

ITD 2007

TRADE UNIONS OBSERVE
3RD INTERNATIONAL TEA DAY



KUMILY, IDUKKI DISTRICT, KERALA

NATIONAL SEMINAR ON “CLOSED AND ABANDONED TEA GARDENS: CHALLENGES BEFORE THE TRADE UNIONS”

Holiday Home, Kumili, Idukki district, Kerala on December 15, 2007

The 3rd International Tea Day India Programme this year was organised by central and tea related trade unions at Kumili and Vandiperiyar, Kerala. A National Seminar on “Closed and Abandoned Tea Gardens: Challenges before the Trade Unions” was held at Holiday Home, Kumili, Idukki district, Kerala on December 15, 2007. N.M. Adiyantiyaya, Vice President, INTUC and Member, ILO Governing Body inaugurated the Seminar and Abani Roy, Member of Parliament and Secretary, UTUC gave the presidential address. The welcome address was given by Vazhoor Soman, Secretary, AITUC and P.A. Joseph, Chairman, ITD Reception Committee and President, Indian National Plantation Workers’ Federation (INTUC) facilitated the inaugural session.

Abani Roy in his presidential address highlighted the conditions of tea plantation workers in India and stressed the importance of such a seminar. N.M. Adiyantiyaya in his address said that all the members here have gathered to discuss the challenges, advantages and disadvantages of the existing situation. He mentioned that this is a transition period that is dangerous for the industry and players such as trade unions, employers and the government have an important role to play. He mentioned that ILO would extend all technical support to this cause.

Joachim Baxla, Member of Parliament, stressed in his deliberations that the activity of Tea Board should not be restricted to tea promotion and marketing both national and international but instead should extend their activities with various schemes to the suffering tea estates.

Support from the local self-government can also be extended. As the land belongs to the state government it is difficult to extend various schemes through panchayat. In his deliberations he mentioned that workers and families are in search of alternative job opportunities. Under the self-help concept a lot could be done to help the tea workers. Activities like bee-keeping, mat -making, pig-gery, dairy, poultry as alternative job opportunities could be thought of. The National Rural Employment Guarantee Scheme (NREGS) has benefited many tea garden workers. Both state and union government must come up with schemes vis-à-vis financial institutions to employ the educated children of tea community. He further requested the ILO to recognize December 15 as the International Tea Day.

C.A. Kurian, General Secretary (AITUC) in his deliberations said that the Parliamentary Standing Committee confirmed that the management cheated the workers and tea gardens were shut down without any reason. He also questioned to the West Bengal trade unions the wage disparity in comparison to Kerala. He further reiterated that GOI should have taken steps based on the recommendations made by Kailash Joshi Committee. Rights of workers get covered by reducing the cost of production. He stressed the demand for full employment under the Minimum Wage Act and the fixation of minimum wages. The industry he said was moving from commodity market to brand market as done by the Tatas, Hindustan Lever Ltd, Goodricke and others.

Anandan Menon, Programme Assistant, ILO, Delhi stressed that there is a need to reconcile on the one hand the employers’ need for productivity and concern for continued employment for workers’ on the other hand. He mentioned that in March 2005 ILO had had a meeting on tea sector related issues and therefore considers this activity as a follow-up of the March 2005 meeting. David King, President, Association of Planters of Kerala (APK) stressed the need for understanding the

crisis in the tea sector by the government, Tea Board and mentioned that the management, workers and trade unions have cooperated in this period of eight years of crisis.

In Kerala only 4 to 7 gardens have reopened partially (by selling green leaf outside) from the 22 closed gardens. He stressed that we should see that other tea gardens do not close in the future. He said that the government should realise that the management provides employment and not financial assistance. On the issue of less replanting he said that people are not willing to invest as it does not have a pay-back and the subsidy provided by the Tea Board is not economical.

Management demanded for 50 percent subsidy, commerce ministry recommended 40 percent, finance ministry 30 percent which later was reverted back to 25 percent. The cost for replanting is 6-7 lakhs per hectare and the subsidy given is 25 percent of 3 lakhs as the cost of production is non-realistic as given by NABARD to Tea Board. Request the government to re-plan and help the estates to be more productive.

Sushmita John, President, District Panchayat, Idukki extended her solidarity in the struggle of tea workers in closed and abandoned tea gardens especially around Peermade. Samir Roy, National Secretary, Hind Mazdoor Sabha (HMS) requested the political power to take up the issues of the plantation sector. He mentioned the example when government can take over land for Tata Motors, they can similarly do so for the plantation sector. He further requested ILO to extend support for Decent Wages and Work in the Plantation sector.

J. John, Executive Director, Centre for Education and Communication, New Delhi refuted David King's argument of high wages as a reason for closure and abandonment by reminding that closure and abandonment has taken place not only in Kerala, which has the highest of wages, but also in West Bengal with the lowest of wages. He stressed that the situation in tea plantations should be seen in the context of overall structural changes taking place in the global industries. Not only that the global corporations have integrated production processes along global value chains but they are increasingly using knowledge driven organising principles with emphasis on the integration of production and consumption processes. Consequently, 'brands' and 'giant retailers' wield disproportionate influence over the value chain and to a great extent influence the production processes. He also mentioned that globally production is shifting from developed to underdeveloped countries especially in the case of commodities like garment. But a shift of green tea production from India to any other country is not possible because tea cannot be produced elsewhere. He said, simultaneously, three things are happening in the global tea industry. One, 'brand value' of tea has increased and the brands are consolidating in a scale never seen before, nationally and at a global level. He cited the examples of Tata Tea and Unilever exiting green leaf production and concentrating on global post-made-tea brand building as examples. Second, he said, there is consolidation at the manufacturing segment by big players. He recalled that Harrison Malayalam sources green leaves from the small tea growers and from many states. The Khaitan group has also consolidated their position in this segment. Third development, according to him, is the emergence of small tea grower as a new business model, mainly more cost effective. The re-organisation of global tea industry is in such a way that the risks in re-organisation are passed on to the workers and the risks in production are passed on to the small growers. He further refuted an argument that prices of tea was not falling in international market by citing the example of tea prices of packaged tea in UK retail giant Tesco, where popular varieties go for less .60p (Rs.47) per kg. He argued that pushing down prices in this way for mass consumption tea at the global market would inevitably lead to closure, abandonment of plantations and gross denial of rights of workers. He said observance of International Tea Day is a global response by tea plantation trade unions all over the world.

Sunil Sivaram, Chairman, Central Travancore Planters Association (CTPA) stressed the need for reduction in sale- realization. Mani Kr. Darnal, Sr. Jt. General Secretary, National Union of Planta-

tion Workers (INTUC), West Bengal mentioned that the management has failed to pay regular wages and instead introduced part wages, curtailed fringe benefits, failed to pay Gratuity, Provident Fund to the workers apart from a total collapse of the support system. He also mentioned that lack of proper management practices and absence of professionalism with industrial outlook are causes of the constant decline of India tea. Such conditions have adversely impacted the workers especially women workers. He suggested that if all options fail to reopen the closed tea gardens, then land should be equally distributed to the worker/employees' family allowing patta with financial support for self employment. In his deliberations he said that government should realise and pay the P.F. and Gratuity from the defaulter employer.

Ashok Ghosh, Conveynor, ITD India Committee and Secretary, UTUC gave the vote of thanks to the delegates present at the inaugural session and to the organisers especially P.A. Joseph and Vazoor Soman for having successfully organized the programme. He further gave a brief on the genesis of the International Tea Day at the meeting at Lonavala, 2004 and its importance to the tea plantation workers globally.

The second session of the Seminar began with a documentary film show on closed and abandoned tea gardens in West Bengal. A panel was constituted comprising of P.A. Joseph, Samir Roy, Joachim Baxla, Vazoor Soman and Ashok Ghosh. It was followed by a presentation by Prof. Jeta Sanskrityanan, Department of Economics, North Bengal University. Prof. Sanskrityanan gave a historical overview of the tea industry in India. He questioned the reasons for such closures and the failure of reopening of such tea gardens and giving the workers some dignity. He termed this as 'economic colonialism'. He mentioned that this crisis is because of WTO and its trade policies and the impact is so high that government finds it difficult to implement the legislations. There is competition between the tea producing countries and competition between the estates and bought-leaf factories could be suicidal. He mentioned that there is conspiracy of the global tea trade that uses small farmers against the workers.

Plantations in Ghana, Malaysia shifted to small-holders production which works as agents for global exports. It is important to see that the government carries the mandate in the Inter-Government Commission that can discuss on the International Commodity Agreement on Tea.

He reiterated that why the interest in tea market cannot be situated in domestic market alone. His presentation was followed by a question and answer session. Rajan Pradhan (AITUC, West Bengal) made a suggestion of renaming the Plantation Labour Act of 1951 to Plantation Workers' Act of 1951. A suggestion was made - provide homestead/land rights to workers that would enable them to get access to loans from various institutions. Abani Roy suggested lobbying with the local government and catching the companies who have defaulted with the help of the centre and state government. A joint meeting to be held with the ministries of commerce and labour and compel the state government to do something for the workers in closed and abandoned tea estates. He suggested that one common action programme could be chalked out.

P.A. Joseph in his presentation on "What Should the Trade Unions do if the Tea Gardens are not reopened?" opened the question to the floor. To this M. K. Darnal suggested that if every option of reopening fails that the lease should be cancelled and land to be divided equally among the workers; provide them with technical skills in sustainable livelihood. Samir Roy agreed to this suggestion keeping in mind the shift to informal/small holder sector. P.A. Joseph said that it is important to give proper 'title' (entitlement) to the workers. Nakul Sundas from INTUC, West Bengal suggested formation of Tea Corporation to control the marketing system.

Prof. Jeta responded by saying that market is controlled by the Tea Board of India within an International Agreement. He suggested that the Tea Board can follow the good examples done by

Spices Board and also Sri Lankan Tea Board (packaging of Dilmah Tea). He said that if there is a concerted effort to create a label (brand equity) then it will succeed with Indian Tea Association and Tea Board. The non-acceptance of a National Floor Price by the government was discussed and it was mentioned that even the small growers do not get a fair price. The delegates expressed interventions on the following:

1. Minimum Floor price of Tea
2. Amendment of the Plantation Labour Act 1951
3. Amendment of the Land Utility Act

M.K. Darnal expressed his fear that if trade unions would take joint efforts to reopen the closed and abandoned tea gardens, then another set of tea estates would be closed who are in the defaulters list. An amount of Rs 133 crores is outstanding in the defaulters list. Prof. J. Sanskrityana moderated the entire session. He said there is capacity for joint action that could persuade the government and a minimum programme could add to the strength. He stressed the need to build a forum with representation from central trade unions and this meeting could act as the starting point. Dr. Rinju Rasaily, Programme Officer, CEC in her presentation on "Beyond OMCs or self-management of abandoned gardens by trade Unions and Workers" summarized the day's deliberations and stressed political will as the need of the hour as reiterated by Samir Roy and Abani Roy.

The house later decided to convene a separate meeting of central trade unions to discuss and plan out joint action.

WORKERS' ASSEMBLY AND PUBLIC MEETING

December 16, 2007 , Vandiperiyar, Idukki District, Kerala

Rally and Public Meeting

A rally of around 500 workers started from Periyar Junction to Taxi Stand Maidan, Vandiperiyar to mark the occasion of International Tea Day. Veteran central trade union leaders like Ashok Ghosh, Samir Roy, P.A. Joseph, V. Soman along with Abani Roy, Member of Parliament lead the rally. The public meeting was addressed by all the eminent dignitaries including N.M. Adiyantiyya, Vice President, INTUC and Member, ILO Governing Body and Abani Roy. M. Singaravelu ex-MLA (Tamil Nadu) also addressed the public gathering. "Protect Life, Livelihood and Rights of Tea Workers in Closed and Abandoned Tea Estates" was the slogan on the occasion of International Tea Day.

Meeting with the Minister

Later in the day, the delegates met with Binoy Bishwam (AITUC), Minister for Forest and Wild Life at Holiday Home Kumili. He addressed the delegates and mentioned the need of addressing the concerns of the tea plantation workers especially in the closed and abandoned tea estates.

PLANNING FOR 4TH ITD

December 16, 2007 Holiday Home, Kumili

In this meeting there was discussion on whether international delegates should participate as the problems are not common with India or South Asia. P.A. Joseph opined that international representation should be there to call it an International Tea Day. Samir Roy felt that it was important to discuss the Indian context and have only token representation from tea producing countries. J. John said that representation could be made from the neighbouring tea producing countries like Bangladesh and Nepal. Ashok Ghosh reiterated that all the tea producing countries should perform their tasks and duties on the International Tea Day. P.A. Joseph suggested a formation of an International Alliance of Trade Unions. Few of the decisions taken in this meeting are as under.

Decisions Taken

4. 4th ITD to be organised in West Bengal
5. Representatives from ILO and trade unions from tea producing countries to be invited for the 4th ITD
6. A National Committee to be formed at the 4th ITD Preparatory meeting in Kolkata.
7. CEC to provide list of trade unions from various tea producing countries and preparation of budget
8. Preparatory meeting at Kolkata on Feb 3, 2008 to draft a concept note and discuss programme, budget etc.
9. Delegates to cover their own travel expenses for the planning meeting.