

# Sri Lanka: Plantation workers oppose tea factory closure

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About 850 workers at the Park Estate near the Sri Lankan central tea plantation town of Nuwara Eliya remain on strike after walking off the job on May 28 to demand the reopening of a tea estate factory. Management closed the tea processing facility in early January, claiming that a boiler needed repair.

Workers fear that management wants to completely close the factory, destroy their jobs and construct a luxury hotel on the premises. The estate is part of Udupussellawa Plantations and owned by the multi-national Finlays company, which has tea, rubber and coconut estates, as well as timber plantations, in Sri Lanka.

Park Estate workers decided to strike because the trade unions failed to take any action against the factory closure or the threat to jobs. Acting on the basis of previous experiences, the workers decided not to inform the unions, knowing that they would oppose any industrial action.

Predictably the Ceylon Workers Congress (CWC), the dominant estate workers' union, refused to support the protest and criticised workers for not notifying it in advance. The CWC, which is also a political party, is a partner in the ruling coalition and its leader, Arumugam Thondaman, is a cabinet minister. The CWC has consistently opposed industrial action, including the recent strikes that erupted in several tea estates against higher productivity quotas.

The Up-country People's Front (UPF), another government ally, the Ceylon Workers' Alliance (CWA) and the United National Party-controlled Lanka Jathika Estate Workers Union (LJEWU) are pretending to support the Park Estate workers. These organisations are attempting to divert the protest into futile appeals to the company and to the government to intervene and reopen the factory.

Discussions convened by the government's assistant labour commissioner in Nuwara Eliya between estate management and the UPF, CWA and LJEWU were held on June 1. When management flatly refused to open the factory, the unions simply called for more discussions with the company and the labour commissioner.

On June 2, workers plucked tea, brought the harvest to the factory and then occupied the facility to demand it be reopened. Management immediately contacted the police and dozens of officers were mobilised from the Nuwara Eliya and Kandapola police stations. A high-ranking police official declared that the factory was the property of the company and evicted the workers.

While the police are now guarding the facility, estate workers are continuing their protests. They recently turned away an industrial container from the estate, suspecting that management planned to use it transport machinery from the factory.

One female worker told the WSWS: "I was working in the factory before it was closed. The boiler was functioning and it used firewood or electricity. It was in good condition. But management told us they were closing the factory because the boiler needed repairs. This was a complete lie. Seventy workers were employed in the factory."

Following the closure, workers were sent to do field work and the plucked tea leaves were despatched to another factory. Three years earlier another division of the Park Estate was closed and about 50 hectares of the plantation were leased to businessmen for vegetable cultivation.

The same worker explained that the Park Estate had also introduced new work methods and low pay scales.

“Management does not register new workers and many are employed on a target basis,” she said. “If they pluck one kilogram of tea they’ll only get 17 rupees.”

This means that if workers pluck 20 kilograms a day—a difficult task—they would only receive 340 rupees, or about \$US2.50. This is 175 rupees less than the all-inclusive daily wage of a plantation worker under the latest collective agreement.

“Day by day the company is removing our rights. We can’t allow them to close this factory,” the worker said.

Another worker told the WSWs that the factory was originally established in 1931 but had been modernised and renovated several times, and in 2005 was given ISO certification.

“Workers did lots to develop this factory,” he explained. “In 1985 management tried to close the factory but we protested and stopped it. On January 17 this year we also went on a strike but now we’ve heard that the factory is to be converted into a luxury hotel.”

While the managers originally claimed that the estate factory had been shut for repairs, they have begun changing their tune. The company now claims that the estate is running at a loss because of falling tea prices and it has to close the factory.

The estate worker said that the trade unions were “useless” and that their officials only visited employees during elections to secure their votes. “We will continue this fight with the support of workers at the 14 other estates controlled by the Udupussellawa Plantations,” he added.

Finlays’ web site claims that the company takes “social responsibility” for its employees. Workers told the WSWs that management had closed the maternity ward at the local dispensary and adequate medicines were not available. Employees previously received free birth control drugs from the dispensary but now have to pay 250 rupees. Estate employees also lack adequate water and housing. Last year several line rooms at the estate’s Kandapola division were gutted by fire. Survivors are still being housed in the estate school.

In 2010, the Finlays tea estate profits increased by 352 percent and production was driven up by 22 percent. While profits have dropped over the last year, Finlays chief executive Dayan Madiwela told the media on May 22 that the company would further increase productivity and mentioned mechanised tea plucking

and production diversification to maximise its profits.

The closure of the Park Estate factory is part of a broad and ongoing assault by tea companies in Sri Lanka and internationally on their workforces.

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