Do trade certifications alleviate economic and social deprivations of plantation workers?
A study of the tea plantation sector in India

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ABSTRACT
This paper explores the important question whether trade certifications alleviate the economic and social deprivations of workers in tea plantations in India. Following a critical assessment of the historic deprivations faced by tea plantation workers, the author reviews the potential implications of various certifications adopted by tea plantations in India, including, Fairtrade (FT), RFA, ETP and Trustea. As a case for empirical analysis, the paper specifically examines FT certification and its impacts on tea plantation workers with particular reference to three certified tea estates located in the Nilgiris region in Tamilnadu (South India) and Assam (North-East India). The analysis endorses many of the findings of earlier studies on Fairtrade certification. Yet, it also provides very useful additional insights in terms of explaining why the adoption of certifications, especially FT certification, by tea plantations does not yield the intended outcomes with respect to amelioration of the deprivations suffered by the plantation workers. It reveals that, despite more than two decades of engagement with FT certifications, tea plantations are unable to make significant improvements in the lot of the plantation workers due mainly to the fact that the FT premiums that the tea estates receive are nominal and quite variable across years. It concludes that, given that the domestic consumption demand for tea has been growing in India, it is also crucial to focus on the domestic market through the design and promotion of appropriate certification standards (integrating the finest elements of existing ones) that would contribute towards improving the status as well as working and living conditions of plantation workers. This would also help mitigate the huge disparity in wages and earnings of workers between the south and north Indian states that emerge from the study.
The context

The changing trade policy environment reflects the ongoing process of economic globalisation with impacts on the labour markets across countries, especially in the emerging economies in the developing world. On the one side, as indicated by some studies, globalisation has caused significant job losses in the industrialised countries, as industries or business firms downsize their employment to face competition, further exacerbated by rising cheaper imports from low-wage countries, as well as a shift of production base to low-cost locations (ILO, 1996). The labour market effects of globalisation have also been reflected in an intensification of the process of casualisation or informalisation of labour markets, causing dislocation or marginalisation of workers and labour households by reducing employment opportunities (Reddy, 2019).

The latest arguments from neoliberal perspectives hold that trade reforms create dampening effects on labour markets and associated institutions, labour laws, regulations, trade unions and collective bargaining. The new labour and environmental standards that emerge from the process of deepening global market integration create adverse effects on labour markets by imposing ‘rigidities’ on the functioning of market forces, affecting growth and workers’ welfare (OECD, 1994; Patnaik, 2014; Das, Choudhury & Singh, 2015).

At the same time, the negative impacts of globalisation on conditions of work and labour rights at the international level have raised concerns amongst multilateral institutions, such as the International Labour Organization (ILO) and the UNDP, which have drawn attention to the need for new strategies and pathways to address the labour standards related issues proposed under the WTO negotiations. As a result, the new trade standards involving labour markets have been accompanied by ‘social clauses’ as well as ‘social protection and welfare’ measures to establish and strengthen a legitimate link with protection of workers in the face of trade liberalisation (De Jonge, 2004).

Thus, the push towards ‘trade reforms induced labour standards’ also coincided with growing demands for ‘labour protection’ upheld by the large corporations in the developed world against a backdrop of ‘trade openness’ in the era of global market integration. It is plausible that increasing ‘trade openness’ has corresponded with increasing job opportunities in labour-intensive sectors along with strong social protection achieved through the redistribution of benefits from trade. In view of this potential link between

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1 Increase in trade may increase employment opportunities especially for women in countries having comparative advantage in female-intensive sectors, such as textiles and clothing. For instance, increased competition from global trade resulted in a reduction in gender wage inequality in the US with an increasing share in women employment during the 1980s (Pieters, 2015).
openness to trade and labour protection one could argue that increasing trade engagements by nations, manifested by an array of trade reform measures, including import tariff reduction, signing of trade agreements, adoption of trade certifications, ‘sustainability standards’ (labour and environmental standards), etc., would eventually lead to improved welfare of the workers and producers at the bottom of the value chain.

The present paper is set against this backdrop, to examine the curious case of the tea plantation sector in India, which has been facing a serious crisis emanating from a host of factors, including rising market uncertainties, especially volatility in prices (Fontana, Jockes & Masika, 1998), loss of comparative advantage in production and trade, precarious production and working conditions of the workers, to mention a few (Viswanathan, 2013; Bhowmik, 2011). As price decline affected the profitability and viability of plantations, the large planters adopted various cost-cutting measures to overcome the crisis (Viswanathan & Shah, 2009), which mainly included retrenchment of labourers, abandonment or lockouts of plantations, lowering and/or non-revision of wages and non-compliance with the provisions of the labour welfare measures (Viswanathan and Shah, 2016).

One of the policy responses by the organised tea plantations to overcome the crisis and revamp the production and trade sectors has been the adoption of various trade certifications, involving standards of production, processing and marketing of tea. Most of these standards, either voluntary or mandatory, tend to focus on improving the social and environmental conditions of production in tea plantations. The major tea certifications include: (a) Fairtrade (FT); (b) Rainforest Alliance (RFA); (c) UTZ certification; (d) HACCP; (e) Ethical Tea partnership (ETP); (f) ISO; and (g) Trustea. These certifications are considered to be critical entry points aimed at ensuring decent working and living conditions for the tea plantation workers under the ILO’s latest Standards of Decent Work Agenda, 2014. It was expected that these certifications of labour and environmental standards, when efficiently administered, would help achieve the ILO’s much desired fundamental rights at work, especially, (i) freedom of association, (ii) the right to collective bargaining, (iii) eradication of forced and child labour practices, and (iv) removal of discrimination in occupation and employment (ILO, 2014).

A study of Indian tea plantation workers becomes a curious case in the light of the major changes recently observed in the tea business and trade environment in the context of the emerging trade reforms involving certifications. The study becomes more relevant as there exist glaring discrepancies and deprivations in the tea plantations with respect to fundamental labour rights and gross violations of labour standards as mandated by the ILO. The argument that the economic and social deprivations of tea plantation workers are extreme assumes significance in view of the widely reported non-compliance by the plantation companies with the labour protection measures as stipulated by the historic Plantation Labour Act, 1951 (PL Act, 1951 henceforth). In this paper, we put forth an argument that the effective implementation of various certifications involving labour and environmental standards may help ameliorate the deprivation and marginalisation of tea plantation workers through sustained programmes of economic and social protection of workers leading to improvements in working and living conditions and a progressive shift in their socio-economic status.
Objectives, data and approach

The specific objectives of the paper are: first, to discuss the historic plight of tea plantation workers in India (North-East and South), in terms of socio-economic status, production conditions, wages and earnings, and living conditions; second, to examine the effects of various certification systems on improving the socio-economic status of workers and working conditions, as historically guaranteed by the PL Act 1951; and third, to suggest policy initiatives based on the study that could strengthen the stake of the plantation workers in efforts to sustain the dynamism of India’s tea plantation sector.

The paper significantly draws on the extant literature on the important dimensions of tea plantations and the workers from a historic perspective, supplemented by prior empirical research undertaken by the author, including a recent study on the impact of Fairtrade certification on workers’ welfare (Viswanathan & Joseph, 2016). Our study adopts a political economy perspective.

The rest of the paper is organised into three sections. The next section provides an overview of the tea plantation sector and its prominence in India’s plantation industry in terms of socio-economic significance, trade and contributions to the livelihoods of producers and workers. It then discusses the various aspects of economic and social deprivations that affect the tea plantation workers. The next section focuses on the trade certifications involving the tea plantations in the context of trade reforms, followed by a brief assessment of the potential impact of some of the most prominent certifications, especially the Fairtrade, on the improvement of working and living conditions of the tea plantation workers. The final section highlights the major challenges facing the tea plantation sector in the wide-scale adoption of certifications, followed by a discussion of the policy imperatives emerging from the analysis.

India’s tea plantation sector: an overview

India’s plantation sector comprises of four major commodities: tea, coffee, rubber and spices, including cardamom, cocoa and pepper. The estimated gross value of output of India’s plantation sector during 2018–19 was Rs. 447090 million ($31475.14 billion), which constituted roughly 2% of the total value of India’s agricultural output. With its significant contribution to domestic production, value addition and foreign exchange earnings, the plantation sector acts as a key sector in the inclusive development of the country (Joseph & Viswanathan, 2016).

Historically, India’s tea sector has been integrated with the global market, as India was a leading exporter of various types of tea in the world until late 1980s, though its relative share had declined since, due to an ever-increasing growth in the domestic consumption of tea. Nevertheless, India continues to enjoy comparative advantage in the production/processing and export of tea products in the global market. India exports almost 20% of its tea output in the form of various grades of tea, mainly including bulk tea (78%), packet tea (9%), etc. The gross value of India’s tea exports was Rs. 5,0649 million during 2017–18. During 2018, India’s relative share in world production and exports of tea was 22% and 13% respectively, with China being the top producer and exporter of tea (45% and 20% respectively). China and India together accounted for 67% of tea production and 33% of exports of tea in the world during 2018.
By and large, India’s tea plantation sector is well known for its geographical concentration of area, production, processing (value addition) as well as employment generation and livelihood protection, thus strengthening and enriching the regional economies of the states of North-East India and South India. For instance, almost 53% of the tea plantations are located in North and North-Eastern states, while South Indian states account for 42% of the tea plantation areas (Figure 1). Major shares of tea plantations are concentrated in Assam and West Bengal in North-East India as well as Tamilnadu and Kerala in South India. Table 1 presents a summary of the profile of India’s tea plantation sector in terms of its regional and structural concentration.

As is evident, the states of Assam and West Bengal together account for the highest shares in total area (83%) and production (89.8%) of tea in India, while the South Indian states of Tamilnadu and Kerala together account for 17% of area and 10.2% of production. The structure of tea plantations shows a higher concentration of larger plantations in Assam and West Bengal, with an 82% share in the number of estates, 87% share in area and 92% share in production. Tamilnadu shows a more or less similar status to West Bengal in terms of spread of small tea growers, though it has the lowest share in production of small tea growers.

The economic significance of tea plantations in the regional economies of North-East and South Indian states is demonstrated by its employment potential, especially in the employment of women workers, who form the majority of tea pluckers. The emergence of small and marginal tea producers over the past one and a half decades further signifies the importance of tea plantations as major sources of income generation and livelihood protection.

The system of production in India’s tea plantations thus manifests a dichotomous structure with the coexistence of organised plantations or large estates employing large numbers of hired plantation and factory workers, on the one hand, and small tea growers,

Figure 1: Geographical distribution of tea plantation areas in India
Table 1: Regional and structural concentration of tea plantations in India, 2018

<table>
<thead>
<tr>
<th>State/Region</th>
<th>Large Growers</th>
<th>Small Growers</th>
<th>Total Area (Ha)</th>
<th>Production (million kg)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>No.</td>
<td>Area (Ha)</td>
<td>No.</td>
<td>Area (Ha)</td>
</tr>
<tr>
<td>Assam</td>
<td>767</td>
<td>237601</td>
<td>87318</td>
<td>81754</td>
</tr>
<tr>
<td>West Bengal</td>
<td>446</td>
<td>111320</td>
<td>31101</td>
<td>28274</td>
</tr>
<tr>
<td>Tamilnadu</td>
<td>136</td>
<td>29714</td>
<td>45761</td>
<td>33217</td>
</tr>
<tr>
<td>Kerala</td>
<td>91</td>
<td>30955</td>
<td>8451</td>
<td>5518</td>
</tr>
<tr>
<td>Karnataka</td>
<td>19</td>
<td>2216</td>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td>Others*</td>
<td>126</td>
<td>13583</td>
<td>16899</td>
<td>25531</td>
</tr>
<tr>
<td>All India</td>
<td>1585</td>
<td>425389</td>
<td>189530</td>
<td>174294</td>
</tr>
<tr>
<td>North India</td>
<td>1339</td>
<td>362504</td>
<td>135318</td>
<td>135559</td>
</tr>
<tr>
<td>South India</td>
<td>246</td>
<td>62885</td>
<td>54212</td>
<td>38735</td>
</tr>
</tbody>
</table>

Note: Figures in parentheses indicate the relative shares in area and production at the national level. *Others include states, namely, Karnataka, Himachal Pradesh, Tripura and Uttarakhand.

Source: Compiled from Tea Statistics, Tea Board, Ministry of Commerce & Industry, Government of India.
on the other. This dualistic structure of tea plantations is in sharp contrast with other plantations, such as rubber, coffee and cardamom, which are distinguished by the dominance of smallholders. The organisation of production, working and living conditions in the tea plantations is legitimised by a formal institutional mechanism (i.e. PL Act 1951), a landmark legislation in the history of plantation agriculture in modern India.2

Historically, tea plantations were a major source of employment, especially, for the marginalised and underprivileged segments of society across regions. According to data published by the Government of India’s Labour Bureau, average daily employment in tea plantations increased from 0.95 million to 1.26 million between 1950 and 2000. However, there was a drastic decline in the employment levels by almost half, reaching 0.68–0.7 million between 2007 and 2015, owing to the plantation crisis that adversely affected the economic and financial status of tea plantations.

A distinct feature of employment in tea plantations is the dominance of women workers who constitute more than half of the workforce engaged in plucking tea leaves. With nimble fingers, women were always considered as ‘efficient workers’ and hence they are highly preferred over male workers. Women workers are also considered to be more docile in the plantation environments, while men workers are thought to be more likely to become actively engaged in militant trade union activities in the plantations, fighting for their entitlements and rights. Hence, the share of women has always been higher and quite consistently so in tea plantations than other plantations, especially, rubber in India (Figure 2).

![Figure 2: Share of women workers in tea and rubber plantations in India, 2001–2015](image)

Source: Data on employment in plantations, Labour Bureau, Govt. of India (estimated).

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2 The PL Act, 1951 (amended in 1981), defines ‘plantation’ as any land used or intended to be used for growing tea, coffee, rubber, cinchona or cardamom, measuring 5 ha or more and on which 15 or more persons are employed/were employed on any day of the previous twelve months. The central and state legislations on minimum wages, industrial disputes, provident fund, gratuity, bonus, etc., are also applicable to workers in organised plantations (PLA, 1951).
Deprivations of Indian tea plantation workers: some evidence

We now briefly examine some of the critical aspects of the deprivations of tea plantation workers in comparison to other plantation as well as non-plantation workers across states. This comparative assessment discusses the deprivations of tea plantation workers in terms of their wages and earnings, followed by the precarity of the economic and social conditions of the tea plantation workers among North and South Indian states.

Generally, tea plantations, especially in the states of West Bengal and Assam, are characterised by persistent low wages and very low socio-economic status as well as poor working and living conditions. For example, the average daily minimum wage in tea plantations in West Bengal, was Rs. 176 ($2.59), while it was even lower at Rs. 167 ($2.46) in Assam as against Rs. 310 ($4.57) in Kerala and Rs. 241 ($3.55) in Tamilnadu during 2018. In West Bengal, the prescribed minimum wage for even unskilled male agricultural workers was Rs. 261 and for construction workers was Rs. 292 at the state level.

Table 2 presents the striking differences in the wages of tea plantation workers in comparison to other remaining plantations as well as other industrial sectors in India as reported in the Occupational Wage Survey undertaken by the Labour Bureau of India during 2017.

Table 2 clearly shows that wages are significantly lower in tea plantations and tea-processing factories in comparison to wages in coffee and rubber plantations as well as the other major industrial sectors. While there is a visible gender wage gap in respect of all industrial sectors.

Table 2: Comparison of average daily wages in plantations with other industrial sectors, 2017

<table>
<thead>
<tr>
<th>Industry</th>
<th>Average Daily Earnings (Rs.)</th>
<th>Ratio of Tea Wages to Wages of Other Sectors</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Men</td>
<td>Women</td>
</tr>
<tr>
<td>1. Cotton textile</td>
<td>381</td>
<td>314</td>
</tr>
<tr>
<td>2. Woollen textile</td>
<td>460</td>
<td>380</td>
</tr>
<tr>
<td>3. Silk textile</td>
<td>500</td>
<td>525</td>
</tr>
<tr>
<td>4. Synthetic textile</td>
<td>425</td>
<td>253</td>
</tr>
<tr>
<td>5. Jute textile</td>
<td>422</td>
<td>260</td>
</tr>
<tr>
<td>6. Textile garment</td>
<td>358</td>
<td>318</td>
</tr>
<tr>
<td>7. Coffee plantations</td>
<td>298</td>
<td>280</td>
</tr>
<tr>
<td>8. Rubber plantations</td>
<td>449</td>
<td>410</td>
</tr>
<tr>
<td>9. Tea plantations</td>
<td>159</td>
<td>151</td>
</tr>
<tr>
<td>10. Tea processing</td>
<td>206</td>
<td>208</td>
</tr>
</tbody>
</table>

sectors, the wage gap is narrow in tea and coffee plantations, with wages in tea being at the lowest extreme for both male and female workers.

Wages in tea plantations also show a marked difference between states, with wages in Assam (North-East India) being almost half of those in Tamilnadu over time (Figure 3). In sharp contrast to the tea plantation wages in Tamilnadu and Assam as reported, all plantations in Kerala (South India) were offering higher wages to the workers owing to the proactive interventions by the state along with the relatively better wage bargaining power of the workers and worker unions in the state. Yet, wages of tea plantation workers in Kerala were reportedly lower by 23% than those in rubber and by 9% than those in spices (cardamom) plantations during 2019.

The lower daily wages prevailing in tea plantations also translate into lower monthly and annual earnings for the workers, which further worsens their conditions. As evident from a survey undertaken by the author, there are glaring differences in earnings across tea plantations in South India (Kerala and Tamilnadu) and Assam. For instance, a tea plucker in South India earns little more than half (57%) of the earnings of a tea plucker in Assam. Similarly, the wage of a tea factory worker in Assam is less than half (48%) of that of a tea factory worker in South India (Figure 4).

The survey also revealed that while plantation workers in South India receive the extra wage benefits of a dearness allowance (DA), bonus, leave with wages, medical care facilities for themselves and their families, free housing and other benefits, workers in Assam (NE India) remained deprived of these benefits in many plantations. Further, the daily wages and non-wage benefits paid to the workers in South India are derived systematically and scientifically, involving

![Figure 3: Trends in daily wages in tea plantations in Tamilnadu and Assam (INR)](image)

Note: The wage in South India represents the wages in the Nilgiris, Tamilnadu.

Source: Estimated from Tea Statistics, Tea Board, Government of India.
more than a dozen sub-components, which conforms to the ILO’s new concept of ‘decent living wages’.

**Deprivations in socio-economic and working conditions**

The socio-economic and working conditions in tea plantations are known to be far inferior to the working conditions in other plantations, especially rubber. In fact, the working and living conditions in tea plantations have been greatly influenced by the colonial policies and workers continue to live under deplorable conditions despite the several welfare and social protection measures adopted by the plantation management from time to time. While the PL Act, 1951, sought to make significant positive impacts in the working and living conditions of the workers, there are large bodies of evidence demonstrating that the workers’ conditions have not improved in India over the past seven decades of planned development interventions by the plantation companies and state agencies. Gross violations of the provisions of the PLA have been widely reported from plantations across the country, especially from Assam and other parts in the North-East. These blatant violations also manifest the indifference shown by state governments towards the miserable conditions of the workers, which have augmented the process of marginalisation of tea plantation workers in relation to workers employed in the rest of the production sectors (Joseph & Viswanathan, 2016). Several studies have repeatedly highlighted the precarious conditions and multiple deprivations of tea plantation workers, especially in Assam and West Bengal (Bhowmik, 2015; Sarkar, 2016).

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**Figure 4: Monthly earnings of tea plantation workers in South India and Assam**

Since women constitute the majority of plantation workers, they are the ones who bear the brunt of deprivation and associated deficits in terms of education, health, poverty, malnutrition, water and sanitation, etc, which are the critical elements of the sustainable development goals (SDGs) according to the UN Agenda 2030. Hence, it is indispensable to focus on the issue of deprivation and marginalisation of plantation worker communities from a gender perspective. Moreover, because the family has historically been the unit of recruitment of the workforce as practised by the tea plantations, an assessment of the socio-economic status, working conditions as well as the amenities of the households of women workers can throw useful light on the intensity or severity of the social and economic deprivation of plantation workers. In what follows, we discuss some of the important points emerging from a study report published by the Labour Bureau (2009) covering 132 plantations, the largest number of which were tea plantations (44, comprising 33% of the sample), besides 32 coffee plantations, 30 rubber plantations and 17 cardamom plantations in India.

The results of the survey, covering important aspects of household access to amenities as well as social protection measures amongst the tea plantation workers, were compared and contrasted with those of all other plantation workers. An additional assessment was carried out specifically in relation to tea plantations in Assam and Tamilnadu to draw the distinctions between the two states, with plantation workers in Assam suffering the most, as already discussed. Tables 3, 4 and 5 present the results of the survey.

As is evident, tea plantations are distinctive in comparison to all other plantations (for coffee, rubber and cardamom). For instance, more than 72% of the tea plantations were established before 1960 as compared to only 40% of the other (total) plantations. Almost 83% of tea plantations in Assam are older than those in Tamilnadu (50%). As evident from Table 4, there are variations amongst tea plantations between Assam and Tamilnadu with respect to provisions such as education, crèches, welfare offices, food concessions and other facilities. In terms of provision of facilities provided exclusively for women workers, such as those for urinals, latrines and recreation, the status of tea plantations is little lower than the other plantations. By and large, the general status of tea estates is lower in relation to important provisions and there is a significant need for improvements, which mainly include facilities such as education, welfare, canteen, latrine, recreation, as well as facilities exclusively for women, such as latrine, urinal, washing, recreation facilities.

As evident from Table 4, while the majority of the workers in Assam received wages either weekly (47%) or fortnightly, in Tamilnadu all the workers covered received monthly wages. This adds to the relative poverty and highly vulnerable socio-economic condition of workers in Assam, compared to Tamilnadu plantations. Workers in Assam are very poor with highly vulnerable socio-economic conditions and waiting for the whole month to receive the wages may further worsen their condition. While this would need further empirical validation in terms of analysis of wages, earnings and poverty scenarios among the tea plantation workers in Assam vis-à-vis Tamilnadu, it emerges from the assessment that plantation workers in Assam are highly deprived in terms of lack of education, lack of technical skills, and lower wages and earnings. This is further illustrated by the fact that the majority of the women workers in Assam are illiterate (83.5%) in comparison to Tamilnadu (24.6%) and all plantations (54.4%).
Table 3: Major features and infrastructure, welfare and social protection provisions in tea plantations in comparison with other plantations in India (2008)

<table>
<thead>
<tr>
<th>Infrastructure and Basic Provisions</th>
<th>Characteristics</th>
<th>Tea Plantations</th>
<th>All plantations (n=149)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Total (n=44)</td>
<td>Assam (n=24)</td>
</tr>
<tr>
<td>1. Grievance redressal</td>
<td>Units with grievance redressal mechanism (%)</td>
<td>57.4</td>
<td>45.8</td>
</tr>
<tr>
<td>2. Basic facilities at workplace for all (% of units providing facilities, including)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>a. Urinal facility (%)</td>
<td></td>
<td>36.2</td>
<td>8.3</td>
</tr>
<tr>
<td>b. Latrine (%)</td>
<td></td>
<td>10.6</td>
<td>8.3</td>
</tr>
<tr>
<td>c. Rest shelter (%)</td>
<td></td>
<td>46.8</td>
<td>66.7</td>
</tr>
<tr>
<td>d. Recreation facility (%)</td>
<td></td>
<td>31.9</td>
<td>33.3</td>
</tr>
<tr>
<td>3. Basic facilities at workplace for women (% of units providing facilities, including)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>a. Drinking water facility (%)</td>
<td></td>
<td>34.0</td>
<td>45.8</td>
</tr>
<tr>
<td>b. Washing facility (%)</td>
<td></td>
<td>14.9</td>
<td>20.8</td>
</tr>
<tr>
<td>c. Urinal facility (%)</td>
<td></td>
<td>6.4</td>
<td>4.2</td>
</tr>
<tr>
<td>d. Latrine facility (%)</td>
<td></td>
<td>6.4</td>
<td>4.2</td>
</tr>
<tr>
<td>e. Rest shelter (%)</td>
<td></td>
<td>12.8</td>
<td>16.7</td>
</tr>
<tr>
<td>f. Recreation facility (%)</td>
<td></td>
<td>2.1</td>
<td>0.0</td>
</tr>
</tbody>
</table>

Source: Compiled from Labour Bureau Report on Socio-economic conditions of women workers in plantation industry in India, 2009.
# Table 4: Worker characteristics, occupational/employment status, wages and earnings in tea and other plantations in India (2008)

<table>
<thead>
<tr>
<th>Characteristics</th>
<th>Detailed Description</th>
<th>Tea Plantations</th>
<th>All Plantations</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Total (n=19625)</td>
<td>Assam (n=10523)</td>
</tr>
<tr>
<td>1. Gender status</td>
<td>Women workers (%)</td>
<td>53.0</td>
<td>49.6</td>
</tr>
<tr>
<td>2. Educational status (Women)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>a. Illiterate</td>
<td></td>
<td>66.2</td>
<td>83.5</td>
</tr>
<tr>
<td>b. Primary and below</td>
<td></td>
<td>19.0</td>
<td>8.1</td>
</tr>
<tr>
<td>c. Matric or Higher secondary</td>
<td></td>
<td>5.4</td>
<td>3.4</td>
</tr>
<tr>
<td>3. Occupational status</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>a. Manual workers</td>
<td></td>
<td>95.1</td>
<td>94.4</td>
</tr>
<tr>
<td>b. Non-manual workers</td>
<td></td>
<td>4.9</td>
<td>5.6</td>
</tr>
<tr>
<td>4. Manual workers</td>
<td>Plantation labour (Male)</td>
<td>86.0</td>
<td>90.4</td>
</tr>
<tr>
<td></td>
<td>Plantation labour (Female)</td>
<td>94.4</td>
<td>99.0</td>
</tr>
<tr>
<td>5. Employment status</td>
<td>Permanent (Male)</td>
<td>97.3</td>
<td>98.1</td>
</tr>
<tr>
<td></td>
<td>Permanent (Female)</td>
<td>95.9</td>
<td>97.5</td>
</tr>
<tr>
<td>6. Skill status</td>
<td>Skilled (Male)</td>
<td>13.3</td>
<td>6.6</td>
</tr>
<tr>
<td></td>
<td>Skilled (Female)</td>
<td>10.4</td>
<td>4.6</td>
</tr>
<tr>
<td></td>
<td>Semi-skilled (Male)</td>
<td>10.2</td>
<td>1.8</td>
</tr>
<tr>
<td></td>
<td>Semi-skilled (Female)</td>
<td>11.9</td>
<td>0.2</td>
</tr>
<tr>
<td></td>
<td>Unskilled (Male)</td>
<td>76.5</td>
<td>91.6</td>
</tr>
<tr>
<td></td>
<td>Unskilled (Female)</td>
<td>77.6</td>
<td>95.2</td>
</tr>
<tr>
<td>7. Daily earnings (Rs./day)</td>
<td>Plantation labour</td>
<td>68.2</td>
<td>62.3</td>
</tr>
<tr>
<td>10. Average annual bonus received</td>
<td>Plantation worker (Rs.)</td>
<td>1687</td>
<td>1258</td>
</tr>
</tbody>
</table>

Note: * Denotes earnings of rubber tapper.

Source: Compiled from Labour Bureau Report on Socio-economic conditions of women workers in the plantation industry in India, 2009.
Table 5: Workers’ access to basic amenities, trade union membership, savings behaviour and cooking energy source in tea and other plantations in India (2008)

<table>
<thead>
<tr>
<th>Characteristics</th>
<th>Detailed Description</th>
<th>Tea Plantations</th>
<th>All Plantations (n=23784)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Total (n=19625)</td>
<td>Assam (n=10523)</td>
</tr>
<tr>
<td>1. Dwelling in the plantation</td>
<td>Women workers residing in the plantation (%)</td>
<td>89.5</td>
<td>92.8</td>
</tr>
<tr>
<td></td>
<td>Kutcha (#) housing unit (%)</td>
<td>28.6</td>
<td>46.8</td>
</tr>
<tr>
<td></td>
<td>Semi-pucca housing unit (%)</td>
<td>64.4</td>
<td>45.1</td>
</tr>
<tr>
<td>2. Trade union membership</td>
<td>Male workers (%)</td>
<td>83.9</td>
<td>85.8</td>
</tr>
<tr>
<td></td>
<td>Female workers (%)</td>
<td>63.3</td>
<td>87.2</td>
</tr>
<tr>
<td>3. Educational facility for children</td>
<td>Women workers availing educational facility for children (%)</td>
<td>9.8</td>
<td>7.2</td>
</tr>
<tr>
<td>4. Family planning methods</td>
<td>Women adopting family planning methods (%)</td>
<td>39.6</td>
<td>25.7</td>
</tr>
<tr>
<td>5. Cooking energy source</td>
<td>Firewood as source of cooking energy (%)</td>
<td>94.6</td>
<td>97.5</td>
</tr>
<tr>
<td></td>
<td>Using LPG for cooking (%)</td>
<td>3.4</td>
<td>1.7</td>
</tr>
</tbody>
</table>

Note: Details in brackets indicate the distinctive cases in the study. (#) A kutcha house is made of unburnt bricks, bamboo, mud, grass, reeds, thatch, loosely packed stones, etc. * Relates to rubber in Kerala.

The average daily wages received by the workers was the lowest at Rs. 62 per day in Assam against Rs. 86 per day in Tamilnadu, with wage levels being the lowest in tea compared to rubber plantations in Kerala (Rs. 117).

As seen from Table 5, an overwhelming majority of women workers (89%) reside in the accommodation units provided by tea plantations, as against 77% in the case of all plantations included in the survey. However, it is interesting to observe that a large number of them live in kutchha (huts/temporary houses) in the case of tea plantations (29%), as compared to only 19% in all other plantations.

In terms of membership of trade/workers' unions, while about 84% of the male workers have membership, the proportion is somewhat lower, at 63%, in the case of women workers. This figure is also higher in relation to women workers (59%) in all plantations. Quite interestingly, the proportion of women using educational facilities for their children was found to be hardly 10%, which is a matter of concern, as quality education (SDG4) is an important aspect of UNSDGs.

The adoption of family planning methods by women workers seems to be significantly lower in Assam (26%) compared to Tamilnadu (59%). Interestingly, the majority (95%) of workers use firewood as the source of cooking fuel, with hardly 3% of them using liquefied petroleum gas (LPG) for cooking. This needs to be contrasted with the scenario in rubber plantations in Kerala, where about 36% of the women workers reported using LPG for cooking. This finding also reflects the sheer lack of access of the worker households to the LPG subsidy scheme which has been promoted by the national government since 2015.

Deprivations due to non-compliance with PLA regulations

By and large, the lack of provision of adequate amenities and social benefits to the workers in tea plantations may be considered as a fallout of the ineffective implementation of the measures under the PL Act, 1951 and other related legislation, including the Minimum Wages Act, Payment of Bonus Act, Industrial Disputes Act (1947) and the Factories Act (1948). While sanitation conditions in plantations in Tamilnadu were much better, such facilities were deplorable in Assam and West Bengal. Plantation owners also have their own stories of miseries caused by the declining profitability of tea plantation business in the globalised context due to such factors as volatile prices and increasing costs of production, including the rising wage bills and costs of social protection and the decline in productivity due to the ageing of bushes.

Thus, it may be seen that workers in tea plantations have been facing deprivation in almost all aspects of work and life historically, which may be attributed to the lassitude of the plantation companies in improving their plight despite statutory regulations. In fact, it appears that the planters treated the economic crisis as an excuse to shift the burden onto the workers through enhancement of labour tasks without corresponding wage increments, along with mechanisation of tea harvesting, eventually leading to labour displacement. Further, a large number of tea planters have adopted a flexibilisation strategy, which mainly included fragmentation of large tea estates into smaller units below 10 hectares so as to bypass the implementation of PL Act, 1951, provisions. The policy of fragmentation of tea plantations has also been legitimised by the subsequent state policy of providing aid to small growers in order to help them overcome the increasingly distressing...
condition (Sundar, 2018a, b; Baskar & Viswanathan, 2019). Though the fragmentation of tea estates into smaller parcels has been viewed as a measure for strengthening the stake of small tea producers, the problems confronting the plantation workers have continued unabated, calling for serious attention and sustainable interventions.

**Fairtrade certification and impacts on plantation workers**

It is in this critical context that the adoption of ‘trade certifications’ by the plantations in general and tea plantations in particular become a significant point of departure in the colonial plantation management regime. The growing adoption of multiple certifications (voluntary and mandatory) by tea plantations in recent times is considered as a major game changer in the industry in several ways (Raynolds & Bennett 2015, Siegmann et al., 2019). Primarily, trade certifications are envisaged as a way to help improve the visibility of tea plantations in the export market and thereby raise the trade volume. Second, the various certifications, also known as ‘sustainability standards’, involving labour and environmental standards impose stringent regulations in the areas of production, processing and trade of tea and associated beverages. While there are serious social, political and ethical concerns about the way in which the certifications make headway in the developing countries, it is observed that these standards become instrumental in addressing the manifold challenges facing the small producers and workers in terms of income and employment benefits as well as environmental protection. Apparently, many of these certifications are offshoots of strong consumer protection movements from the global north popularising the idea of ‘ethical consumerism’. As argued by some, such measures may promote labour rights and improve the socio-economic conditions of the producers and workers in the global south, thereby mitigating some of the inherent barriers caused by trade agreements (Orbie et al., 2016; Raynolds, 2017). Studies also highlight the potential benefits of certifications as tools for augmenting the welfare of producers and workers across major products, including tea, cocoa, coffee, flowers, grapes and export segments across countries, mainly, Ghana, Ecuador, Uganda, Ethiopia, Chile, and India (Van Rijn et al., 2019; Krumbiegel, Maertens & Wolini, 2018; Raynolds 2014; Riisgaard, 2015; Ostertag et al., 2014; Makita, 2012; Herman, 2019).

In India, certifications were widely adopted in the case of major plantation products, such as tea, coffee, banana, cocoa, sugarcane, cotton, etc. Some of the major certifications/standards adopted by the Indian tea plantation sector include: Fairtrade (FT), Rainforest Alliance (RFA), UTZ certification, HACCP, Ethical Tea partnership (ETP), ISO and Trustea. In view of the perceived benefits and outcomes, the certifications benefit the plantation producers and workers directly or indirectly in many ways. For instance, the Fairtrade (FT) certification is the only certification that

---

3 In principle, ‘ethical consumerism’, considers consumption as a political act which endorses the embodied values in products manufacturing. Accordingly, while purchasing products, consumers can accept or reject the prevailing environmental and labour practices involved in production and make value claims based on ethical considerations (https://www.britannica.com/topic/ethical-consumerism).

4 Tea Board of India launched the Trustea standard, as a multi-stakeholder initiative to sustainably transform the tea industry. A five-year programme intends to certify 500 million kg of tea sourced from more than 600 factories, benefiting the livelihoods of 0.5 million tea plantation workers and 40,000 smallholders, who grow tea in an area of 0.3 million hectares (www.trustea.org).
offers monetary benefits in the form of a ‘fairtrade premium’ to the producers and workers, whilst the remainder of the certifications do not involve any direct cash payments or transfers. Rather, these, especially RFA/SAN, focus on protection of the environment, biodiversity and the ecosystems surrounding the tea plantation areas; while HACCP aims at improving the quality of tea manufacturing/processing. Thus, based on their objective goals as well as their ultimate linkages with the welfare of plantation workers, it may be possible to map out the focus and labour welfare pathways of certifications in the case of tea plantations in India, as presented in Table 6.

It is evident that the various certifications (standards) adopted by the plantations in India may potentially impact the welfare of workers directly and indirectly in many ways as well as improve the environmental and ecological conditions surrounding the tea plantation areas. One of the major pathways to workers’ welfare in the case of FT certification is the payment of a premium benefiting the workers in terms of the implementation of various social and development projects, focusing on such issues as education, skill development, IT education, health, water and sanitation and the financing of development infrastructure (Table 6).

Further, it may be observed that the benefits realised through various projects sourced from the FT premium have the potential to achieve several of the UN’s sustainable development goals (SDGs), especially poverty reduction (SDG1), zero hunger (SDG2), decent work and economic growth (SDG8) and quality education (SDG4). This may also be corroborated by the usage of FT premium in relation to the UN SDGs as reported by the Fairtrade Labelling Organization (FLO), which shows that almost 41% of the premium received by the hired labour organisations (HLOs) has been spent for SDG 8 (decent work and economic growth), followed by 23% for quality education (SDG4), 16% for poverty eradication (SDG1). The rest of the FT premium (16.9%) has been spent for good health and well-being (SDG3), and gender equality (SDG5) and sustainable communities (SDG11) (FLO, 2018).

As shown in Table 6, certifications other than FT also offer definite benefits that can contribute to improving the working conditions and welfare of the workers by means of indirect benefits realised through improvements in such things as health, sanitation, mitigation of hazardous working conditions, removal of child labour, freedom of association, improved working and living conditions, investments for improvements in healthcare, education, sanitation, hygiene and drinking water supply.

Several studies have highlighted the positive outcomes of the adoption of certifications, including FT, RFA/ SAN and ETP, across regions where they have been adopted. One, a study by Ventura (2007) showed how the RFA/SAN certification had contained the environmental as well as worker rights-related violations on the Chiquita-owned banana farms in Latin America. As the company had long records of environmental and worker rights-related violations, its partnership with RFA made a significant shift in company practices.

**Discourse on impacts of Fairtrade on plantation workers**

These results suggest that the multiple certifications being adopted by the tea plantations offer immense potential for improving the conditions of producers and workers engaged in the tea plantation sector. Since the Indian tea plantation workers account for almost
Table 6: Trade certifications of tea plantations: goals and pathways to workers’ welfare in India

<table>
<thead>
<tr>
<th>Certification, No. of Certified Plantations/Producers</th>
<th>Focus and Goals of Certification</th>
<th>Pathways of Benefits and Workers/Producers’ Welfare Outcomes</th>
</tr>
</thead>
</table>
| 1. Fairtrade (FT) Certification [30 producer organisations: 28 hired labour organisations and 2 small producer organisations; 21,079 ha land under FT, nearly 3.7% of the total area under tea in India] | • Ensure that producers receive prices that cover costs of sustainable production.  
• The additional FT premium can be invested in projects to enhance socio-economic and environmental development.  
• Enable pre-financing for producers requiring it.  
• Facilitate long-term trading partnerships and enable greater producer control over trade.  
• Set core development criteria to ensure that production and trading conditions of all FT certified products are socially and economically fair; and environmentally responsible | FT premium help achieve important sustainable development goals – SDG 1 (No poverty); SDG 2 (Zero hunger); SDG 8 (Decent work and economic growth); SDG 4 (Quality education); SDG 5 (Gender equality) – and hence ensure:  
(a) Income sustainability  
(b) Empowerment regardless of gender and social status  
(c) Individual and community well-being  
(d) Environmental stewardship  
(e) Gender equality |
| 2. Rain Forest Alliance (RFA) Certification [850 tea estates: 140 certificate holders (as in 2018)] | • Efficient farm management  
• Reduce soil and water pollution  
• Improve profitability and competitiveness, protection of wildlife habitat  
• Reduce threats to environment and human health  
• Improve conditions of farm workers and collaboration between farmers and conservationists | • Upgraded worker housing and better awareness.  
• Reduction in pesticide use and adoption of efficient waste management system enriching biodiversity and wildlife (Coonoor Tea Estate).  
• Free medical care for workers; childrens’ free access to schools (Havukal and Warwick, Nilgiris).  
• Tea pluckers get higher wages than local minimum wage. |

(Continued)
### Table 6: (Continued)

<table>
<thead>
<tr>
<th>Certification, No. of Certified Plantations/Producers</th>
<th>Focus and Goals of Certification</th>
<th>Pathways of Benefits and Workers/Producers' Welfare Outcomes</th>
</tr>
</thead>
<tbody>
<tr>
<td>3. UTZ Certification (31 holders) [part of the RFA]</td>
<td>• Climate change&lt;br&gt;• Gender&lt;br&gt;• Child labour&lt;br&gt;• Living wage&lt;br&gt;• Strengthening farm households</td>
<td>• Majority of certified estates (84%) report better soil quality.&lt;br&gt;• Protection of water streams along with waste water treatment and safe disposal of agrochemical wastes.&lt;br&gt;• Significant improvement in health of employees/ workers.&lt;br&gt;• Better living conditions; clean living areas and production sites; increased use of protective gear.</td>
</tr>
<tr>
<td>4. Hazard Analysis Critical Control Point (HACCP) based food safety management systems</td>
<td>• Prevention of health hazards&lt;br&gt;• Quality supervision in production and processing locations</td>
<td>• Efficacy of processing.&lt;br&gt;• Improved personnel hygiene in factories.</td>
</tr>
<tr>
<td>5. Ethical Tea Partnership (ETP)</td>
<td>• Improve lives and incomes of tea workers, farmers and their communities&lt;br&gt;• Empower women.&lt;br&gt;• Address environmental challenges and respond to climate change.</td>
<td>• Free choice of employment and regular employment.&lt;br&gt;• Freedom of association and right to collective bargaining.&lt;br&gt;• Working conditions are safe and hygienic.&lt;br&gt;• No child labour; Payment of living wages; No excessive working hours; No discrimination; No harsh/inhumane treatment.</td>
</tr>
<tr>
<td>6. Trustea [221 holders: Assam (151); Kerala (11); Tamilnadu (13); West Bengal (45); Others (1)]</td>
<td>• Driving sustainability in the indian tea industry&lt;br&gt;• Achieve improved competitiveness of tea growers and estates&lt;br&gt;• Establishing continuous improvement in tea industry.&lt;br&gt;• Improving livelihood of smallholders and estate workers</td>
<td>• Equality of treatment, equal pay for equal work.&lt;br&gt;• Healthier work environments for workers.&lt;br&gt;• Knowledge about quantity and timing of pesticide spraying, hygiene standards and tea plucking at predefined intervals.</td>
</tr>
</tbody>
</table>

Source: Compiled by the author from the webpages of respective certifications.
64% of all workers covered by the FT tea plantations’ certification globally (www.fairtrade.net), this section discusses the various aspects of FT and their impacts on workers as revealed by some of the extant studies. We then present a snapshot of empirical data on the benefits of FT as gathered from three FT certified tea plantations in India.

The discourse on the impacts of certifications in general, and FT certification in particular, has been quite engaging in terms of divergent views across plantation sectors, regions and the communities (producers and workers) benefited. One of the earliest works, by Nelson and Pound (2009) based on an extensive literature review, reported strong evidence of favourable economic opportunities offered by FT for smallholder producers who formed producer organisations (POs) which were well connected with niche markets. The review also highlighted many studies reporting higher returns and more stable incomes as distinct benefits from FT certified producers. However, the evidence showing the impacts of FT on workers was rather limited.

The initial optimism that the wider adoption of FT certification by plantations could improve the plight of landless farm/plantation workers (Reed, 2009) and producers seems to have been misplaced, with growing concerns that the benefits of FT do not bring substantial improvements in the socio-economic status, working and living conditions of the plantation workers. Some relate this mismatch to the failure to address the impacts in relation to the identities of plantation workers based on class, gender and ethnicity as well as the historic struggles that they had undergone (Besky, 2015, Staricco, 2019; Siegmann et al., 2019).

Nevertheless, studies have also reported positive outcomes of FT in several regional contexts, including India. For instance, a study by Lalitha et al. (2013) based on FT and RFA certified tea estates observed that the workers were better off in the certified estates than the non-certified ones, as there was an improvement in the stability of incomes, though the differences in income was not statistically significant between the two. Similarly, Nelson and Pound (2009) reported a significantly positive improvement in labour conditions on FT tea plantations in Kenya, though this was absent in India. Bennett (2020) noted that while FT had initially supported the smallholders in India, the coverage of estates in the later decades (since the 1990s) had augured well in terms of inclusion of landless labourers working as tea pluckers on the large plantations, who could benefit from Fairtrade proceeds.

At the same time, many other studies have presented less promising or inconclusive evidence as regards the impacts of FT certification on both tea producers and plantation workers. One of the pioneering studies by Besky (2008) discusses the paradoxes of FT certification of Darjeeling Tea by questioning the concept of ‘fairness’ in relation to the claims that FT fosters ‘social justice and empowerment of workers’. The claims, Besky argues, are ill-founded because Fairtrade undermines the laws of the state and institutions that have historically been designed to uphold the responsibility for the fair treatment of the plantation workers. Thus viewed, FT certification could amount to a dismantling of labour unions on the grounds that they form barriers to free trade. The key message here is that the provisions of the PL Act are considerably superior, and more socially justifiable and comprehensive than the FT model. Thus, a stricter compliance with labour laws by the plantations may work better for the well-being of the workers than FT certification per se.
The studies by Sen (2009, 2017) based on longitudinal ethnographic research also bring out the paradoxes of FT organic tea production in Darjeeling, India, explaining ‘why women wage workers with legal rights were unable to benefit from FT, while independent women tea farmers without legal rights were able to reap the benefits of FT certification.’ The paradox is that the women workers were not benefited by certification despite having collective bargaining rights and formal trade union membership. Sen concluded that the ‘plantation patriarchy’ is ignored in the practice of certification.

The research undertaken by Moore (2010) in North (Darjeeling) and South (Nilgiris) India demonstrated that FT does not work as anticipated, because it is more influenced by distinct power relations working within the FT structure, causing unintended effects on workers. The poor outcomes of FT as experienced in Darjeeling (North) tea plantations as compared to the Nilgiris (South) were ascribed to the laxity in the implementation of workers’ rights in the former as against the greater regard for labour welfare and protection measures in the latter. Similar results were also reported by Raynolds and Rosty (2019) from Nicaragua, where FT certification, though improving the well-being of workers, nevertheless led to the labour rights standards remaining weak.

There are also ambiguities in relation to the broader goals of FT as understood by the workers in tea plantations as revealed by some studies. For instance, Siegmann et al. (2019) observed that the plantation workers in FT certified estates in India and Sri Lanka construed FT and the premium as a reward for high quality tea and high productivity, as against the tangible benefits it offered to them, such as ‘guaranteeing rights and better working conditions’. During field interactions with the workers in Assam, the author also prompted the workers to divulge ‘what they knew about FT’. Surprisingly, almost half of the workers interviewed stated that: ‘fairtrade means additional income from selling tea outside the country’. Often workers also seemed to be unaware of the allocation of the FT premiums received by the plantations into various activities, though these decisions were supposed to be taken by the Joint Body of the Fairtrade Premium Committee (FPC). For instance, Besky (2008, 2013) and Makita (2012) observed that the FT premium was not invested based on the consensus of the FPC; rather, such decisions were often taken by the plantation management, guided by notions of patron–client relations.

It may therefore be concluded that, by and large, most studies were somewhat critical about the positive impacts of FT certifications on the social and economic well-being of the tea plantation workers in India.

**Fairtrade premiums and worker benefits**

A closer look at the flows in the FT premium as received by the certified plantations may be useful here to shed light on the instabilities in volumes of tea sold as FT certified and the corresponding premium received by the estates. It may be argued that plantation companies that have a strong presence in the export market may tend to benefit in terms of higher volumes of FT sales and, if the export markets are of high value, the inflow of FT premium would also be significantly high. This has been the case with a few FT certified plantations in the Nilgiris and the Darjeeling in India. If the export destinations are low-end markets with unstable volumes of exports, the
contrary would be expected. Figure 5 presents the FT premium data gathered from three certified tea estates, which illustrates the unstable nature of returns received from certified tea exports by the plantations in the recent years.

As shown in Figure 5, the FT premium received by the three tea estates varied between years in the case of Estate C (Assam) and Estate A (Tamilnadu), while it increased for Estate B (Tamilnadu). Furthermore, the amount of FT premium received varied among estates, with the highest premium reported by Estate A, followed by Estate B, while Estate C received very meagre amounts during the entire period.

Since there are notable variations in the amount of premium inflow, the investments made by the plantations are also thinly distributed in small-scale and inexpensive projects, which mostly included housing and community buildings and assets (74%), educational support (21%) for children of the workers, healthcare support (4%) and environmental conservation (0.71%), as shown in Table 7.

Among the various activities described, the works related to workers’ housing and asset creation activities are the ones that provide the broadest coverage in terms of benefiting the majority of workers, while the rest of the developmental activities only benefit very few selected workers or households. For instance, the educational scholarships are provided only to selected students who join professional courses, such as medicine, engineering and computer courses. Bags are given to all eligible school-going children and it was informed during the interaction with the management that more than 200 school children had received school bags.
Some of the projects, such as gas connection and distribution of LPG cylinders to the families, are reported to be beneficial to the workers, improving the previous situation, in which they had to walk longer distances to fetch fuel wood for cooking and water heating purposes. Now, with the availability of gas connection with two free gas cylinder refills in a year, the workers are relieved not only from many of these hassles but also from the need to cut down forest trees from the plantation areas to obtain timber for fuel. Nevertheless, the support given in terms of healthcare and medical treatment to the workers and their families appears to be only nominal. This is a matter of concern, given that the plantation areas are remotely located and do not have access to public healthcare facilities other than the small clinics within the plantations.

Conclusions and policy suggestions

This paper has attempted to explore the important question whether trade certifications alleviate the economic and social deprivations of workers in tea plantations in India. Following a critical assessment of the historic deprivations faced by tea plantation workers, we have reviewed the potential implications of various certifications adopted by tea plantations in India, including Fairtrade (FT), RFA, ETP and Trustea. The assessment of the various certifications being adopted by the tea plantations indicate their potential influence in terms of addressing the historic deprivation and marginalisation of plantation workers at the aggregate level. As a case for empirical analysis, the paper specifically examined the status of adoption of FT certification and its impacts on tea plantation workers with particular reference to three certified tea estates located in the Nilgiris region in Tamilnadu (South India) and Assam (North-East India).

By and large, the analysis endorses many of the findings of earlier studies. Yet, it provides very useful insights in terms of explaining why the adoption of certifications, especially FT certification, by tea plantations does not yield the intended outcomes with respect to amelioration of deprivations suffered by the plantation workers. It reveals that, despite more than two decades of engagement with FT certifications, tea plantations are unable to make significant improvements in the lot of the plantation workers.

<table>
<thead>
<tr>
<th>Fairtrade supported projects &amp; activities</th>
<th>Amount spent (€)*</th>
<th>% share</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Education of children of workers’ families</td>
<td>94278.13</td>
<td>21.17</td>
</tr>
<tr>
<td>2. Healthcare support for workers and families</td>
<td>17992.48</td>
<td>4.04</td>
</tr>
<tr>
<td>3. Housing, Community Buildings &amp; Asset creation</td>
<td>329783.54</td>
<td>74.07</td>
</tr>
<tr>
<td>4. Environmental Conservation$</td>
<td>3182.35</td>
<td>0.71</td>
</tr>
<tr>
<td>Grand Total</td>
<td>445236.49</td>
<td>100.00</td>
</tr>
</tbody>
</table>

Note: * €1 = Rs. 72.53; $ Tree planting, waste management, subsidy for LPG (cooking gas), etc.

Source: Information collated by the author from two FT certified tea plantations in South India.
workers due mainly to the fact that the FT premiums that the tea estates receive are
nominal and quite variable across years, which make the planters hard-pressed to
identify the projects or activities that can create significant improvements in the
conditions of the workers on a sustainable basis.

One of the major limitations of the empirical research on the impact of
certifications on plantation workers in India is that the studies are highly localised, with
limited scope and coverage of plantations along and across certifications. Given the
magnitude and scale of the tea plantations in terms of larger geographical coverage and
size of workforce employed, further in-depth studies are required to critically examine
the conditions of workers beyond the narrow confines of PLA provisions. Careful
scrutiny is called for to identify the long-term strategies required to improve the
conditions of plantation workers through various interventions and programmes. In
this regard, the role of the state becomes very critical in regulating the tea plantation
companies and reorienting their production and management strategies towards the
well-being of the plantation workers, who continue to be the mainstay of the sector.

The tea plantation sector, which is highly integrated with global markets, needs to be
strengthened to become more competitive and efficient in terms of complying with the
international labour standards. Plantation companies also need to align their future growth
strategies and action plans with the UNSDG agenda 2030, as a majority of the workers are
deprived of basic minimum rights and sustainable livelihood opportunities. Given that the
domestic consumption demand for tea has been growing in India, it is also crucial to focus
on the domestic market through design and promotion of appropriate certification
standards (integrating the finest elements of existing ones) that could contribute towards
improving the status as well as working and living conditions of plantation workers. This
would also help mitigate the huge disparity in wages and earnings of workers between the
South and North Indian states that have emerged from our study.

Tea plantations in India may perhaps be regarded as the rarest and the only sector of
the labour force to have been so sharply and negatively impacted in terms of employment
and livelihood effects, making it the poorest segment of society, including members of a
large range of tribal communities, the majority of whom are illiterate women with low or
no skills. Given this, it is important that the certifying agencies, the ILO as well as the other
stakeholders, especially the planters, planters’ associations, workers’ associations and the
state and regional governments concerned, come to evolve a long-term policy aimed at the
accomplishment of the SDGs relevant to the plantation sector.

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ACKNOWLEDGEMENTS
The author thanks the anonymous referees of the journal for the valuable comments, which
significantly helped in improving the paper. Thanks are also due to Dr Ursula Huws for the
editorial support. The usual disclaimers apply.

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