Estate workers' wages below Living Wage

By
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A recent study done by Institute of Policy Studies (IPS) has found that the estate workers' prevailing wage levels are below the Living Wage.

Living Wage, remuneration needed to obtain a decent standard of living for the worker, is a timely concept since it has been emphasized under the sustainable development goals.
The research findings apply to Ratnapura and Nuwara Eliya Districts in 2015. However the researcher has updated the findings for 2016 as well.

The cost for low cost nutritious diet, cost for basic decent housing, non-food non-housing costs and a small margin for unforeseen events have been used in the study to reach the overall Living Wage figure.
Findings of the study show that the prevailing wage in the estate sector per month was around Rs 16,971 in 2015, whereas the Living Wage for......the estate sector was around Rs 21,585 per month that year. These figures indicate a gap around Rs 4600 between prevailing wage levels and Living Wages in the sector.

The study also highlights, compared to other sectors such as food and beverages, hotels, tourism and garments, daily nominal wage rate of the Regional Plantation Company (RPC) worker is considerably high.
However the study also pointed out the real wage in the estates sector is comparatively low even though the gap between the inflation rate and the real wage has widened in favour of the real wage over time.

IPS Research Fellow Nisha Arunatilake remarked, "It is not the responsibility of a single stake holder, therefore this journey towards a Living Wage for the estate sector can only be a success if everyone in the supply chain contributes".
However, Sri Lanka will find it challenging to move to a Living Wage due to continuous fluctuations in the tea prices in the world market and the sluggish increase in prices over time. Increasing productivity levels and collaboration of different stake holders in the industry will ensure more positive moves towards a Living Wage to estate workers, the study found.