

## Introduction

Solidaridad is an international civil society organisation with more than 45 years of global experience in facilitating the development of socially responsible, ecologically sound, and profitable supply chains. Solidaridad was requested by Tata Global Beverages Limited (TGBL) to conduct an independent assessment of the living and working conditions in the tea gardens of Amalgamated Plantations Private Limited (APPL), a company in which TGBL has significant shareholding and which supplies tea to it.

The Indian tea industry is the second largest employer in the organised industry and provides a livelihood to more than a million workers in remote corners of the country. Therefore, when a number of serious social issues were alleged in the recent past in relation to APPL., we were deeply concerned. However, we welcome the willingness of TGBL to objectively assess these allegations and take necessary actions based on these facts.

The research allowed us to dive into issues like living and working conditions of workers in north Indian tea estates—a subject of scrutiny right from the setting up of tea plantations in early 19<sup>th</sup> century. These subjects have always brought out extremely polarised opinions. Some of the analysts portray the huge burden on the tea industry to fulfil its social and environmental requirements that is not required in any other agro-commodity. On the other hand some of the analysts compare the plantations with modern slavery. They maintain that tea industry is making profit by depriving the workers.

The present research by Solidaridad is to find a space in between these two polarisations. There are several recommendations Solidaridad have given, which could be interpreted by analysts depending on where they stand in this polarised debate.

By virtue of the scope of the assessment our recommendations are limited to the plantations managed by APPL. However there are some

issues on which APPL can take immediate action on its own and many issues where unilateral action by APPL will not be sufficient for achieving the objective of enhancement of socio-economic conditions of the plantations workers. What is critically needed is a constructive debate involving all stakeholders and collective action by all the players in the industry, including the fragmented small growers. The present recommendations are part of the comprehensive research report submitted by Solidaridad to TGBL>

Solidaridad does not claim that its analysis is the most conclusive one. In spite of having a hugely experienced research team, we do not have the courage to say that we have been able to figure out all the issues that is debated for around two centuries. What we have tried to do is draw from all our experiences in the tea sector and analysed the problems from our perspective.



**Dr. Shatadru Chattopadhyay**  
**Managing Director**

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## Methodology of the Research

Solidaridad conducted an independent research by making extensive field visits to the APPL tea estates as well as analysing secondary documents. Assam and North Bengal are known for diversity-culturally as well as agro-climatically. Hence, all the seven districts from where APPL is operating were covered. Different sized APPL tea estates were taken as samples from these 10 districts. Both quantitative research methods and qualitative research methods were applied in the field research using three techniques.

For **interviews**, the questions were posed to relevant persons using unstructured or semi-structured interview method. The researchers followed-up on things they have said, asked for more information, asked them to explain more, and so on. This allowed us to ensure that if the respondent has understood our questions and we have understood their response clearly. The interviews were conducted with workers mostly inside their homes.

The Solidaridad research team, having 130 years of collective experience of different aspects of living and working conditions in the Indian tea industry used the **observation technique** very effectively. The researchers used both covert as well as overt observation techniques. A random sampling was done to select the labour quarters for visit.

The third technique used was the **Questionnaire Survey by Dibrugarh University**. Solidaridad tried to have an independent perspective of workers in order to limit biases and check Solidaridad's findings with worker's perspective. The Centre for Studies in Social Works, Dibrugarh University was requested to conduct the survey. Twenty students from final year of Master of Social Work course stayed in 10 tea estates and covered randomly selected 1000 workers from 10 districts or 3.5 percent of all permanent workers in APPL tea estates.

## Scope of the research

The research was focused on the following aspects:

- a.) Background of the tea industry in Assam and understand the context
- b.) Workers welfare – including living conditions, facilities and utility provisions
- c.) Analysis of the health situation in the APPL gardens - including drinking water, sanitation and medical facilities
- d.) Assessment of working conditions in APPL gardens – including wages, health and safety, status of the work force, employer employee relations and trade unions
- e.) The restructuring of the gardens and employee ownership – including the restructuring process, employee shareholdings
- f.) Assessment of efficacy of voluntary standards

## General Recommendations

1. TGBL could consider setting up an expert panel of internal as well as external stakeholders who could review and feed into their overall sustainability strategy in tea. Developing strategic partnership with capable civil society organisations will assist TGBL and APPL to bring in knowledge on sustainability from outside the company.
2. We recommend that TGBL should focus its attention on the following issues with fixed targets integrated in its sustainability strategy:
  - a. **Malnutrition:** Address the issue of mal-nutrition across the tribal population of Assam and North Bengal. Most of the researches have found severe levels of under-nutrition in tea plantations, yet levels of awareness remain low. Such under-nutrition may lead to direct losses in productivity and resources from reduced labour output and physical productivity due to illness, fatigue or other health related problems.

- b. Sanitation and Women's wellbeing:** Several United Nations reports have highlighted the stark consequences for women and girls lacking access to toilets or use of good hygiene practices. Any development framework to succeed in the tea plantation will need to set ambitious targets to achieve universal access to water, sanitation and hygiene. The workers and their families in the TGBL supply chain will be healthier and more productive if they have access to clean water and better sanitation and if they adopt improved hygiene practices.
  
- c. Review of Certifications:** TGBL needs to develop its own sustainability framework that could be applied across different commodities and different suppliers. This framework needs to lay down Tata values in social, economic and environmental aspects. The external sustainability standards should be then benchmarked against TGBL sustainability framework. Impact assessments should be conducted on regular intervals to understand the contribution of these standards to the improvement in social and ecological concerns.

## Specific recommendations

### 1. Housing

- a) Number of houses: APPL is having an overall shortfall of houses by 5% for the workers. The short fall is lesser than what is prevalent at present in Assam tea gardens. Nonetheless, APPL needs to develop a road map towards being fully compliant within a reasonable time period. Potential for building double floored houses needs to be discussed with stakeholders who have so far opposed that, and address the modern times realities
  
- b) House repairs: In almost all the estates there is a backlog of complaints regarding house repairing. However, some of the estates need immediate attention. Most of the repairs needed are around leaking roofs, cracked walls or missing doors and windows. APPL could develop a three years step-by step action plan for repairing of the houses. In doing this process, APPL also needs to upgrade the complaint registers maintained by each estate for house repairing. It should be a standard register that clearly demonstrates the start the loop of a complaint and end of the loop with the workers signing it off after the repair has been done. This process would also need to re-look at the budget allocation for housing repairing. The amount allocated by APPL in our view is not sufficient to meet the current repair requirements. This budget allocation needs a review.
  
- c) Electricity: In most of the estates visited except some of the labour lines in Hathikuli and Nahorani are following individual meter systems in combination with the cluster meter approach. The electricity bills are as per government's fixed rates rather than industrial rate. Direct electricity connections from government electricity boards already exist in estates like Teok, Lamabari and Rungamuttee. This is a good model to be followed across the group in close consultation with the workers that helps reducing illegal tapping of electricity. The users committees set up in several gardens needs to be engaged and trained on good practices of energy saving.

## **2. Conservatories, bathing units and drainage**

- a) Unavailability of latrines and bathing units: In total, there are 18,189 latrines available for 137,508 people (many of them having no relation with APPL) living in the APPL gardens. Out of the total latrines available, 40% of them not used because of need of repair or lack of water. This could lead to contamination from fecal germs, which could cause a host of diseases, including hepatitis A, polio and infectious diarrhea. As per company record there are only 23% bathing enclosure available over what is needed. We propose that APPL conducts a thorough audit on latrines and explore the option of providing a number that is practically needed rather than meeting the PLA requirements. The unusable latrines and bathing units need to be repaired within a time frame that could be set by APPL management. In the beginning the focus needs to be on the gardens, which are not even meeting the legal requirements.
- b) Technical flaws: There are technical problems with most of the toilets in Assam tea plantation. The UNICEF toilets require supply of water, which is scarce. APPL needs to look beyond the UNICEF's activities in Water, Sanitation and Hygiene (WASH) and diversify its engagement with other agencies like the Gates Foundation with programmes like "Reinvent the Toilet". There are several other government and non-governmental agencies that are specialising in it like Sulabh International, DRDO Bio-toilet, Zero Discharge Toilet System of IIT Kanpur and many more.
- c) Drains: In most of the estates the drains are not properly cemented and mostly overflowing. Such circumstances could become a serious public health risk. APPL should set targets for constructing cemented (pucca) drains in phased manner. Until that is done, the *kuchha* drains need to be repaired.
- d) Drinking water: The drinking water is tested regularly and purified in the estates. However, the process needs further improvement. We recommend developing a project with Swatch water filters around safe drinking water for tea garden workers.

NGOs and Tata Foundation could support the project on cost-sharing basis.

- e) Engagement with NGOs: There is a need for more community engagement in addressing the sanitation, drainage and water issues. Specialised NGOs could be engaged to develop awareness of the tea workers and motivate them to be pro-actively involved on these issues.

### **3. Working condition**

- a) Legal wages: APPL is in full compliance with law in terms of wages paid and there were no illegal deductions. Any change in wage component requires an industry wide solution. Hence, we recommend a multi-stakeholder dialogue is initiated that would particularly focus on value and quality of non-cash components of wage.
- b) Unions: APPL could form Estate Employees Council in each estate where equal number of men and women from each workers line could participate. This council should not be seen as a replacement of organized trade union. The Employees' Council should meet at least once a month and discuss critical issues around welfare, health, sanitation and other related issues. This council must also have a gender committee comprising of women members to address specific issues related to women employees. Minutes must be prepared for all the meetings of the council and shared with the head quarters of APPL. The action points needs to be monitored.
- c) Migration of young girls: Young boys and girls are both leaving for jobs in big Indian cities. Urban migration is a social challenge in parts of Assam and lack of awareness of the risks of migration, contributes to this problem. We suggest that information tools like booklet and/or a video in local language be developed that provides knowledge about the work they are going to do in cities, their rights, terms and condition of work and most importantly the difficulties of living in a mega city. An association with a NGO to council the youth in tea garden would be desirable.

d) Personal Protective Equipment (PPE): The PPE used in different APPL estates are not of sufficient quality and do not offer workers adequate protection. APPL need to invest in procuring high quality and yet locally suitable PPE, which could be standardised across all estates. The sprayers are not rotated at present from their duties and they need to be done so every three months to avoid continuous exposure to chemicals. Finally, APPL must come up with a plan of providing a wash station in each estate where the PPE could be washed and workers could take bath. The present practice of washing the PPE at the same place from where they collect drinking water is dangerous.

#### **4. Health & other welfare measures in APPL Estates**

- a) Doctors: Tata Tea and later APPL was found to be providing best in class medical facilities in the estates. The availability of doctors is more than required as per law. However, the systems maintaining the attendance of doctors-particularly the visiting doctors from other estates during leave period of regular doctors, needs improvement. They must maintain an attendance register depicting their availability in a garden on a particular day. Together with ABITA and DBITA once a year a seminar could be organised for estate doctors of different estates. The best-case practices could be shared in these meetings. The skills of the doctors should be enhanced through special training on diseases, which are common amongst the estate workers.
- b) Dependents medical facilities: The PLA amendment of 2010 requires the dependent husband of a permanent worker be extended the medical facilities. However, in most of the estates this norm was not followed rigorously till 28<sup>th</sup> March 2014 when APPL management notified the estates for the same. This policy of APPL pertaining to dependents should be informed to the workers adequately through Employee Councils.
- c) Nutrition: Under-nutrition of tea workers is an industry wide issue in Northern India. As per records APPL lost 289,329 person days due to sickness of its employees just in 2013 only.

An immediate solution could be to help the workers develop the kitchen gardens most of which remains unutilized

## **5. Restructuring of Tata Tea and shareholding**

- a) Tata Tea's plan of sharing the ownership of the tea gardens with workers and staff is a best-case practice of responsible transition during a time of extremely poor prices leading to closure and selling-off of estates. There was no evidence of APPL management forcing or coercing workers to buy APPL shares. However, there is a clear need for further educating workers on financial literacy to understand the value of their shares and how that could help them plan their life.

## **6. Fisheries**

- a) There was no violation of any law that we came across by APPL in pursuance of its non-tea agricultural programme in the 10 gardens we surveyed. In some estates there were contracts given to workers, which indeed erroneously used phrases like "regular temporary employment in perpetuity". Either, these workers are regularised and made permanent workers with all fringe benefits or they could be given the government approved minimum wages for non-tea agricultural activities.

## **7. Review of sustainability standards in APPL**

- a) APPL has invested on getting its estates verified under Ethical Tea Partnership standard as well as SA 8000 standard. In addition there are other quality standards. We recommend that a simple easy to understand guide is prepared for compliance of all standards by all APPL gardens. In addition, a new position needs to be created who is fully dedicated to the implementation and management of sustainability in APPL gardens.

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