



POLICY RECOMMENDATION



Labour conditions status

THE STUDY ON ASSESSING LABOUR CONDITIONS OF LOW WAGE EARNERS IN THE TEA SECTOR IN RWANDA



Factors influencing minimum
wage implementation

The Case of SORWATHE, ASSOPTHÉ AND COOTP



Promote social and gender
equality in tea sector

March, 2024

INTRODUCTION

In 2022, a comprehensive study was commissioned by COTRAF-RWANDA and FES Rwanda entitled « ***Assessing labour conditions of low wage earners in the tea sector in Rwanda. The case of SORWATHE¹, ASSOPTHÉ² and COOTP³*** ». The primary objectives of said study were to assess the status of labour conditions, identify factors influencing the establishment of a minimum wage, and propose actionable measures to ensure the realization of decent work.

METHODOLOGY

The study used a mixed-methods approach, combining surveys and interviews. A representative sample of 166 low-wage earners was drawn from one tea factory and two tea cooperatives located in Rulindo and Rubavu Districts respectively. Tea plantation workers (tea pickers and casual farming workers) represent 96% of the study sample. This provided insights into their working hours, wages, safety conditions, and overall satisfaction of basic needs.

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1. **SORWATHE** : Société Rwandaise de thé
 2. **ASSOPTHE** : Association des producteurs du thé
 3. **COOTP** : Coopérative des Théiculteurs de Pfunda

KEY FINDINGS

1. Labour conditions status

Wages: On average, 72.9% low-wage earners (tea pickers) in the tea sector reported earning less than 20,000 FRW net amount per month, highlighting the prevailing financial challenges faced by this workforce.

Working hours: The tea industry is known for its demanding jobs, which require workers to put in long hours. Unfortunately, this hard work doesn't always translate into fair wages.

Education: 84% of respondents solely attended primary education. This category of low-skilled workers corresponds to the tea estate workers who are essentially the low-wage earners group.

Gender perspective: The study shows that Rwanda's tea sector employs a large proportion of women who predominantly occupy lowest paid roles mainly as tea pickers. Though women outnumber men in the tea sector, research highlights unequal power relations, which leave women with limited decision-making powers.

Safety measures: Majority of respondents expressed concerns about inadequate safety measures, emphasizing the need for improved workplace conditions.

Overall satisfaction of basic needs: A majority of the respondents (53.60%) declare that their salary is too low to meet their basic needs. For example, 75.30 % are not able to afford a midday meal in a modest restaurant in their localities and 58.4% of respondents assert that they spend their salary in less than a week, i.e. 7 days. These statements echo the deterioration of purchasing power in the context of price inflation in Rwanda. All the issues have a negative impact on the working conditions and welfare of low earners employed in the tea sector.

2. Factors influencing minimum wage implementation

The study depicts and describes four factors that account for the delay of establishing a minimum wage in Rwanda. Those are:

- Government's precautionary approach to setting minimum wage;
- Incomplete labour data for a well informed and balanced setting of minimum wage;
- The issue of minimum wage enforcement and
- The priority given to doing business reforms and competitiveness.

POLICY RECOMMENDATIONS

1. Policy recommendation: establish tea-sector specific minimum living- wage.	Key stakeholders
1.1. Strategies:	
i. Set fair living-minimum wages for tea workers that consider the high costs of living and the difficulties of their jobs.	MIFOTRA, NAEB; FERWACOTHE; MINAGRI; Tea plantations owners; FES Rwanda, COTRAF- Rwanda Lead: NAEB
ii. To ensure a comprehensive and fair approach to tea pricing, the National Agricultural Export Board (NAEB) should convene all relevant stakeholders to participate in the process of determining periodic tea prices. These key partners include: <ul style="list-style-type: none"> a. Employees within the tea industry b. Owners and managers of tea estates c. Local authorities d. Trade Unions 	NAEB, MINAGRI; FERWACOTHE; COTRAF Rwanda; Districts Lead: NAEB

<p>iii. Introduce incentive programs for tea factory and plantation owners who exceed the minimum requirements for fair wages and benefits to encourage proactive participation in improving living and working conditions for tea sector workers.</p>	<p>NAEB; FERWACOTHE; MINAGRI; MIFOTRA; Districts; FES Rwanda, COTRAF- Rwanda Lead: NAEB</p>
<p>iv. Lead the way: empowering the Private Sector to champion Collective Bargaining Agreements (CBAs) in the tea industry.</p>	<p>FERWACOTHE; Tea plantations owners; FES Rwanda, COTRAF- Rwanda Lead: FES Rwanda, COTRAF- Rwanda</p>
<p>v. Fostering best practices through peer learning Networks for tea sector Managers.</p>	<p>NAEB, MINAGRI; FERWACOTHE; COTRAF Rwanda; Districts Lead: COTRAF Rwanda</p>
<p>1.2. Key activities</p>	
<p>i. Enacting sectoral minimum living- wage guidelines for workers in tea sector.</p>	<p>MIFOTRA, NAEB; FERWACOTHE⁴; MINAGRI; Tea plantations owners; FES Rwanda, COTRAF- Rwanda Lead: NAEB</p>
<p>ii. Establish a transparent tea pricing system with stakeholder participation: NAEB; owners and managers of tea estates; local authorities and workers' representatives among others.</p>	<p>NAEB, MINAGRI; FERWACOTHE; COTRAF - Rwanda; Districts Lead: NAEB</p>
<p>iii. Initiate annual incentive programs for tea factory and plantations' owners who champion improved living and working conditions for their workers.</p>	<p>NAEB; FERWACOTHE; MINAGRI; MIFOTRA; Districts Lead: NAEB</p>

4. **FERWACOTHE** : Fédération Rwandaise des Coopératives des Théiculteurs

<p>iv. Organize regular Collective Bargaining Agreements (CBAs) sessions in tea Sector spearheaded by the Private Sector.</p>	<p>FERWACOTHE; Tea plantations owners; FES Rwanda, COTRAF- Rwanda Lead: COTRAF- Rwanda</p>
<p>1.3. Key performance indicators:</p>	
<p>Sectoral minimum wage policy for workers in tea sector in place; improved living and working conditions of workers in the tea sector, inclusion of key stakeholders in tea pricing; functional peer learning groups to share best practices; increased quality of tea produced; new CBAs signed, and existing CBAs renewed.</p>	
<p>2. Enhance worker well-being and ensure a sustainable, productive tea industry.</p>	
<p>2.1. Strategies</p>	
<p>i. Improved safety standards:</p> <ul style="list-style-type: none"> a. Implement mandatory safety training programs for all tea sector workers. b. Conduct regular workplace inspections to identify and address potential hazards and enforce occupational safety regulations compliance. c. Provide all workers with appropriate personal protective equipment (PPE). 	<p>MIFOTRA, NAEB; FERWACOTHE; Districts, FES Rwanda, COTRAF- Rwanda Lead: MIFOTRA</p>

<p>ii. Transparent and secure pensions and age retirement: establish a secure pension system with clear contribution and payout structures. This includes:</p> <ul style="list-style-type: none"> a. Formal work contracts: mandate formal work contracts for all tea sector workers, guaranteeing their eligibility for social security benefits. b. Pension declaration and payments: ensure all contributions are declared and transparently tracked, enabling workers to monitor their pension accrual and receive their rightful benefits upon retirement. c. Set a fair and healthy sectoral retirement age, taking into account the physically demanding nature of tea work. 	<p>MIFOTRA, NAEB; FERWACOTHE; COTRAF-Rwanda; Districts. Lead: MIFOTRA</p>
<p>iii. Promoting decent work and productivity:</p> <ul style="list-style-type: none"> a. Invest in worker training and development programs to enhance skills and productivity in the tea sector. b. Foster a collaborative environment where Private sector, Government, and workers' unions work together to address industry challenges and promote decent work practices. 	<p>MIFOTRA, NAEB; FERWACOTHE; Districts; COTRAF-Rwanda; FES Rwanda Lead: NAEB</p>
<p>Key activities</p>	
<p>i. Workers' training: train workers on specific safety hazards relevant to different tea sector roles (e.g., safe operation of machinery, pesticide handling, fall prevention etc).</p>	<p>MIFOTRA, NAEB; FERWACOTHE; COTRAF Rwanda; Districts. Lead: MIFOTRA</p>

<p>ii. Conduct safety audits and enforce occupational safety regulations: schedule regular inspections by qualified personnel to identify and address potential safety hazards in workplaces (e.g., structural deficiencies, improper ventilation ...).</p>	<p>NAEB; FERWACOTHE; MINAGRI; MIFOTRA; MINALOC, Districts Lead: MIFOTRA</p>
<p>iii. Provide PPE: Distribute appropriate personal protective equipment (PPE) such as gloves, boots, masks, and respirators, based on specific job requirements.</p>	<p>FERWACOTHE; NAEB Lead: FERWACOTHE</p>
<p>iv. Conduct public awareness campaigns: Educate workers about their social security rights and benefits, including pension declaration and payment processes.</p>	<p>MIFOTRA, NAEB; FERWACOTHE; COTRAF-Rwanda; Districts. Lead: MIFOTRA</p>
<p>v. Conduct retirement age review: Set up a collaborative committee involving Government, Private sector, and workers' unions to analyze physical demands of tea work and establish a fair sectoral retirement age.</p>	<p>MIFOTRA, NAEB; FERWACOTHE; COTRAF-Rwanda; FES Rwanda; Districts. Lead: MIFOTRA</p>
<p>vi. Establish Multi-Stakeholder Forums: Create regular platforms for dialogue between Private sector, Government, and workers' unions to discuss industry challenges and collaboratively develop solutions for promoting decent work practices (e.g., fair wages, reasonable working hours etc).</p>	<p>MIFOTRA, NAEB; FERWACOTHE; COTRAF-Rwanda; FES Rwanda; Districts. Lead: MIFOTRA</p>

Key performance indicators:	
<p>% of workers who complete safety training programs for their specific role; reduction in the number of reported safety incidents in the tea sector; number of safety inspections conducted in tea sector workplaces ; % of identified safety hazards addressed within a defined timeframe; % of workers who receive and utilize appropriate PPE based on their job requirements; number of workers reached through social security awareness campaigns; % of workers who demonstrate a basic understanding of their social security rights and benefits; completion of a comprehensive study on the physical demands of tea work by the collaborative committee; establishment of a fair and healthy sectoral retirement age based on the study findings; % of workers who participate in skill development training programs; increased output per worker-hour; increased productivity and tea export; number of multi-stakeholder forums conducted to discuss decent work practices; number of collaborative solutions developed to address specific industry challenges related to decent work; % of agreed-upon solutions implemented by the Private sector</p>	
<p>3. Policy recommendation: promote social and gender equality in tea sector.</p>	<p>MIGEPROF; MINALOC; MIFOTRA, NAEB; FERWACOTHE; COTRAF- Rwanda; Districts. Lead: MIGEPROF</p>
<p>3.1. Strategies</p>	
<p>i. Launch women’s empowerment initiatives to empower women in the tea sector by providing access to education, skills training, and leadership opportunities</p>	<p>FERWACOTHE; MIGEPROF; MINAGRI; NAEB, MIFOTRA; MINALOC, FES RWANDA, COTRAF Rwanda, Districts Lead: FES RWANDA, COTRAF Rwanda</p>
<p>ii. Introduce flexible working arrangements to accommodate diverse needs of workers, particularly women with caregiving responsibilities.</p>	<p>FERWACOTHE; MINAGRI; NAEB, MIFOTRA; MINALOC, MIGEPROF; FES RWANDA, COTRAF Rwanda, Districts Lead: FERWACOTHE</p>

iii. Inclusive decision-making by involving them in decision making processes at various levels within tea estates and industry associations	FERWACOTHE; MINAGRI; MIGEPROF; NAEB, MIFOTRA; MINALOC, Districts Lead: FERWACOTHE
Key activities	
i. Establish women's support groups, mentorship programs and scholarships for female workers and their families	FERWACOTHE; MINAGRI; NAEB, MIFOTRA; MINALOC, FES Rwanda, Districts Lead: FERWACOTHE
ii. Offer options like job-sharing and flexible scheduling, ensuring equal opportunities for growth for women	FERWACOTHE; MINAGRI; NAEB, MIFOTRA; MINALOC, Districts Lead: FERWACOTHE
iii. Empowerment and inclusion of women in decision-making instances	FERWACOTHE; MINAGRI; NAEB, MIFOTRA; MINALOC, FES RWANDA, COTRAF Rwanda; Districts Lead: FERWACOTHE
iv. Establish and strengthen open dialogue, mentorship programs and encourage women's participation in leadership roles	FERWACOTHE; MINAGRI; NAEB, MIFOTRA; MINALOC, FES RWANDA, COTRAF Rwanda; Districts Lead: FERWACOTHE
Key performance indicators:	
Functional women's support groups; established and functional scholarship fund women in need; involvement of women in decision making organs; increased of girls and women in decision making from local committee to the upper organs.	

<p>4. Policy recommendation: invest in tea sector workers' skills development and education</p>	<p>NAEB; FERWACOTHE; MINAGRI; MIFOTRA; MINALOC, FES RWANDA, COTRAF Rwanda; Districts Lead: NAEB</p>
<p>4.1. Strategies:</p>	
<p>i. Establish training programs: develop and implement training programs tailored to the specific needs of tea sector workers including skills enhancement in tea cultivation, processing techniques and safety measures to ensure more stable production process, allowing for consistent export volumes.</p>	<p>NAEB; FERWACOTHE; MINAGRI; MIFOTRA; MINALOC, FES RWANDA, COTRAF Rwanda; Districts Lead: NAEB</p>
<p>ii. Promote functional literacy and numeracy: invest in basic functional literacy and numeracy programs to empower workers with foundational skills, enhancing their ability to understand and apply modern agricultural practices and technology.</p>	<p>FERWACOTHE; MINAGRI; MIFOTRA; MINALOC, FES RWANDA, COTRAF Rwanda; Districts Lead: FERWACOTHE</p>
<p>iii. Financial support for education implements financial support programs to alleviate the cost burden of education and training for low earners through scholarships, grants or subsidized education programs.</p>	<p>FERWACOTHE; MINAGRI; MIFOTRA; MINALOC, FES RWANDA, COTRAF Rwanda; Districts Lead: FERWACOTHE</p>
<p>Key activities</p>	
<p>i. Develop and organize on-site workshops and training sessions on modern tea cultivation and processing techniques.</p>	<p>FERWACOTHE; MINAGRI; MIFOTRA; MINALOC, FES RWANDA, COTRAF Rwanda; Districts Lead: FERWACOTHE</p>

ii. Collaborate with agricultural experts to provide hands-on guidance and training.	FERWACOTHE; MINAGRI; MIFOTRA; MINALOC, Districts Lead: FERWACOTHE
iii. Introduce literacy and numeracy classes during non-working hours	FERWACOTHE; MINAGRI; MIFOTRA; MINALOC, FES RWANDA, COTRAF Rwanda; Districts Lead: FERWACOTHE
iv. Establish a scholarship fund for low earners, covering tuition fees and related expenses	FERWACOTHE; MINAGRI; MIFOTRA; MINALOC, NAEB; FES RWANDA, COTRAF Rwanda; Districts Lead: FERWACOTHE
<p>Key performance indicators: Tea workers’ training needs assessment: training sessions organized and implemented; stable and improved tea production and export volumes; effective collaboration with experts in agriculture; functional literacy and numeracy implemented; scholarship fund for low earners established and functional.</p>	

Conclusion:

The study commissioned by COTRAF-Rwanda and FES Rwanda provides an overview of the labor conditions within Rwanda’s tea sector. The findings underscore the need for immediate action to establish a sectoral minimum living-wage, improve safety measures, promote social and gender equality and invest in tea sector workers’ skills development and education. Implementing these policy recommendations will not only enhance the well-being of low-wage earners but also contribute to the achievement of decent work in the Rwandan tea industry.

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