Fair Compensation in the Hybrid Seeds Sector in India: 
*FLA – Syngenta Multi-Stakeholder Consultation*

On January 19, 2016, in Hyderabad, India, the Fair Labor Association (FLA) and Syngenta organized a meeting 61 delegates representing various stakeholders with an interest in improving compensation in the Indian hybrid seeds supply chain. Eleven companies representing 80 percent of the hybrid seeds industry in India attended the meeting along with 21 civil society representatives, including trade unions, NGOs, worker representatives, farmer associations, research institutions, multilateral agencies, farmers, and women workers.

**BACKGROUND**
The meeting was organized following the publication of studies in 2012 and 2015, conducted by the FLA, that found legal minimum wages are often not paid to workers at the Syngenta-supplier farms visited by the FLA in certain regions of India, including the states of Karnataka, Maharashtra, and Andhra Pradesh.

Syngenta has committed to a progressive realization of fair compensation in its supply chains, starting with the assurance that at least minimum wages are paid to all workers, and the remediation of any instances of under-payment. This stakeholder meeting was designed to bring together a broad cross-section of relevant perspectives on how Syngenta and others can bring about system-wide transformation wherever prevailing wages fall below the legal minimum in agricultural settings in India.

**PRESENTATIONS**
Representatives from the International Labour Organization (ILO) India Office, the Just Jobs Network, the FLA, the MV Foundation, Glocal Research, the Prayas Center for Labor Research and Action, and Syngenta India each presented information about challenges in the agricultural sector in India. Speakers emphasized that workers in India are often paid very low wages across many industries, not only in agriculture, and that wage discrimination based on gender and caste also persists across all sectors. Many participants called for government reform across all sectors.

One participant pointed out that because India has ratified ILO Convention 26 (Minimum Wage Fixing Machinery Convention), workers who do not receive statutory minimum

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1 The panel was conducted under Chatham House Rule, which permits information from the meeting to be shared, but forbids attribution for any specific remarks.

2 India has ratified 45 ILO Conventions and 1 Protocol. 
wages are entitled to demand to demand back pay. Several participants discussed the prevalence of child labor in India, noting that lower wages for children (who are sometimes more productive and easier to control) can drive down wages for adults. Others suggested that lack of worker knowledge of minimum wage rates contributes to the problem, and that awareness campaigns (which have sometimes been resisted by local governments) could be part of the solution.

Four case studies were shared with the group which demonstrated different approaches for establishing living wage and fair compensation for agricultural workers.

- Women strawberry pickers in Morocco (Oxfam)³
- Tea workers in Malawi (Ethical Tea Partnership)⁴
- World Banana Forum (Banana Link)⁵
- Unilever’s emerging approach towards Fair Compensation⁶

Specific to the context in India, researchers confirmed that while wages have improved in the agricultural sector in the past seven years, prevailing wages in several areas remain below the legal minimum, and discrimination remains commonplace, with women’s wages more likely to fall below the minimum than men’s wages. Participants pointed out that for farmers to pay minimum wages to workers, their production costs must increase, and seed companies must factor these increases into their procurement prices. Some civil society participants suggested establishing some form of direct-to-worker payments by companies, such as deposits in post office bank accounts, especially for tasks most often identified as paid below the minimum.

**DISCUSSION**

A robust discussion period at the end of each section of the meeting provided opportunities for all stakeholders to speak, including one farm-worker who spoke out about how her wages are insufficient for her to afford to buy enough food. At the end of the day, four break-out sessions allowed all participants to share their thoughts about actions companies, civil society, and others can take to catalyze improvement of wages in the seeds industry. Suggestions for companies included awareness-building about wages among growers, organizers and workers; minimum wage requirements in contracts with seed producers; improved record keeping; and ensuring that cost of production calculations include at least minimum wages paid to workers.

Following the meeting, Syngenta provided the FLA with an action plan for addressing fair compensation in its supply chain in India, which is available at http://www.fairlabor.org/report/ensuring-minimum-wages-field-production-hybrid-seeds.

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⁵ http://www.bananalink.org.uk/banana-industry-takes-steps-towards-living-wage