

# **CHAPTER - I**

## **INTRODUCTION**

### **1.1 Background**

Nepal is a land-locked country bounded by the People's Republic of China in the north and by India in the East, west and south. The total area of the country is 1,47,181 sq.km. Nepal is located between 80 degree to 88 degree East longitude and 26 degree to 30 degree North latitude. The Himalayan region ranges in altitude between 4877 and 8848 meters covered by snow throughout the year out of 10 highest peaks, 8 peaks are in Nepal. It has very diversified climate and topographical features, comprising of the highest peak of the world viz, the Mount Everest at 8,848m. descending down to about 60m. at Kechanakalan in Jhapa district of Nepal. The climate of Nepal is therefore diversified as per the latitudinal differences.

The popular tourist area in far east Nepal, Ilam is one of the 14 districts of province no.1. It is covered with high greenery hills, great sightseeing places, and exportable research area and also known as the district of Tea Garden in Eastern Nepal. The sloping hills covered by the bushes of Tea gives you a fascinating view from the Mechi Highway, while you are on the way to explore far east Nepal.

Nepal's popular Tea cultivation area, Ilam is on the way of Mechi Highway and 90 km away from the Kakarbhitta border. The center tourist area Ilam is bounded by Jhapa in the south, Panchthar in the north, West Bengal in the east and Morang and Dhankuta at west. In comparison to the other districts of Nepal, Ilam always has a constant temperature throughout the year but gets heavy rainfall during Monsoon season. With our personal experience, we recommend you to visit Ilam during February-April and October-December.

### **Time to reflect**

These tea estate workers are of the view that if the government does not overlook their situation and promotes tea estates with fairer financial schemes, it could generate a range of mutually beneficial employment opportunities in Nepal. On the contrary, the government has been busy celebrating its nominal successes and inaugurating new empty schemes like the Prime Minister Employment

Programme and contribution-based social security schemes. Despite these seeming successes, more than 45,000 tea estate workers are beyond the range of protection, and are forced to go abroad due to the absence of adequate financial security in their own country.

The government's strategy to call Nepali migrant workers to return and work in their home country is theoretically a good idea, but it is neither viable nor sustainable practically. The government should introduce more strategic and sustainable solutions instead of making popular decisions. Law and policymakers should place a priority on institutionalizing financial security and favorable working conditions for laborers so that they can live in an environment that enables them to fully realize their social rights.

In the microcosm of Nepal's thriving tea industry, the price tag of a product enjoyed by all of society is not always reflective of the sacrifices made by some of its citizens. Government officials would do well to reflect on this as they enjoy their next cup of Nepal's finest tea.

## **1.2 Statement of the Problem**

Tea workers community, erstwhile called by different names, even derogatively, such as 'tea garden coolie', 'tea tribe', 'drunkards' and so on is a section that derive ones livelihood resources from tea plantation works. This is a population that is fearful and anxious about its basic subsistence, due to its dependence or over-dependence on low and insecure income, inadequate social services, and a shrinking labor market which is faced with gloomy prospects. A majority of the plantation laborers are women workers. Tea plantation provides employment to more than a million workers who comprise immigrant workers and their descendants. Socio-economic condition is indicates the development of human life, like this tea plantation workers development also. They depends the earnings form tea plantation, it help them to run their family. This study focuses about socio economic conditions of workers, in this case no significant relationship in age and gender. Hence, in the economy factor there is no improvement of monthly income and monthly expenditure. Even though job opportunity avail for the workers. India is also such a country, where about 70 per cent of the labor force is employed in the agriculture sector. Although in the recent years the share

of agriculture in Gross Domestic Product is coming down, still agriculture is the dominant sector of the economy and it impacts the wellbeing of the other sectors.

But, the living standard of the tea garden workers is desperately miserable. They are suffering from various social problems like illiteracy, superstition, early marriage, non-availability of pure drinking water, electricity supply, sanitary system, health service, nutrition, modern science and technology etc.

The Most common problems plaguing Ilam Tea Estate Tea Gardens are following: In fact, low wages, poor infrastructure, poor housing, health issues and lack of avenues for social mobility have been common problems since the inception of tea plantations East Nepal. This study focuses on the above social and economic problems faced by the Landless workers in Tea Estate. Thus, the main aim of this study to understand the problems of workers belongs to Tea Garden of Ilam Tea Industry.

What is the practice of tea production in Nepal?

What is the role of labor while collecting the tea leaf?

What is the problem of tea farming?

### **1.3 Objectives of the Study**

The main objectives of the study is to appraisal the status of tea farming in Nepal and to suggest recommendations based upon findings. The specific objectives of this study are:

- To analyze the livelihood improvement status of the tea garden workers.
- To evaluate the role of tea Estate in socio-economic empowerment in the study area.
- To know the working conditions of plantation workers.

### **1.4 Significance of the Study**

Tea is known as profitable and long term cash crop that brings healthy socio-economic situation. Many rural people are engage in tea farming; they have got employment opportunities in local area with familiar environment. The Tea Estate provides employment to the major fraction of the rural population that would be one of the better ways to control external migration. It provides small volume of

business opportunities to another people. Its development would help in correcting trade imbalances of our country. Therefore, this study helps to policy makers for formulating plans and projects for further development of tea industry. It can be helpful to that people/students/researcher who wants to study about tea in upcoming days. Likewise, it provides an idea about improving productivity and quality, genetic improvement, plant protection and efficient marketing of tea.

### **1.5 Limitations of the study**

This study is concerned only to the activities of labor working in Ilam Tea Estate, Ilam areas. It is the case study of confined inside this Municipality. So that, the result may not present entire activities of labor in Nepal. Therefore, some limitations of the study are as follows:

- i. The study has been limited in Ilam Tea Estate in IlamMunicipality areas.
- ii. Only the members of labor inthe Estate areas have been included in the study.
- iii. Time and resource create constraints.

### **1.6 Organization of the Study**

This whole report were organized into five chapters. The first chapter is introductory part, which includes general background of the study, statement of the problems, objectives of the study, significance of the study, limitation of the study and the organization of the study. The second chapter focused on literature review related to tea farming including theoretical review and empirical review. The third chapter explains the research methodology of the study. The fourth chapter is about data analysis and interpretation taken from the study area. The fifth chapter includes summary of the findings, conclusion, recommendation and finally references and appendices also adjoined.

## **CHAPTER - II**

### **LITERATURE REVIEW**

This chapter includes reviews of literature as organic tea farming in a worldwide context, organic tea farming practices and its importance, gaps in farming practice and knowledge and social issues in tea farming for making study stronger, support and justify.

#### **2.1 Scenario of Tea Plantation in Nepal**

Tea industry in Nepal is growing rapidly due to the active participation of the private sector. Now Nepal is self-sufficient in CTC tea. There is a huge international market for both Orthodox and CTC tea. It is noteworthy to mention that most of the tea processors are interested to explore foreign markets because of the higher prices fetched by our teas compared to domestic and regional markets. Tea gives the highest return compared to any other crop cultivated by farmers. Tea industry is also a firm step towards empowering women as it generates good employment opportunities for women. More than 60% of the workers employed in the tea industry are women. Small farmers who grow their tea plant using farmyard manure and locally available botanical pesticides contribute to the major share of tea production, which we can call organic tea. There is high demand of organically produced tea in European markets. Unique Himalayan climate for tea production coupled with the considerable amount of fallow land available for cultivation could be used for the expansion of tea industry without disturbing the environment but rather preserving it. These indicate good future prospects of tea industry in Nepal. Nepal's yield per hectare is still lower than the major tea producing and exporting countries in the region, for example, India and Sri Lanka. Empirical evidences indicate that average Indian yield per ha was 1838 kg in 2056/57 BS whereas Nepal's yield during the same period was only 80% of that of Indian average. Similarly, Nepal's yield is only 71% of the other global tea industry leader-Kenya. Currently Nepal's tea yield per ha is 750 -1477 kg/ha made tea. Production potentiality of tea is 5000kg/ha made tea. Thus, there is still a lot of room for the improvement of productivity in yield as well as in quality (NTCDB, 2009).

Nepali tea industry owes its roots to the colonization of India by the East India Company. Numerous tea plantations around the hill station of Darjeeling were promoted by the British. Hybrids of tea bushes were introduced in several districts in Nepal - Ilam, Taplejung, Panchthar and Dhankuta within a few years after their introduction in Darjeeling and the first tea estates were established in 1863 in Ilam and Jhapa. But whereas the Darjeeling tea production soon emerged into a prosperous commercial industry, the Nepalese tea production remained low profile until the 1990s, unable to fulfill domestic demand. Decades earlier, in 1966, the Nepalese government had established the Nepal Tea Development Corporation. Initially, Nepalese tea leaves were sold to factories in Darjeeling. With time, the Darjeeling tea bushes had become old and along with internal changes in the industry it led to a deteriorating quality of the Indian tea. These conditions made the Nepalese tea leaves a valuable input for the Indian factories. During the last decade tea processing factories have been built and turned Nepalese tea production into a fully commercialized industry. Although, even today some farmers sell their tea to Indian factories as they get a better prices from across the border.

In the early 1990's, large tea plantations run by the government mainly dominated the tea sector. Through reforms in 1993 the state owned National Tea Development Corporation was privatized. Its regulatory functions were handed over to the National Tea and Coffee Development Board under the Agricultural Ministry. To promote the industry further the government launched a new tea sector policy at the end of 2000. This policy seeks to ease access to credit and land for tea producers as well as building human capacity.

The goal of this paper is to examine the general trends in Nepalese tea industry, in particular, the changes brought about by the privatization in the early 1990s. The following pages will examine the two distinct types of tea industry, Orthodox and CTC, look into Nepal's export performance and finally attempt to assess the impacts of liberalization on small farmers as well as commercial tea estates. (Neapltea, 2015).

## **2.2 Employment Opportunity**

The history of tea cultivation in Nepal starts with what was basically a Rana family/clan hobby. The Ilam tea gardens were started by the Ranas, influenced no doubt by its cultivation in Darjeeling in the hills of West Bengal, where British estate owners had established the precedent. Several decades after its start in Nepal, other farmers started it with a commercial intent. The government paid adequate attention only when the Nepal Tea Development Corporation was established. Initiated as ‘a family business’ in a single location for several years, the labor and technical personnel was at first limited in numbers. Even after its development for commercial reasons, around 40 percent of the output came from small farmers and expansion of the labour input at this level was provided mostly by the family members. Only the garden sector hires wage labour. (<http://www.nepaltea.com.np> July, 2015).

Specifically, in the Orthodox tea production districts the share of small farmers is over 70 percent. Therefore, the hiring of wage labor or ‘pickers’ in tea sector has different characteristics compared to other CTC tea producing large garden dominated farming systems. In the hill districts, 38,955 members of 7,791 households were dependent on tea cultivation (NTCDB 2009:8), whereas Warakulle and other (2007) mentioned that 30,000 people are directly involved in the industry with a large percentage being rural women. Therefore, this industry has the potential to empower rural women through poverty alleviation and has become the focus of attention of many international organizations and many NGOs (Warakulle et al, 2007:16). For a long time wage rates in the tea sector remained low compared to other sectors. The government eventually reformed the wage rates for the tea sector in 2008, after a month-long tea sector labor strike was settled following the fixing of the daily rate at NRs 95 (US \$ 1.27 approximately) for all types of garden labors. Both males and females working in same garden now received the same wage rate. However, in the small-holder farming sector the wage rate is not fixed but is usually higher than in the gardens. The field survey revealed that this was the result of irregular employment. It was also reported that the farm owner usually works together with wage laborers.

Besides green leaf plugging farmers are engaged in cattle rearing, farming of cash crops etc. tea garden helps them for such activities. Some Tea gardens also provide the tea term loan also.

### **Strategy for the Promotion of Nepalese Tea**

One of the major challenges is establishing firmly, the image/identity of Nepalese tea by pursuing brand promotion in international market. This entails identifying problems both at home and in the international market and resolving them in a timely and effective manner. It should be admitted that Nepal Tea is a little known commodity in the international export market. So far, Nepal has exported to a few countries and relatively in small quantities. However, there is huge market for our type tea.

Nepal tea has a promising future if promoted in a systematic and sustained manner. Awareness campaigns of Nepal tea across tea importing countries and Brand Promotion activities needs to be made to project and highlight our orthodox and CTC teas. This should be the prime focus of our marketing strategy. Market access initiative can be achieved through a sustained brand building of Nepalese handmade tea.

### **2.3 Organic Tea Farming in a Worldwide Context**

According to HDRA (1998), the International Federation of Organic Agriculture Movements (IFOAM) has produced a set of international organic standards, laid down by people from many countries. These give guidelines about what organic farming is and how it should be practiced on the farm. The recent increase in organic tea's popularity is part of an overall movement towards organic farming methods in general. Unregulated tea growers have been known to use raw sewage lines to irrigate their crops, as well as use banned pesticides such as DDT to control insect damage. While most tea companies do regulate themselves internally, only those who use farming methods such as crop rotation, inter planting and composting are likely to obtain organic tea certification by United States Department of Agriculture (USDA) standards legally organic soil must be free of synthetic fertilizer for at least three years. Certified organic teas can be found in virtually every country that grows tea as a crop. The designation "organic tea" can be applied to white, red, green, oolong, black or any other tea



variety. Many organic herbal tea blends contain other ingredients such as spices and flower which have also been grown organically.

The classification of tea as “organic” refers only to the farming and processing methods to produce it, not the tea’s specific type if, level of fermentation.

According to the handbook of FiBL/Naturland and SIPPO (2002), organically tea was first cultivated in 1986 in Sri Lanka. Since then it has become wide spread mostly in India and Sri Lanka. They further stated that the number of organic tea producer and the volume of organic tea traded on the world market have increased substantially over the last few years. This development can be explained by a number of factors. In the first place, tea farmers have become more aware of environmental problems (erosion, pesticides residues in tea plants) and the severe health hazards connected with intensive system of tea production.

FiBL (2005) describes that, the tea varieties that are cultivated are all hybrids of original tea plant *Thea sinensis* and *Thea assamica*. The result gleaned from the studies of conventional varieties can at least be used in part (e.g. as regards quality parameter and resistances properties). Until now, though, there have been no studies of varieties for the organic cultivation of tea. For this reason, only generalized recommendation can be offered. Organic cultivation of the tea requires varieties (clones) with broad-scope resistances, and the ability to thrive under shade tree (upright, dark green leaves). Organically cultivated tea was first produced in 1986 in Sri Lanka. Since then, it has become wide-spread mostly in India and Sri Lanka. Other production countries include China, Japan, Seychelles, Tanzania, Kenya, Malawi and Argentina. Organic cultivation no gem-manipulated varieties are allowed. Tea plants are propagated both generatively or vegetatively. Cultivation takes place under controlled condition in special beds over the spaces of 2-3 years. It is recommended to establish own nurseries in the garden in order to ensure a continuous supply of untreated and healthy plants.

The organic cropping has different variables that must be considered. First, productivity will decline heavily during the initial years which can later be increased gradually by the use of optimum organic inputs. Secondly, due to the productivity decline and high labor requirements as well as the need for organic inputs, the cost of production increases. However, the price offered for organic in

conversion is more than the conventional ones. After achieving organic certification, the full organic product can receive even higher prices. Similarly, the cost of certification also decreases and the productivity increases compared to the initial years of conversion. In conclusion, it can be said that though the conversion to organic in initial years is not profitable, and even might have to bear loss, gradually the losses are recovered and the business will become profitable in the long run.

Willer (2011) pointed that, the organic agriculture is rapidly growing in all parts of the world. From 2000 to 2009 the organically managed land area increased from nearly 15 million hectares to 37 million hectares of which roughly one third was located in developing countries.

FAO (2012) reports that, the demand for organic tea has increased in the past decade, when the notion of organic agriculture gained in popularity. India and China pioneered organic tea production, and they are the world leaders in production and exports of organic tea. In 2010 India produced 10 000 tones of organic black tea, while in 2009 China produced 67 500 tones of organic green tea and 3 000 tones of organic black tea to meet its domestic and export demands. The organic tea sector is expanding in other producing countries, although in smaller quantities, including 1 000 tones in Sri Lanka in 2010.

Karki et al (2011) have pointed that, the world-wide increasing demand for organic food and the creation of awareness on the environmental, economic and health benefits of organic production are important factors to motivate farmers to practice organic farming. Information on these benefits can be spread by governmental and non-governmental organizations as well as by development aid organizations from abroad. Since these traditional channels of information were not very successful in Nepal and other countries in the past, alternative information channels should be supported. One important message should be given by organic tea processors in Nepal who spread the information that they look for additional suppliers and offer long-term contracts for organic farmers. Another promising strategy is to engage successful organic farmers as multipliers and supporters in training courses and workshops on organic farming practices. Farmers tend to have higher trust in experienced-based knowledge of other

farmers than in information given by governmental agencies or professional buyers of their produce.

## **2.4 Origin History of Tea**

A 19th-century Japanese painting depicting Shennong: Chinese legends credit Shennong with the invention of tea. Tea plants are native to East Asia, and probably originated in the borderlands of north Burma and southwest China.[27] Statistical cluster analysis, chromosome number, easy hybridization, and various types of intermediate hybrids and spontaneous polyploids indicate that likely a single place of origin exists for *Camellia sinensis*, an area including the northern part of Burma, and Yunnan and Sichuan provinces of China. Tea drinking may have begun in the Yunnan region during the Shang Dynasty in China, when it was used for medicinal purposes. It is also believed that in Sichuan, "people began to boil tea leaves for consumption into a concentrated liquid without the addition of other leaves or herbs, thereby using tea as a bitter yet stimulating drink, rather than as a medicinal concoction."

Chinese legends attribute the invention of tea to Shennong in 2737 BC, although evidence suggests that tea drinking may have been introduced from the southwest of China (Sichuan/Yunnan area). The earliest written records of tea come from China. The word *tu* appears in the *Shining* and other ancient texts to signify a kind of "bitter vegetable" (and it is possible that it referred to a number of different plants such as sow thistle, chicory, or smartweed, as well as tea. In the *Chronicles of Huayang*, it was recorded that the Ba people in Sichuan presented *tu* to the Zhou king. The state of Ba and its neighbor Shu were later conquered by the Qin, and according to the 17th century scholar Gu Yanwu who wrote in *Ri Zhi Lu*: "It was after the Qin had taken Shu that they learned how to drink tea." Another possible early reference to tea is found in a letter written by the Qin Dynasty general Liu Kun who requested that some "real tea" to be sent to him.

The earliest known physical evidence of tea was discovered in 2016 in the mausoleum of Emperor Jing of Han in Xi'an, indicating that tea from the genus *Camellia* was drunk by Han Dynasty emperors as early as the 2nd century BC. The Han dynasty work "The Contract for a Youth", written by Wang Bao in 59 BC, contains the first known reference to boiling tea. Among the tasks listed to

be undertaken by the youth, the contract states that "he shall boil tea and fill the utensils" and "he shall buy tea at Wuyang". The first record of tea cultivation is also dated to this period (the reign of Emperor Xuan of Han), during which tea was cultivated on Meng Mountain near Chengdu. Another early credible record of tea drinking dates to the third century AD, in a medical text by Hua Tuo, who stated, "to drink bitter t'u constantly makes one think better." However, before the mid-8th century Tang dynasty, tea-drinking was primarily a southern Chinese practice. It became widely popular during the Tang Dynasty, when it was spread to Korea, Japan, and Vietnam. In India, tea has been drunk for medicinal purposes for a long but uncertain period, but apart from the Himalayan region it seems not to have been used as a beverage until the British introduced tea-drinking there much later.

Through the centuries, a variety of techniques for processing tea, and a number of different forms of tea, were developed. During the Tang dynasty, tea was steamed, then pounded and shaped into cake form, while in the Song dynasty, loose-leaf tea was developed and became popular. During the Yuan and Ming dynasties, unoxidized tea leaves were first pan-fried, then rolled and dried, a process that stops the oxidation process that turns the leaves dark, thereby allowing tea to remain green. In the 15th century, oolong tea, in which the leaves were allowed to partially oxidize before pan-frying, was developed. Western tastes, however, favoured the fully oxidized black tea, and the leaves were allowed to oxidize further. Yellow tea was an accidental discovery in the production of green tea during the Ming dynasty, when apparently sloppy practices allowed the leaves to turn yellow, but yielded a different flavour as a result.

## **2.5 Cultivation and Harvesting**

Camellia silences is an evergreen plant that grows Camellia silences is an evergreen plant that grows mainly in tropical and subtropical climates. Some varieties can also tolerate marine climates and are cultivated as far north as Cornwall in the United Kingdom, Perth shire in Scotland, Washington state in the United States, and Vancouver Island in Canada. In the Southern Hemisphere, tea is grown as far south as Hobart on the Australian island of Tasmania and Waikato in New Zealand.

Tea plants are propagated from seed and cuttings; about 4 to 12 years are needed for a plant to bear seed and about three years before a new plant is ready for harvesting. In addition to a zone 8 climate or warmer, tea plants require at least 127 cm (50 in) of rainfall a year and prefer acidic soils. Many high-quality tea plants are cultivated at elevations of up to 1,500 m (4,900 ft) above sea level. Though at these heights the plants grow more slowly, they acquire a better flavor.

Two principal varieties are used: *Camellia sinensis* var. *sinensis*, which is used for most Chinese, Formosan and Japanese teas, and *C. s.* var. *assamica*, used in Puerh and most Indian teas (but not Darjeeling). Within these botanical varieties, many strains and modern clonal varieties are known. Leaf size is the chief criterion for the classification of tea plants, with three primary classifications being, Assam type, characterized by the largest leaves; China type, characterized by the smallest leaves; and Cambodian type, characterized by leaves of intermediate size.

A tea plant will grow into a tree of up to 16 m (52 ft.) if left undisturbed, ] but cultivated plants are generally pruned to waist height for ease of plucking. Also, the short plants bear more new shoots which provide new and tender leaves and increase the quality of the tea.

Only the top 1–2 inches of the mature plant are picked. These buds and leaves are called 'flushes'. A plant will grow a new flush every seven to 15 days during the growing season. Leaves that are slow in development tend to produce better-flavored teas.

Pests of tea include mosquito bugs of the genus *Heliopolis* (which are true bugs that must not be confused with the dipteran) that can tatter leaves, so they may be sprayed with insecticides. In addition, there may be Lepidopteran leaf feeders and various tea diseases.

## **2.6 Some Economic Aspect Related to Tea**

Poudyal (1995) has studied the economic impact towards the local peoples by the tea estate in providing employment opportunities and tea saplings to the local people for extending the surrounding village land for tea plantation. This study also deals with the changes of economic status of the villagers due to the establishment of the tea estate in their surrounding area. His findings are helpful

to know the positive and negative impacts on socio-economic aspects of the villagers.

Sarkar and Lama (1984) had studied about the origin of tea industry in Nepal. It also deals with the topics like migration, role of labor force, income sources of labor, development of tea as an industry, production, productivity and trend of earning and wages of labor etc. An article that deals with tea industries of Ilam district is focused. This book will be a guideline for understanding the different aspects of tea cultivation and income generating activities of farmers for this research work

A Special Tea Term Loan (STTL) for the tea sector was announced by the Nepalese government in 2031BS. It envisaged restructuring of irregular portions of the outstanding term/working capital loans in the tea sector with repayment over five to seven years and a moratorium of one year, which was to be on a case to case basis for large growers. The STTL also provides for working capital up to Rs. 2 lakhs at a rate not exceeding 9% to small farmers. (Report of ADB of Nepal).

Some farmers are engaged in governmental and nongovernmental services and some are engaged in small scale business too. It helps them to uplift their lifestyle but it is not satisfactory yet.

Tea cultivation has become an integral part of agricultural system, cultivated mostly in eastern part of Nepal, especially in Ilam district since 1020B.S. It was first introduced by the "*Bada-Hakim*" Colonel Mr. Gaja Raj Singh Thapa. But now this cultivation is introduced and spread to the different part of Nepal. The Scientific Name of tea is *Camellia Sinensis*. It is one of the leading cash crops and also one of the agro-based and most labor oriented sectors. On the other hand, it has reduced the problem of unemployment. It has helped to gain foreign currency through its export and also contributes in environment and economic conservation. So it is one of the main income sources for uplifting the economic status of small farmers (NTDC, 2065 BS.).

Cash crops plantation in general and tea plantation in particular play a major role in increasing overall agriculture production and conserving the deteriorating

environment. So the foreign currency by producing superior quality of tea in a large scale provides great employment opportunity to the local people.

There are certain governmental and non-governmental organizations looking after the tea promotional activities. Among the governmental organization, they are NTCDB, trade promotion center and export promotion center. The non-governmental organizations are agro-enterprises, FNCCI, SNV Nepal, JAICA Nepal, etc. are related to produce and promote Nepalese tea in International market (NTDC, 2065 BS.)

Nepal government has been anxious to promote rural economy by giving high priority to tea plantation within various agriculture development programs. In 2029B.S. five districts viz. ilam, Dhankuta, Therathum and Jhapa were declared as tea plantation areas. Government declared subsidy of 50 percent reduction in the interest of loan and 90 percent of in the large revenue. Such declaration inspired the small farmers to start tea plantation in Nepal.

The economic condition of the people of this district is satisfactory comparing to the people of other districts. People here are not only in single job or occupation but they are engaged in different other fields for income generation. The tea estate has provides the green scenery and has helped this areas in environment conservation too by controlling soil erosion, floods and landslides. But this tea estate has been impacting the local environment.

Nepal is one of the poorest countries in the world due to rapid growth of population, lack of civic awareness; political instability is hampering the developing efforts. We have very few possibilities of industrialization and limited scope for transportation and development of agriculture. In such a situation we have comparative advantages in the field of cash crops like tea. Basically, we produce two types of tea - the CTC and the Orthodox. CTC and Orthodox are tea-manufacturing processes. The generic name of the plant is Camellia, whether it is CTC or Orthodox. Tea grown in lower altitudes is manufactured to produce CTC type and has strong colour. The strong colour of CTC tea is the main quality attribute for most of the domestic consumers and as a result, this tea accounts for more than 95% of total domestic consumption. Cultivation for producing CTC tea is confined to Jhapa District of the Terai region. As per the Government statistics,

currently, Nepal is producing 10.06 million kg of CTC tea out of which small farmers produce 28.6%. Land used for producing CTC type of tea is about 8323 hectares. Currently, 50 tea states, 668 small farmers and 23 tea-processing factories are engaged in CTC tea production in Nepal (NTCDB, 2005).

Tea grown in high altitudes is processed to produce Orthodox type. It has lighter colour better flavor and good aroma. In Nepal, Orthodox tea is exclusively made from processing leaves of hill grown tea bushes and therefore, it is known as hill tea. Nepalese Orthodox tea, which is produced at altitudes between 3000 - 7000 ft are famous for its aroma, bright liquor and subtle, slight fruity flavor, which are mostly sought attributes by the consumers of overseas countries. The total land area under orthodox tea plantation is around 6689 hectares, this industry consists of more than 35 tea states, around 7000 small farmers and about 13 tea-processing factories. Currently Nepal is producing more than 1.55 million kg of Orthodox tea of which small farmers' contribution amounts to 67.8% (NTCDB, 2005). More than 90% of orthodox tea is exported to India and overseas countries and the rest is partially used for consumption and partially for blending purpose in black tea to impart good flavor. The major hill districts for orthodox tea production are Ilam, Panchthar, Dhankuta, and Terathum. Tea is a high value, flavor intensive perennial crop with a potential for generating foreign exchange, reducing rural poverty, promoting economic growth and improving ecology and environment. It is also labor-intensive industry and provides moderately higher farm wage rate for the workers. The tea industry in Nepal provides employment to over 25000 workers with high participation of women. The industry involves 35% capital-intensive and 65% labor-intensive technology with a big scope to provide employment to rural masses( Dahal, 2005).

In recent years, prices of tea has considerably scaled up, which is attributed to higher demand for tea in the world market. HMG/N has accorded top priority to commercialization of agriculture and development of high value crops as envisaged in the Agricultural Perspective Plan (APP). Tea has been considered one of the premier high value crops. The budget of fiscal year 2004/05 states that subsidy on the interest will be given to tea farming, which will be expanded to twelve districts. Tea industry has tremendous impact in rural economic



development by empowering women and providing employment to huge mass of unemployed people.

Nepal's total annual demand is 7.8 million kg of made tea, which implies that average consumption per head per annum, comes to 350 gram. But the increasing per capita consumption shows big demand of CTC tea. India is, at present, our main market. Approximately 1.5 million kg of CTC and 1.1 million kg of orthodox tea was exported to India in 2003-4. Though India herself produces large quantities of tea (about 850 million kg tea out of which 8 million kg is high grown orthodox tea), our neighboring country Pakistan is also a very big market for our tea. Last year, about 1 million kg (both orthodox and CTC) tea was exported to this country. Pakistan's 150 million populations consume approximately 140 million kg tea per year. Similarly, Bangladesh, which is now exporting tea will be an importing country very soon due to increased population and increased per capita consumption. In the year 2003 Nepal has exported 44 tons of orthodox tea to Germany, which is only 0.1% of its total import. India, China, Sri Lanka and Kenya are the major suppliers for Germany (Raush, 2004). There is a big market for orthodox tea in Germany, Japan and other EU countries. Pakistan and Gulf countries are potential market for CTC tea. Present statistics show that the world's annual production of high grown orthodox tea is about 10 million kg; while, the demand is approximately 50 million kg and growing considerably. This shows the ever-increasing demand of organic orthodox tea in world markets.

## **2.7 From the Perspective of Environment and Tourism Development.**

The tea industry of Nepal is committed to the conservation of the environment. Every effort is made towards the preservation of the hills and the well being of its people. Tea is environment friendly. It absorbs considerable amount of carbon dioxide from the environment and helps in reducing global warming. Tea roots penetrate deeply into the soils and conserve them. Eventually, it helps to stop soil erosion and landslides from the steep hills characteristic to most of Nepal. Tea plantation increases the scenic beauty of steep hills, which attracts many people for visiting this area. If we look across the border of our country, in Darjeeling, just because of tea, and environment, tourism has grown rapidly within the last 40 years. This indicates that tea plantation could help tourism development.

## **2. 8 Issues and Impediments**

While the demand for Nepali organic tea remains paramount in the international market, the industry has been struggling to tap into the local tea market. Perhaps, due to the premium prices and limited production associated with organic orthodox tea, the majority of the Nepali population consumes CTC tea. Another potential reason for this could be a lack of awareness and exposure among the people, as tea farming is geographically limited to particular regions due to its ecological necessities. However, in recent years various tea bars and tea lounges have been popping up to educate the local population about Nepali tea, especially organic orthodox tea. Ting's Tea Lounge, BG Tea Bar, and Teafresho are some prominent tea venues and considered pioneers in the field. Furthermore, organic farmers markets and organic tea fairs have also drastically helped the tea farmers/retailers sell their teas locally.

On the production end, even though there has been steady progress, the industry is suffering from a labor deficit. Men are migrating overseas in droves in search of employment, leaving behind only the elderly, women and children. Despite the overall increase in the people interested in tea farming, a lack of active labor is an emerging issue. Providing training and learning resources can help overcome this problem. KTERC is planning on relocating individuals who lost their shelter during the recent earthquake and providing them with technical training and resources that will engage them with the tea trade. Furthermore, a free housing and free education model would further aid the victims of the natural disaster.

Among all the challenges that the tea industry is facing, those relating to energy and technology are perhaps the most pressing. Fuel crises in Nepal are very common and ubiquitous. Despite exponential advances in available technologies, Nepal relies on old-school methods for tea production, like burning firewood. Therefore, shifting towards greener and more efficient energy to power the factories would enable stable production and increased yield and efficiency. It is equally important that the essential soil nutrients be preserved, as studies have indicated that soil health and biodiversity are imperative for the good health of the plant. Therefore, the application of advances in agricultural science and research could significantly aid in addressing the challenges faced by the tea industry.

SADP-Nepal conducted a needs assessment survey in 2010 to assess the socioeconomic status of primary beneficiaries, agriculture practices, food security and the people's receptivity to a project focused on organic production. Socioeconomic status was assessed on the basis of participant's income, education status and food sufficiency. SADP-Nepal prepared a standard set of questionnaires for this needs assessment survey and project team members visited respondents of the project area to conduct the survey. A total of 98 randomly selected respondents representing marginal peoples from Kumal and Darai communities were involved in the survey. The average annual income of the project area (Can\$319) is lower than the average annual national income (Can\$429). Forty-five percent of the households earn their income exclusively from agriculture and 29% from foreign employment. Sixty-five percent of the respondents do not have sufficient food for the whole year whereas only 10% were satisfied with the productivity of their farming practices. This indicates that food insecurity, food insufficiency and lack of disposable income are key problems in the project area. Overall, socioeconomic assessments showed that 72% of the households were below the poverty line. The education status of Kumal and Darai communities was very poor. Twenty percent of the Darai community and 10% of the Kumal community were literate, and 10% of both communities had high school (completed Grade 10) and less than 1% had college level education (Intermediate to Bachelor degree). Bhatt and Doppler (2011) compared the socioeconomic status of farmers involved in subsistence farming, commercial conventional farming and small holder organic farming in the Peri urban areas near Kathmandu Valley. They found that socioeconomic status (such as income generation, educational levels, awareness of organic productions and markets) was very high in conventional commercial growers and organic small holders compared with subsistence growers. The gross margin of the different vegetable production systems per hectare were Can\$967, Can\$5204 and Can\$6486 for subsistence growers, conventional commercial growers and small holder organic growers, respectively (Bhatta and Doppler 2011). This indicates the substantial potential to increase the income levels of subsistence growers of our project area by adopting organic farming of high-value crops.

A survey was conducted to identify marketing opportunities for organic products in the nearby cities of Tanahu: Kathmandu (Capital of Nepal), Pokhara (one of the largest metropolitan areas), Damauli (the nearest city from the project area) and Narayanghad (another big city in central Nepal). In collaboration with the Organic Village-Nepal, SADP-Nepal identified major traders of organic products and other organizations working in related fields in these cities. The Organic Village-Nepal is a national partner of SADP-Nepal, which has been conducting the business of organic product marketing in Kathmandu. Survey questionnaires were utilized to assess the demand and supply of organic agriculture products, types of organic products demanded in markets and consumers perceptions regarding buying organic products. Overall, the market survey indicated that there is the ample market opportunity for organic products in urban areas in Nepal, with the greatest market opportunities in Kathmandu followed by Pokhara, Damauli and Narayanghad. In Kathmandu, around 20 supermarkets and outlets sell organic products. Most of the retailer survey respondents noted that there is a large demand for organic products, which is unmet due to unavailability and inconsistency of supply. Organic vegetables and fruits, cereals, organic pickles, etc., are in particularly high demand. Bhatta and Doppler (2011) identified four different marketing channels being used in the Kathmandu valley to deliver organic products from growers to consumers: directly to consumers (29%), through collectors (11%), through collectors to retailers (20%), and through cooperatives to retailers (40%). This indicates that cooperatives have a significant role in providing marketing of organic products. Most of these cooperatives are formed by local farmer groups, have strong organizational capacity and many of them also have established microfinance institutes to provide small loans to growers (Bhatta and Doppler 2011). The proposed long-term project (2011–2016) has a goal to promote marketing of organic products through formation of farmer cooperatives in the project area. The initial (2010–2011) project has already formed six different farmer groups in the project area and the long-term goal is to transform these farmer groups into cooperatives.

The project also supported improvements and renovations to the SADP resource centre at the project site, which acts as an organic farm and research training centre. Training is provided to ethnic Kumal and Darai communities and other

marginal peoples of Kyamin Village on compost making, soil nutrient management and overall organic farming practices. The local farmer groups participated in the training and workshops and also interacted with the Canadian project monitoring team. Female participants (>50%) were involved in project activities such as training programs, workshops, interactions with Canadian project participants and in the formation of farmer groups. The participation of high numbers of female members from the project area in this initial phase is a positive indication of the projects potential to achieve the desired outcomes with respect to gender balance.

In summary, to date, the project has successfully strengthened the organizational capacity of the lead organization (SADP), conducted a baseline assessment study in the project area, assessed the potential domestic market for organic product, promoted organic farming among the ethnic marginal farmer groups (Kumal and Darai), identified and established a strong collaborative project link with the agricultural university and scientific societies of Nepal and developed a longer-term (2011–2016) project proposal. Improvement in the SADP-Nepal's capacity to organize training and workshops, the renovation of the resource centre of SADP-Nepal at Tanahu and the establishment of strong networking with national and international organizations are indicators of success in strengthening the organizational capacity of SADP-Nepal. Canadian team members (Canadian International Project Coordinating Committee member Dr. Rishi Burlakoti and AIC International Program Coordinator Tom Beach) visited Nepal in December 2010 and assessed the success of the project outcomes and reviewed the project progress. The team also interacted with participating farmer's groups, participated in workshops and interacted with representatives of collaborative organizations [AFU, Nepal; Society of Agricultural Scientists (SAS)-Nepal; and Nepal Horticulture Society (NHS) and supportive organizations (government agencies and local organizations)]. The project monitoring report was posted on the AIC website (Anonymous 2011). Moreover, SADP-Nepal submitted quarterly and final reports of project's progress and outcomes to AIC and CIDA. The 1-yr project also successfully allowed for networking with both regional and national government bodies such as the Department of Agriculture, Ministry of Science and Technology, Nepal Agricultural Research Council, district levels offices of

agriculture and soil conservation and livestock. In particular, SADP developed a strong link with the AFU, Nepal and scientific societies of Nepal (SAS-Nepal and NHS). The Canadian committee (comprising CSA and CSHS members) also played a vital role in this project. The committee provided scientific input and feedback on the project operations, project monitoring and review of quarterly and annual reports plus preparation of a full proposal for a proposed longer-term project (2011 to 2016).

Nepal has experienced phenomenal growth in production of organic foods in the recent decade and primarily focusing on the export markets. Organic agricultural export market is one of the major drivers of organic agriculture in India. The country is best known as an exporter of organic tea, organic fruits, organic spices and organic rice. Over the past several years, the organic food industry in India has been experiencing an annual growth between 20-22 percent. The nation has the potential to be largest organic food producer. However, Indian domestic markets for organic products particularly metro cities such as Delhi, Mumbai and Bangalore are witnessing significantly growth in the recent years. Antonio et al (2009) suggested a vital role of studies on Green Consumerism in understanding the consumer attitudes, behaviour and intentions aptly due to rising environmental consciousness. There are numerous factors which contribute and affects the consumer's awareness levels regarding the organic food products. It has also been investigated by many researchers that socio-demographic profiles of the consumer, buying behavior and knowledge about the nutritional content of the foods are few of the main points which affect the awareness levels and impact the purchase decision. (Gracia and Magistris, 2007)

### **Organic herbal tea**

There is an increasing demand for organic herbal tea in the US as consumers now prefer organic herbal tea over conventional teas. This is mostly due to the increasing awareness of the associated health benefits of organic tea. Consumers are looking for organic and eco-friendly products, and are even ready to pay a premium price for such products.

According to Akash Pandey, a lead non-alcoholic beverage research analyst from Technavio, "Organic herbal teas such as turmeric, ginger, chamomile, and

peppermint have therapeutic values, due to which their demand is expected to increase among the health-conscious consumer base in the US. Therefore, manufacturers are concentrating on various product offerings in organic herbal teas.”

### **Organic black tea**

The organic black tea market in the US is growing with the increasing availability of various flavors and the high consumer awareness regarding the associated health benefits of the product. Organic black tea contains antioxidants and polyphenols, which help clear free radicals in the body (produced because of natural metabolic processes and due to the exposure to environmental toxins), thereby increasing the metabolic rate.

“With the increasing demand for varied flavors in organic black tea, many manufacturers are now launching various flavored organic black teas. For example, Arbor Teas produces a variety of flavored organic black teas such as Organic Apricot Black Tea, Organic Decaf Mixed Berry Black Tea, Organic Earl Grey Black Tea, Organic Holiday Spice Black Tea and Organic Lychee Black Tea,” .

### **Organic green tea**

The demand for organic green tea is high, owing to its associated health benefits. Health magazines and blogs regularly feature stories of organic green tea's weight loss capabilities. Consumption of organic green tea increases fat-burning and boosts metabolic rate. Organic green tea brewed from loose tea leaves generally contains potent antioxidants like epigallocatechin gallate (EGCG).

Owing to the popularity of organic tea in the US, many manufacturers have started offering various organic green tea products. For example, The Republic of Tea produces USDA-certified organic green teas such as Organic Lean Green Super Green Tea Bags, Organic Serenity Super Green Tea Bags, Organic Immunity Super Green Tea Bags, and Organic Brain Boost Super Green Tea Bags.

## **2.9 Some Economic Aspect Related to Tea**

Poudyal (1995) has studied the economic impact towards the local peoples by the tea estate in providing employment opportunities and tea saplings to the local people for extending the surrounding village land for tea plantation. This study also deals with the changes of economic status of the villagers due to the establishment of the tea estate in their surrounding area. His findings are helpful to know the positive and negative impacts on socio-economic aspects of the villagers.

Sarkar and Lama (1984) had studied about the origin of tea industry in Nepal. It also deals with the topics like migration, role of labor force, income sources of labor, development of tea as an industry, production, productivity and trend of earning and wages of labor etc. An article that deals with tea industries of Ilam district is focused. This book will be a guideline for understanding the different aspects of tea cultivation and income generating activities of farmers for this research work

A Special Tea Term Loan (STTL) for the tea sector was announced by the Nepalese government in 2031BS. It envisaged restructuring of irregular portions of the outstanding term/working capital loans in the tea sector with repayment over five to seven years and a moratorium of one year, which was to be on a case to case basis for large growers. The STTL also provides for working capital up to Rs. 2 lakhs at a rate not exceeding 9% to small farmers. (Report of ADB of Nepal).

Some farmers are engaged in governmental and nongovernmental services and some are engaged in small scale business too. It helps them to uplift their lifestyle but it is not satisfactory yet.

Tea cultivation has become an integral part of agricultural system, cultivated mostly in eastern part of Nepal, especially in Ilam district since 1020B.S. It was first introduced by the "Bada-Hakim" Colonel Mr. Gaja Raj Singh Thapa. But now this cultivation is introduced and spread to the different part of Nepal. The Scientific Name of tea is *Camellia Sinensis*. It is one of the leading cash crops and also one of the agro-based and most labor oriented sectors. On the other hand, it



has reduced the problem of unemployment. It has helped to gain foreign currency through its export and also contributes in environment and economic conservation. So it is one of the main income sources for uplifting the economic status of small farmers (NTDC,2065BS.).

Cash crops plantation in general and tea plantation in particular play a major role in increasing overall agriculture production and conserving the deteriorating environment. So the foreign currency by producing superior quality of tea in a large scale provides great employments opportunity to the local people.

There are certain governmental and non-governmental organizations looking after the tea promotional activities. Among the governmental organization, they are NTCDB, trade promotion center and export promotion center. The non-governmental organizations are agro-enterprises, FNCCI, SNV Nepal, JAICA Nepal, etc. are related to produce and promote Nepalese tea in International market (NTDC, 2065)

Nepal government has been anxious to promote rural economy by giving high priority to tea plantation within various agriculture development programs. In 2029B.S. five districts viz. ilam, Dhankuta ,Therathum and Jhapa were declared as tea plantation areas. Government declared subsidy of 50 percent reduction in the interest of loan and 90 present of in the large revenue. Such declaration inspired the small farmers to start tea plantation in Nepal.

The economic condition of the people of this district is satisfactory comparing to the people of other districts. People here are not only in single job or occupation but they are engaged in different other fields for income generation. The tea estate has provides the green scenery and has helped this areas in environment conservation too by controlling soil erosion, floods and landslides. But this tea estate has been impacting the local environment.

Nepal is the one of the poorest country in the world due to rapid growth of population, lack of civic awareness, political instability is hampering the developing efforts. We have very few possibilities of industrialization and limited scope for transportation and development of agriculture. In such a situation we have comparative advantages in the field of cash crops like tea. Basically, we produce two types of tea - the CTC and the Orthodox. CTC and Orthodox are tea-

manufacturing processes. The generic name of the plant is Camellia, whether it is CTC or Orthodox. Tea grown in lower altitudes is manufactured to produce CTC type and has strong color. The strong colour of CTC tea is the main quality attribute for most of the domestic consumers and as a result, this tea accounts for more than 95% of total domestic consumption. Cultivation for producing CTC tea is confined to Jhapa District of the Terai region. As per the Government statistics, currently, Nepal is producing 10.06 million kg of CTC tea out of which small farmers produce 28.6%. Land used for producing CTC type of tea is about 8323 hectares. Currently, 50 tea states, 668 small farmers and 23 tea-processing factories are engaged in CTC tea production in Nepal (NTCDB, 2005).

Tea grown in high altitudes is processed to produce Orthodox type. It has lighter colour better flavor and good aroma. In Nepal, Orthodox tea is exclusively made from processing leaves of hill grown tea bushes and therefore, it is known as hill tea. Nepalese Orthodox tea, which is produced at altitudes between 3000 - 7000 ft are famous for its aroma, bright liquor and subtle, slight fruity flavor, which are mostly sought attributes by the consumers of overseas countries. The total land area under orthodox tea plantation is around 6689 hectares, this industry consists of more than 35 tea states, around 7000 small farmers and about 13 tea-processing factories. Currently Nepal is producing more than 1.55 million kg of Orthodox tea of which small farmers' contribution amounts to 67.8% (NTCDB, 2005). More than 90% of orthodox tea is exported to India and overseas countries and the rest is partially used for consumption and partially for blending purpose in black tea to impart good flavor. The major hill districts for orthodox tea production are Ilam, Panchthar, Dhankuta, and Terathum. Tea is a high value, flavor intensive perennial crop with a potential for generating foreign exchange, reducing rural poverty, promoting economic growth and improving ecology and environment. It is also labor-intensive industry and provides moderately higher farm wage rate for the workers. The tea industry in Nepal provides employment to over 25000 workers with high participation of women. The industry involves 35% capital-intensive and 65% labor-intensive technology with a big scope to provide employment to rural masses( Dahal, 2005).

In recent years, prices of tea has considerably scaled up, which is attributed to higher demand for tea in the world market. HMG/N has accorded top priority to

commercialization of agriculture and development of high value crops as envisaged in the Agricultural Perspective Plan (APP). Tea has been considered one of the premier high value crops. The budget of fiscal year 2004/05 states that subsidy on the interest will be given to tea farming, which will be expanded to twelve districts. Tea industry has tremendous impact in rural economic development by empowering women and providing employment to huge mass of unemployed people.

Nepal's total annual demand is 7.8 million kg of made tea, which implies that average consumption per head per annum, comes to 350 gram. But the increasing per capita consumption shows big demand of CTC tea. India is, at present, our main market. Approximately 1.5 million kg of CTC and 1.1 million kg of orthodox tea was exported to India in 2003-4. Though India herself produces large quantities of tea (about 850 million kg tea out of which 8 million kg is high grown orthodox tea), our neighboring country Pakistan is also a very big market for our tea. Last year, about 1 million kg (both orthodox and CTC) tea was exported to this country. Pakistan's 150 million populations consume approximately 140 million kg tea per year. Similarly, Bangladesh, which is now exporting tea will be an importing country very soon due to increased population and increased per capita consumption. In the year 2003 Nepal has exported 44 tons of orthodox tea to Germany, which is only 0.1% of its total import. India, China, Sri Lanka and Kenya are the major suppliers for Germany (Raush, 2004). There is a big market for orthodox tea in Germany, Japan and other EU countries. Pakistan and Gulf countries are potential market for CTC tea. Present statistics show that the world's annual production of high grown orthodox tea is about 10 million kg; while, the demand is approximately 50 million kg and growing considerably. This shows the ever-increasing demand of organic orthodox tea in world markets.

## **CHAPTER- III**

### **RESEARCH METHODOLOGY**

#### **3.1 Research Design**

Research Design is most important for this research study. In this research, there searcher adopts Descriptive research design. Descriptive research is used to describe characteristics of a population or phenomenon being studied. It does not answer questions about how/when/why the characteristics occurred. In this research describe the particular characteristics of Tea Plantation workers in Estate.

#### **3.2 Universe and Sample Size of the Study**

Ilam tea Estate, Ilam Municipality ward no, 7 were taken as the universe for the study but due to various constraints whole universe cannot be studied. So only the select area would be include as the research area, which are potential area/ places from the organic tea cultivation point of view. The respondents would those people who are working in the same industry. Sample size would be 20 labours out of 40 in the Ilam tea industry/Estate.

#### **3.3 Techniques and tools of Data Collection**

##### **3.3.1 Nature and Sources of Data**

In this study, both qualitative and quantitative data would be apply to come to the general conclusion. The study would base on the primary as well as secondary data.

##### **3.3.2 Questionnaire**

A questionnaire is to ask for respondent. The respondents/workers were requested to fill up the questionnaire. In case of the respondents who cannot fill up the questionnaire, questions are asked to the respondents and answer is filled up to collect the required data.

### **3.3.3 Key Informant Interview**

Educated persons and administrator is the sources of special information in this survey. To derive some specific information, it would be necessary to visit some key persons. Generally, chairperson, executive director, facilitator, member of Ilam tea production P. Ltd. Ilam and leader tea farmer is key persons.

### **3.3.4 Focus Group Discussion**

Focus group discussion is most essential for collection of qualitative information. Altogether five focus group discussions would carry out in this study. Different issues associate with tea labor for cultivation is discuss with producer and another person of the area. A FGDs guideline is use for collect necessary data.

### **3.6 Data Analysis**

All collected data and information were analyzed and presentation in the proper forms of charts, diagram groups and tables wherever necessary. In order to get the correct outcome and making the result useful, such tables and diagrams would have being interpretation as far as possible. To analyze the data average, percentage, standard deviation is used.

## **CHAPTER- IV**

### **DATA ANALYSIS AND PRESENTATION**

#### **4.1 Introduction of the Study Area**

'Ilame Sahar, Chiyabari Ramro, Tyahi Paryo Ghar Hamro'. It is a line of a song which popularized the relation between Ilam and tea garden. The song not only celebrates tea estates but also love. Ilam is known for its swathes of lush tea gardens that add to its natural beauty.

Everyone is curious about the beauty of tea estates in Ilam. But the tea estate run by the government is so poor that it contradicts the song now. Although other tea estates are not best in the district, the state of the government-run tea estate at district headquarters Ilam is saddening.

The study of this area focuses the status of tea farming in Nepal. The selected tea farming area of the different part of the country is taken for the study area of this study. In Nepal since 1920 B.S. the plantation of tea was started from Ilam district. It has a long history, It contributes the socio-economic and employment generating activities in that particular areas. Thus the area is selected for the study because it was a major cash crops in the country and create income generating and employment opportunities as well.

#### **4.2 Caste/Ethnicity**

Caste is one of the main factors that influence the social life of an individual. To a great extent, the status of women is determined by the caste. Feasts and festivals, norms and values of the society, magnitude of freedom, decision making powers etc. are some of the elements that are affected by the caste and ethnicity.

**Table No. 4.1 Caste/Ethnicity**

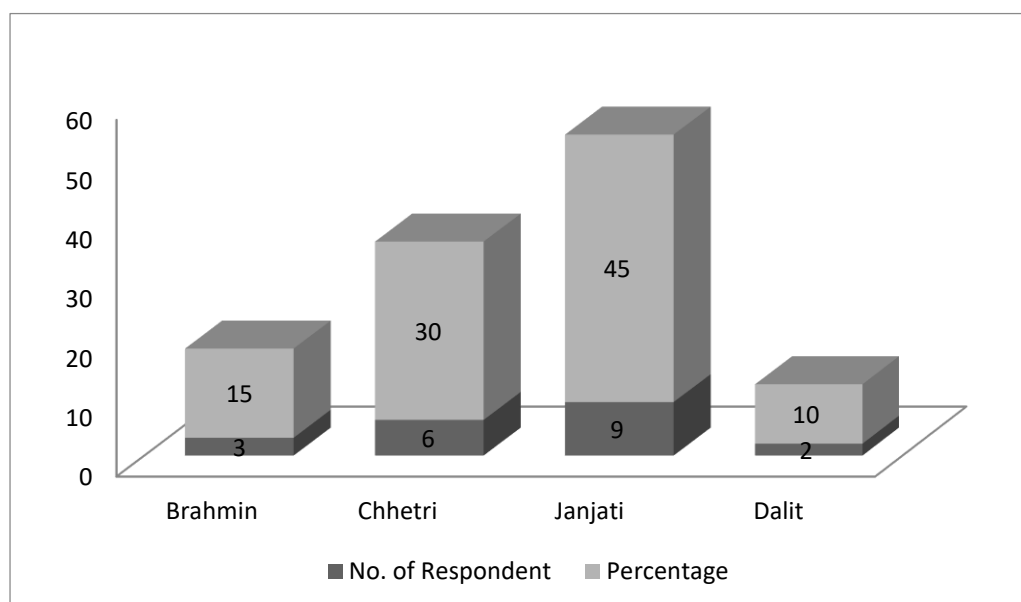
Caste/Ethnicity	No. of Respondent	Percentage
Brahmin	3	15
Chhetri	6	30
Janjati	9	45
Dalit	2	10
Total	20	100

Source: Field Survey, 2023

Table No. 4.1 shows that the number of Janjati i.e. 45 percent is the largest in distribution as this is the largest settlement in this area. Then comes the number of Chhetri which constitute 30 percent out of the total population followed by Brahmin which figured about 15 percent. Similarly Dalit is 10 respectively out of the sampled population.

**Figure. No. 4.1**

**Caste/Ethnicity**



### 4.3 Age Distribution of Respondent

Age is an important demographic characteristic. Roles and responsibilities, ownership of land/property, decision making power of a woman are affected by their age.

**Table No. 4.2 Age of the Respondents**

Age (group years)	No. of respondents	Percentage
15-29	2	10
30-44	10	50
45-59	8	40
Total	20	100

Sources : Field Survey, 2023

Table no. 4.2 shows that the age distribution of the sampled women has been presented under 3 age groups. Highest percentage of respondents was of 30-44 years age group that is 50 percent. 40 percent of the respondents fall under the age group of 45-59 years and 10 percent of the respondents fall under the age group of 15-29 which is lowest percent of the respondents. In above table, we found that the majority of the respondents are of middle age that is 30 years to 44 years old.

### 4.4 Marital Status

Nepalese society is still based on the traditional way of living containing the same cultural norms and religious values that or ancestor had followed. Marriage in this society, is supposed to be indispensable social phenomenon and conjugal life is the feature. Marital status affects the status of women, changing their roles and responsibilities. A daughter has to bear more responsibilities and perform more duties as a daughter-in-law after marriage. The study informs the marital status of the respondent women.



**Table No. 4.3 Marital Status of Respondents**

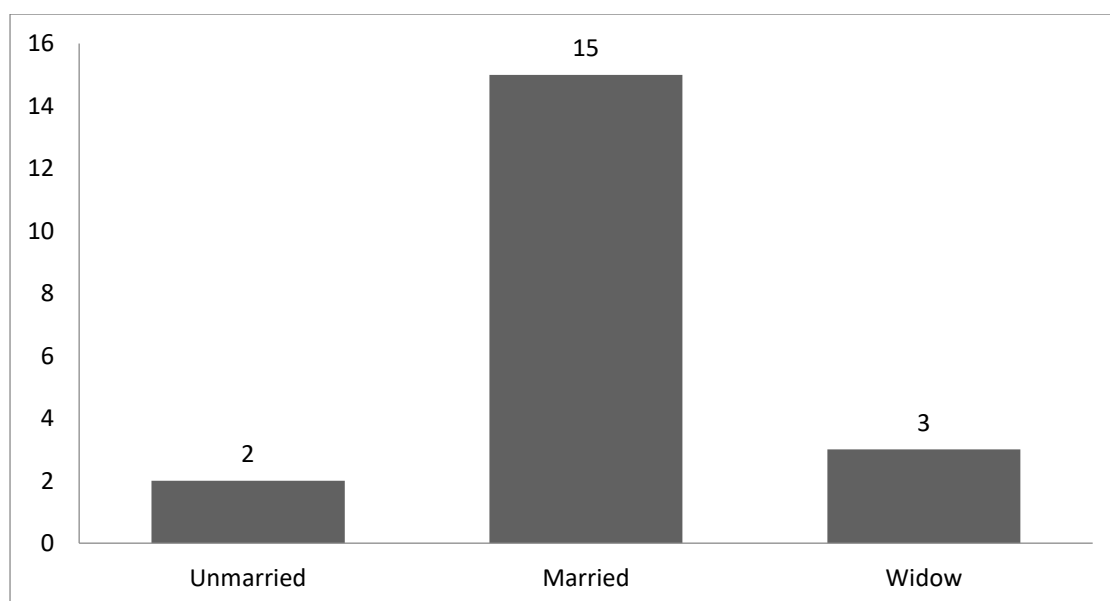
<b>Marital Status</b>	<b>Number of Respondent</b>	<b>Percentage</b>
Unmarried	2	10
Married	15	75
Widow	3	15
Total	20	100

Sources : Field Survey, 2023

The Table No. 4.3 indicates that out of the total sampled female respondents , 15 of them were found to be married, which constitutes the highest 75 percentage. 2 women out of total sampled women were found to be unmarried which is figured as second that is 10 percent. 15 percent women are found widows.

**Fig. No. 4.2**

**Marital Status of Respondents**



#### 4.5 Religious Aspect

Religion has a great impact of life. Hindu religion has profound influence in our society. Hindu myth states that the creation of women resulted from the left organ of the creator Brahma. The social and religious tradition has greatly influenced the life of women basically Hindu, Kirat and Buddhism are the main religions of the study area. Mostly Brahmins/Chettri, most of the Newars and lower caste untouchables follow Rai, Limbu believes in Kirat and Tamang believes Buddhism in Beside this religion, follower of other religion that is Christian are very small in numbers. Most of the people believe in Hindu religion. The following is the religion wise distribution of the respondent women of this area.

**Table No. 4.4 Religion of the Respondents**

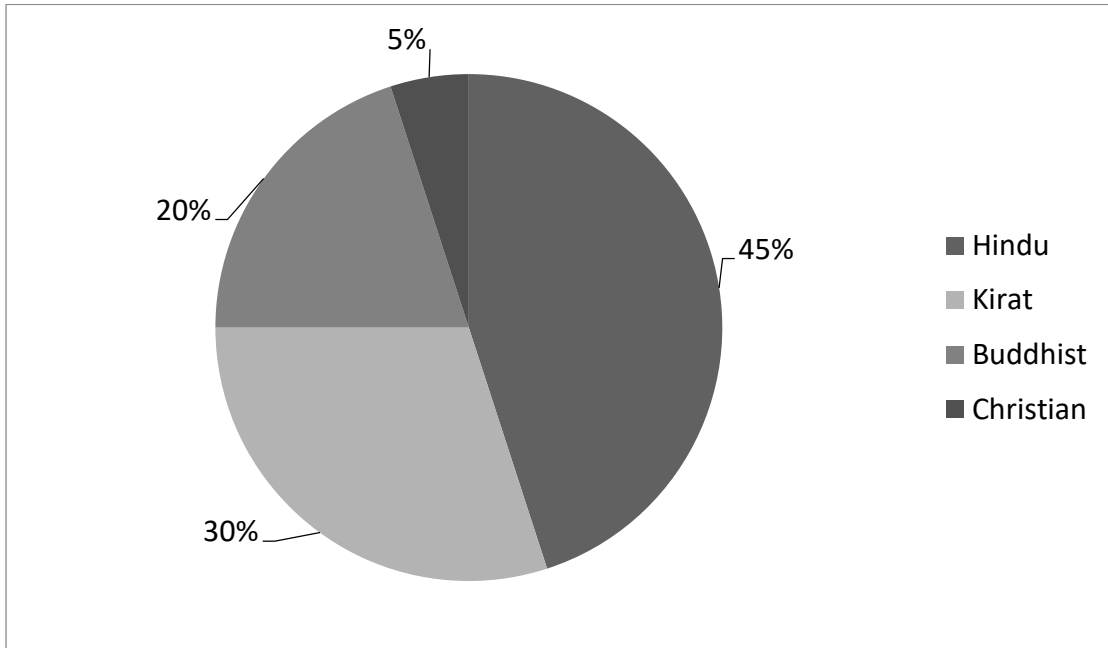
<b>Religion</b>	<b>No. of Respondents</b>	<b>Percentage</b>
Hindu	9	45
Kirat	6	30
Buddhist	4	20
Christian	1	5
Total	20	100

Sources: Field Survey, 2023

The Table No. 4.4 illustrate that the Hindus constitute most of the sampled respondents. The followers of Hindu religion are figured as 45 percent out of the total number. 30 percent were kirat, Buddhism is able to place a third position composing 20 percent out of the total respondent women. Similarly, Christian religion shows only a 5 percent of followers which is the smallest percent among the currently practiced religion.

**Figure No. 4.3**

**Religion of the Respondents**



**4.6 Monthly Income/Expenditure of family**

Income is a variable which shows the status of an individual as well as family in society. It determines the economic status of everyone. Therefore an attempt has been made to find the monthly income of the sampled households.

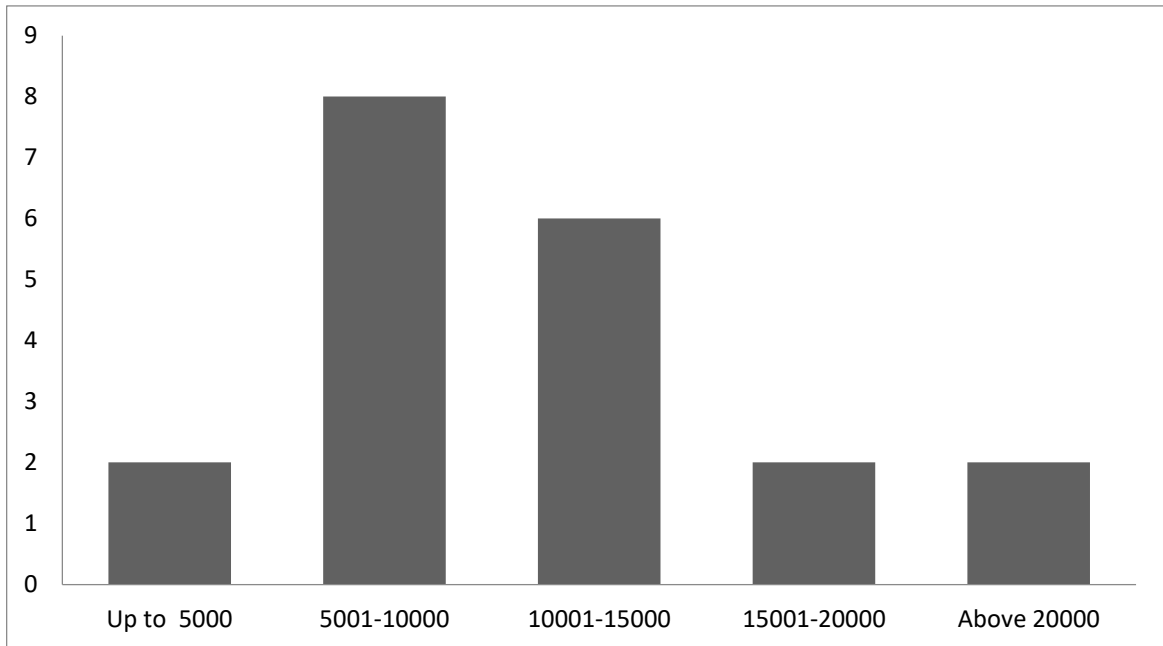
**Table No. 4.5 Monthly Family Income of Sampled Household**

<b>Income (in NRS)</b>	<b>No. of Respondents</b>	<b>Percentage</b>	<b>Expenditure</b>	<b>No. of Respondents</b>	<b>Percentage</b>
Up to 5000	2	10	5000 and below	12	60
5001-10000	8	40	5000 – 10000	6	30
10001-15000	6	30	10000-15000	2	10
15001-20000	2	10	15000 above	-	-
Above 20000	2	10		-	
Total	20	100		20	100

Sources: Field Survey, 2023

From the different sources of income sampled population make certain income in monthly basis which can be discussed as in the table 20 sampled household 10 percent of respondent earn up to 5000/- NRS per month, 40 percent of the total respondents earns between 5001 to 10000 NRS Per Month for their survival, 30 percent of the participants of the survey replied of earning monthly between 10001 to 15000. Similarly 10 percent and 10 percent of the total surveyed population replied as earning 15001 to 20000 and above 20000 respectively.

**Figure No .4.4**  
**Monthly Family Income of Sampled Household**



#### **4.7 Education Status of the Local Respondents**

Education is the key to any success. it is the cornerstone of the development also. Higher the level of the education means better will be the opportunities.

**Table No. 4.6 Education Level of Local Respondents**

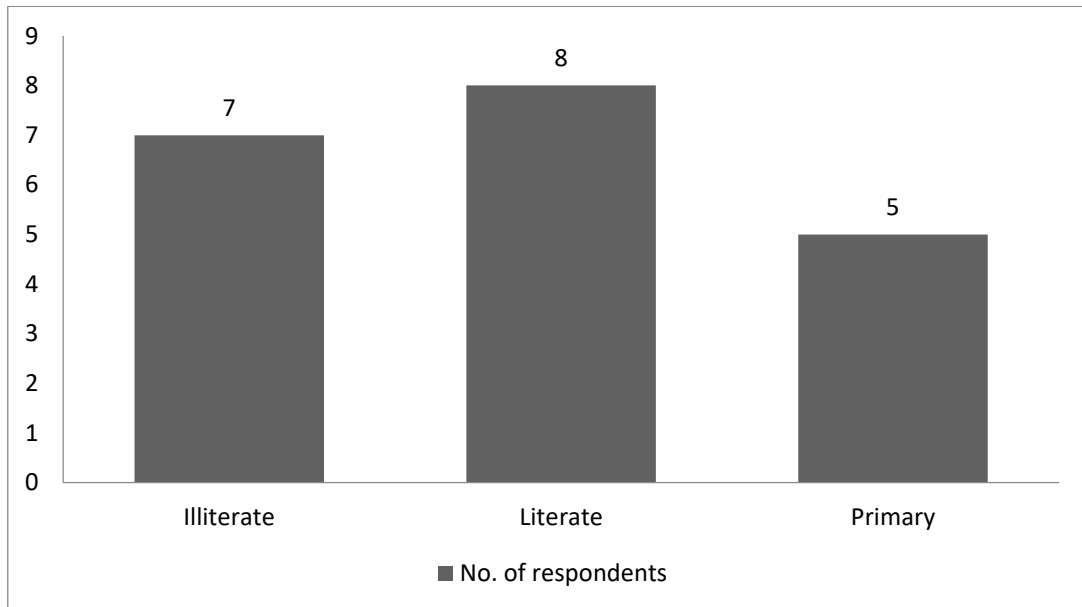
<b>Levels</b>	<b>No. of respondents</b>	<b>Percentage</b>
Illiterate	7	35
Literate	8	60
Primary	5	25
Secondary	-	
<b>Total</b>	<b>20</b>	<b>100</b>

Sources: Field Survey, 2023

The table no. 4.6 presents that 35 percent local respondents have illiterate level of education. Out of the total respondents 60 percent are only literate and 25 have got primary education. It concludes that the level of education in respondents is not in homogenous background, it is because of the icon of rural life also.

**Figure No. 4.5**

**Education Level of Local Respondents**



**4.9 Medical Treatment Choice of the Respondents**

As the study area is located in the urban part, there are many alternatives health care available. When the respondents fall sick, usually they apply some sort of healing measure. Some go to visit a doctor for medication and some for local healers like dhama, jhankri. Study made, in order to get information as to ‘what they do, and where they go, and whom they believe most, when they fall sick?’ produce mix responses.

**Table No. 4.7 Choice of Medical Treatment**

<b>Treatment</b>	<b>No. of Respondents</b>	<b>Percentage</b>
Doctor	2	10
Dhami	4	20
Doctor + Dhami	14	70
Total	20	100

Sources: Field Survey, 2023

The table no. 4.7 indicates that the large proportion of the women percent, are found to believe in both doctor and Dhami for treatment. On the other hand, the number of women who believed only in doctor amounted 10 percent. Finally, nobody believed only in Dhami for treatment in the period of sickness.

#### **4.10 Participation in Social Organization**

The system of relationships between persons and among groups with regard to the division of activity and the functional arrangement of mutual obligations within society.

**Table No. 4.8 Respondents in terms of Involvement in Social Organization**

<b>Involvement in Social Organization</b>	<b>Number of Respondents</b>	<b>Percentage</b>
Yes	12	60
No	8	40
Total	20	100

Sources: Field Survey, 2023

The table no. 4.8 reveals that out of 20 respondents 60 percent of the population does involved in the different kind of social organizations and 40 percent of the population does not. This shows that there is cooperation and coordination among the women of this group.

#### **4.11 Types of Working in Tea Garden**

On the given table respondents have been many types of working in organic tea garden.

**Table No. 4.9 Types of Working in Tea Garden**

<b>Working types</b>	<b>No. of respondents</b>	<b>Percentage</b>
Plucking	14	70
Plantation	2	10
Skipping	1	5
Mulching	1	5
Others	2	10
Total	20	100

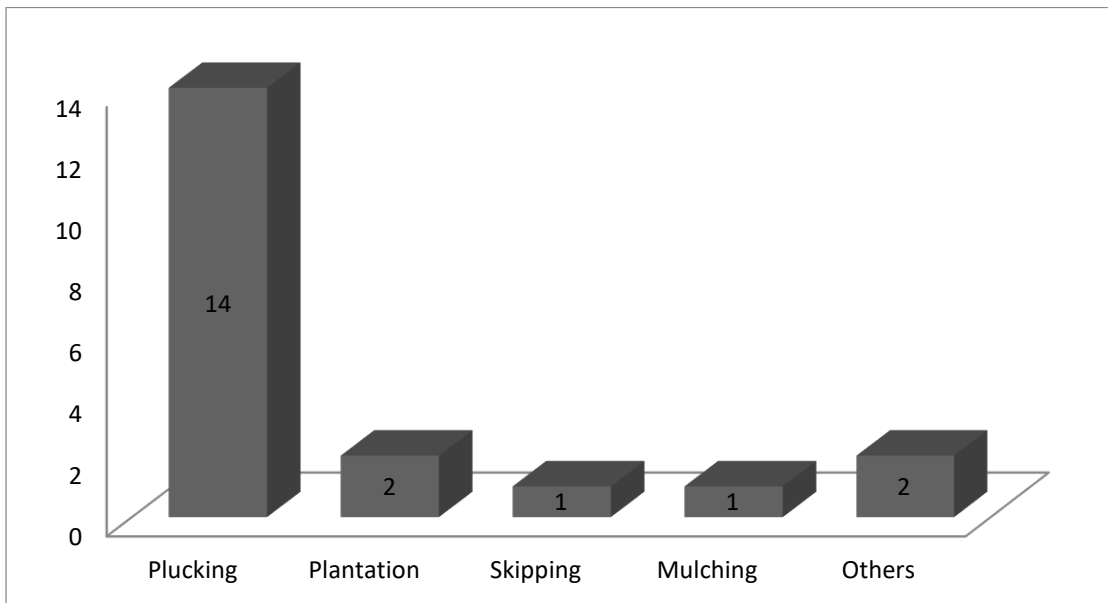
Sources: Field Survey, 2022

The table no. 4.9 shows that 70 percent respondents have been working pluck, 10 percent are plantation, 5 percent are skipping, 5 percent are mulching and 5 percent have been working other types of work. We can also show the following figure.



**Figure No. 4.6**

**Types of Working in Organic Tea Garden**



**4.12 How Long Working in Tea Garden**

All together it is known as tea management. Tea tasting is one of the highly specialized area of work. Other areas are that of researchers, plantation managers, tea brokers, consultants etc. Work in the Tea industry includes plantation, processing, auctioning, branding, marketing and research.

**Table No. 4.10 How Long Working in Tea Garden**

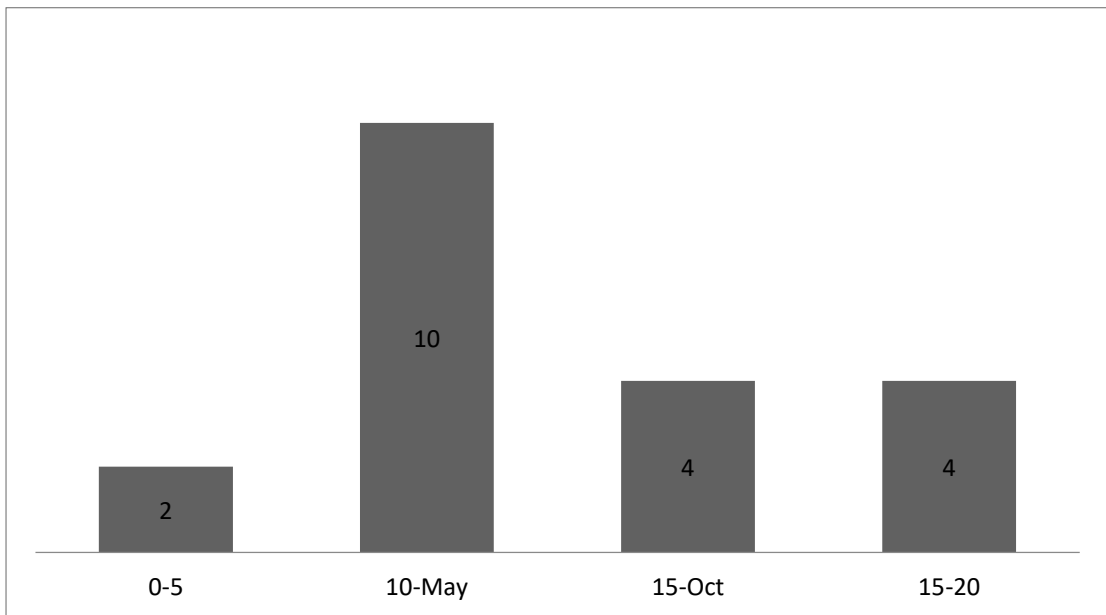
<b>Years of time</b>	<b>No. of Respondents</b>	<b>Percentage</b>
0-5	2	10
5-10	10	50
10-15	4	20
15-20	4	20
Total	20	100

Sources: Field Survey, 2023

The table no. 4.10 shows that out of 50 respondents 10 percent are working since 0-5 yrs, 10 percent are 5-10 yrs, 20 percent are 10-15 yrs and 20 percent have been working 15-20 yrs. in the field in organic teagarden.

**Figure No. 4.7**

**How Long Working in Tea Garden**



**4.13 Another Supporting Source of Livelihood**

All in all cardamom has been found to be the main source with a highest income rate per month while tomato farming as a source with lowest income rate per month. We can also show the following figure

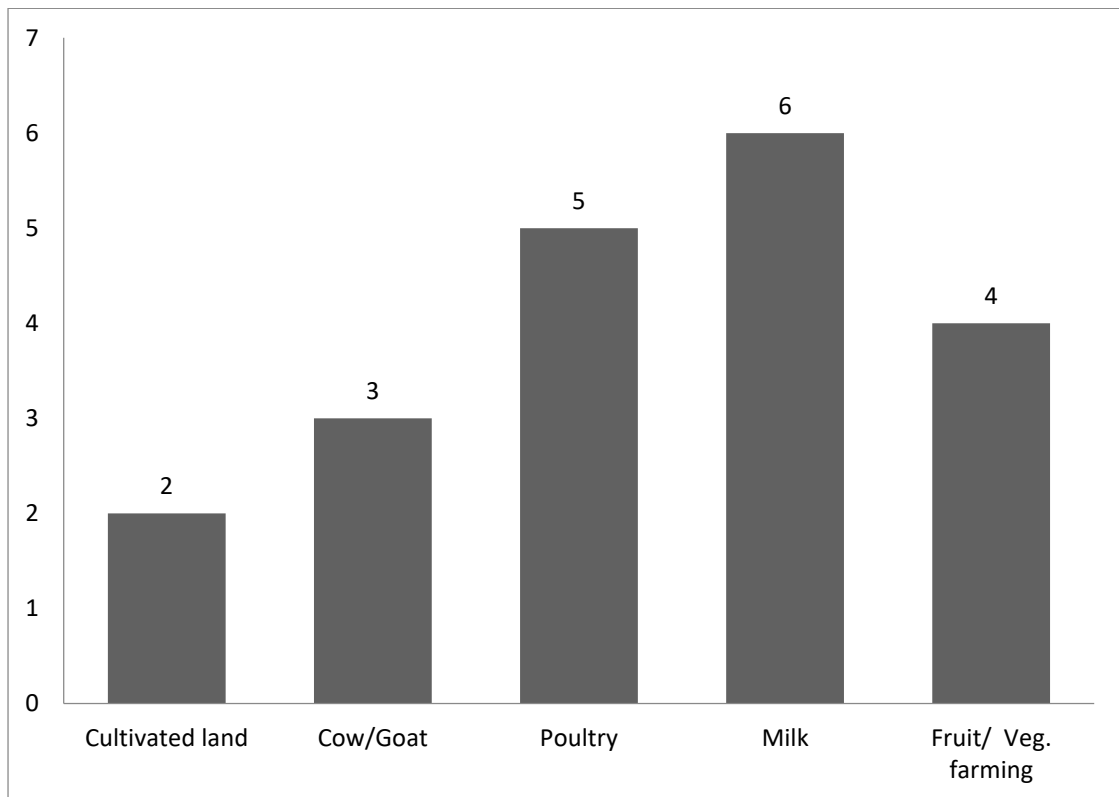
**Table No. 4.11 Another Supporting Source of Livelihood**

Source of income rather than tea work	No. of respondents	Percentage
Cultivated land	2	10
Cow/Goat	3	15
Poultry	5	25
Milk	6	30
Fruit/ Veg. farming	4	20
Total	20	100

Sources: Field Survey, 2023

The table no. 4.11 reflects that the 30 percent have support form milk, 25 percent have poultry farm as support, 20 percent have from fruit/veg farming, 15 percent from cow /goat and rest of them 10 have cultivated land.

**Figure No. 4.8**  
**Another Supporting Source of Livelihood**



#### **4.14 Dissatisfaction of Job**

Job dissatisfaction is when an employee does not feel content in their job. This can be due to various professional and personal reasons such as lack of advancement, poor management, limited work-life balance, and more.

**Table no. 4.12 Dissatisfaction of Job**

<b>Titles</b>	<b>No of Respondents</b>	<b>Percentage</b>
Very low Wage	10	50
Temporary Job Nature	4	20
Absence of Bonus	2	10
Nodissatisfaction of job	3	15
Away from place of stay	1	5
Total	20	100

Sources: Field Survey, 2023

The table no. 4.12 presents that the 10 respondents i.e. 50 percent are arguing a very low wage like wise 20 percent temporary job nature, 15 percent no dissatisfaction of job, 10 percent absence of bonus and rest of them 5 percent has problems distance far form working place.

## **CHAPTER-V**

### **SUMMARY, CONCLUSION AND RECOMMENDATION**

#### **5.1 Summary**

Workers' Satisfaction with their Jobs and Living Arrangements A satisfied worker is more productive than a dissatisfied worker. But findings show that most tea workers, both male and female, are dissatisfied workers. They are found to be dissatisfied both with their living, health and working conditions. They mentioned a large number of reasons for their dissatisfaction. The most dominant reason for job dissatisfaction is low wage rate. As can be seen from Table 5 the absence of humane treatment, bad quality of ration, absence of toilet facility and drinking water at the work place are also dominant reasons for their dissatisfaction. Only a little more than 10 per cent of male workers and about 6 per cent of female workers mentioned that they are satisfied with their jobs. They also mentioned large-scale dissatisfaction with their living arrangements. Small size of room, absence of proper latrine arrangement, lack of adequate drinking water and absence of repair and maintenance of tube well are among the dominant reasons for their dissatisfaction with their living arrangements. Lack of electricity is also mentioned by a large number of workers for their dissatisfaction. In addition to problems of working and living arrangements, absence of adequate number of primary schools and even fewer high schools are dominant ones. It has already been mentioned earlier that about half of the school-age children do not go to school mainly due to the absence of schools. In most cases, schools are far away from the workers' residence. Moreover, the quality of teaching in these limited numbers of schools is very bad. In most cases, teachers are absent. There is no government school in the vicinity of the tea estate. All schools on the tea estates are run by the tea industry management. As a result, the tea estate children are deprived of all government educational facilities such as free food for education, stipend facilities for the girl child, free education for the girl child up to class 10 etc. Workers reported that their children could not receive any higher education in the absence any high school on the estate. Unemployment and under-employment among tea workers is very

high. To seek a job elsewhere is almost impossible for the tea population since they are geographically confined and lack any skill other than plantation activity. Due to absence of any job opportunity, the young generation, particularly the young men, get involved in illegal activities like stealing, smuggling, etc. They also cooperate with the thieves coming from outside the tea estate and help them in cutting the big trees of the tea garden. Workers with such a high rate of dissatisfaction can not be expected to be good workers and affects their productivity. Conclusion Low yield and high cost characterize the tea industry of Nepal. Productivity of the tea plantation workers in Nepal is far less than that of the other tea producing countries in Asia and Africa. Findings of the present study show that in addition to crop yield, a large number of factors have contributed to the low productivity of tea plantation workers in Nepal. Among these factors, socio-cultural and religious barriers; geographical isolation and bonded nature of workers, very low education and poor health status of the workers; extremely inadequate wages and fringe benefits; low quality and quantity of benefits in kind; and in congenial working conditions are the most influential ones. In addition of these factors, three other factors, namely absence of reproductive health facilities, absence of nursery school facilities and lack of plucking amenities have contributed to low productivity among women who account for the majority of the plantation workforce.

The present study shows that all these factors together deprive the tea plantation workers from their basic right to 'decent work'. This deprivation greatly deteriorates the labour standards of the tea plantation industry in Nepal. Nepal has the potential to capture a substantial portion of the world tea market only if it can improve its labour standards and ensure its workers' their right to 'decent work'. Social Kabir: Tea Plantation Workers and Their Working Circumstances: 193 dialogue is the first and may be the only way to achieve workers' right to 'decent work'. The tea plantation industry relies on low wage labour for competitive advantage as it maintains its labour intensive method of production. The industry has tremendous potential to make significant contributions to the economy in terms of employment and foreign exchange earnings. However, the current issues with regard to production and quality of life of workers need immediate attention. Labour is the critical resource in the plantation industry. A

prospect for improvement in the quality of life of workers is the motivation needed to increase the productivity of workers. The political will of the Government together with the cooperation and participation of employers and the trade unions is vital in order to plan and implement programs for economic and social change for the improvement the industry. Tri-partism is the key for the tea plantation industry, which has to build financial, and human resources for sustained growth with equitable distribution of income.

The sampled household 10 percent of respondent earn up to 5000/- NRS per month. Out of the total respondents 60 percent are only literate, the large proportion of the women percent, are found to believe in both doctor and Dhama for treatment, out of 20 respondents 60 percent of the population does involved in the different kind of social organizations, out of 50 respondents 10 percent are working since 0-5 yrs., the 30 percent have support form milk. The most of peoples expense has been supported by milk selling they are 30 percent so on the majority of farmers in the factory are not satisfy with their facilities like salary they are just 20 percent and the Hindus community are more than others religion aspects. The average monthly income 5001-10000 were more that is 30 percent, there are 60 percent literate among the workers. The workers has been plucking the tea leaf that were 60 percent rather than other methods.

## **5.2 Conclusion**

In spite of their harsh reality, the tea plantation workers still have dreams and want to change their lives. Both tea plantation workers and union leaders are of the view that education is fundamental for bringing change to the community. All of them showed deep interest towards education and want to see their children educated and engaged in employment other than as tea garden labourers.

However, almost all tea plantation workers had a desire to maintain a connection with tea gardens as it provides housing facility free of cost. Leaders of the tea labourers' community as well as survey respondents claimed that their members live well in the tea gardens as they have ration facilities, free housing and sometimes pieces of cultivated land leased from the tea garden authority. Tea

plantation workers do not have sufficient opportunity for education and do not have required skills to engage in occupations outside the tea industry. Their ethnic identity, culture and languages are disappearing. The tea plantation workers are living in homes that housed their ancestors but are denied ownership of these homes. Their cultivated land which is sub-leased by the tea garden owners, is being grabbed or occupied by tea garden owners and the government in the name of extension of tea garden area or in the name of a forestation or any other development activities and many of their community members are being evicted from land. The leaders amongst tea garden workers do not have sufficient capacity, education, information or confidence to participate in the collective bargaining process with tea garden management. In many instances, leaders amongst tea garden workers are busy with their own interests and do very little for other workers. Human rights activists, journalists, civil society groups and researchers give little attention to the plight of the tea garden workers' community but their active role could help in establishing and promoting the rights of poor tea plantation workers. It was also found that workers sometimes behave unethically, which disrupts the working environment in tea gardens. Tea plantation workers have been known to cut down trees and steal fertilizers, which adversely affects the tea plantation operations. There is plenty of opportunity for the government officials in the labour department to play their significant role to build the capacity of the tea workers leaders and employers to manage the workers' rights issues while contributing to the benefit of the tea industry.

### **5.3 Recommendations**

Proper concentrations should be given to Primary and Reproductive Health Care, Family Planning Programs, Primary Education and Education for the Elderly and Awareness Building, Nutrition, additional Income and Savings. Moreover, Additional awareness measures should also be taken for the betterment of the tea workers with respect to the following measures.

- Promoting Social Dialogue through Informal Workers' Organization's
- Providing Awareness Raising Training and Social Protection through Section



or Labour Line Based Trade Unions Mothers' Club of the Cha Sramik Union should do welfare activities together with its motivational activities There should be more than one bargaining agent for the tea workers. Employers must abide by the Memorandum of Agreement Government of Nepal must be diligent in implementing the labour laws and must take action to solve various problems faced by the tea plantation sector. Among the tea plantation workers All the parties to social dialogue - the Government, the employers, the trade unions and, above all, the general workers must work together to make the social dialogue a success.

## **Annex-A**

### **Households Survey-2080**

#### **Questionnaire**

This questionnaire has been designed to explore the information for purely academic propose. This is to enable the researcher Simala Dewan. This Thesis on the Topics **Livelihood Status of Tea Estate Labour: A study of Ilam Tea Estate, Ilam, Nepal** in pursuance of Master of Arts Rural Development Degree.

#### **Household Survey**

1. Name :—
2. Address :—
3. Age :—
4. Religion :-
5. Caste
6. Family size and marital status
  - a) Married            b) Unmarried
  - c) Widow            d) Divorce            e) Total
7. Education status of respondents.
  - a) Literate            b) Illiterate
8. Which crops do you cultivate in your land mostly ?
  - a) Tea            b) Coffee
  - c) Maize            d) Paddy
9. In which place you find appropriate for cultivate tea farming ?
  - a) Hill side            b) Plain side            c) Both
10. Which place suitable for tea planet ?
  - a) Nursery            b) Tea garden
  - c) Both            d) None of them
11. After which period grown of tea plant start cutting ?
  - a) Upto 1 year            b) 1 - 2 years
  - c) 2-3 years            d) Other

12. What is your families annual expenditure in the following items ?

S.N.	Expenditure	R.S.
	Food	
	clothes	
	Education	
	Health	
	Festivals	
	Others	

13. How many hours do you work in garden on daily basis or per day ?

- a) Upto 5 hours,                      b) 5 - 8 hours                      c) above 8 hours

14. What kind of work you have to do ?

- a) Plucking                                      b) Plantation  
 c) Skipping                                      d) Mulching  
 e) Others.

15. Have you received any training before the work.

- a) Yes    b) No

16. How long you have been working in tea cultivation ?

- a) 0-5 year                                      b) 5-10 year  
 c) 10-15 year                                      d) 15-20 year

17. Have you other supporting source of livelihood ?

- a) Yes    b) No

If yes, please specify .....

18. Are you satisfied with your work

- a) Yes    b) No

If why no ?

19. How many members of your family are employed in garden ?

20. Can you afford your family by your garden ?

21. Do you have own land ?

- a) Yes    b) No.

If yes how much land you have got ?

.....

22. What are the present problems that you are facing for organic tea farming ?

.....



## Annex-B

### i) Photographs: Asking questionnaire with respondents



Interview with Labour



Interview about Tea Estate Labour



Group Discussion about Research



Photographs with respondents