

# THE STORM IN YOUR TEACUP: LABOUR EXPLOITATION IN THE GLOBAL TEA INDUSTRY

## Fast facts:

- Tea comes from the leaves of the *a sinensis* plant.
- Black, white, green and oolong tea all come from the same plant. The differences are created through various processing techniques of the leaves and bud<sup>7</sup>.
- About 3,750,000 tonnes of tea are produced each year<sup>8</sup>.
- Approximately 58 percent of global production is consumed locally in tea producing countries; only 42 percent is exported to non-producing countries<sup>9</sup>.

Captured in the classic imagery of the jolly swagman waiting for his billy to boil, tea has long been an integral part of Australian life. After water, tea is the most popular beverage in the world. Every second, 70,000 cups are drunk globally<sup>1</sup> – and the global demand for tea is rising by as much as five percent a year<sup>2</sup>.

Most of the world's tea is grown in China, India, Kenya and Sri Lanka, as well as in other countries in Asia and Africa<sup>3</sup>.

Tea is either grown on large plantations known as “estates” or by small-scale farmers. The tea industry is estimated to involve about 50 million people worldwide<sup>4</sup>. But conditions for tea workers are not always fair.

Workers may not be paid a decent wage, and they may work in exploitative conditions where their basic needs are not met<sup>5</sup>. There have also been reports of child labour in the tea industry<sup>6</sup>.



DON'T TRADE LIVES FACTSHEET



# POVERTY AND LABOUR EXPLOITATION

It takes a lot of land to grow tea, so tea estates tend to be in remote rural areas. Most tea workers live on the estates. They may be descended from families who came to the region to pick tea generations ago<sup>10</sup>. For example, during the late 19th century in India, British colonial administrators brought some 750,000 indentured labourers from central India to the tea plantations in the northern hills<sup>11</sup>. While they were ostensibly “free labourers”, they were subjected to terrible conditions, including beatings, torture and sexual exploitation<sup>12</sup>. Because they worked in isolated, unfamiliar areas and had little contact with local villagers, leaving the plantations was not possible<sup>13</sup>. Others may have moved more recently from neighbouring regions in search of work on the estates.

Today’s workers belong to the most disadvantaged and marginalised groups in society, who have suffered from a lack of education and resources for several generations<sup>14</sup>. This means they have very few options other than to accept the conditions offered by the estate. The estate owners are obliged to provide for workers’ basic needs such as healthcare, housing and access to education for their children. However, the market price for tea fluctuates widely, and the average price is low<sup>15</sup>. With slim profit margins, often the estate owners do not invest in infrastructure for workers, leaving their basic needs unmet<sup>16</sup>.

The estate workers’ daily wages are typically very low. For example, workers in India may be paid as little as \$1 a day for plucking 20kg of tea<sup>17</sup>. For smallholder farmers, their profits depend on the prices they can negotiate with brokers who sell the tea on to processing factories. Often these growers are in a weak bargaining position because they lack access to accurate market information<sup>18</sup>. Tea is a seasonal crop, with the bulk of labour occurring over 6-8 months of the year. This means that farmers may have no income during the

off-season and temporary workers on estates may be dismissed. Due to these factors, many smallholder farmers and tea workers on estates live in poverty.

Tea pickers are almost always women or children, while men are usually employed for tasks like pruning and applying fertiliser. They work on their feet all day with heavy baskets on their backs, resulting in injuries. Respiratory and waterborne diseases are a major risk, since the workers are outside in harsh weather conditions, often without adequate clothing<sup>19</sup>. The workers are often exposed to toxic pesticides, insecticides and fertiliser<sup>20</sup>.

## What is child labour?

Child labour is any kind of work that deprives a child of their childhood, their potential and their dignity. It is work that exceeds a minimum number of hours and that is harmful to a child’s physical and mental development. It may include work that is mentally, physically, socially or morally dangerous and work that interferes with schooling.

## Child labour

Children often work to help support their families. Living on remote estates, it is often difficult for children to get to school if the estates don’t provide education. Many children have little else to do other than work<sup>21</sup>. Much of the work children do is considered as “helping out” their parents. As such, they are not officially employed and commonly are not protected by local labour laws<sup>22</sup>. The extreme

poverty faced by many tea workers means that children’s income is vital to support their families. These factors create the conditions for child labour. As more children enter the workforce, adult wages are driven down, resulting in a vicious cycle of poverty.

The children may work more than eight hours a day without a break, plucking and carrying tea leaves. As the weighing stations are often several kilometres from the fields, they must regularly carry loads of up to 30kg<sup>23</sup>. Back problems are common from carrying such heavy loads. As children’s bodies are not fully developed, this can cause severe long-term damage. Often denied warm, protective clothing and shoes, the children may suffer from chest infections, skin diseases, cuts and bruises. The tea fields are vast, and when girls are working away from their parents alongside adults, sexual harassment can be a problem<sup>24</sup>.

# THE TEA SUPPLY CHAIN

## Growers:

Smallholder tea farmers may struggle to get a fair price for their products due to their weak bargaining position, while workers on estates are often paid very low wages. Child labour is often present. Workers and children may be exposed to toxic pesticides and herbicides. They may suffer from illness and injury due to inadequate protective clothing and equipment.



## Processing:

This usually occurs at processing plants where the leaves are dried, fermented and cut. Most estates have their own processing plants, so labour exploitation may occur there. Smallholder tea farmers sell their leaves to a processing plant or estate.

## Brokers:

Brokers facilitate auctions where trade between producers and buyers usually takes place. Brokers communicate information regarding supply and demand, and indirectly determine the price of tea. This may seem like a fair system, but with a small number of companies dominating trade, and possible collusion among brokers to influence the process, smallholder farmers may find it difficult to negotiate their price.

## Buyers:

They purchase tea for companies who blend and pack it. This is where most value is added to the product, so tea companies are often the players making the most profits.

## Retailers:

Retailers stock the products that consumers purchase, either under their own brand labels or on behalf of tea companies.

**NOTE:** The tea supply chain can differ between companies. In some cases, companies have oversight over several stages of the process. For example, the two biggest tea companies, Unilever and Tata Tea, own their own tea estates and processing plants from which they can source their tea directly.





## A BETTER FUTURE IN TEA LEAVES

Kohila, 29, comes from a long line of Sri Lankan tea pickers. “All we knew was tea plucking. My mother, my grandmother and those before her plucked tea,” she says.

The first tea estate labour force was brought into Sri Lanka from India by the British to work in the plantations during their rule. They had no citizenship and barely any rights. They were exploited for labouring work in the tea estates as well as sent as domestic help to big cities for very low pay. Today, many of their descendants are born into life on the plantations.

Kohila and her family, like other plantation labourers, lived in a tiny 9x10 feet room provided by the estate management. Sometimes up to three generations live in one room that they will never own. In order to keep this shelter, they have to work on the plantation and meet the quotas set by management.

Growing up, Kohila dreamt of going to university and becoming a nurse. Her two older sisters had already dropped out of school to help their mother pick tea. The women had to pluck 20kg each per day and work for 22 days to receive daily pay of 500 rupees (around US\$4). If they missed a daily target it would affect their overall pay.

With so little family income to support them, Kohila’s brother sent her and her sisters to work as domestic servants in a faraway city, in order to make more money, whilst he and their mother continued to work on the tea estate.

“The work in those houses was also hard,” Kohila remembers. “We had no time to rest.”

Eventually, Kohila courageously escaped this domestic servitude. In fear of her brother’s punishment, she and an old friend ran away.

“We moved to a new estate and built a temporary hut and I had to begin work plucking tea. I was horrified that my life ha[d] fallen back into the same pit and that some day my children might live the same cycle,” says Kohila.

Fortunately for Kohila, World Vision and other local organisations were working in the area to help improve conditions for tea labourers.

“They gave me hope although I was scared to hope. They even visited us at home and seeing the condition of our



shed, provided me with roofing. I felt so cared for. Every time there was a meeting with World Vision I would attend," she says, smiling excitedly.

"By the time I had my first child, World Vision had opened a crèche with a train[ed] attendant so that we mothers could leave our children in safe hands when we go to work," she adds.

Previously, mothers were forced to return to work one month after childbirth, leaving their children with an untrained assistant. Now, Kohila is able to get support and advice on good health, nutrition and hygiene practices for herself and her child.

"I share the knowledge I gained with other mothers too in my community and have seen a great improvement in the weight and nutrition condition of their babies as well."

Kohila has four children now. Her husband works away from home and returns monthly to the plantation. She continues to pluck tea and manage the home.

"We get paid only 5,000 rupees (around US\$40) a month no matter how hard we work," she says.

But she manages to save some money each month for emergencies, with support from the World Vision-initiated savings club. This means her family no longer has to go into debt if a child falls sick and needs medicine. Her children's education is a big priority for Kohila.

"My only dream is to give them a good education so that they will have a much better future. Already they have big dreams."

## WHERE DOES EXPLOITATION OCCUR?



1. Kenya<sup>25</sup>

2. Malawi<sup>26</sup>

3. Rwanda<sup>27</sup>

4. Tanzania<sup>28</sup>

5. Uganda<sup>29</sup>

6. Zimbabwe<sup>30</sup>

7. India<sup>31</sup>

8. Nepal<sup>32</sup>

9. Brazil<sup>33</sup>

10. Sri Lanka<sup>34</sup>

11. Indonesia<sup>35</sup>

# WHAT IS BEING DONE?

Unlike the cocoa industry, which has acknowledged and developed policies about labour exploitation in its supply chain, no comprehensive global governance systems have been developed to regulate labour practices in the tea industry.

Since the late 1990s, however, a growing movement of consumers and civil society organisations have been committed to improving standards for workers around the world. As more consumers have become aware of the people behind the products they buy, there have been increasing demands on business to provide guarantees that tea is produced ethically. As a result, some businesses have begun to clean up their product's supply chain and conditions in some places are improving.

## Independent certification schemes

To provide customers with this guarantee, many companies now source their tea from farms and estates that have been independently verified by a third party to be free from labour exploitation. Fairtrade<sup>36</sup>, Rainforest Alliance<sup>37</sup> and UTZ Certified<sup>38</sup> are examples of such certification schemes. These schemes comply with the standards set by the International Labour Organization which include provisions on wages, safety standards and child labour. They provide the most

credible assurance to customers that the product is free from forced, child and trafficked labour.

Some companies choose to implement their own standards instead of signing up to a scheme. This could be an acceptable solution, as long as the company is transparent in providing independent auditing of the standards. However, to date none of the major companies have implemented schemes to the same standard as the ethical certification schemes.

Other initiatives have developed to support the sustainable development of the tea industry, such as the Ethical Tea Partnership<sup>39</sup>. Whilst this paid membership partnership can provide guidance, training and monitoring for companies, membership of the Ethical Tea Partnership does not guarantee ethical standards are met. Nor does it mean that companies will be forced to comply with best practice standards. However, this can be a step in the right direction as it provides an opportunity to help prepare producers for certification.

Some companies choose to contribute to charitable works instead of implementing certification. For example, they may fund charities that offer educational scholarships to the children of tea estate workers. This is a positive action, since it acknowledges and supports tea workers stuck in a cycle of poverty. But this should not

come in lieu of addressing corporate practices. Businesses must also address systemic changes to the conditions and wages of workers, so that they can afford to support their families on their own instead of relying on charity. Guaranteed, independently verified labour and wage conditions are the best way of creating such change.

## What can I do?

You can influence the practices of tea companies by purchasing ethical products. As more people purchase ethically, companies recognise this shift in the market and are encouraged to provide more ethical products in order to compete in that market. If your local café or retailer doesn't stock ethical tea, ask them to! This creates a real change in the lives of tea producers who receive a fairer wage and better working conditions.

However, there is still much more to be done to guarantee a better future for workers. You can grow this movement by getting others to reconsider what they put in their teapot. Share this fact sheet and start teaching others about how their cup of tea can help change workers' lives around the world.

Read our Good Tea Guide to find out which teas have been produced without using exploitative labour. For more information visit:

**[donttradelives.com.au](http://donttradelives.com.au)**

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