but only men have access to union positions and public debates (on workers' welfare, wages, etc.). Women tend to work longer hours – the average attendance is 18.65 days for female workers, versus 10.80 days for men - Red Colour of Tea*

- The same report explains that there are high levels of sexual violence in the workplace and domestic violence among plantation workers.

See a photo story on the situation of women tea pickers on [www.priceoftea.com](http://www.priceoftea.com)

THE PRICE OF TEA



# THE PRICE OF TEA

We understand that the situation is complex because the tea plantations are owned and run by the government, private companies and individuals who all have a responsibility towards their workers. Most plantations are also struggling to make profits due to high production costs. But none of these factors justify or explain the decades of negligence, marginalisation, exclusion and poverty of an entire community.

## This is what we are asking for

To the government of Sri Lanka:

- To work with the corporate sector, trade unions and individual tea small holders in consultation with community organisations in the plantation areas to make specific recommendations on improving the working and living conditions of plantation Tamils. To set up an independent body to implement these recommendations.
- To improve educational facilities, deploy more teachers to plantation schools and provide financial and social support to families to ensure that children stay in primary and secondary education.
- Assess the causes for high poverty levels within the community and take specific steps to address this problem, including supporting families on income generation.
- Improve health facilities in the plantation areas.
- Provide land and housing rights to plantation workers as per the assurance given by the President of Sri Lanka Mahinda Rajapaksa in his pre-election manifesto in 2005.

*Read our full list of recommendations and more.....*

[www.thepriceoftea.com](http://www.thepriceoftea.com)

# THE PRICE OF TEA

GIVE YOUR VOICE TO  
SRI LANKA'S TEA  
PICKERS >>>

TAKE ACTION NOW

[www.priceoftea.com](http://www.priceoftea.com)