

# Sri Lankan government, companies and unions conspire to impose poverty wage on estate workers

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25 March 2024

The Wickremesinghe government, Regional Plantation Companies (RPCs) and Sri Lankan trade unions have begun discussions on the daily wage of estate workers.

The government has proposed a 1,700-rupee (\$US5.5) daily wage, in other words a 700-rupee increase in the current below-poverty 1,000-rupee rate.

The RPCs are proposing two systems. The first is a total 1,200-rupee daily wage but tied to workers' attendance. If workers fail to maintain the company-dictated attendances they will only be paid 1,000 rupees.

The second proposal is a 1,300-rupee daily wage but with higher productivity rates—i.e., if a worker plucks 20 kilos of tea leaves they will be paid an additional 65 rupees per kilo. If workers fail to meet that target, they will receive a lower salary. It is almost impossible, however, for workers to pluck 20 kilos of green tea per a day—most harvest 15 to 18 kilos. Anyone capable of reaching the 20-kilo daily target could only do so regularly during a good season.

While most of the estate trade unions are clinging to the government's wage proposal, they will impose whatever is decided.

Irrespective of the outcome of these tripartite meetings, the pay rates will not provide a living wage or address the endemic poverty afflicting these highly exploited workers.

According to official statistics, the real wages of private sector employees, including estate workers who are among the lowest daily wage earners in Sri Lanka, had declined to 82 points by mid-2023. The figure is calculated by taking 2013 as its base year and equal to 100 points.

Estate employers have also insisted they are not prepared to give any wage increase to rubber plantation workers because of reduced crops and falling revenues in the rubber industry.

In April 2021, then Sri Lanka President Gotabhaya Rajapakse announced a 1,000 rupee (\$US4) daily wage via a gazette notification, in order to dissipate nationwide demands and strikes by estate workers for a higher wage.

The Planters Association (PA) initially rejected this paltry increase but later accepted it, after devising various methods,

including increasing daily production targets, to avoid paying the meagre 1,000-rupee rate. If a worker failed to reach management targets, they would only be paid between 500 to 750 rupees.

Rejecting the government's current proposal for a 1,700-rupee wage, the PA claims that estate employees are receiving higher wages compared to other wage board workers and more than others working in Sri Lanka's agriculture sector.

The planters also claim that the recent appreciation in the rupee against the US dollar (300 rupees to the \$US1) has reduced their export earnings, that the international tea market is declining, and that wages make up 70 percent of its production costs.

The plantation unions, from their inception, have always collaborated with the government and the RPC to maintain poverty-level wages. These include the Ceylon Workers Congress (CWC), National Union of Workers, Upcountry People's Front (UPF), Democratic Workers Congress and the Lanka Jathika Estate Workers' Union, which is controlled by Wickremesinghe's United National Party, as well as the All Ceylon Estate Workers Union affiliated to the Janatha Vimukthi Peramuna.

A decade ago, the RPCs proposed a "revenue sharing model" (RSM) to increase production and boost profits. Under this model, a worker is assigned a plot of around 1,000 tea bushes and expected to use their family to maintain the plot, with the harvested tea sold to the plantation company. The company then deducts its cost of supplying manure, agricultural tools, office expenses and its own profit, with the remaining income from the tea harvest paid to the worker.

The trade unions have supported this share-cropping system which has been imposed in some estates, despite workers' opposition to the highly exploitative scheme.

The estate trade unions function as an industrial police for the companies and the state, systematically colluding with them to impose poverty wages and higher workloads and helping police suppress workers' opposition.

In 2020, workers at the Alton Estate, which is owned by Horana Plantations, went on strike as part of a nationwide

campaign involving hundreds of thousands of plantation workers to demand a 1,000-rupee daily wage.

After a series of provocations, the Alton Estate manager falsely claimed that workers physically assaulted him. The police arrested 22 workers and two youth. The company summarily sacked 38 workers, while the court case against the 22 victimised Alton Estate workers and the two youth is still dragging on. The CWC was directly involved in the witch hunt, providing the names of workers, with the UPF and DWC conniving behind the scenes.

Sri Lankan plantation workers and their families, who suffer rampant poverty and unemployment, do not have proper health, education or housing facilities and receive no paid leave. Thousands of children and their mothers in the estates suffer from anaemia and malnutrition.

While the trade union leaders are in discussions with the government and the companies, they have not called any mass meetings or provided any avenue for workers to raise their own demands.

*World Socialist Web Site* reporters recently spoke with estate workers about their wages and social conditions.

**Krishnan** (43), a plantation worker from Brunswick Estate in Maskeliya, said that management have eliminated workers' retirement benefit scheme and transformed them into casual workers. "Thirteen workers, including myself, were removed from the register," she said.

"Because our wage is not even enough to provide for adequate food, many workers take a month or two leave in order to go and work in Colombo in the expectation of earning some income," Kolisamma added.

She explained that if they were delayed from returning from Colombo by a few days management removed them from the register and then asked them to join as new and temporary workers. "When we appeal to the trade unions to help us in this regard, they blame us and justify management's actions," Kolisamma said.

Referring to the new wage proposals, she said it was nowhere near enough to compensate for the rising cost of living. "There are five people in my family and in order to get enough nutritious food we need at least 2,000 rupees per day. And if we want to be able to pay for medical treatment and our children's education, we want 3,000 rupees per day," she said.

**Madasamy Muththumalai** (50), from the same estate, explained the brutal working conditions.

"We work for 10 hours per day without any rest break and 30 days a month, including Sundays, to try and meet our daily needs. Because of this female estate workers are getting very thin and look like sick people," he said.

Referring to the revenue-sharing model, which has already been partially introduced at his estate, he said: "The people working there [under this scheme] are considered as temporary workers. They don't have holidays or other benefits.

"We have stopped buying milk powder because it is too

expensive. It's difficult to buy it and other essentials on the 10,000-rupees per month I receive after all the deductions from my wage. My wife is working in Colombo and gets 30,000 rupees a month. She sends us 20,000 rupees and without that, we cannot even manage our minimum expenses."

Muththumalai condemned the Ceylon Electricity Board management for its witch-hunt and suspension of 62 workers for protesting against the government's privatisation of the state-owned enterprise. "This is an attack on the democratic rights of the workers. The same things are also happening in the plantations," he said.

Estate workers must reject any wage proposal negotiated in the tripartite talks between the government, the plantation bosses and the trade unions and advance their own independent demand for higher wages and improved conditions.

Estate workers are not responsible for the crisis of the government or boosting the profits of the companies. The Plantation Workers Action Committee proposes the following demands:

\*A guaranteed monthly wage indexed to the cost of living and a decent pension.

\*Line rooms must be abolished and all workers provided with decent homes with full facilities.

\*Paid leave similar to other industry sectors.

\*Guaranteed high-quality health and education facilities.

To organise a united struggle for these demands requires the establishment of democratically-elected workers' action committees in every estate independent of all capitalist parties and the trade unions, and in unity with their class brothers and sisters in Sri Lanka and internationally.

This fight must be part of a common struggle with other workers fighting the Wickremesinghe government's IMF-dictated austerity measures and in the struggle for a workers' and peasants' government to implement socialist policies, including nationalisation of the plantations, the banks and other major capitalist corporations.



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