

**A STUDY ON THE IMPACT OF CURRENT CRISIS IN
TEA INDUSTRY ON THE PLANTATION WORKERS
IN KERALA**

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EXECUTIVE SUMMARY

Tea plantation industry is an important sector of the economy in Kerala. It plays a crucial role in income generation, foreign exchange earnings and employment generation both directly and indirectly. However, the overall performance of this industry is found to be unimpressive. Since the market for tea is of an international one, trade liberalisation has put many troubles in the industry which has made a substantial impact on its performance. Trade liberalisation and free import of tea, import of inferior quality of tea and re-export of it mixing with the traditional product have caused problems both in the domestic and international markets. As a result of opening up of the market for tea, there exists competition among producers at the international level. Competitiveness has become the key to success. Those units who are having the cost of production above the average international price found difficult to continue to operate. It has been seen in the case of Kerala. This eventually led the situation for closing down of many tea units in Kerala accompanied by high cost of production, low strength of competitiveness in the international market and low price realisation and the high pressure of trade unions made the Kerala industry too vulnerable to survive. All these put the Kerala tea industry in crisis.

Crisis is defined as an undesirable dangerous situation. This situation warranted stringent remedial measures to have survival and growth of the sector. It is seen that the plantation workers are the first victims of the tea industry crisis in Kerala.

The plantation labour has been experiencing so many economic and social problems due to the inherent nature of the plantation industry. We have already seen that due to the severe financial problems the companies were unable to pay wages in time and due to this employees were finding it very difficult to meet their day to day expenditure. As the plantations are usually situated in adverse climatic conditions the workers are exposed to physical and environmental hazards where the companies are seemed to be mere spectators.

In sum, the tea plantation industry is facing a very serious crisis and the living conditions of the workers are in the same plight. It was found that no serious studies have been undertaken earlier to assess the impact of this industry crisis on the living conditions of plantation workers. In this context it is imperative to conduct a serious enquiry to uncover the

situation entitled “A Study on the Impact of Current Crisis in Tea Industry on the Plantation Workers in Kerala”.

The study is descriptive and analytical in nature. Both primary and secondary data were used for the study. The sources of secondary data are publications and reports of Tea Board India, United Planters Association of Southern India (UPASI), Association of Planters of Kerala (APK), Kerala State Planning Board Kerala and different Tea Companies. Various other unpublished works like PhD theses, MPhil dissertations and other Research Reports were also collected to obtain secondary data. Books, Journal, articles and websites were extensively used as source of secondary data. 'Tea Statistics' and 'Tea Digest' published by Tea Board, India were also used for secondary data.

The tea plantation industry in Kerala has been encouraged for its contribution to economic growth, employment and foreign exchange earnings. But after the opening of the Indian economy in the advent of globalisation and trade liberalisation, the tea industry has got problems along with other industries and sectors. The problem has been accentuated year after year to dip into the level of a crisis. Now the tea industry is confronting with this crisis situation.

In the case of tea plantation industry in Kerala, efficient factor utilisation is found only in the short run. Inefficiency in long term factor utilisation is evident from the existence of vintage technology, absence of product diversification and non-existence of professional Management. For attaining long run growth, capital investments out of short run surplus have to be taken place. But the tea plantation in Kerala seems to have failed to plough back the short run profits for capital investments. The contribution of tea to the economic growth in Kerala is remarkable in terms of its backward and forward linkages. At the macro level the tea plantation industry has been facing adverse impacts of globalisation and trade liberalisation. The price has declined sharply and the industry is facing a crisis. If there is any solution to this problem that is to improve the competitiveness of the industry in terms of production of raw leaf and in manufacturing of tea. Productivity in plantations has to be increased by replantation of new varieties, scientific harvesting and mechanised pruning. Productivity in manufacturing can be increased by improving quality, product diversification and technological advancement. Companies have to adopt professional management system for making the units competitive. In the liberalised regime of world trade, paramount importance has to be given to the marketing of tea. The tea plantation workers have to face so

many socio-economic challenges in their life due to low income, increase in debt burden and a wide gap between income and expenditure. The crisis in the tea industry has a huge negative impact on the family life of the plantation workers especially their dwelling needs. But they are managing their life in the midst of these problems due to the inherent strength in the labour mind.

The most important problems facing by the tea industry is the high cost of production and low productivity. Replantation with high yield varieties of tea by removing the old aged plant is the most important step for enhancing the productivity. The old plant and machinery used in the factories for tea manufacturing is another reason for high cost and low productivity. Modernisation of the factories with new plant and machinery is the panacea for this. Another step towards reducing the cost in the plantation sector is the abolishment of plantation tax and agricultural income tax. Diversification strategy is another step for increasing the revenue of the tea plantation industry. The Government should take steps in this direction by permitting the companies promoting plantation tourism, multi-cropping system, aqua-culture and live-stock. The most important problem faced by the plantation workers is their dwelling issue. A comprehensive residential plan for the plantation workers should be formulated by the State Government in consultation with the plantation companies for solving the issue amicably. Alternative employment opportunities should be created through diversification in the plantation industry in order to absorb younger generation. Workers' and Small Growers' Co-operative Factories shall be set up to solve the problems confronted by small growers for the disposal of their produce.

CHAPTER 1

INTRODUCTION

1.1 Inception of the study

Plantation is a large estate on which crops such as tea, coffee, rubber and cardamom are grown. Tea plantation industry is a combination of industry and agriculture. Production of leaf is an agricultural activity while its processing is an industrial activity. Most of the large estates process raw leaf in their own factories. Tea industry is of considerable importance in the national economy of India in terms of income generation, earning foreign exchange, employment generation and contribution to the national exchequer.

The tea sector in the country is largely organized since 72% of the total area under tea cultivation and 74% of the total production comes from the organized sector with a total number of 1686 tea gardens spread throughout the country. The remaining 28% of the area and 26% of the production is accounted for by the unorganized sector popularly known as small tea growers sector with more than 1.5 lakh holdings and the average size of the holdings being less than one hectare.

Tea cultivation in Kerala started in 1832 and it came on a commercial scale during 1840s. By the year 1875 tea cultivation was started in Peerumedu. A.H Sharp started tea cultivation in Kannan Devan Hills during 1878. Tea cultivation started at Wayanad in 1889. Later the tea cultivation expanded to a vast area of the State. (Merlin Joseph, 2002)

1.2 Performance of Kerala's Tea Sector

1. The national production of tea was 1191.10 million kgs in the year 2015-16 against production of 1207.30 in 2014-15. Whereas the total tea production in Kerala is 57.89 million Kgs which is only 4.87 per cent of the national production. The tea production in Kerala has been continuously declined from 65 million kgs in 1991 to 57.89 million kgs in 2016. The per cent of contribution of Kerala in the national tea production has been declined from 8.78 in 1991 to 4.87 in 2016.

2. It was informed that the productivity of tea is around 1700 kg per hectare. The productivity of four major tea growing states viz. Assam, West Bengal, Tamil Nadu and Kerala account for 98% of the production whereas the productivity in Kerala is low.
3. It is also noted that the estimated quantity of export of tea was 217.70 million kgs during the year 2015-16 as against 201.20 million kgs in the year 2014-15.

1.3 Crisis in Tea Industry

Tea has been an internationally traded commodity since its very inception. With globalization, trade liberalization and interplay of various factors both global and local were led to restructuring the Indian tea industry. **Low-productivity of workers, increasing social costs of production and fall in tea prices are some of the reasons given by the management for the overall crisis.** In India, this crisis has been manifested through the closure and abandonment of tea estates mainly in the states of West Bengal and Kerala since year 2000.

1.4 Statement of the Problem

Tea plantation industry is an important industry in Kerala. It plays a crucial role in income generation, foreign exchange earnings and employment generation both directly and indirectly. However, the overall performance of this industry is found to be unimpressive. Since the market for tea is of an international one, trade liberalisation has put many troubles in the industry which has made a substantial impact on its performance. Trade liberalisation and free import of tea, import of inferior quality of tea and re-export of it mixing with the traditional product have caused problems both in the domestic and international markets. As a result of opening up of the market for tea, there exists competition among producers at the international level. Competitiveness has become the key to success. Those units who are having the cost of production above the average international price found difficult to continue to operate. It has been seen in the case of Kerala. This eventually led the situation for closing down of many tea units in Kerala accompanied by high cost of production, low strength of competitiveness in the international market and low price realisation and the high pressure of trade unions made the Kerala industry too vulnerable to survive. All these put the Kerala tea industry in crisis.

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In sum, the tea plantation industry is facing a very serious crisis and the living conditions of the workers are in the same plight. It was found that no serious studies have been undertaken earlier to assess the impact of this industry crisis on the living conditions of plantation workers. In this context it is imperative to conduct a serious enquiry to uncover the situation entitled “A Study on the Impact of Current Crisis in Tea Industry on the Plantation Workers in Kerala”.

1.5 Research Questions

1. What are the major reasons of the crisis in the tea industry in Kerala?
2. Who are the stakeholders responsible for making this crisis worst in Kerala?
3. What is the impact of present crisis in the tea industry on the socio-economic conditions of plantation workers?
4. What are the measures taken by the Trade Unions to reduce the socio-economic sufferings of plantation workers due to the industry crisis?
5. What is the attitude of the Government towards solving the tea industry crisis in Kerala?
6. What extent are the measures of Government intervention effected to resolve the crisis?

1.6 Objectives of the study

The overall objective of the study is to assess the impact of the crisis in the tea industry on the life and labour of the plantation workers in Kerala. The study is focused to reveal the following objectives.

1. To identify the reasons of the crisis in the tea industry in Kerala.
2. To study the socio-economic conditions and problems of plantation workers in Kerala.
3. To assess the extent of the impact of the present crisis in tea industry on the life of the plantation workers in Kerala.
4. To study the effectiveness of the measures of Governmental interventions to resolve the crisis in the tea industry.
5. To examine the measures taken by the Trade Unions to mitigate the grievances/deprivations of employees.

1.7 Scope of the Study

The scope of the present study is limited to the Tea Plantation industry in the geographical jurisdiction of the state of Kerala. The study is largely confined to the districts of Idukki and Wayanad where tea plantation industry is concentrated. The scope of study is limited to examine the crisis in the tea industry and its impact on the life of the tea plantation workers.

1.8 Methodology

The study is descriptive and analytical in nature. Both primary and secondary data were used for the study. The sources of secondary data are publications and reports of Tea Board India, United Planters Association of Southern India (UPASI), Association of Planters of Kerala (APK), Kerala State Planning Board and different Tea Companies. Various other unpublished works like PhD theses, MPhil dissertations and other Research Reports were also collected to obtain secondary data. Books, Journal articles and websites were extensively used as source of secondary data. 'Tea Statistics' and 'Tea Digest' published by Tea Board, India were also used for secondary data.

In Kerala, tea plantations are mainly concentrated in Idukki and Wayanad districts and they account for 87.24 per cent. Idukki accounts 72.40 per cent and Wayanad

accounts 14.84 per cent of the total tea area of Kerala. Therefore, Primary data were collected from these two districts. There are 89 large tea companies, 163 large estates and 3956 small growers in Kerala (Tea Board, 2016). Out of this, 10 large tea companies, 20 tea plantation estates and 15 other small tea companies were selected for the study and included in the sample.

1. **Universe** is the entire tea plantation workers in Kerala. There are 70,000 employees currently working in the tea plantation industry in Kerala (Tea Board, India, 2018)

2. **Sample size** is 400 tea plantation workers.

The sample respondents were selected from the above tea plantations and companies from Wayanad and Idukki districts. These sample workers consisting of field workers including pluckers, field supervisors/ officers, factory workers/ supervisors and other auxiliary workers connected with the plantations and companies.

3. **Tools for Data collection**

Tools for data collection were structured interview schedule and personal interviews. A semi-structured observation schedule was prepared for collecting data at the time of field visit and interaction with the stakeholders other than labourers. A structured interview schedule was administered among the tea plantation workers to gather the relevant information. The investigating team visited the dwelling places of the workers in the Layam in order to obtain the first hand information relating to the socio-economic conditions and the level of their awareness on the crisis situation. The survey data were supplemented through informal discussions with the officials of selected tea companies, tea estates, Tea Board and Association of Planters of Kerala.

4. **Case Study**

Two case Studies (one in Wayanad District and the other in Idukki district) were conducted in the residential places of Tea Plantation Labourers called **Layams or Padies**.

5. Tools of Analysis

The collected data were presented systematically in tables in order to convey the clear picture of the investigation. The data were analysed and interpreted by using statistical tools such as percentage, mean score and standard deviation.

1.9 Limitations of the study

- I. The literature available on the topic is limited
2. Some bias is possible in the opinions expressed by the respondents because some of them were reluctant to share their real personal problems.
3. Most of the tea companies are facing severe organisational and functional problems. So, company owners and officials were reluctant to share information regarding the actual situation.
4. Tea plantations are very vast and situated in remote rural forest areas. It made the primary survey very tedious and time consuming.

1.10 Scheme of Presentation of the Report

Chapter 1: Introduction

Chapter 2: Review of Literature and Theoretical Framework of the study

Chapter 3: Profile of Tea Industry

Chapter 4: Crisis in Tea Industry

Chapter 5: Research Methodology

Chapter 6: Data Analysis and Interpretations

Chapter 7: Findings, Conclusion and Action Plan

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CHAPTER 2

REVIEW OF LITERATURE AND THEORETICAL FRAME WORK OF THE STUDY

2.1 Introduction

The first part of the chapter is devoted to review the available literature on the tea industry in India and Kerala. Special emphasis has been given to present literature relating to the problems of tea industry in general and the socio-economic conditions of plantation workers in particular. The problems of tea industry are presented in the first section and the second section deals with the socio economic conditions of tea plantation workers. The second part of the chapter is used to present the conceptual framework of the study.

PART I

Review of Literature

2.2 Problems related to the Tea Industry

1. George (1982, 1984) and Sen and George (1992) have analysed the problems of tea plantations in South India, particularly the crisis of tea industry in the 1970's. They have identified the problems as both developmental and financial. These studies focussed on the reasons for the rise in cost of production, price and profitability of tea industry, factors governing the level of investment and long term finance and development strategy. They have also taken care of the special features in agro-climatic aspects, manufacturing and export aspects.

Apart from the analysis of trends in growth they studied the socio economic conditions prevailed in these areas during the British period in comparison with latter period. They observed the structural changes in the tea plantations, the pattern of production, the evolution of the present system of marketing, and the peculiarities of the plantation labour in South India.

It is observed that the major causes of crisis during 1970's were cost escalation, declining or stagnant prices, fall in domestic demand, structural changes in management system, and inadequate support from Government.

Apart from cost escalations other factors affected the tea industry are unfavourable tax policy and entry of new producers. Another problem related to slow pace of growth in production was due to increase in domestic demand for tea. For example, George (1982) pointed out that the domestic consumption has been rising at an average annual growth of 5 per cent while the production has been increasing at a rate of 3.5 per cent per annum. Due to lack of development activities in tea plantations most of them became unproductive.

Some of the reasons for deterioration in the conditions of the South Indian tea plantation industry may be traced out as the changes in the ownership pattern. The ownership pattern of tea industry became changed from propriety to partnership firms, and then to public limited companies. Before independence, complete control of Indian tea plantations was with the British Managing Agencies. But after independence, Government of India abolished the managing agency system in 1970. Then some British companies migrated to East Africa and some collaborated to Indian capital.

Marketing of tea in India are made in two stages, primary and retail. Primary disposal channels are public auctions, direct exports or forward contracts and ex-garden sales. Of these auction is the most important one. South Indian tea is mainly export-oriented. Price escalation and reliability are more in domestic auctions. The field survey reveals strong preference for domestic auctions.

There exists wide disparity between the auction prices and the retail prices. The auction prices of India and Sri Lanka have been falling because British people prefer Kenyan tea which was under their control. The South Indian tea prices have been worst hit and the price fluctuations have become non-seasonal. The analysis showed that cost of production and price decline are high in Kerala compared to other South Indian states.

2. Baak (1992) studied the historical evolution of plantations in Travancore. In Travancore, plantations were developed later in 1860s compared to Ceylon,

Assam and Bengal where the process started in 1820s, 1830s and 1840s respectively. Baak points out that plantations are developed with political influence from the Colonial Government, and the pressure came to Travancore was from the British through Madras Government during 1860s. Initially, the main investment was for construction of roads. In British owned plantations, the labour came from the backward communities. With the ownership rested with the British, profit during the colonial period went out of the country. The positive aspects of development of plantations are development of infrastructure such as roads, transport and communication facilities, increase in economic activity and increase in employment opportunities.

3. Radhakrishnan (1997) observed that there is scope for developing tea plantations in Wayanad district of Kerala. The average yield of Wayanad in 1997 was 2300 kg./hectare. Recurring draught is one of the major factors affecting productivity here. Radhakrishnan suggested that replantation, rejuvenation, pruning, infilling and shading with trees are options before planters for improving productivity. The organic content of soil may be enriched by burial of prunings. By introducing these aspects, the author argues that, the yield level of tea in the district can be increased by 25 per cent to 30 per cent.
4. Raman (1991) studied the marketing channels of tea by evaluating the marketing system of AVT Premium Tea. In India distribution and marketing of tea is a difficult task because tea plantation industrial units are located in remote areas. Tea is available in market in the form of loose tea and packet tea. Loose tea gives flexibility to consumers and it is cheaper than packet tea, so the business of loose tea is going up. But the advantage of packet tea is that it provides uniform taste through blending. The marketing channels may be identified at three levels. At the first level the product comes for auctions wherein the wholesalers come for bidding. In the second level, the wholesalers packet (or in loose form) tea and distribute among sub-dealers / retailers. The retailers distribute tea to the consumers, at the third level. Many tea plantation companies pack their products directly and market under their brand name.

The analysis of literature shows that the world market has been subjected to fluctuations and always there has been a mismatch between supply and demand. The same is the trend observed in Indian market. Supply response of tea to its price is found to be very low.

5. Merlin Joseph (2002) in a study found that developing countries are producing tea and they export all the good quality tea, and consume the low quality tea. Due to globalisation and liberalisation of trade, tea exporting countries are found to be importing and re-exporting it. They blend domestic tea with imported tea for exporting. Though theoretically it is worthwhile, in practice it has serious implications for quality control. A classic example is the case of Darjeeling tea. Tea produced in Darjeeling is of high demand in the export market. Total tea branded and marketed as Darjeeling tea are four times the actual production of tea in the Darjeeling area. Thus one of the most important problems created for Indian tea industry is marketing without adequate quality control. Quality of tea depends on a variety of factors including place of growth, variety of plant, process of production, etc. Generally product of tea may be classified into two categories: CTC and Orthodox. The CTC tea has high domestic demand whereas the Orthodox tea has high demand in export market.

Her other findings on the study are:

Tea plantation industry is subjected to large economies of scale. It is a synthesis of agriculture and industry. Most of the small planters cannot afford a factory in their estates. Even though they are producing raw leaves in small plantations, it may not be sufficient to run a factory economically. As a result, historically, tea industry is relatively a big business and the size distribution is skewed towards large firms. Subsequently, small planters formed their co-operative factories and started processing of tea leaves in their co-operative factories.

Another characteristic feature of tea industry is that it is labour intensive. Approximately 65 per cent of the total cost of production is accounted for labour. Attempts are being made on technological advancements for substituting labour with machines.

Another problem of Indian tea plantation is over aging. Much of the areas are having plants with more than 50 years of age. This has to be viewed against the fact that productivity of tea plant declines substantially after 30 years of age. Thus replanting is required for rejuvenating productivity. But it requires huge capital investments and the industry is not in a position to bear such investment. They are looking for support from Government.

The socio-economic conditions of employees in tea plantations are not satisfactory. Even though provisions for basic facilities such as housing, drinking water, sanitation, recreation and travelling are mandatory, in some of the tea plantations its implementation is not properly executed.

2.3 Socio-economic conditions of Tea plantations workers

Tea plantation industry is a labour intensive one and majority of workers are women.

1. Concentrating on the role of women workers in trade unions Sarkar and Bhowmik (1988) made a study on West Bengal tea plantation industry. They found that participation of women in trade union activity is low, and the major reasons, according to them, are inequality, low literacy rate, low political consciousness and burden of the household duties.
2. Socio-economic conditions of the South Indian tea plantation workers were examined by Raman (1986). Historically, colonization paved the way for the formation of plantation system in India. During the early period, standard of living of workers in plantations was very poor. They were ill-fed, ill-housed and ill-treated, the researcher observes. Since independence, the constant protest of these labourers resulted in the introduction of Plantation Labour Act 1951. Raman also analysed the labour market. In Kerala and Tamil Nadu there are two types of workers, permanent and temporary. But in Karnataka, in addition to these permanent and temporary workers, casual/contract workers are also engaged. An important factor noted by the investigator is that productivity of women workers is high. Living conditions of workers are poor with inadequate drinking water, poor housing facility, and insufficient medical care.

3. Nair (1989) examined the socio-economic conditions of labourers in the Ponmudi tea estate, a unit which is closed since 1973. He made a case study of this unit to highlight the fate of workers in a sinking factory. The employees are continuing in the factory because of the single reason that they have no other option. They are virtually suffering from poverty as a result of unemployment.
4. Kurian (1990) made a study on socio-economic background and consumption pattern of women workers in tea plantation industries in Munnar, Idukki District in Kerala. The study was focussed on the personal and family background of women workers, their economic and living conditions, income and expenditure pattern, standard of living, social status, working conditions, welfare facilities and security. The tea industry is labour intensive and majority of workers are women.

Information on households of the workers revealed the fact that women are major income earners of their family. Their educational status is very low. The workers get housing facility, electricity, day care facility and social security benefits such as gratuity, family pension, and maternity benefits. Despite all these facilities given by the companies, their socio-economic status is found to be very poor. They spend much of their income on food items. Their consumption of nutrients is found to be low. Medical care provided by companies, in general, is poor in quality.

The women workers are facing many problems. Even though they are provided with housing facility, they have to travel by foot to distant places of work. In the work place, they are not provided with latrine facility; and they do not have any resting sheds. Leaf pluckers have no promotion opportunities and they do not have any recreation facility. The workers are not satisfied with the existing leave facilities and job security. The study suggests that the State, the management, and the trade unions have to give more attention to the problems of women workers.

5. Kurian (1999) made an evaluative study on the socio-economic background, working and living conditions, consumption pattern and physical quality of life of women workers in the plantation sector of Kerala. The terms and conditions of work of women workers in plantations are governed by the

Plantation Labour Act, 1951, Kerala Plantations Labour Rules, 1959 and other statutory benefits. The study stresses that provisions of these Acts are not implemented fully and the physical quality of life of these women workers are far from satisfactory.

The study reveals that facilities provided to them are not sufficient. Most of the women workers in tea, coffee and cardamom get the housing facility provided by the management. But it is very limited in the case of rubber. Considering the case of consumption pattern major spending is on food, but the consumption of nutrients is very limited. Most of the women workers do not get proper toilet facility in plantations and they have to walk long distance from their house to the work place. Medical and child care facilities provided are also not fully satisfactory. Women in the plantations are educationally backward and social interaction and general awareness. are also poor. The study suggests to the authorities to give little more attention to these problems and find proper solutions. Literacy programme for women workers in plantations also must be strengthened.

6. A socio-economic study of tea plantation industry was made by Sarkar (1984) with special emphasis on the aspect of labour. He discerns the fact that during the initial period labourers' life in estates were comparatively good. Houses were provided by the industry. Medical services were given free of cost. The management also took care of free milk service for mother and child, creche service, and primary schooling.

However, when the industry expands, there seems to be a tendency to form an attitude detrimental to the interests of the labourers. In this regard, there exist differences of opinion regarding the behavioural pattern from the management side. Some expressed good opinion about the attitude of the management while others opined that the behaviour need not be favourable to the labourers. For example, there were incidents of forcing labourers to work when they are not well. The major problem among the estate workers are absenteeism and alcoholism.

The preceding review of literature has already portrayed the problems confronting with the tea industry and the socio-economic conditions and life of the plantation workers in general.

2.4 Research Gap

It is understood from the analysis of the recent literature on the problems related to the tea industry and the socio economic conditions of tea plantation workers, there were no serious studies have been conducted on the above topic. We have also analysed the performance of the tea sector in Kerala and it was found that there was no signs of recovery and improvement in the industry as a whole due to various reasons. Some reasons are related to the Government policy on import tax and promotions. Certain other problems are related to the industry itself such as low productivity due to age old plants, lack of innovative methods of tea plucking and processing. Certain problems are related to the labour issues such as wage rate, working conditions and living conditions. It is also revealed by conducting discussion with the stakeholders that the crisis in the tea industry is mounting day by day. This is ultimately affecting the socio-economic conditions of the plantation workers where the life situation of the workers becomes more vulnerable. Thus it seems that there exists a research gap. In this context, it is imperative to conduct a serious scientific study on the title “A Study on the Impact of Current Crisis in the Tea Industry on The Plantation Workers in Kerala”

PART II

Conceptual Framework of the Study

2.5 The Theory of Crisis

Crisis is a situation where the things are changing in the negative direction imparting more difficulties. There are a variety of theories on crisis to describe the situation as well as intervention models to reduce its impact. The theory sees how the crisis develops with a narration of its causes. Certain theories describe crisis as both a danger and opportunity. On the onset of danger, the crisis makes the situation more vulnerable and unmanageable. The individuals as well as the society face much difficulties and sufferings due to the interaction of certain variables with the present situation. These variables are responsible for making the situation in the equilibrium position. When the variables are changing in upward or downward direction, disturbances are bound to take place in the given situation. If the variables are later positively correlated with the situation, things will return to equilibrium or in a

pleasant position. If the variables are interacting in the negative direction, the situation will fall in the direction of crisis. This crisis has an impact on other dependant variables interacting with the situation. In this sense, we can see that there is a causative relationship between the causes of crisis and its impact on the dependant variables.

There are several definitions of crisis which are an important precursor to understand the crisis theory (James, R.K 2008). Caplan G (1964) defines, 'People are in a state of crisis when they face an obstacle to important life goals – an obstacle that is, for a time, insurmountable in the customary methods of problem solving. A period of disorganization ensues, a period of upset, during which many abortive attempts at a solution are made.' He again puts forward a quote (1964) that 'Crisis results from impediments to life goals that people believe they cannot overcome through customary choices and behaviours.' According to Carkhuff and Berenson (1977) 'Crisis is a crisis because the individual knows no response to deal with a situation.'

The crisis formation can be described with three major points. They are

1. A negative event occurs which leading to a feeling of subjective distress.
2. This distress leads in impairment in the functioning.
3. The coping skills fail to improve the functioning.

In this connection the term cognitive key is relevant here. It refers to one's belief about the negative event, which influences how well he will be able to cope with the event. Here it is suggested that, he has to change his perspective on the basis of the realities in the situation and support to improve his ability to cope. Here the basic need is to have an effective crisis intervention formula. This formula should be in such a way to support for altering the perception of the negative event and offering coping strategies. If this model understood by the participants and community and doing things accordingly, the level of distress is lowered. This will provide much confidence to the people to deal with the crisis situation. If these measures are undertaken by the affected people, the normal functioning will be resumed to the pre-crisis level.

According to the Modern Applied Crisis theory, Lawrence Brammer (1985) identifies three types of crisis that make up the theory of applied crisis. In his notable work in 1985, titled 'The Helping Relationships: Process and Skills', he identifies three domains of crisis. They are

1. Developmental crisis
2. Situational crisis
3. Existential crisis

A developmental crisis is the result of a normal life event that causes stress and strain on an individual. While developmental crisis is normal, they need close monitoring to ensure that the affected individual returns to the normal functional position. This can be replicated to the social life and societal functioning. One useful way of conceptualising a developmental crisis is to consider the concept grief and loss. Because all changes in the individuals' lives result in loss. This loss requires grief work to process and people need to take the time to process their life changes.

A situational crisis is the most common kind of event, where the crisis intervention should be quick. This is an event that is so overwhelming and sudden that it overwhelms normal coping. This is the most common form of crisis that the emergency responders and other crisis intervention workers are likely to encounter.

Existential crisis are based on larger concepts of a person's purpose and attainment of actualization, a deep sense of personal fulfillment (Mary Andrews, 2016). Existential crisis is particularly common at life transition points when people 'take stock' of their life.

In a nutshell, for the purpose of the present study, crisis is defined as an undesirable dangerous situation. This situation warranted stringent remedial measures to have survival as well as growth of the industry under study. The study is designed with a diagnostic approach to identify the cause – effect relationship.

The tea plantation industry is undergoing a crisis situation with globalisation, trade liberalization and interplays of various factors both global and local, lead the industry in the crisis situation. The following are the causes identified by various stake holders

putting the industry in current crisis. They are high cost of production, low price realization, high international competition, huge import of tea from other countries, labour and union related problems, high wage rate in Kerala, low quality of product, age old plants, intermediaries in the auction of tea, transportation problems and tax problems. All these causes are found to be responsible for making the industry unattractive and unviable. The effect of the crisis is much impacted on the life of the tea plantation workers. They have been facing serious problems to maintain their normal socio-economic life. There was no wage increase for a number of years due to the low productivity and other industry related problems. The only income to the plantation workers is their wages from the industry which has no regularity at all. This study is aimed at analyzing the impact of tea industry crisis on the socio-economic life of tea plantation workers. The variables used for the study are given below.

2.6 Variables for the Study

On the basis of the analysis of the available literature on tea plantation industry in Kerala and discussions with experts and officials in the field, the following variables have been identified for the study. A structured interview schedule was prepared. A pilot study was conducted for enriching the content of the interview schedule in order to achieve the objectives of the study. Variables identified are given below:

1. Categories of employees
 - a. Field employees
 - b. Factory employees
 - c. Other employees
2. Gender wise classification
3. Job Status – Gender wise
4. Wage Rate
 - a. Staff and Worker
 - b. Male and Female
5. Age wise distribution
6. Level of education

7. Level of education and location of estate
8. Migration of labour
9. Employment of scheduled caste and scheduled tribe
10. Facilities available to the employees
 - a. House
 - i. Type of house
 - ii. Facilities inside the house such as living room, kitchen, veranda and latrine
 - iii. Household assets – Furniture, TV, Radio, Mobile phone and Vessels
 - b. Land
 - c. Drinking water
 - d. Source of light
 - e. Sanitation
 - f. Protective clothing
 - g. Medical care
 - h. Education
 - i. Recreation facility
 - j. Creche
 - k. Conveyance facilities
 - l. Communication facilities
11. Service Benefits
 - a. Leave with wages
 - b. Maternity Leave
 - c. Provident Fund
 - d. Family Pension

12. Assets other than house hold

- a. Livestock
- b. Vehicles
- c. Ornaments
- d. Deposits and Certificates
- e. Bank balance

13. Income and Expenditure pattern of the employees

- a. Main source of income – Salary and Wages
- b. Expenditure on – Food, Clothing, household amenities, fuel and electricity, education, medicals, entertainment, travel.

14. Savings and Indebtedness

15. Knowledge of employees about the current crisis in tea industry

- a. High cost of production
- b. Low price realisation
- c. High international competition
- d. Huge import of tea from other countries
- e. Labour and union related problems
- f. Transportation problems
- g. Tax problems
- h. High wage rate
- i. Low quality of product
- j. Intermediaries of auction of tea

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CHAPTER 3

PROFILE OF TEA INDUSTRY

3.1 Introduction

This chapter is intended to portray the historical evolution of tea, the importance of tea industry in India, the measures taken by the Government to boost up the industry, the industry crisis and the rehabilitation package.

3.2 Historical Evolution of Tea

It is believed that tea was originated in China. Tea was known to the Chinese as early as BC. 2737. Tea was first used in China, as a medicine, during the fourth century A.D., and by the end of the sixth century onwards it began to be used as a beverage (Wilson and Cifford, 1992). From 1689 onwards the English East India Company commenced importing tea directly from China. By the middle of 1750, tea houses and tea gardens were appearing in and around London (Willson and Cifford, 1992). Until 1833, the ships of East India Company monopolised the China tea trade. Company's ships, known as 'East India Men', took six months to make the long and often dangerous voyage from China to London.

The event which marked the birth of the Indian tea industry was the discovery by Major Robert Bruce in 1823, of the indigenous tea plants in Assam. Major Robert Bruce made friendship with a Singpho (a tribal community) Chief known as Bessagaum and obtained indigenous plants and seeds in 1823. The exact location was at a place near Sadiya in north east Assam. In 1837, the first samples of tea were sent down to Calcutta, which were manufactured from the leaves of indigenous plants growing in tea tracts of Upper Assam. The first historical consignment of Indian tea samples were sent to London in 1838. The auction of eight chests of Indian tea was held at the London Commercial Sale rooms in Mincing Lane on the 10th January, 1839.

Starting from a luxury which only the rich could afford, tea has now become the world's cheapest and most widely used drink other than water. It has truly become a beverage of international fellowship, a bond that brings people together.

Economically speaking, tea is an extremely valuable source of much needed foreign exchange.

Tea plantation industry is a combination of industry and agriculture (plantation is a large estate on which crops such as tea, coffee, rubber etc. are grown). Production of leaf is an agricultural activity while its processing is an industrial activity. Most of the large estates process raw leaf in their own factories. Tea industry is of considerable importance in the national economy of India in terms of income generation, earning foreign exchange, employment generation and contribution to the national exchequer.

There are 26,62,353 hectares under tea plantation in the world producing 30,13,807 tonnes of tea with an yield rate of 1,132 kg./hectare. Total world demand for tea is 2893170 tonnes and world's import of tea for consumption is 12,2600 tonnes (Tea Board, 2000). Sixty per cent of the total area under tea cultivation in the world is located in China and India. Asian countries like India, China, Sri Lanka, Turkey, Indonesia and Japan are the leading producers of tea in the world. Major exporters of tea in the world are Sri Lanka, China, Kenya, India and Indonesia. Common wealth of Independent States (CIS), United Kingdom (UK), Pakistan, United States of America (USA), Arab Republic Emirates (ARE) and Japan are the leading importers of tea.

India continues to be the largest producer of tea accounting for 28.09 per cent of the global output. India is also the largest consumer of tea. In terms of area, it occupies about 19.05 per cent of the world tea area. Although India holds a leading position in production and export, the current position of tea trade reveals that its share in the world production and export- has been declining steadily over the past three decades. The Indian export is stagnated around 200 million kg. which is 15.6 per cent of the total world export and 24.43 per cent of total tea production in India.

Tea plantations occupy 30.84 per cent of the total area under plantations in India and production of tea account for 46.49 per cent of the total national plantation output According to statistics provided by the Tea Board, India, total area under tea in the country during the year 2000 was 507196 hectares which produced 846483 tonnes with an average yield rate of 1669 kg./hectare. The current Indian tea export is

206816 tonnes and import is 15230 tonnes. Total consumption of tea in India is 653000 tonnes (Tea Board, 2000).

India's tea plantations can be largely grouped into two regions, North India and South India, occupying 77.68 per cent and 22.32 per cent respectively of the total area under tea in India. Assam and West Bengal are the important tea growing states accounting for 67.87 per cent and 27.84 per cent respectively of area under cultivation in North India. The remaining 4.29 per cent is located in Tripura, Bihar, Uttar Pradesh, Himachal Pradesh, Manipur, Sikkim, Arunachal Pradesh, Nagaland, Orissa and Meghalaya.

South India occupies 22.32 per cent of tea area (113199 hectares) and account for 24.16 per cent of output (2,04,552 tonnes). In South India, Tamil Nadu, Kerala and Karnataka are the major tea growing states contributing 65.66, 32.48 and 1.86 per cent respectively. Karnataka occupies 0.42 per cent (2106 hectares) and Tamil Nadu occupies 14.66 per cent (74331 hectares) tea area of India.

3.3 The importance of Tea Industry

The plantation sector plays a very significant role in any country's well-being. Plantation crops are the mainstay of agrarian economies in many States and Union Territories of the country. Besides being an important source of revenue for various States/UTs, it is also an important contributor to foreign reserves of the country. The importance of this sector assumes a deep social dimension in view of its capability to provide gainful employment, both direct as well as indirect, to a large chunk of population in remote corners of the country. Further, these plantations help to sustain the fragile ecosystem of the region. The lush greenery which the sector epitomizes can fill any country and its citizens with pride and inspiration. These plantations are one of the biggest carbon sinks and conservatory of flora and fauna in the world. In view of immense implications the plantation sector has an influence on the social, economic and environmental fabric of the country.

India is the largest producer as well as the largest consumer of black tea in the world. It is significant to note that more than 80% of total tea production is consumed within the country. Indian tea commands second position in the world with regard to the area under tea cultivation. India is the fourth largest exporter of tea in the world

after Kenya, China and Sri Lanka. The situation in India is different from the major exporting countries like Kenya and Sri Lanka as these countries have very little domestic demand and export more than 95 to 98% of their respective total production. As regards production, India is the second largest tea producing country in the world with a share of 23% of the total world production after China which contributes about 32% of the total world production.

The tea originating from Darjeeling, Assam and Nilgiris are well known for their distinctive quality all over the world. Tea exports contribute substantial foreign exchange into the country; the sector also contributes revenue to the tea growing states and national exchequer by way of Value Added Tax (VAT), agricultural and corporate income tax, etc. The tea industry provides direct employment to more than a million workers, of which a sizeable number are, women. Additionally, more than two million people derive their livelihood from ancillary activities associated with the industry.

In India tea is grown in 15 states over an area of 5,79,353 hectare which accounts for 16% of the total area under tea cultivation in the world. However, 92% of the area under cultivation and 98% of the total production is accounted for by four major tea growing States viz. Assam (51%), West Bengal (23%), Tamil Nadu (17%) and Kerala (7%). The other States where tea is grown, to a small extent, are Tripura, Arunachal Pradesh, Manipur, Mizoram, Nagaland, Sikkim, Utrakhand, Himachal Pradesh and Bihar.

The tea sector in the country is largely organized since 72% of the total area under tea cultivation and 74% of the total production come from the organized sector with a total number of 1686 tea gardens spread throughout the country. The remaining 28% of the area and 26% of the production is accounted by the unorganized sector popularly known as small tea growers sector with more than 1.5 lakh holdings and the average size of the holdings being less than one hectare.

3.4 Role of Tea Plantation in Kerala Economy

3.4.1 Introduction

It has been noted at the outset, that plantations have a predominant role in the service sector oriented economy of Kerala. The first section is purported to analyse the contribution to the agricultural net State Domestic Product, total production, employments and export earnings based on the estimate provided by the State Planning Board. The second section is attempted to present the problems faced by the tea industry in general and the major reasons cited for crisis in the industry. The third section is devoted to analyse the socio-economic conditions of plantation workers in Kerala. The last and fourth section is an attempt to identify the variables for conducting the primary survey among the plantation workers.

3.4.2 Contribution to the Kerala Economy

Kerala is the only state in India with a substantial stake in all major plantation crops accounting for 45 per cent of the planted area in the country.

3.4.3 Area Under Cultivation

Tea, Coffee, Cardamom and Natural Rubber are the important plantation crops in India. Out of the total area under plantations in India, 44.85 per cent are located in Kerala and 41.13 per cent of total production is also in Kerala. Area under tea in Kerala accounts for 8.41 per cent in 2005 but it is reduced to 5.3 per cent of area in the year 2016.

In Kerala, 36,762 hectares are under tea cultivation. The major tea producing district is Idukki with 26,615 hectares under tea, followed by Wayanad with 5,454 hectares. Other major tea producing districts are Kollam, Kottayam, Thiruvananthapuram and Palakkad.

3.4.4 Contribution to Agricultural State Domestic Product

Plantations, including tea contribute substantially to the State economy. It is estimated that about 20 per cent of the net agricultural State Domestic Product was

contributed by the plantations in the year 2015. Out of this 3 per cent was contributed by tea.

3.4.5 Tea Production in Kerala

The total production of tea in India during the year 2015-16 is 1191.10 million kilograms. The contribution of Kerala in tea production is 57.89million kilograms during this period. This is only 4.87 per cent of the national output. The beginning of this century the State's contribution to the total tea production in India was 8.20 per cent where the national tea production was 846.50 million kilograms and Kerala's share was 69.30 million kilograms. It can be seen that from 2000 onwards there was a continuous decline in the contribution of Kerala to the total national tea production except in the year 2009.

3.4.6 Yield Level

Productivity (yield) variation has a significant impact on the production of tea. In Kerala the average productivity is 1,887kg./hectare. The level of productivity varies from year to year and from district to district. Thrissur district ranks first in productivity with 3,155 kg./hectare, followed by Palakkad with productivity of 2319 kg./hectare. The lowest productivity is recorded in Kollam with 278 kg./hectare. It is interesting to note that the productivity of tea in Kerala is better than that of all India level.

3.4.7 Employment

One of the advantages of plantations is that it provides employment opportunities to a large number of people sustainably. Among the plantations, tea is the most labour intensive. It may be noted that tea plantation has the highest labour intensity with 2.28 persons employed per day per hectare, followed by 0.52 persons per day per hectare in rubber plantation. In the case of coffee it is 0.30 persons and 0.50 persons in cardamom plantations.

It estimated that there are about 10 lakhs persons employed in tea plantations in India. Out of these, 70,000 persons are employed in Kerala. Idukki district ranks

first with 50000 employees in tea plantations followed by Wayanad with 10,000 persons.

3.4.8 Export of Tea

The importance of tea, emerges primarily from the point of view of export earnings. In terms of its export earnings, India stood fourth, in world export of tea, by exporting 217.70 million kilograms in 2016, which was 16 per cent of the total export in the world. Sri Lanka ranked first with 22 per cent of world export, followed by China and Kenya. The export from Kerala is 18.27 million kilograms in the year 2016 which stood at 8.39 per cent of the national share.

3.4.9 Role of Intermediaries

Intermediaries or brokers are mediators in auctions of tea export. Through intermediaries, marketing becomes little more easy and effective. But at the same time some of the companies are of opinion that the system of using intermediaries in auction is out-dated and system did not have any valuable contribution to the marketing of tea. The Cochin auction price of tea in 2016 was Rs 81.67 but it was Rs. 93.35 and Rs. 99.17 in 2014 and 2015 respectively. It is seen that auction price was bettered from the year 2012 onwards. From this it can be concluded that there exists some relation between marketing strategy and profitability. Those companies which adopted direct exporting and direct marketing through packet tea are found to have been more profit making units, compared to others.

3.4.10 Depletion in the quality of tea over the last twenty years

Estate managers are of opinion that there is a continuous depletion in the quality of tea over the last decades. Due to the introduction of mechanical harvesting productivity has improved but quality has not changed. One of the prominent reasons for depletion in the quality of tea is the age of tea plants which were planted several years ago. The process of replanting the crop is stagnated during this period.

3.4.11 Tea Production in Kerala

Table 3.1: Production, Consumption, Export and Auction price of Tea

Year	Production			Consumption (In M Kg)	Exports		Cochin Auction Price (Rs/Kg)
	India (In M Kg)	Kerala (In M Kg)	% of Kerala		India (In M Kg)	% of Production	
1996-97	780.10	61.60	7.90	618.00	162.00	20.77	44.42
2000-01	846.50	69.30	8.20	653.00	207.00	24.45	51.34
2005-06	928.00	58.50	6.30	757.00	199.10	21.45	49.66
2010-11	966.40	66.80	6.91	NA	222.00	22.97	67.69
2013-14	1200.00	62.80	5.23	NA	219.10	18.26	99.17
2014-15	1207.30	65.17	5.40	NA	201.20	16.66	93.35
2015-16	1191.10	57.89	4.87	NA	217.70	18.27	81.67

Source: Economic Review 2017, Kerala State Planning Board

It is seen from the table 3.1 that tea production in Kerala in the year 1996-97 was 780.10 million Kilogrammes in India while it was 61.60 million Kilogrammes in Kerala which is about 8 per cent of the all India production. But in 2015-16 the all India production of tea was 1191.10 million Kilogrammes with the Kerala's contribution of 57.89 million Kilogrammes. This is about 4.9 per cent of the total tea production in India. It is revealed that the contribution of Kerala on the total tea production has been continuously decreasing over a period of 20 years from 1996 to 2016 from 8 per cent to 4.9 per cent. It can be seen that there is a decline of 39 per cent in the production of tea during the period of 20 years. Like this we can see an oscillating trend of price realisation of tea in the auction conducted at Cochin. In 2014-15 it has been recorded a price realisation rate of Rs. 99.17 per Kilogramme whereas the trend has been declined to Rs. 93.35 per kilogramme during 2014-15 and Rs. 81.67 per Kilogramme during 2015-16. Both the trend of production as well as price realisation of tea are not in favour of the industry in Kerala.

CHAPTER 4

CRISIS IN THE TEA INDUSTRY

4.1 Crisis in Tea Industry

The Indian tea industry passed through an unprecedented recession till 2008 followed by some improvement in 2009. During the long crisis period between 1999 and 2007 there was a situation whereby cost of sales were above the auction realization for the financially weaker gardens that were poorly managed led to their closure and abandonment. However, with the steady improvement in tea prices from 2008 onwards, the financial position having been consolidated, most of the closed tea gardens were re-opened. But in the case of Kerala so many measures have been taken by the authorities. The earlier market position enjoyed could not be re-instated. The abandoned and closed tea estates were remained as such even though certain initiatives were taken to handover the possession to the labourers. Tea production in Kerala had been found declining from 2011-12 onwards and still continuing the same position.

Tea has been considered an internationally traded commodity since its very inception. With globalization, trade liberalization and interplay of various factors both global and local were leading to a restructuring of the Indian tea industry. **Low-productivity of workers, increasing social costs of production and fall in tea prices are some of the reasons given by the management for the overall crisis.** In India, this crisis has been manifested through the closure and abandonment of tea estates mainly in the states of West Bengal and Kerala since year 2000.

Major tea plantations in the world have been developed during the colonial period and hence an element of exploitation has historically been associated with it. India is not an exemption to it.

In India tea flourishing areas are South India and North East India. These plantations were developed during the British period. After independence, interest of the British shifted to African countries like Kenya, and consequently the Indian plantations began to suffer. Export to England declined, demand for Indian tea slumped and export market began to suffer.

However, India is still the largest producer and consumer of tea in the world. But India has slipped from the prestigious position of the top exporter of tea in the world to a distant fourth, with Sri Lanka as the largest exporter followed by China and Kenya.

The analysis of literature shows that the world market has been subjected to fluctuations and there has been a mismatch between supply and demand. The same is the trend observed in Indian market. Supply response of tea to its price is found to be very low.

In general, developing countries are producing tea and they export all the good quality tea, and consume the low quality tea. Due to globalisation and liberalisation of trade, tea exporting countries are found to be importing and re-exporting it. They blend domestic tea with imported tea for exporting. Though theoretically it is worthwhile, in practice it will have serious implications for quality control. A classic example is the case of Darjeeling tea. Tea produced in Darjeeling is of high demand in the export market. Total tea branded and marketed as Darjeeling tea are four times the actual production of tea in the Darjeeling area. Thus one of the most important problems created for Indian tea industry is marketing without adequate quality control. Quality of tea depends on a variety of factors including place of growth, variety of plant, process of production, etc. Generally product of tea may be classified into two categories: CTC and Orthodox. The CTC tea has high domestic demand whereas the Orthodox tea has high demand in export market.

Tea plantation industry is subjected to large economies of scale. It is a synthesis of agriculture (plantation) and industry. Most of the small planters

cannot afford a factory in their estates. Even if they have the raw leaves produced in small plantations may not be sufficient for running of a factory economically. As a result, historically, tea industry is relatively a big business and the size distribution is skewed towards large firms,

Subsequently, small planters formed their co-operative factories and started processing of tea leaves in their co-operative factories.

Another characteristic feature of tea industry is that it is labour intensive. Approximately 65 per cent of the total cost of production is accounted by labour. Attempts are being made on technological advancements for substituting labour with machines.

Another problem of Indian tea plantation is over aging. Much of the area are having plants with more than 50 years of age. This has to be viewed against the fact that productivity of tea plant declines substantially after 30 years of age. Thus replanting is required for rejuvenating productivity. But it requires huge capital investments and the industry is not in a position to bear such investment. They are looking for support from Government.

4.2 Problems of the Tea companies

Many scholars such as George (1982), (1984) and Sen and George (1992) have made studies on the problems of tea industry in 1970s. They have identified both developmental and financial problems. It is reported that the major causes of the crisis during that period were the cost escalation, declining or stagnant prices , falling domestic demand , structural changes in management system, unfavourable tax policy and inadequate support from the Government. The tea industry was a flourishing one but nowadays due to various reasons the tea companies are facing many problems. High cost of production and low price realisation are the major problems faced by the companies. Free import of tea from other countries also affects the profitability

of the tea companies. The general problems which are facing by the tea companies are listed below.

1. High cost of production and low price realisation: Cost of production of the tea is increasing year by year but the price of tea is decreasing. When the price of the manufactured tea declines, it directly affects the price of the raw tea leaves also. According to the tea companies total cost of production of tea is higher than the auction price. Since the companies have to pay heavy taxes they are not able to sell the product with reasonable margin. According to the opinion of companies 65 per cent of the total cost of production is accounted by labour. One of the major problems faced by the companies is high wage rate. Though the employees complain that they did not get much wage increase, the company is finding it difficult to manage the wages due to decline of tea price. Compared to plantation workers in other states, wage rate in Kerala is high. In every three years, the salary is being revised and for the company a slight change in the wage rate will be a heavy burden because number of labour in tea plantations are very large.
2. Labour and Union related problems: Since tea plantations have large number of employees, the companies are facing many problems related to labour and they are mainly caused by union pressures. When the workers have problems of insufficient salary or lapses in the facilities provided, they tend to make problems with the help of unions.
3. Import of tea from other countries: Cheaper tea is imported from other countries like Sri Lanka at a very low import duty. This results in unhealthy competition and often pushes price below cost of production. Free import policy of the Government has damaged the domestic plantations and their survival. According to the companies import can be permitted only by prescribing quality parameters and imposing duty to safeguard domestic tea industry. Import of cheaper tea for re-export

either directly or mixing up with the Indian tea with the Indian brand name reduces the demand and price of Indian tea in foreign markets. The disintegration of the former Soviet Union which accounted for more than half of the total exports of India caused serious problems for India's tea exports. It also created damaging effects on Kerala tea because Soviet Union used to be the major market for Kerala tea. Price variation in the market also plays a major role in the profitability of the plantations and companies.

4. Electricity and fuel: The Factories require electricity, coal and firewood for manufacturing of tea. High price of electricity has pushed up manufacturing expenditure. Sufficient coal and firewood also is not available in majority of estates.

5. Transportation problem: Estates which are far from factory find very difficult to fetch the leaves to the factory. Some of the estates do not have factory within the estate. So they have to carry the leaves from the plucking field to the factory. In the same manner to bring any item to the estate also becomes very difficult. Estates have transportation problem within the plantations. The companies face the same problem for transporting tea from factory to auction centres or sales division.

6. Tax problems: Free import of tea at present do not permit the companies to hike the price of tea. Due to this, the price and cost of the product will not be having much difference and in some cases cost will be more than the price. The present tax rates and import policy have negative impact on tea manufacturing companies.

7. Other Problems:

a. Productivity: Two varieties of tea plants are found in estates, China tea and Assam tea. The estates have been found reluctant for introducing

new high yielding varieties and this tendency has adversely affected the productivity.

b. Mechanisation: Tea plantation industry is labour intensive and it was found that no viable steps have been taken for mechanisation.

c. Lack of professional management: The factories are established years ago and no technological improvement is effected. The factories are found to be reluctant in diversifying their product range and in venturing into direct marketing. One of the major reasons for this is absence of professional management.

d. Cost increase in employees' amenities: The companies have been providing basic facilities to the employees like housing, water supply, sanitation, Health and Education. It is reported that it is difficult to provide such facilities in future in the context of declining profitability. Many companies are not in a position even to pay the Provident Fund to the employees.

A study on the problems and prospects of tea plantation industry in Kerala (Merling Joseph, 2002) has pointed out the following problems associated with the tea industry in Kerala.

Plucking or harvesting the tea leaves is the most important work in tea plantations. Adoption of mechanical harvesting (shearing) is the notable technological change in the plucking of tea leaves. Mechanical harvesting is being carried out on a large scale in many tea plantations. Companies claim that these technological changes improve productivity and quality through facilitating plucking on time and reducing the number of labour. The major criticisms against the new harvesting methods are that it increases the coarse leaf content and thereby decreases the quality of manufactured tea. From the survey it is observed that almost all estates have over aged plants. Replantation which is necessary for better productivity is not properly taking place in any of

the estates. It is observed that outmoded machines installed years ago were using in factories. Most of the companies highlighted the problem of increase in cost of production compared to the price of tea. The intervention of strong labour unions compel the companies to raise wage rate. Other production costs such as cost for fertilizer, chemicals and other inputs, coal and electricity charges are also high. All these make cost of production in Kerala higher compared with tea plantations in other states. Subsidies and grants are provided to tea plantations by the Tea Board, India and the NABARD. The Government gives subsidies to plantations through UPASI. UPASI mainly helps large plantations and so small growers often do not get these benefits. Because of this, at present Tea Board gives some special helps to small plantations. Even then the companies are demanding more subsidies for replanting new clearing, in-filling and for fertilizers. Companies demand Government's help to develop more infrastructural facilities in tea plantations. Since the estates are being located in remote areas it requires better network of roads, communication and other related facilities. Today all these are the liabilities of the companies and they are not able to sustain in the present context.

4.3 Crisis in Kerala Tea Industry

1. As far as the plantation activities are concerned they are highly labour intensive. Wages and other labour costs account for more than 50 per cent of the cost of production. An extra 70 per cent of the direct wages are to be added to the cost of production due to the burden of free housing and estate hospital with medical dispensaries. The plantations are unable to transfer their costs into the prices of their products as they are the primary producers (Jain, 2008). The inability of Indian tea, particularly south Indian tea to match price competitiveness in the export market and consequent fall in exports has led to a glut in the domestic market. This glut is accentuated by the import of tea through various permitted channels, under the trade liberalization policies and the WTO –dictated trade regime, including import for re-export. Resistance of organized labour to link wages to productivity leads to mounting costs as

against falling prices (Hudson & Muraleedaran, 2002). This was the dilemma faced by the tea plantations particularly in South India.

2. Abandonment/closure of tea plantations in Kerala. In Idukki district, 25 estates including 6 factories, in Thiruvananthapuram district, three estates including two factories and in Wayanad district four estates were abandoned or closed. In many of the tea gardens, owners do not declare the tea garden as closed but 'conveniently' abandon them (Bose, 2007). The company has to apply for closure in order to close a garden. These companies owe huge dues not just to the workers in terms of Provident Fund and Gratuity dues but also to the respective state governments and concerned banks. Contrary to the general mood of calamity, two plantations run by Harrison Malayalam Limited (H.M.L.) and A.V. Thomas and Company (A.V.T.) have been paying their employees on time and this has been possible because the company also has a packet tea division (not depend on the auction) and their tea goes into the internal markets in South India, whereas those who look at auction aimed at export have suffered from the huge variance of prices (Nair, 2013). In some of the remaining estates, while plucking was carried out, no wage was paid but Rs. 200 was given as weekly store cash in these plantations. In some other plantations which are not active, workers, in connivance with the trade unions, plucked the leaves and sold them outside.

3. Among the tea producing states, Kerala is the worst affected and 32 plantations have been closed down or abandoned throwing several thousands of workers out of their jobs. This has meant hardship for the workers in many ways. Electricity has been cut off and as a result workers receive no drinking water since it is dependent on electricity. In some cases they were forced to depend on river water that is unfit for drinking purposes. Children in schools and colleges were forced to stop their education due to the unemployment in their families and the plantation's tractor was no longer available to take them to go to the schools or colleges. More over workers and their families have been suffering from malnutrition, anaemia and other nutrition related problems

due to the loss of employment and the non-availability of alternatives (Advisor to the Commissioners of the Supreme Court, 2001).

4.4 Government Interventions to boost up the Industry

1. Tea Board of India

The Tea Board of India was constituted on 1st April, 1954 under Section (4) of Tea Act 1953 as a statutory body under the administrative control of Ministry of Commerce and Industry, Government of India to promote the cultivation, processing and domestic trade as well as export of tea from India. The Board is an apex body entrusted with the task of looking after the overall interests of the tea industry.

2. Mechanization

The aim of mechanization is to develop technology for saving of labour in tea industry which does not necessarily means reducing the man power alone; enhancing productivity and quality of their works, better quality and health aspects in the life for tea workers will also be considered during carrying out the project work. Prioritization of mechanization is needed in plucking, pruning, weeding and fertilization application.

3. Parliamentary sub-Committee on trade and commerce in 2012

This committee on its report recommended the following steps to undertake for reducing the crisis crept in the tea industry. They are:

- (a) Declaring Tea as National Drink
- (b) Supporting the Cooperatives and Self Help Groups for augmenting production and productivity.
- (c) Submitted viable measures for addressing the labour issues in the Industry

(d) Promoting Organic Tea

4.5 Rehabilitation packages

The special rehabilitation package for closed tea gardens in the country, has been cleared by the Empowered Finance Committee after due consultations with the various Ministries including the Finance Ministry. The Tea Board is the nodal office for implementing the package. Consolidated package for reviving the tea plantations In a bid to revive the closed tea estates in India extending over a geographic area of 11500 hectares, the union government came out with a consolidated package. The package includes restructuring of loans to banks, waiver of dues to the Tea Board, waiver of penalties on provident fund, interest subsidy on loans from banks for the next seven years and a creation of a SPTF. Kerala has closed 32 tea estates with an area of 4330 hectares, West Bengal has 14 closed estates with 5500 hectares and Assam has two with 660 hectares. Dues to the banks from these estates are Rs. 184 crore, to provident fund Rs.49 crore and to tea board Rs.5 crore (UPASI, 2007).The 'closure package' had the following four key elements, and involved a total outgo of Rs 38.65 crores.

1. Restructured the existing outstanding bank loans of closed tea gardens as on April 1, 2007, amounted to Rs 184.05 crores by converting these into term loans with a moratorium period of 5 years. Recovery of outstanding converted loans would begin from the sixth year onwards. Accumulated penal interest would be waived.
2. Tea Board loans to the tune of Rs 3.92 crores were waived. This consisted of principal of Rs 2.55 crores and interest of Rs 1.37 crores.
3. Payments have to start after five years and completed in 60 monthly instalments. Tea garden owners, however, will make regular payments of their current liability on account of the EPF.

4. The last element of the package is the extension of facility of term loans for garden improvement. It is learnt that once the accounts of the closed tea gardens are regularised in the manner stated above, the gardens will become eligible for loan and subsidy from the SPTF scheme for rejuvenation and re-plantation.

5. Special Purpose Tea Fund (SPTF)

Tea in South India, especially in central Travancore of Kerala is stagnating around 2000 Kilograms of made tea per hectare. Age of the tea bushes and low yielding moribund seedling population are the main reason for stagnation in yield. Improvement in quality and reduction in cost of production are essential for the rejuvenation of the tea industry in central Travancore (Mathew, 2007). The government of India had drawn up the Special Purpose Tea Fund, a new credit linked subsidy scheme, for the 11th five year plan period to rejuvenate the industry and to make our tea globally competitive. Therefore the SPTF is aimed at the progressive rejuvenation of our 100 year old industry similar to that of our competitors in a phased manner.

PART II

4.6 Problems of Workers in Tea Plantation

This section is intended to portray the type of employees in tea industry, the facilities provided to them by the companies and the problems faced by the employees.

4.6.1 Different types of employees in the Estate and Factory

Estate and factory have different types of employees. For the present study the employees are mainly categorised into five types.

(i) Field workers: Field workers do plucking, pruning (trimming a tree, shrub or bush by cutting away dead or over grown branches or stems), weeding, planting, replanting, fertilizers and pesticides spraying , head load working etc.

Infield workers category females are more than males because plucking is done mainly by females. (Plucking is considered as the main job in tea estates). Males who work in the field are mainly for pruning, weeding, spraying (fertilisers and pesticides etc.), planting and replanting.

(ii) Field supervisors/officers: Every estate has different field supervisors/officers under whom field workers do their job. They are either directly appointed or promoted from field workers.

(iii) Factory workers: Factory workers are also coming under the same status of field workers. The difference is females are working in the field mainly and males are working in the factory.

(iv) Factory supervisors/officers: The factory supervisors/officers do the similar job of field supervisors/officers. They supervise the work in the factory.

(v) Others: Other workers in the estates are mainly balasevika, creche aya, tapal man (to collect and deliver letters of the estate office and employees) nurse and office staff.

4.5.2 Facilities provided by the companies to its employees

Tea companies are providing facilities such as housing, medical care, day care etc. to their employees. Since the plantations are very vast and situated in remote rural areas provision of these facilities are very important and necessary.

(i) Housing and other basic facilities: Free housing facility is provided to all employees of Tata, HML, RBT, Assambrook., AVT, Mananthavady Tribal Plantation Co-operative, Periya peak and Chandmvanam. Free water connection, drainage facility, toilet and in selected estates land for cultivation are also provided.

(ii) Medical facility: Medical facility is provided to all the employees of Tata, HML, RBT, Assambrook, AVT, Mananthavady Tribal Plantation

Co-operative, Periya Peak and Chandravanam. Every estate of these companies has got dispensary in their estate premise itself and if the employees require better treatments they are either taken to the group hospitals or are provided medical expenditure for better treatment outside the estate.

(iii) Education facility: Primary education facility is provided in the estates either by the company or by the government in all plantations other than Chandravanam and Kairali. Most of the estates have only Tamil medium schools. Higher and technical education facility is not provided by any of the companies,

(iv) Electricity: Electricity facility is provided by Tata, HML, RBT, Assambrook, AVT, Periyapeak and Chandravanam. The companies provide only electricity connection and the electricity charge is paid by the employees.

Some of the estates of RBT do not have electricity connection. Mananthavady Tribal Plantation Co-operative and Kairali do not provide electricity connection to its employees.

(v) Firewood: Firewood is available in some estates on payment basis. In other estates the employees are allowed to collect it from the estate premise itself.

(vi) Road: Though the tea estates are situated in remote hilly areas, proper road facility is provided in all the estates.

(vii) Play ground, club and reading room: Play ground, club and reading room are provided as free in all the estates of Tata, HML, RBT, Assambrook, AVT, Mananthavady Tribal Plantation Co-operative, Periya peak: and Chandravanam.

(viii) Communication and banking: Tapal man is appointed by the company to collect and deliver letters of the estate office and employees. In addition to this no other postal facility is provided within the estate. Banking and

telecommunication facilities are not available within the estate for the employees. Telephone is available in the estate office only.

(ix) Provident fund and family pension: All permanent employees of the tea companies have provident fund and family pension.

(x) Creche and balavady facility: Creche (day care) facility is provided by the companies to their employees' children. Along with the day care facility, balavady (pre-school) facility is also provided in most of the estates.

4.7 Problems faced by the employees

Tea plantation employees are facing some specific problems even though they are provided with a lot of facilities by the companies.

Though houses are provided to the employees, facilities inside are very limited. They have only one room, varandha and a kitchen in the provided house. Electricity connection is not provided in some of the estates. The non-availability of firewood is a problem for many of the employees. After working hours the employees will have to go very far for collecting firewood. Besides this some companies do not permit the employees to collect firewood from the estate premises.

The employees who are staying in estates, which are far from towns, do not have proper shopping facility. So to purchase necessary items employees have to go out of the estate and it is expensive and time consuming. Some employees find it difficult to educate their children because convenient education facility is not available in some company estates. Since the plantations are very vast and situated in remote areas conveyance is a major problem faced by them. Though good roads are provided in all estates bus services, auto and taxi facilities are very limited. Lack of proper communication facility is another problem faced by the employees. According to the employees life in tea plantations is monotonous and some of them reported that they have no opportunity to mingle with other people in different

walks of life. Job opportunities other than plantation work are also very limited. Employees, especially women in the field work, are facing some specific problems such as lack of resting -sheds, toilet and drinking water facility. Since the plantations are very vast they have to walk long distance to reach the work place.

It is understood that some of the companies are not paying salary, provident fund and bonus properly. Employees get only a weekly amount to buy necessary food items. Most of the employees are facing problems due to adverse climatic conditions and they are unable to adjust with the same. Other major problems faced by the employees are attacks from snakes and leeches, shoulder pain due to shearing, and the problem of dust in the factory.

A study on the problems and prospects of tea plantation industry in Kerala (Merling Joseph, 2002) has pointed out the following problems faced by the employees in tea industry in Kerala.

The life and job patterns of the employees in plantations are very much different from the life of employees in other places. They are living in a different world altogether without having any connection with other people and have no opportunity to mingle with other people working and living in different walks of life. Due to this some of the employees reported that they have no opportunity to get exposed and have an isolated life. Many of the employees feel that though they have permanent job with all basic facilities provided, they do not find much improvement in their life standard. Most of the employees are not in favour of employing their children for the plantation work.

Adequate education facility is not available in plantations. In many estates the employees are unable to educate their children properly by giving convenient upper primary, high school and higher education facilities. Due to insufficient income to families some adolescents are also forced to work in the field to support their families. To a certain extent this will hinder their education and development opportunities. Most of the employees coming under

different category such as field workers, field supervisors/officers, factory workers, factory supervisors/ officers and others. All most all the employees are meeting their day to day expenditure only with the salary and they are not able to save for future.

Almost all the plantation companies are now facing financial problems due to high cost of production, low price realisation, free import and high tax rate. RBT is now facing financial problems very seriously and so its estate workers do not get salary and not paying provident fund properly. They get a weekly amount only for buying necessary items. These estate employees are not satisfied with the plantation work. Tea plantations have not shown much improvement in the quality and productivity. Regarding the occupational and sociological conditions in the tea plantations, 49 per cent of the employees do not expect any change in the present situations prevailing. Only 19 per cent expect better occupational and sociological conditions, but 32 per cent foresee that the occupational and sociological conditions in the near future will be worse from the present situation.

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CHAPTER 5

RESEARCH METHODOLOGY

5.1 Introduction

This chapter clearly defines the research methods used to conduct the present study. In this chapter we have explained, how the necessary data and information to address the research objectives and questions were collected, presented and analysed. In addition to this we have incorporated the reasons and justifications for the research design, research instruments, data sources, data collection techniques, data presentation methods and analytical techniques used are given.

5.2 Statement of the Problem

Tea plantation industry is an important industry in Kerala. It plays crucial roles in income generation, foreign exchange earnings and employment generation both directly and indirectly. However, the overall performance of this industry is found to be unimpressive. Since the market for tea is of an international one, trade liberalisation has put many troubles in the industry which has made a substantial impact on its performance. Trade liberalisation and free import of tea, import of inferior quality of tea and re-export of it mixing with the traditional product have caused problems both in the domestic and international markets. As a result of opening up of the market for tea, there exists competition among producers at the international level. Competitiveness has become the key to success. Those units who are having the cost of production above the average international price will find difficult to continue to operate. It has been seen in the case of Kerala. This eventually led the situation for closing down of many tea units in Kerala along with the high cost of production, low strength of competitiveness in the international market and low price realisation and the high pressure of trade unions made the Kerala industry too vulnerable to survive. All these put the Kerala tea industry in crisis.

Crisis is defined as an undesirable dangerous situation. This situation warranted stringent remedial measures to have survival and growth of the

sector. It is seen that the plantation workers are the first victims of the tea industry crisis in Kerala.

The plantation labour has been experiencing so many economic and social problems due to the inherent nature of the plantation industry. We have already seen that due to the severe financial problems the companies were unable to pay wages in time and due to this employees found it very difficult to meet their day to day expenditure. As the plantations are usually situated in adverse climatic conditions the workers were exposed to physical and environmental hazards whereas the companies seemed to be mere spectators.

In sum, the tea plantation industry is facing a very serious crisis and the living conditions of the workers are in the same plight. It was found that no serious studies have been undertaken earlier to assess the impact of this industry crisis on the living conditions of plantation workers. In this context it is imperative to conduct a serious enquiry to uncover the situation entitled “A Study on the Impact of Current Crisis in Tea Industry on the Plantation Workers in Kerala”.

5.3 Research Questions

1. What are the major reasons of the crisis in the tea industry in Kerala?
2. Who are the stakeholders responsible for making this crisis worst in Kerala?
3. What is the impact of present crisis in the tea industry on the socio-economic conditions of plantation workers?
4. What are the measures taken by the Trade Unions to reduce the socio-economic sufferings of plantation workers due to the industry crisis?
5. What is the attitude of the Government towards solving the tea industry crisis in Kerala?
6. What extent are the measures of Government intervention effected to resolve the crisis?

5.4 Objectives of the study

The overall objective of the study is to assess the impact of the crisis in the tea industry on the life and labour of the plantation workers in Kerala. The study is focused to reveal the following objectives.

1. To identify the reasons of the crisis in the tea industry in Kerala.
2. To study the socio-economic conditions and problems of plantation workers in Kerala.
3. To assess the extent of the impact of the present crisis in tea industry on the life of the plantation workers in Kerala.
4. To study the effectiveness of the measures of Governmental interventions to resolve the crisis in the tea industry.
5. To examine the measures taken by the Trade Unions to mitigate the grievances/deprivations of employees.

5.5 Research Design

A research design is “the arrangement of conditions for collection and analysis of data in a manner that aims to combine relevance to the research purpose with economy in procedure. In fact the research design is the conceptual structure within which research is conducted. It constitutes the blueprint for the collection, measurement and analysis of the data. As such the design includes an outline of what the researcher will do from writing the hypotheses and its operational implications to the final analysis of data”(Kothari and Garg, 2014). Research design is the most significant operational instrument of research which deals with the structure, strategy and approach of the research work. Research strategy is determining the scientific way by which the construct of the research will be proceeded with. It will address the components and their significant associations to arrive at meaningful conclusion in order to get effective result. The research outcome is the vital component of any research work. It should have a concrete backward link with the research process, objective and problem. Thus research design shall have a direct effect on the successful completion of any research.

5.6 Research Process

The process of research is what happens from its inception to its end. The tasks and actions carried out by the research team in order to find answers to the research question constitute the research process. The various stages of the research process followed in the present study are depicted below. The steps followed in this work are in accordance with the accepted research standards.

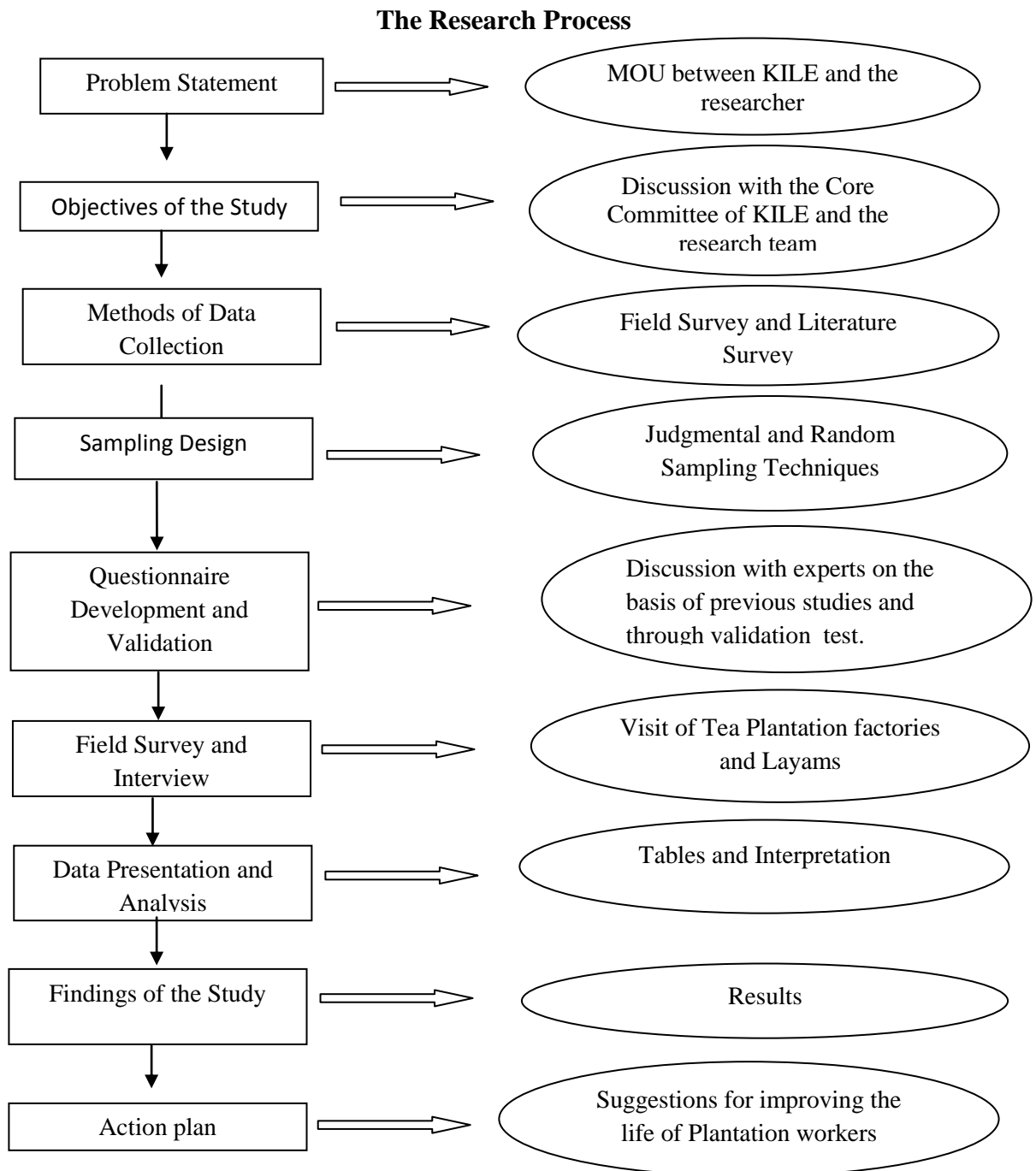


Figure 5.1 Research Process

5.7 Data Collection

The present research study is empirical cum analytical in nature. Both primary and secondary data were used for the study. Secondary data needed for the study were gathered by extensive and intensive literature survey. The sources of information used in the study were Research Centers, Libraries, Government Departments, Non-Governmental organisations and various websites. Secondary data were also amassed and enriched the study from various text books, reports, journals, periodicals and Dissertations. Primary data were gathered from the plantation workers at their dwelling places in Wayanad and Idukki Districts. Primary data were also collected from Trade Union Leaders, Government officials, Plantaters Owners' Associations, Officials of the Tea estates.

5.7.1 Tools for data collection

A structured interview schedule was prepared to collect primary data from the plantation workers. Structured interview schedule is a set of prepared questions on the topic designed to ask to the respondents of the study to collect the required data. Questions relating to the demographic particulars of workers, their socio-economic conditions, level of awareness of crisis in tea industry. An unstructured interview schedule has been utilised to gather relevant information from other stakeholders of tea plantation industry such as Trade Union leaders, office bearers of United Planters Association of Southern India (UPASI), Association of Planters of Kerala (APK), officers of State Planning Board, Department of Labour and officials of Tea Companies.

5.8 Units of Study

The respondents of the research study are considered as the unit of the study. Unit of the present study is workers of tea Plantation industry in Kerala.

5.9 Population of the study

The population of the study is tea plantation workers in Kerala and it is estimated that there are 70, 000 (Economic Review, State Planning Board, 2017) labourers engaged in the tea industry in the state.

5.10 Sampling Technique

The sampling technique used in the study is multi-stage random sampling. In the first stage, the entire geographical area of Kerala has been selected for the study. Tea plantations are located in 8 districts in Kerala. These plantations are mainly concentrated in Idukki and Wayanad districts and they account for 87.24 per cent. Idukki accounts 72.20 per cent and Wayanad account 14.84 per cent of the total tea areas of Kerala. The remaining 12.76 per cent of the tea plantation are spread across the remaining six districts (Tea Board, 2016). In the second stage, Idukki and Wayanad were included in the sample due to the concentration of tea estates. There are 89 large tea companies, 163 large estates and 3956 small tea growers in Kerala (Tea Board, 2016). In the third stage, 10 large companies, 20 tea plantation estates and 15 other small tea growers located in Wayanad and Idukki districts were selected. In the fourth stage, 10 workers from each tea company, 15 workers from each plantation estates and 3 workers from each small tea growers' estates were selected as respondents to be included in the sample size.

5.11 Sample Size

The formula for finding out the sample size from the population of workers is $N/(1+N(e)^2)$ where $e=0.05$ (Yamene, 1967).

$$\begin{aligned}\text{Sample Size} &= \text{Population}/(1 + \text{Population}*(0.05)^2) \\ &= 70,000/ (1+ 70,000* (0.05)^2) = 398\end{aligned}$$

Thus the minimum sample size required is 398 workers. But the actual sample size taken for the study is 442 workers.

Table 5.1 The table of distribution of sample respondents

Sl.No	Districts	Tea Companies	Tea Plantations	Small Tea Growers	Total No. of Respondents
1	Wayanad	3 (3x10=30 workers)	5 (5x15=75 workers)	3 (3x3=9 workers)	114
2	Idukki	7 (7x10=70 workers)	15 (15x15=225 workers)	11 (11x3=33 workers)	328
	Total	100	300	42	442

Source: *Planters' Chronicles, UPASI, March 2018,*
Tea Directories, Tea Board of India, 2018

Table 5.2 Plantations and Companies selected for the study

Sl.No	Name of the company or plantation
1	KannanDevan Hills Plantations Company Ltd, Munnar
2	Pallivasal Tea Estate, Munnar
3	Pambadampara Group of Estates, Idukki
4	A.K Tea Estate, Wayanad
5	Cherakkara Tea Estate, Wayanad
6	Priyadarshini Tea Estate, Mananthavady, Wayanad
7	Arrapetta Tea Estate, Harrison Malayalam Tea, Meppadi, Wayanad
8	Chellottee Estate, Chundale, Wayanad
9	Chembra Estate, Meppadi, Wayanad
10	Chundale Tea Estate, Chundale, Wayanad
11	Cottanad Tea Estate, Vythiri, Wayanad
12	Ripon Tea Estate, Meppadi, Wayanad
13	Churakulam Tea Estate, Vandiperiyar, Idukki
14	Chinnar Estate, Elappara, Idukki
15	Karimtharuvi Estate, Chappath, Idukki
16	Kottamalai Tea Estate, Kottamalai, Idukki
17	Mount Estate, Vandiperiyar, Idukki
18	Pambaran Estate, Idukki
19	Pasuparai Estate, Idukki
20	Pattumalay Tea Estate, Vandiperiyar, Idukki
21	Breamore Estate, Peringamala, Idukki
22	Chundavurrai Estate, Munnar, Idukki
23	Nyamakkad Estate, Munnar, Idukki
24	Panniar Estate, Idukki, Kerala
25	Methanathu Tea Estate, Moolamattam, Idukki

Source: primary data

5.12 Case Study

Two case studies were conducted in two Layams, one in Chundayil, Wayanad and other in Kuttikkanam, Idukki.

5.13 Pilot Study

The main purpose of the pilot study is to reduce the ambiguity of the data collection instrument viz, interview schedule by improving the clarity of each question. This will enable the interview schedule to be more suitable for the respondent's range of understanding the variables and that in turn increases its validity and reliability. For this research, a pilot study was conducted at Munnar in Idukki district covering 25tea plantation workers. Final interview schedule was prepared with due care and diligence to get the exact responses meaningfully after enriching the same by incorporating the pertinent suggestions of experts, officials and Trade Union leaders in the field and the experience from the pilot study .

5.14 Test of Reliability and Validity

a) Reliability Test

Since interview schedule is the important tool for data gathering, its reliability and validity shall be confirmed. Reliability refers to the degree of dependability and consistency of data and scale. The internal consistency of variables is estimated by using Cronbach'Alpha by getting all the variables more than alpha value .085.

Cronbach' Alpha	.085
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b) Validity Test

Validity is the most critical evaluation and indicates the degree to which the instrument's capability to measure what it is intended to measure. Validity Tests are of three types.

- (i) Content Validity Test
- (ii) Face Validity Test
- (iii) Construct or Convergent validity Test

Content and Face validity test are non-parametric tests and the questionnaire got these validity from the expert opinion. Construct or convergent validity test obtained through statistical test with a result of more than .09. Thus the interview schedule framed for data collection got validated through both Reliability and Validity Tests. We have administered this finalized interview schedule for data collection.

5.15 Data Measurement Tool

Three point Likert Scale has been used to measure the opinion of the respondents in order to arrive the impact of current tea industry crisis on the socio-economic conditions of tea plantationworkers and also the level of their awareness of the tea industry crisis. Likert Scale is used because the data collected are qualitative in nature.

5.16 Tools for Data Analysis

Data analysis was done using Statistical Package for Social Science version 22. The tools used under SPSS are Percentage, Mean and Standard Deviation.

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CHAPTER 6

ANALYSIS AND INTERPRETATION

6.1 Introduction

This chapter is devoted to present the analysis and interpretation of the primary data obtained from the respondents such as Plantation workers, Trade Union Leaders and the Office bearers of owners' associations of tea plantations. For the convenience of the analysis, this chapter is divided into eight sections. The first section deals with the analysis of the demographic features of the respondent tea industry workers. The second section is devoted to mention the facilities and service benefits provided to the workers by the company. The third section deals with the socio-economic conditions of plantation workers. The fourth section discusses the awareness level of plantation workers about current crisis in the tea plantation in Kerala. The fifth section deals with the analysis of two case studies conducted in the plantation estate Layams, one in Wayanad district and another in Idukki district. The sixth section of the chapter devoted to present the opinion of the office bearers of Kerala Planters' Association and United Planters' Association of South India (UPASI) regarding the crisis in the tea industry. The seventh section deals with the opinion collected from the Trade Union Leaders regarding the tea industry crisis and the socio-economic problems of tea plantation workers. The eighth and last section deals with 'Pembilai Orumai' movement among plantation workers.

Section I

6.2 Demographic Profile of Respondents

This section is intended to provide the demographic profile of the 442 respondents who formed the sample size of the study. The data were collected by field survey among the employees working in the field, factory and office of the selected tea plantation estates and companies across the districts of Idukki and Wayanad. The demographic features included in the structured interview schedule are the category of employees, gender, marital status, type of family, education, age, years of service, type of worker, social status, language spoken. Hours of work per day, wage rate,

period of payment of wages, status of house, number of workers in the family, type of house and space inside the house.

6.2.1 Category of Employees

Employees are categorised into three for the purpose of the study. They are field employee, factory employee and Office employee.

Table 6.1 Category of Employees

Sl.No	Employee Category	No. of Employees	Per cent
1	Field Employee	333	75.34
2	Factory Employee	64	14.48
3	Office Employee	45	10.18
	Total	442	100.0

Source: Primary Data

Table 6.1 provides the information regarding the category of respondent employees. It is seen that out of 442 sample respondents 75.34 per cent (333) belong to the category of Field employees and 14 per cent (64) and 10.18 per cent (45) belong to Factory employees and Office employees respectively. It is understood that vast majority of employees in tea plantation industry are Field workers.

6.2.2 Gender

Table 6.2. Gender wise classification

Sl.No	Gender	No. of employees	Per cent
1	Male	178	40.3
2	Female	264	59.7
	Total	442	100.0

Source: Primary Data

Table 6.2 shows the genderwise classification of respondent employees. It reveals that out of the total 442 respondent, 40.3 per cent (178) are male employees while 59.7 per cent (264) are female employees. So it is understood that majority of the plantation workers belong to the female category and the ratio of male and female is 40:60.

6.2.3 Marital Status

Table 6.3. Marital Status

Sl.No	Marital Status	No. of employees	Per cent
1	Single	45	10.20
2	Married	391	88.46
3	Divorcee	2	0.45
4	Widow/Widower	4	0.89
	Total	442	100.0

Source: Primary Data

Table 6.3 exhibits the marital status of respondent employees. As per this, 10.2 per cent (45) are single while 88.46 per cent (391) are married and the remaining are divorcees and widow/widower. It is seen that the vast majority of 88.46 per cent of employees are married and only 10 per cent having the status of unmarried.

6.2.4 Type of Family

Table 6.4. Type of Family

Sl.No	Type of Family	No. of employees	Per cent
1	Micro Family	90	20.4
2	Extended/Joint Family	352	79.60
	Total	442	100.0

Source: Primary Data

Table 6.4 shows that 80 per cent of the respondent employees live in either extended family or in joint family and only 20 per cent of the respondents have micro family. It is seen that the popular type of family among the plantation workers in Kerala is a large family either in the form of extended or joint family.

6.2.5 Education

Educational status of the respondents employees were portrayed in table 6.5

Table 6.5.Educational status of the employees

Sl.No	Education	No. of employees	Per cent
1	Illiterate	44	9.96
2	Literate	224	50.68
3	Below SSLC	106	23.98
4	SSLC	45	10.18
5	Degree	23	5.2
	Total	442	100.0

Source: Primary Data

The majority of plantation workers of 50.68 per cent come in the literate category. While 34 per cent have the educational attainment of SSLC 5.2 per cent are degree holders whereas about 10 per cent are illiterate. Hence it is understood that the majority of plantation workers in Kerala are literate.

6.2.6 Age

Table 6.6 Age wise classification

Sl.No	Age	No. of employees	Per cent
1	21-30	71	16.06
2	31-40	89	20.14
3	41-50	170	38.46
4	Above 50	112	25.34
	Total	442	100.0

Source: Primary Data

The age wise classification is given in table 6.6. According to this table 16.06 per cent of sample respondents belong to the age group of 21-30 while 20.14 are coming under the age group of 31 -40. 38.46 per cent of employees are in the age group of 41 -50 and 25.34 per cent are in the age group of Above 50. So majority of employees are in the age group of above 40.

6.2.7 Number of years of service

Table 6.7.Number of years of Service

Sl.No	Years of Service	No. of employees	Per cent
1	upto 5 years	61	13.80
2	6-10 years	74	16.74
3	11-25 years	204	46.15
4	Above 25 years	103	23.31
	Total	442	100

Source: Primary Data

Table 6.7 gives the details of service duration of respondents plantation employees. As per this table 13.80 per cent (61) employees have 5 years of service while 16.74 per cent have service of 6 to 10 years. On the other hand 46.15 per cent belong to the group of 11 to 25 years of service and the rest of 23.31 per cent have more than 25 years of service. So the majority of the employees have a service of above 10 years.

6.2.8 Type of Workers

Table 6.8.Type of Workers

Sl.No	Type of Workers	No. of employees	Per cent
1	Native Worker	354	80.1
2	Migrated Worker	88	19.9
	Total	442	100.0

Source: Primary Data

Table 6.8 give a picture of the type of workers based on their nativity. It reveals that 80.1 per cent of the respondents are native workers, while others (19.9 per cent) are migrated from other states. It is understood that vast majority of plantation workers are from Kerala.

6.2.9 Social Status

Table 6.9. Community Status

Sl.No	Social Status	No. of employees	Per cent
1	SC/ST	220	49.8
2	OBC	133	30.1
3	General	89	20.1
	Total	442	100.0

Source: Primary Data

The community status of the sample employees are given in Table 6.9. It shows that 49.8 per cent of employees belong to SC/ST category while 30.1 per cent are from OBC communities, but only 20 % of the employees hail from general category. It is learnt that majority of the tea plantation employees belong to SC/ST category.

6.2.10 Language Spoken

Table 6.10. Language Spoken

i) Malayalam

Sl.No	Malayalam spoken	No. of employees	Per cent
1	Yes	442	100
2	No	0	0
	Total	442	100.0

Source: Primary Data

Table 6.10.a Tamil

Sl.No	Tamil spoken	No. of employees	Per cent
1	Yes	220	49.8
2	No	222	50.2
	Total	442	100.0

Source: Primary Data

Table 6.10 and table 6.10.a shows that all the respondent employees can speak the language Malayalam and about 50 per cent of employees can speak both Malayalam and Tamil.

6.2.11 Hours of work per day

Table 6.11.Hours of Work per Day

Sl.No	Hours of work per day	No. of employees	Per cent
1	8 hours	442	100
2	9-10 hours	0	0
3	More than 10 hours	0	0
	Total	442	100.0

Source: Primary Data

It is seen from the table that 100 per cent of the employees opined that they work 8 hours per day which is also as per the provisions of the labour laws.

6.2.12 Wage Rate

Table 6.12.Wage rate

Sl.No	Wage rate	No. of employees	Per cent
1	Minimum Wages	442	100
2	More than minimum wages	0	0
3	Wages as per labour agreement	0	0
	Total	442	100.0

Source: Primary Data

100 per cent of employees agreed that their wage rate is the minimum wages fixed by the terms of the labour contract entered between the representatives of the employees and employers in the presence of the labour department officials.

6.2.13 Payment of Wages

Table 6.13 Payment of Wages

Sl.No	Payment of wages	No. of employees	Per cent
1	Per day	88	20
2	Per month	354	80
	Total	442	100

Source: Primary Data

As per table 6.13, 80 per cent of employees opined that they get monthly wages while 20 per cent get daily wages. It is learnt that daily wages are given to the temporary or casual workers.

6.2.14 Status of House

Table 6.14. Status of House

Sl.No	Status of House	No. of employees	Per cent
1	Owned	90	20.4
2	Rented	0	0
3	Provided by the Company	352	79.6
	Total	442	100.0

Source: Primary Data

The status of residential accommodation is provided in Table 6.14. According to this table about 80 per cent of the employees are residing in the houses provided by the company while 20 per cent have their own houses. It is understood that the main accommodation facility of the employees is the house provided by the company which is known as Layams or paddys.

6.2.15 Number of workers in the Family

Table 6.15.No. of workers in the Family

Sl.No	Workers in the family	No. of employees	Per cent
1	1	46	10.62
3	2	92	20.81
4	3	241	54.52
5	4 and above	63	14.05
	Total	442	100.0

Source: Primary Data

Table 6.15 shows the number of earning workers in the family of plantation employees. According to this table 54.52 per cent families have 3 earning members while 14 per cent have 4 or more income earners. Only 11 per cent of the respondent families have 1 earning member. Thus it is seen that the majority of the families of tea plantation workers have more than 2 earning members.

6.2. 16 Type of House

Table 6.16.Type of House

Sl.No	Type of House	No. of employees	Per cent
1	Kacha House (Hut)	81	18.33
2	Pucca House (Tiled or Concrete roof)	361	81.67
	Total	442	100.0

Source: Primary Data

Table 6.16 shows the type of house in which the employees are Living. According to this table only 18.33 per cent live in Kutchu houses while 81.6 employees are in Pucca Houses. But it is understood that the conditions of the Layam houses deplorable much repair and maintenance are needed for making it in good condition.

6.2.17 Space inside the house

Table 6.17.Space inside the house

Sl.No	Facilities inside the house	No. of employees	Per cent
1	One Living Room	324	73.30
2	Two Living Rooms	98	22.18
3	More than two living room	20	4.52
	Total	442	100.0

Source: Primary Data

It is seen that majority of the respondent employees (73.30 per cent) live in one living room house. The rest have either two living rooms or more.

6.3 Findings

1. The vast majority of tea plantation workers are field employees.
2. The male and female ratio of plantation workers in Kerala is 40:60.
3. More than 80 per cent of the plantation workers are married.
4. The popular type of family among the tea plantation employees is the extended family with more than one family unit.
5. Majority of the plantation workers are literate to read and write either in Malayalam or in Tamil.
6. The age group of majority of the plantation workers is above the age of 40.
7. Majority of tea plantation employees have service tenure of more than 20 years.
8. 80 per cent of the Kerala tea plantation workers are natives and 20 per cent from other states.

9. More than 50 per cent of the employees in tea plantation belong to the category of SC/ST communities.
10. Fifty per cent of employees speak both Tamil and Malayalam and the rest of the employees speak Malayalam only.
11. Eight hours work per day is the practice in tea plantation industry.
12. The minimum wages is paid to all tea plantation industry workers
13. Monthly wage payment system is prevalent in the tea plantation industry.
14. About 75 per cent of the workers live in the Line House provided by the company known as Layams or Paddys.
15. Majority of the families of the plantation workers have 3 or more earning members.
16. The main type of house used by the employees is pucca line house with one living room.

Section II

6.4. Facilities and Service Benefits provided to the employees by the company

Here it is intended to analyse the opinion of the employees in respect of facilities and service benefits provided by the companies.

6.4.1. Other Facilities provided to the employees by the company

Table 6.18. Other Facilities provided to the employees by the company

Sl.No	Variable	Facilities				Rating of Sufficiency						Mean score of the Rating of Sufficiency	Trend over a period of 10 years						
		Yes		No		Good		Average		Poor			Increased		Decreased		Stagnated		
		F	%	F	%	F	%	F	%	F	%		F	%	F	%	F	%	
1	Land for Cultivation	-	-	442	100	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2	Drinking Water	442	100	-	-	88	19.91	264	59.73	90	20.36	2.01	275	62.22	68	15.38	99	22.4	
3	Electricity	442	100	-	-	104	23.53	251	56.79	87	19.68	2.11	293	66.29	46	10.41	103	23.3	
4	Sanitation	442	100	-	-	74	16.74	212	47.96	156	35.3	1.93	165	37.33	86	19.46	191	43.21	
5	Protective clothing	442	100	-	-	70	15.83	234	52.94	138	31.23	1.94	195	44.12	94	21.27	153	34.61	
6	Medical Care	442	100	-	-	73	16.52	238	53.85	131	29.63	1.99	192	43.44	55	12.44	195	44.12	
7	Education to Children	442	100	-	-	109	24.66	206	46.61	127	28.73	1.96	234	52.94	28	6.33	180	40.73	
8	Recreation Facilities	-	-	442	100	-	-	-	-	-	-	-	-	-	-	-	-	-	
9	Crèche	-	-	442	100	-	-	-	-	-	-	-	-	-	-	-	-	-	
10	Conveyance Facilities	-	-	442	100	-	-	-	-	-	-	-	-	-	-	-	-	-	
11	Communication Facilities	442	100	-	-	121	27.38	202	45.70	119	26.92	1.95	251	56.79	24	5.43	167	37.78	
	Facilities provided to the employees by the company						20.65		51.94		27.41	1.95		51.88		12.96		35.16	

Source: Primary Data

Other facilities provided to the employees by the Tea Plantation companies are portrayed in table 6.18. The facilities are Land for cultivation, Drinking water, Electricity, Sanitation, Protective clothing, Medical care, Education to children, Recreation facilities, Creche, Conveyance facilities and Communication facilities. The availability and sufficiency of the facilities were rated based on the opinion of the employees. Sufficiency of the facilities is rated with a three point scale using 'Good', 'Average' and 'Poor'. The trend in the availability and sufficiency of these facilities were also measured in a three point scale using 'increase', 'decrease' and 'stagnated' on the basis of the opinion of employees. It is understood from the table that the facilities viz, Drinking water, Electricity, Sanitation, Protective clothing, Medical care, Education to children and Communication facilities are provided to the employees. As opined by the employees, the facilities viz, Land for cultivation, Recreation facilities, Creche and Conveyance facilities were not providing to the employees by the tea plantation companies. 51.94 per cent of the respondents opined that the sufficiency of the facilities available is average. 27.41 per cent of employees rated the sufficiency is poor and 20.65 per cent rated as good. 50 per cent of employees have rated that basic facilities provided were at an average level. These facilities are drinking water, sanitation, protective clothing and medical care.

The result of the percentage analysis is reiterated by using mean score analysis as shown in table 6.18. It is revealed from the table that the overall mean value of the sufficiency of the facilities available is 1.95 which is less than the statistical mean value of 2. Hence it can be concluded that the facilities provided to the employees by the tea plantation companies are not satisfactory. This is one of the reasons for the poor living condition of the employees.

The trend of the facilities provided to the employees for the last 10 years is provided in the table. It is seen that 51.88 per cent opined that there is an increase in the facilities. Remaining 48 per cent of the respondents opined that it was either stagnation or on decrease. It could be clearly said that the facilities provided to the employees by the tea plantation companies in Kerala are below average.

6.4.2 Service Benefits

Table 6.19. Service Benefits

Sl.No	Variable	Service Benefits				Rating of sufficiency of service benefits						Mean score of the Rating of sufficiency of service benefit	Trend over a period of 10 years					
		Yes		No		Good		Average		Poor			Increased		Decreased		Stagnated	
		F	%	F	%	F	%	F	%	F	%		F	%	F	%	F	%
1	Leave with wages	442	100	-	-	86	19.46	222	50.23	134	30.31	1.91	308	69.68	45	10.18	89	20.14
2	Maternity Leave	442	100	-	-	91	20.59	230	52.04	121	27.37	2.07	295	66.74	54	12.21	93	21.05
3	Provident Fund	442	100	-	-	89	20.14	219	49.55	134	30.31	2.18	299	67.65	59	13.35	84	19
4	Family Pension	442	100	-	-	75	16.97	229	51.81	138	31.22	1.96	307	69.46	61	13.80	74	16.74
	Service Benefits						19.29		50.90		29.81	2.03		68.38		12.38		19.24

Source: Primary Data

As shown in the table 6.19 the service benefits provided to the employees. The sufficiency of the service benefits is also rated with the opinion of employees. We have also obtained the opinion of employees regard to the trend of the service benefits. The service benefits included in the study are Leave with wages, Maternity leave, Provident Fund and Family Pension. Sufficiency of the service benefits is rated with a three point scale using 'Good', 'Average' and 'Poor'. The trend in the provision of these benefits were also measured in a three point scale using 'increase', 'decrease' and 'stagnated' on the basis of the opinion of employees. It is clear from the table that the employees are getting all service benefits. 50.90 per cent of the respondents opined that the sufficiency of the benefits provided is at an average level. 29.80 per cent of employees rated the sufficiency is poor and only 19.29 per cent rated as good.

The result of the percentage analysis is reiterated by using mean score analysis as shown in table 6.19. It is revealed from the table that the overall mean value of the sufficiency of the benefits available is 2.03 which is greater than the statistical mean value of 2. Hence it can be concluded that the service benefits provided to the employees are moderate.

The trend of the benefits provided to the employees for the last 10 years is also exhibited in the table. It is seen that 68.38 per cent opined that there was an increase in the service benefits while 31.62 per cent of the respondents told that the service benefits were either in stagnation or on decrease. Thus it could be concluded that the service benefits provided to the employees in tea plantation in Kerala are satisfactory.

6.5 Findings of facilities and service benefits provided by the companies to employees

It is understood that all the facilities such as Drinking water, Electricity, Sanitation, Protective clothing, Medical care, Education to children and Communication facilities are provided to the employees except Land for cultivation, Recreation facilities, Creche and Conveyance facilities. And the facilities provided to the employees by the tea plantation companies are not satisfactory. This is one of the reasons for the poor living condition of the employees. It could be seen that the last 10 years the facilities provided to the employees by the tea plantation companies with a moderate increase.

It is clear from the table that the employees are getting all service benefits and the benefits provided to the employees are moderate. Thus it could be concluded that the service benefits provided to the employees in tea plantation in Kerala are satisfactory.

Section III

6.6 Socio-economic conditions of Employees

This section deals with the socio- economic conditions of the tea plantation workers where the position of house hold assets, the facilities provided to the employees by the company and the service benefits provided by the company are included. The financial position of the families are also analysed with the variables viz, monthly family income, average number of earners in the family, adequacy of monthly income, monthly family expenditure, indebtedness are included.

6.6.1 Household Assets

Table 6.20. Household Assets

Sl.No	Variable	Awareness				Level of Knowledge						Mean score	Trend over a period of 10 years rated by employees					
		Yes		No		High		Average		Low			Increased		Decreased		Stagnated	
		F	%	F	%	F	%	F	%	F	%		F	%	F	%	F	%
1	High Cost of Production	442	100	-	-	132	29.86	220	49.77	90	20.37	2.09	310	70.14	132	29.86	0	0
2	Low Price Realisation	442	100	-	-	111	25.11	221	50	110	24.89	2.21	300	67.87	142	32.13	0	0
3	High International Competition	442	100	-	-	122	27.60	232	52.49	88	19.91	2.33	312	70.59	130	29.41	0	0
4	Huge import of tea from other countries	442	100	-	-	130	29.41	219	49.55	93	21.04	2.36	328	74.21	114	25.79	0	0
5	Labour and Union related problems	442	100	-	-	132	29.86	202	45.70	108	24.44	2.30	299	67.65	143	32.35	0	0
6	Transportation problems	442	100	-	-	129	29.19	206	46.61	107	24.20	2.33	309	69.91	133	30.09	0	0
7	Tax problems	442	100	-	-	138	31.22	227	51.36	77	17.42	2.40	311	70.36	131	29.64	0	0
8	High Wage rate	442	100	-	-	125	28.28	226	51.13	91	20.59	2.39	323	76.54	119	23.46	0	0
9	Low quality of product	442	100	-	-	131	29.63	215	48.64	96	21.73	2.42	314	71.04	128	28.96	0	0
10	Intermediaries in the auction of tea	442	100	-	-	139	31.45	211	47.74	92	20.81	2.38	317	71.72	125	28.28	0	0
	Total		100				30		49		21			71		29		0

Source: Primary Data

Table 6.20 exhibits the possession of the household assets of the tea plantation employees. The nature as well as the sufficiency of these assets possessed by them were rated on the basis of their opinion. Sufficiency is rated with a three point scale using 'Good', 'Average' and 'Poor'. The trend of the possession of the household assets were also measured in a three point scale using 'increase', 'decrease' and 'stagnated' on the basis of their opinion. The household items included in the study are furniture, T.V, Radio, Mobile Phone, Kitchen Vessels, Livestock, Vehicles, Ornaments, Deposits & Certificate and Bank Balance. All respondent families have all these household assets in their possession except Radio. 50.38 per cent of the respondents rated the sufficiency of the household items is poor, 36.45 per cent rated as average and only 13.17 rated as good. A vast majority of about 75 per cent of families have a nominal possession of Bank balance, Deposit & Certificates and Ornaments. More than 60 per cent of the families of plantation employees have average holding of kitchen vessels and livestock. All families use mobile phone with good coverage and range.

The result of the percentage analysis is reiterated by using mean score analysis as shown in table 6.20. It is revealed from the table that the overall mean value of the sufficiency of household assets is 1.86 which is less than the statistical mean value of 2. Hence it can be concluded that the possession of household assets of the families of plantation employees is poor and they are forced to use the old and out-dated items due to the unaffordability to purchase new one.

As regards the trend in the acquisition of the household items for the last 10 years, 50 per cent opined that there is an increase in the value of assets and other 50 per cent of the respondents told that it is either on decrease or in stagnation. It could be seen that the possession and use of the usual household assets by the families of the tea plantation employees in Kerala are not satisfactory and poor. The possession and use of the usual household assets by the families of the tea plantation employees in Kerala are not satisfactory and poor.

6.6.2 Financial Position

A) Income

The main source of family income of an average tea plantation worker is from wages and salaries. Their daily net wages is Rs. 318. The monthly wage of a tea plantation worker is around Rs. 10000. And it is learnt that there is an average of 3 earning members in the family. Here it is intended to analyse the family income.

Table 6.21 Monthly Family Income

Sl.No	Monthly Family Income	No: of employees	Per cent
1	Upto 10000	38	8.60
2	10000-20000	49	11.09
3	20001-30000	214	48.42
4	More than 30000	141	31.89
	Total	442	100

Source: Primary Data

Table 6.21 shows that the monthly family income of respondent employees. According to this 38 (8.6%) of the families drew a monthly income of Rs 10000 while 11.09 per cent of families got an amount in the income slab of Rs 10000-20000. About 50 per cent of the workers' families came in the monthly income slab of Rs 20001 to 30000. 31.89 per cent of the families came in the income slab of more than Rs 30000. Thus it could be concluded that the average monthly family income of tea plantation employees is in the slab of Rs 20001 to 30000.

Table 6.22 Sufficiency of monthly income

Sl.No	Sufficiency of monthly income	No: of employees	Per cent
1	Good	44	9.95
2	Average	353	79.87
3	Poor	45	10.18
	Total	442	100

Source: Primary Data

Table 6.22 exhibits the rate of sufficiency of the monthly family income. The rating is done by a three point scale marked as ‘good’, ‘average’, and ‘poor’. It is seen from the table that the vast majority of 80 per cent of families could lead a life in an average manner in consistent with their income. So it could be concluded that the monthly family income of the workers’ household is moderate.

Table 6.23 Trend of income over the past 10 years

Sl.No	Trend of income over the past 10 years	No: of employees	Per cent
1	Declined	44	9.95
2	Improved	398	90.05
	Total	442	100

Source: Primary Data

As per table 6.23 it could be seen that there was an improvement in the family income opined by the majority of 90 per cent of the respondent employees. It could be concluded that the level of family income of the tea plantation employees have been improved over the last 10 years.

B) Expenditure

Table 6.24. Average Monthly Family Expenditure

Sl.No	Expenditure on Food	No: of employees	Per cent
1	Upto 10000	44	10.0
2	10001 – 17500	264	59.7
3	17501 – 25000	89	20.1
4	Above 25000	45	10.2
	Total	442	100.0

Source: Primary Data

The average monthly expenditure has been calculated by adding the routine expenditure on food items, clothing, fuel and electricity, medical treatment, education, travel and other miscellaneous items. Table 6.24 reveals the monthly expenditure pattern of the respondent workers. It is seen that about 60 per cent of the workers’

families came in the monthly expenditure slab of Rs. 10001 -17500. 20 per cent of the families spent an amount in the expenditure slab of Rs. 17501- 25000 and 10 per cent of the families spent more than Rs.25000 per month on their monthly routine household expenses. It could be inferred that an average tea workers' family spent around Rs. 15000 per month on their daily requirements.

Table 6.25 Sufficiency of monthly income to meet monthly expenditure

Sl.No	Sufficiency	No: of employees	Per cent
1	Poor	45	10.2
2	Average	353	79.9
3	Good	44	10.0
	Total	442	100

Source: Primary Data

Table 6.25 exhibits the rate of sufficiency of monthly income to meet monthly expenditure. 80 per cent of the respondents have stated that the sufficiency of income to meet expenditure is average. It means that they were trying to get the both end met. So it could be concluded that the average monthly income of a tea plantation workers' family is just sufficient to meet the daily family expenditure.

Table 6.26 The status of gap between income and expenditure

Sl.No	The status of gap between income and expenditure	No: of employees	Per cent
1	Increasing	397	89.8
2	Decreasing	45	10.2
	Total	442	100

Source: Primary Data

As per table 6.26 it is understood that the gap between income and expenditure has been increasing in favour of expenditure as opined by the majority of 90 per cent of the respondents.

C) Savings

Table 6.27 Savings

Sl.No	Annual Savings	No: of employees	Per cent
1	upto 10000	44	10.0
2	10001-20000	308	69.7
3	20001-30000	90	20.4
	Total	442	100.0

Source: Primary Data

Table 6.27 shows the slab of annual saving of tea plantation workers. It is seen that 70 per cent of the respondent employees have an annual family savings in the slab of 10001-20000. Only 20 per cent respondents have the financial capacity to save more than Rs 20000 per annum. So the average annual savings of a family of tea plantation employee is around Rs. 20000.

D) Indebtedness

It is intended to analyse the variables annual debt, type of debt and trend of debt under the caption 'indebtedness' among the families of tea plantation workers.

Table 6.28 Annual Debt

Sl.No	Annual Debt	No: of employees	Per cent
1	10001-20000	220	49.8
2	20001-30000	132	29.9
3	Above 30000	90	20.4
	Total	442	100.0

Source: Primary Data

Table 6.28 shows that 50 per cent of the workers' family have an annual debt of less than 20000. The other 50 per cent have an annual debt of about Rs. 20000. It could be concluded that the annual average debt among the families of tea plantation workers was around Rs. 20000.

Table 6.29 Type of debt

Sl.No	Type of Loan	No: of employees	Per cent
1	Institutional	90	20.4
2	Indigenous	352	79.6
	Total	442	100

Source: Primary Data

Table 6.29 shows that the type of debt is classified into institutional and indigenous debt. It is seen that 80 per cent of the respondent families had taken loan from private money lenders and only 20 per cent availed institutional loans. It is understood that the loan from the private money lenders are prevalent among the families of plantation workers.

Table 6.30 Trend of debt for the last 10 years

Sl.No	Trend of debt for the last 10 years	No: of employees	Per cent
1	Increasing	352	79.6
2	Decreasing	90	20.4
	Total	442	100

Source: Primary Data

Table 6.30 portrays the trend of the debt for the last 10 years of the families of the tea plantation workers. It is seen that 80per cent of the respondents stated that their debt burden has been increased during the last 10 years.

6.7 Findings of Socio-Economic Conditions

1. Household Assets

A vast majority of about 75 per cent of families have a nominal possession of Bank balance, Deposit & Certificates and Ornaments. More than 60 per cent of the families of plantation employees have average holding of kitchen vessels and livestock. All families use mobile phone with good coverage and range. The possession of

household assets of the families of plantation employees is poor and they are forced to use the old and out-dated items due to the unaffordability to purchase new one.

2. Income

The average monthly family income of tea plantation employees is in the slab of Rs 20001 to 30000. The average monthly family income of the households is moderate. The level of family income of the tea plantation employees have been improved over the last 10 years.

3. Expenditure

It could be inferred that an average tea workers' family spent around Rs. 15000 per month on their daily requirements. The average monthly income of a tea plantation workers' family is just sufficient to meet the daily family expenditure. It is understood that the gap between income and expenditure has been increased in favour of expenditure as opined by the majority of 90 per cent of the respondents.

4. Savings

The average annual savings of a family of tea plantation employee is around Rs. 20000.

5. debt

The annual average debt among the families of tea plantation workers was around Rs. 20000. It is understood that the loan from the private money lenders are prevalent among the families of plantation workers. It is seen that 80 per cent of the respondents stated that their debt burden has been increased during the last 10 years.

Section IV

6.8 Awareness of employees about the tea industry crisis

We have also sought the perception of the employees regarding the awareness level of crisis in the tea industry and also measured their knowledge level in this regard. The result is depicted in the following table.

Table 6.31. Knowledge of Employees about the reasons of the crisis in tea plantation industry in Kerala

Sl.No	Variable	Awareness				Level of Knowledge						Mean score	Trend over a period of 10 years rated by employees					
		Yes		No		High		Average		Low			Increased		Decreased		Stagnated	
		F	%	F	%	F	%	F	%	F	%		F	%	F	%	F	%
1	High Cost of Production	442	100	-	-	132	29.86	220	49.77	90	20.37	2.09	310	70.14	132	29.86	0	0
2	Low Price Realisation	442	100	-	-	111	25.11	221	50	110	24.89	2.21	300	67.87	142	32.13	0	0
3	High International Competition	442	100	-	-	122	27.60		52.49	88	19.91	2.33	312	70.59	130	29.41	0	0
4	Huge import of tea from other countries	442	100	-	-	130	29.41	219	49.55	93	21.04	2.36	328	74.21	114	25.79	0	0
5	Labour and Union related problems	442	100	-	-	132	29.86	202	45.70	108	24.44	2.30	299	67.65	143	32.35	0	0
6	Transportation problems	442	100	-	-	129	29.19	206	46.61	107	24.20	2.33	309	69.91	133	30.09	0	0
7	Tax problems	442	100	-	-	138	31.22	227	51.36	77	17.42	2.40	311	70.36	131	29.64	0	0
8	High Wage rate	442	100	-	-	125	28.28	226	51.13	91	20.59	2.39	323	76.54	119	23.46	0	0
9	Low quality of product	442	100	-	-	131	29.63	215	48.64	96	21.73	2.42	314	71.04	128	28.96	0	0
10	Intermediaries in the auction of tea	442	100	-	-	139	31.45	211	47.74	92	20.81	2.38	317	71.72	125	28.28	0	0
	Total		100				30		49		21			71		29		0

Source: Primary Data

Ten reasons identified for the current crisis of tea plantation industry have been included in the interview schedule administered among the respondent employees. The reasons cited in the interview schedule were High Cost of Production; Low Price Realisation; High International Competition; Huge import of tea from other countries; Labour and Union related problems; Transportation problems; Tax problems; High Wage rate; Low quality of product; Intermediaries in the auction of tea.

The table 6.31 shows the awareness of the tea industry crisis stated by the respondent employees. It is seen that all the 442 respondent employees (100 percent) were clearly aware of the reasons for the current crisis. They were also required to rate their level of knowledge in a three point scale marked as high, average and low. 30 per cent of the employees had a high level of knowledge regarding the reasons of the crisis whereas 49 per cent had average knowledge and only 21 per cent of the respondent employees had low level of knowledge. Thus it is interesting to note that the majority of the tea plantation workers have good knowledge regarding the current crisis in the tea plantation industry in Kerala. They were also required to comment on the intensity of the current crisis over the last 10 years. 71 per cent of the respondents opined that the crisis in the industry have been increasing over the last 10 years whereas 29 per cent opined that there has been a decreasing trend over the period.

6.8 Findings

All the respondent plantation workers are aware about the current tea industry crisis in Kerala. The majority of the tea plantation workers have good knowledge regarding the current crisis. 71 per cent of the respondents opined that the crisis in the industry have been increasing over the last 10 years whereas 29 per cent opined that there has been a decreasing trend over the period.

It is observed that 30 percent of the respondents have a high degree of awareness about the reasons but 49 percent have only an average level of awareness and 21 percent have only a low level of awareness. The table reveals that 71 percent of the respondent opined that the reasons for the crisis have been a trend of increase for a period of 10 years. The remaining 29 percent have the opinion of decreasing trend in the reason for the crisis. No one opined that trend was stagnant.

Section V

6.9 Case Study

In addition to the field survey, we have conducted two case studies in order to gather the collective opinion of the families of Tea plantation workers. The first case study was conducted in the Creche Layam, Pullupra of Stagbrook Estate, Peerimedu in Idukki. The second case study was conducted in Paddy No:8, Chundale of Harrison Malayalam Plantation, Chundale Estate, Wayanad. Ten families from each of the Residential places from the Layams were included in the case study. They were assembled together in the courtyard of their respective Layams for the interactions. Both the husbands and the wives from families were participated in the group meetings.

Table 6.32 List of Participants of Creche Layam

Sl.No	Male	Female
1	Mr C Babu	Mrs UnniiAmma
2	Mr P Rajan	Mrs Nirmala
3	Mr A Antony	Mrs Selvi
4	Mr R Appukuttan	Mrs SelviBala
5	Mr D Surendran	Mrs Njanaselvam
6	Mr Varghese M	Mrs Selvi Varghese
7	Mr AchanKunju	Mrs.Kunjumol
8	Mr Subramoniam	Mrs Rani
9	-	Mrs Ponamma (Widow)
10	Mr Ayyapparaj(Single)	-

Source: Primary Data

Table 6.33 List of Participants in Paddy No: 8, Chundayil Estate, Wayanad

Sl.No	Husband	Wife
1	Mr G Asokan	Mrs Malathy
2	Mr Pradeep Kumar	Mrs Reeja
3	Mr Rajesh Kumar	Mrs Prabhashini
4	Mr C Raju	Mrs Sarasu
5	Mr K Bhaskaran	Mrs Soumini
6	Mr R Balakrishnan	Mrs Bindhu
7	Mr Prabhakaran	Mrs Rajeevi
8	Mr P Balakrishnan	Mrs Sarasu
9	Mr B Sasi	Mrs Rohini
10	Mr S Reghu	Mrs Sathi

Source: Primary Data

Themes related to the issues of Tea industry and the present crisis were presented in the meeting along with the impact of crisis on their socio economic conditions. Questions relating to wages and salary, the family income, family expenditure, their debt and saving positions were also put for discussion. Another subject discussed in the meeting was possession of their house hold assets, the level of sufficiency and trend over the last ten years. Along with this, the facilities provided by the company for maintaining their quality of life at work place and home also discussed. Questions relating to the service benefits were also included in the discussion.

The outcome of the discussion could be summarised as follows:

a) Tea Industry crisis:

The first theme introduced in the group for discussion was regarding the present crisis in the Tea industry. All the participants have a moderate knowledge regarding the reasons of the current crisis in the Tea industry. High cost of production, low productivity, low price realisation in auctions, market competition, import of tea from other countries, quality deterioration happening in the blending of tea and unscientific tax structure were cited as the reasons for the continuing crisis in the tea industry. Most of the participants were of the opinion that the crisis was mounting year after year. They urged the intervention of both State and Central Government to resolve the crisis. They suggested that restriction should be imposed for the import of tea from other countries. Since the quality of Indian tea is good, often the quality is deteriorated due to the mixing of Indian tea with the imported tea. They also pointed out that the tax structure should be revamped in order to support to regain the strength of the industry. The productivity is low due to the old age of plants which were planted 90 years back. Replanting with high yielding varieties of tea with Government subsidies is the only panacea for improving productivity. As workers in the industry, they have taken supportive measures to augment the survival and growth of the industry, compromising with their labour interests. Trade Unions have often taken classes and conducted meetings to educate the workers regarding the problems of the industry and the consequent difficulties faced by the workers due to the crisis.

b) The socio-economic conditions of plantation workers

The crisis in the industry has a huge impact on the socio economic conditions of the families of the plantation workers since the only source of their income was wages and salaries from the industry. Their economic position as well as purchasing power have been reduced due to the decrease in the value of real income and often its irregularity. And price rise for the essential commodities is a continuing phenomenon , the family expenditure became unmanageable. So they were in a difficult situation to meet the both ends of their life. Their household assets such as furniture and vessels were acquired years back became out-dated and worn out. They could not be in a position to replace with new ones. Their debt burden has been increased and unmanageable due to low rate of their income and savings. They were forced to borrow from private money lenders with high interest rates for their household expenses. The only relief they got was subsidised rice and other provisional items obtained from the public distribution system.

It is observed that all the 20 families participated in the case study have sent their children for education. Children from 8 families were studying in college classes. The youngsters in these families were not opting for plantation work. But they were preferring their job outside the estate. We have noted this is the usual trend among the younger generation of the plantation workers. 2 persons got government employment and 5 others are working in private establishments from these families. Thus it is seen that the plantation workers are in tune with the mindset of average Keralites in terms of education and employment.

The most deplorable condition is that of the structure of the building in which they live known as the Layams. It is a line house of less than 10 residential units in one building and each unit have a small portico, one living room, one kitchen and a small work area with toilets. Most of the Layams are in a dilapidated condition with an age of 80-90 years just the age of tea plants in the estate. The estate plantation company is bound to do repair and maintenance of the building but they often failed to undertake this task. The dwelling problem is the most serious problem faced by them in almost all the

tea estates. They argued that Government and plantation company should come together to address this issue for construction of new residential apartments to them. They suggested that it can be included in the Life Paarppidam Programme of the State Government. All the Layams are electrified and have drinking water facilities.

c) Facilities provided by the company:

The members participated in the discussion have stated that the facilities such as drinking water, electricity, protective clothing , medical and educational assistance, were provided by the company. But they opined that the facilities provided by the company were insufficient .Company is also providing all service benefits such as provident fund, family pension , maternity leave and leave with wages as per the Labour Law. They argued that the facilities provided by the company as well as service benefits should be enhanced to have a descent life for the plantation workers like that of the other sectors.

Section VI

6.10 Discussion with the representatives of Planters Association

We have discussed the reasons of tea industry crisis with the representatives of Kerala Planters Association and United Planters Association of South India. They have pointed out the following main reasons for the crisis in the industry.

1. Multilateral agreement signed by the Government of India with the GATT and World Trade Organisation which made Indian tea market opened for the international competition and allowed unrestricted import of tea into the Indian market.
2. This shift of the trade policy of tea exposed the market for cut-throat competition and resulted a very adverse impact on the Kerala tea.
3. Blending of low quality tea imported from foreign countries with the Indian Tea has reduced the quality of Indian tea. The deterioration of the quality of the product has accentuated the crisis.

4. The yield per unit area in the Kerala plantation is comparatively low.
5. Lack of modernisation and mechanisation measures in the harvesting as well as processing in the Kerala Tea plantation industry has made things worse.
6. Another reason for the continuing crisis in the tea is the discrepancies tea auction process as well as the unwarranted intervention of middlemen.
7. The prevailing unscientific tax structure in the state has made more harm to the tea industry in the state.
8. The prevailing mono-cropping system in the tea estate is another reason for low income in the industry.
9. Old age of tea plants which were planted 80-90 years back is the main problem for the low productivity and the main reason for the crisis. It is a fact that the yielding period of a tea plant is for the first 30 years , so replantation is the only remedy.

6.10.1 Suggestions Put forward By Planters Association

1. The recommendations made by the Krishnan Nair Committee to study the reasons for current crisis for plantation industry should be seriously considered and the valid suggestions should be implemented in the tea plantation industry to mitigate the crisis.
2. The existing agricultural income tax should be withdrawn.
3. The collected agricultural income tax should be invested in the plantation sector in the form of social forestry, water and soil conservation activities. It will generate additional employment opportunities in the plantation sector.
4. Immediate steps should be taken for the replantation of high yielding varieties of tea in the place of the age old plants. The government should provide moderate subsidy for the replantation work. Thus the productivity of tea industry can be improved.

5. It is proposed to amend the provisions in the Tea Marketing Control Order in order to eliminate all types of malpractices in the tea auction.
6. It is also suggested that multi-cropping system should be introduced in tea plantations in the place of mono-cropping. Fruit plants such as orange and apple can be cultivated amidst tea plantation.
7. The present policy of tea blending should be amended in order to maintain the identity of Kerala tea. Steps should also be taken to develop local branding of tea.
8. It is the high time for the renovation of dwelling place of plantation workers with the co-operation of plantation companies and government. This is a major problem confronting with the family life of the plantation workers. It should be taken as a priority item.
9. Steps should be taken to develop a scheme for encouraging Plantation Tourism with the co-operation of the plantation companies and the Government.
10. It is not advisable to employ migrant workers in the plantation sector due to their lack of skill in doing harvesting and processing work. It will increase the cost of production as well as reduce the productivity and quality. If the services of the migrant labourers are used, it will increase the cost of production and reduce productivity.

Section VII

6.11 Discussion with the Trade Union Leaders

We have interviewed trade union leaders of INTUC, CITU and AITUC who are working among the tea plantation employees in Kerala. Their opinions are summarised below.

1. The employees are aware of the problems of the tea industry because of the strong involvement of trade unions.

2. The wage rate in the Kerala tea industry is comparatively high in tune with the wage rate prevailing in other sectors. This has been achieved due to the involvement of Trade Unions.
3. Cost of production of Kerala tea is high due to the various factors which are the reasons beyond the control of employees.
4. The role of Tea Board in resolving the crisis in tea industry is disappointing.
5. The Central Government is not supportive for the survival and growth of tea industry. The steps should be taken to maintain the quality of tea in order to have an image in the international markets. The expenses incurred for the quality control of tea should be met by the Government.
6. The present system of tea auction should be stopped and the Government should intervene to streamline the marketing of tea in order to realise the actual price.
7. It is needed that the present tax structure in the tea industry should be amended to support the survival and growth of the industry.
8. Positive recommendations of the Justice Krishnan Nair Committee Report 2016 should be implemented.
9. Plantation Labour Act 1951 should be amended in order to support the plantation industry as well as enhance the socio- economic conditions of plantation workers.
10. Modernisation and mechanisation should be introduced both for harvesting and processing.
11. The central government should take immediate steps to control the import of tea.
12. It is suggested that steps should be taken for the supply of tea through public distribution system.

13. They have of opinion that a study should be conducted in order to understand the consumption requirement of tea in the country and thus the production can be adjusted on the basis of the demand. This will give a good mechanism to develop a remunerative price strategy in the tea industry.
14. New strategies and policies should be framed in order to retain the younger generation of the tea plantation workers in the plantation industry.
15. The immediate attention should be given to the solution for the housing problems for the tea plantation workers since they live dangerously under the dilapidated structures of the Layams.

Section VIII

6.12PembulaiOrumaiMovement among Plantation Workers

The munnar plantation strike was a 9 days strike led by the women of the Munnar Kannan Devan Hills Plantations Ltd (KDHPL). It was largely famous for being an all women uprising leading to the formation of an all women union called “Pembulai Orumai” (Womens’ Unity) and is referred to as a turning point in Kerala’s Trade Union history.

The wages of plantation workers in the state is decided by the Plantation Labour Committee (PLC). PLC comprises representatives of Trade Unions, plantation managements and the Government. The strike began on 5th September, 2015 with about 5000 workers, the majority being women. They were agitating in front of the KDHPL office after the management struck down the bonus to 10 per cent, which was 20 per cent in the previous year. The management justified for reducing the bonus by citing the reasons of dips in profit and falling tea prices. The daily wage for the workers was Rs. 232 for 12 hours of labour which is the lowest in any work sector in Kerala. The fact is that the daily output per worker had increased to 31 kilograms from 21kilograms. The main demand of the workers was a hike in wages from Rs. 232 to Rs. 500. The agitation was led and organised by women workers who

steadfastly refused the entry of men into the movement. The reasons cited by the agitators were (a) The alcoholic habit of the men workers, (b) Actual work of plucking done by women, (c) entire loading work of the leaves done by women alone, (d) women struggling with occupational hazards. Trade Unions were forbidden from co-opting the movement. The Government eventually intervened and conducted negotiations with the striking workers led by the all women union, PembulaiOrumai. They were given front seats at the negotiations and on 13th September, 2015, their demands were finally met.

Such a huge women movement in the cradle of tea plantation industry in munnar has bitterly shocked the entire tea sector in Kerala. The demands raised by the Pembulai Orumai movement especially for hike in the wages have been reckoned with. There was no option for the management but to accept the demands in the environment of the week long continued agitation. Thus it created a critical situation by which the management of tea estates and the popular Trade Unions have to accept the strength and unity of women workers. The huge presence of women workers in the agitation path has no longer to be ignored by any means or measure. They have already gained a say in the matters of the conduct of the Trade Union activities as well as the industry as a whole. But later it is seen that the leaders of Pembulai Orumai have been joining with the leaders of popular political parties and Trade Unions for meeting their ulterior political and economic motives. This inclination of the leaders has undermined the importance of Pembulai Orumai movement in some extent and has resulted in diminishing its credibility. But the fact is that the impact created by the Pembulai Orumai movement has been making echoes in the plantation industry. And it should give an alarm signal for the decision makers.

CHAPTER 7

SUMMARY OF FINDINGS, CONCLUSION AND RECOMMENDATIONS

Section I

Summary of Findings

7.1 Introduction

This chapter deals with the summary of findings on the basis of the analysis, interpretation and discussion with the stakeholders in the tea industry in Kerala such as plantation workers, tea producers, Trade Union leaders and representatives of Tea Planters Association. We have also included primary data on the basis of the observation during the period of field survey in the tea estate and factories. Secondary data has been used for analysing the reasons of the crisis in the tea industry as well as the features of the tea plantations and tea factories. The data obtained from the discussion on the impact of current crisis in the tea industry on the quality of the life of the plantation workers were also included. The summary of findings are as follows.

7.2 Crisis in Tea Industry in Kerala

7.2.1 Findings related to the crisis in the tea industry

1. Two varieties of tea plants are found in estates, China tea and Assam tea. The estates under the study are not found to have been introducing new high yielding varieties and this tendency has adversely affected the productivity. Productivity level is also affected owing to the over aged plants. On an average, the plants in estates under study, are more than 90 years of age. It may be noted that the productivity of tea begins to decline after 30 years of age. Replanting is required for rejuvenating productivity, but none of the estates are found to have been properly engaged in replanting. Thus, the estates are operating at sub-optimal level of productivity.

2. Tea plantation industry is labour intensive. Plucking or harvesting tea leaves is the most important work. In majority of the companies hand plucking is replaced by mechanical

harvesting. It is learnt that quality of raw leaves is high when harvested by hand plucking. But in peak season, due to paucity of labour, most of the companies adopt mechanical harvesting. Hand held manual shears and hand held motorised shears are used for plucking of leaves. Normally, the plucking interval for hand plucking is 7 to 10 days and for shearing it is 12 to 16 days. Plucking interval varies due to climatic conditions.

3. All the visited factories are producing only Black tea. There are two types of Black tea - Orthodox and CTC (crush, tear and curl) tea. Out of the estate factories visited, most of the factories manufacture CTC tea. It is seen that there were no measures taken for the diversification of the product range on the basis of the type of customers the product has to serve. Since diversification is one of the life giving strategy of the marketability of a product, on the part of the producers no such initiatives have been taken, is another reason for accelerating the crisis.

4. The factories are established years ago and no technological improvement is effected. The factories are found to be reluctant in diversifying their product range through newer technologies. There is no initiative for direct marketing of their product also. It is seen that the absence of professional management in production and management is another reason for making the situation in the industry worse.

5. Primary marketing of tea is mainly done by auction. Seventy seven per cent of the total tea produced in Kerala is coming for auction. Most of the companies are marketing their product through auction. Other primary marketing methods are direct export or forward contract and Ex-garden sale. Besides this companies are also producing and marketing packet teas.

6. The active involvement of intermediaries in the auction of tea prevents the actual price realisation by the producers. It is learnt that any malpractices are involved in the auction process whereby the intermediaries are in a position to make huge profit out of it.

7. The major problem is high cost of production and low price realisation. Sixty five per cent of the total cost of production is accounted for by labour. In Kerala, labour unions are very strong and their influence is visible in the case of wage increase. At the same time auction price is oscillating or decreasing. Many tea producers highlighted that they do not get the original price for their product

8. Free import of tea also causes problems both in the domestic and international markets, Import of low quality tea has resulted in slashing of price in the market. Cheaper tea has become available in the market and traders mix low quality tea with high quality ones. This reduces the price and demand of Indian tea.

9. The companies highlighted that the higher tax rate is a major problem for cost increase. According to the companies, tax concession from the part of Government is necessary. Restrictions on import and strict quality control measures will help the industry by reducing the import of cheap tea. They realize the fact that increasing productivity is required for improving the competitiveness. But huge capital investment is required for replantation and mechanization. Since the companies have been running at a loss quite for some time they are not in a position to make huge capital investment. In this context, the companies are expecting subsidies for replantation and mechanisation. Besides this, companies demand government's help to develop more infrastructural facilities in tea plantation areas. Expenditure on transportation and marketing is also high.

10. The companies have been providing basic facilities to the employees like housing, water supply, sanitation, health care, educational assistance. The managers are of opinion that it is difficult to continue such facilities due to the continuous decline in the profitability. Many companies are not in a position to pay the Provident Fund to the employees and even to pay their wages in regular intervals.

7.2.2 Awareness level of employees regarding the current Tea industry crisis

All the respondent plantation workers are aware about the current tea industry crisis in Kerala. The majority of the tea plantation workers have good knowledge regarding the current crisis. 71 per cent of the respondents opined that the crisis in the industry have been increasing over the last 10 years whereas 29 per cent opined that there has been a decreasing trend over the period.

They have stated the reasons for the current crisis in tea industry in detail. High cost of production, low productivity, low price realisation in auctions, market competition, import of tea from other countries, quality deterioration happening in the blending of tea and

unscientific tax structure were cited as the reasons for the continuing crisis in the tea industry. Majority is of opinion that the crisis is mounting year after year. They urged the intervention of both State and Central Government to resolve the crisis. They suggested that restriction should be imposed for the import of tea from other countries. Since the quality of Indian tea is good, often the quality is deteriorated due to the mixing of Indian tea with the imported tea. They also pointed out that the tax structure should be revamped in order to support to regain the strength of the industry. The productivity is low due to the old age of plants which were planted 90 years back. Replanting with high yielding varieties of tea with Government subsidies is the only panacea for improving productivity. As workers in the industry, they have taken supportive measures to augment the survival and growth of the industry, compromising with their labour interests. Trade Unions have often taken classes and conducted meetings to educate the workers regarding the problems of the industry and the consequent difficulties faced by the workers due to the crisis.

7.3 The socio-economic conditions of plantation workers in Kerala

7.3.1 Demographic particulars of the Tea plantation workers

1. Both female and male are employed in tea plantation industry. The ratio between male and female is 60:40. 75 per cent of employees are field workers.
2. Majority of the plantation workers are literate to read and write either in Malayalam or in Tamil.
3. Fifty per cent of employees speak both Tamil and Malayalam and the rest of the employees speak Malayalam only.
4. 60 per cent of plantation workers are above the age of 40 and have a service tenure of more than 20 years
5. 80 per cent of the workers are natives and 20 per cent are from other states. 50 per cent of the employees belong to the category of SC/ST communities.
6. Eight hours work per day is the practice in tea plantation industry. The minimum wages is paid to all tea plantation industry workers as the provisions of Labour Plantation act 1951. Monthly wage payment system is prevalent in the tea plantation industry.
7. About 75 per cent of the workers live in the Line House provided by the company known as Layams or Paddys. Majority of the families of the plantation workers have

3 or more earning members. The main type of house used by the employees is Pucca line house with one living room.

7.3.2 Opinion of employees on the facilities and benefits provided by the company

It is stated by the employees that the companies are providing the facilities such as Drinking water, Electricity, Sanitation, Protective clothing, Medical care, Educational assistance to children and Communication facilities. But these facilities are not sufficient to lead a better family life. They were not provided with the Land for cultivation, Recreation facilities, Creche and Conveyance facilities. They were of opinion that the facilities provided to the employees by the company have a slight improvement during the last 10 years.

The companies have been providing the statutory benefits such as leave with wages, Maternity Leave, Provident Fund and Family Pension.

7.3.3 Household Assets

A vast majority of about 75 per cent of families have a nominal possession of Bank balance, Deposit & Certificates and Ornaments. More than 60 per cent of the families of plantation employees have average holding of kitchen vessels and livestock. All families use mobile phone with good coverage and range. The possession of household assets of the families of plantation employees is poor and they are forced to use the old and out-dated items due to the unaffordability to purchase new ones.

7.3.4 Financial Positions

1. Income

The average monthly family income of tea plantation employees is in the slab of Rs 20001 to 30000. The average monthly family income of the households is moderate. The level of family income of the tea plantation employees have been improved over the last 10 years.

2. Expenditure

It could be inferred that an average tea workers' family spent around Rs. 15000 per month on their daily requirements. The average monthly income of a tea plantation workers' family is just sufficient to meet the daily family expenditure. It is understood that the gap between

income and expenditure has been increased in favour of expenditure as opined by the majority of 90 per cent of the respondents.

3. Savings

The average annual savings of a family of tea plantation employee is around Rs. 20000.

4. debt

The annual average debt among the families of tea plantation workers was around Rs. 20000. It is understood that the loan from the private money lenders are prevalent among the families of plantation workers. It is seen that 80per cent of the respondents stated that their debt burden has been increased during the last 10 years.

5. Impact of crisis on socio-economic conditions of the workers

The crisis in the industry has a huge impact on the socio economic conditions of the families of the plantation workers since the only source of their income from the wages and salaries from the industry. Their economic position as well as purchasing power have been reduced due to the decrease in the value of real income and often its irregularity. And price rise for the essential commodities is a continuing phenomenon , the family expenditure becomes unmanageable. So they were in a difficult situation to meet the both ends of their life. Their household assets such as furniture and vessels were acquired years back became out-dated and worn out. They could not be in a position to replace with new ones. Their debt burden has been increased and unmanageable due to low rate of their income and savings. They were forced to borrow from private money lenders with high interest rates for their household expenses. The only relief they got was subsidised rice and other provisional items obtained from the public distribution system.

The most deplorable condition is that of the structure of the building in which they live known as the Layams. It is a line house of less than 10 residential units in one building and each unit have a small portico, one living room, one kitchen and a small work area with toilets. Most of the Layams are in a dilapidated condition with an age of 80-90 years just the age of tea plants in the estate. The estate plantation company is bound to do repair and maintenance of the building but they often failed to undertake this task. The dwelling problem is the most serious problem faced by them in almost all the tea estates. They argued that Government and plantation company should come together to address this issue for

construction of new residential apartments to them. They suggested that it can be included in the Life Paarppidam Programme of the State Government.

7.4 Role of Government for resolving the Tea Industry crisis

On the basis of the analysis discussion and literature survey, the following initiatives were undertaken by the Governments to resolve the tea industry crisis. They are summarised below.

1. Tea Board of India

Tea Board of India was established in 1954 as an apex body entrusted with the task of looking after the overall interest of the tea industry in the country. The main functions of the Board are to promote the cultivation, processing and domestic trade as well as export of tea from India.

2. The rehabilitation package

The rehabilitation package for closed tea gardens in the country declared by the Government of India in 2006. The Tea Board was the nodal office for implementing the package. The special package was aimed at reviving the tea plantations and the closed tea estates. The package has been included with the provisions of restructuring of loans to the bank, waiver of the amount due to the Tea Board, waiver of penalties on Provident Fund, interest subsidies on loans for a period of 7 years and creation of a Special Purpose Tea Fund.

3. Special Purpose Tea fund

The Government of India had drawn up the Special Purpose Fund Board (SPTF) in 2007. A new credit in the subsidies scheme for the 11th Five Year Plan period to rejuvenate the industry and to make our tea globally competitive. Therefore the aim of SPTF was the progressive rejuvenation of the hundred year old industry similar that of the global competitors in a phased manner. So it is clear that the objectives of the fund were modernisation and mechanisation of the industry by the replantation of high yielding variety of tea and mechanisation in the harvesting and processing of the tea leaves.

4. Parliamentary Subcommittee on Trade and Commerce in 2012

This committee on its Report recommended the following steps to undertake for reducing the crisis crept in the tea industry. They are:

- a. Declaring Tea as National drink
- b. Supporting the Co-operatives and Self Help Groups for augmenting production and productivity.
- c. Demanding to take viable measures for addressing the labour issues in the industry.

All the above measures taken by the Central Government have not been effectively implemented for resolving the serious crisis prevailing in the tea industry. These were the piece meal measures with its inherent deficiencies and weaknesses, have not achieved the declared objectives. Moreover the supportive remedial measures for resolving the crisis was meant for a short period of time of five years and the amount ear marked for the objectives was inadequate. A serious holistic approach and intervention from the part of the Government and Tea Board is needed. The objectives of the interventions through the Tea Board and Special Purpose Tea Fund could not achieve its objectives in the rejuvenation of tea industry. The hundred year old plants remain in the tea estate and the old machineries in the factories causing low productivity in the crisis-ridden industry. So it can be concluded that the interventions of Central Government and the Tea Board were ineffective and disappointing on the modernisation and mechanisation measures in the tea industry.

5. Initiatives of the State Government

In view of the mounting crisis in the plantation sector in Kerala the Government of Kerala in 2015 appointed a one man Commission under the chairmanship of Justice Krishnan Nair to study the issues pertaining to the crisis in the industry. The Commission was also required to submit viable suggestions for resolving the crisis in the plantation sector, especially tea, rubber, cardamom and coffee. The Commission submitted the Report in 2016 with various viable solutions. The Government has studied the report in detail and came out with a declaration. In an initiative to revive the ailing plantation sector in Kerala, the Government of Kerala announced a slew of measures including abolishment of plantation tax, moratorium of agriculture income tax and legislation to take over closed tea estates. The Labour Department was directed to take steps to formulate a Plantation Policy with a view to resolve the problems faced by the sector. It was also decided to take effort to bring the plantation

workers under the Employees State Insurance Corporation (ESI). Another decision of the Government was to exclude the plantation sector from the purview of Kerala Forest (Vesting and Management of Ecologically Fragile Land) Act 2000. It is learnt that the government departments have initiated the process of implementing the above decisions in the plantation sector. But, no initiatives have yet been materialised.

7.5 The Intervention of Trade Unions for resolving the Tea industry crisis

It is understood that the Trade Unions have played a role to understand and propagate the problems of tea industry in general among the tea plantation workers. They have taken steps to educate the reasons for the crisis mounting in the plantation industry in general and tea industry in particular. They were of opinion that at the macro level the plantation industry has been facing adverse impact of globalisation and trade liberalisation. The tea price has been declined internationally due to this apart from the deterioration of quality through blending of poor quality imported tea with the Indian tea. They were also of opinion that, the factors leading to the tea industry crisis are beyond the control of the employees. The Trade Unions have taken stand to support the measures for reviving the tea industry in the state even compromise with the interest of the labour. They demanded increase on the wage rate in tune with the other sectors to lead a decent life. The socio economic conditions of the plantation workers have not been improved in tune with the workers of other sectors in Kerala. The most important problem confronting with the plantation workers is the housing problem. They reside under dilapidated structures of hundred years old Layams. They demanded an immediate intervention of the Central Government and Tea Board for the modernisation and mechanisation of industry with adequate subsidies and incentives. They also demanded the intervention of the State Government to improve the socio economic conditions of the families of plantation workers and to construct residential apartments in co-operation with the tea plantation companies.

Section II

7.6 Conclusion

The tea plantation industry in Kerala has been encouraged for its contribution to economic growth, employment and foreign exchange earnings. But after the opening of the Indian economy in the advent of globalisation and trade liberalisation, the tea industry has got problems along with the other industries and sectors. The problem has been accentuated year

after year to dip into the level of a crisis. Now the tea industry is confronting with this crisis situation.

In the case of tea plantation industry in Kerala, efficient factor utilisation is found only in the short run. Inefficiency in long term factor utilisation is evident from the existence of vintage technology, absence of product diversification and non-existence of professional Management. For attaining long run growth, capital investments out of short run surplus have to be taken place. But the tea plantation in Kerala seem to have failed to plough back the short run profits for capital investments. The contribution of tea to the economic growth in Kerala is remarkable in terms of its backward and forward linkages. At the macro level the tea plantation industry has been facing adverse impacts of globalisation and trade liberalisation. The price has declined sharply and the industry is facing a crisis. If there is any solution to this problem that is to improve the competitiveness of the industry in terms of production of raw leaf and in manufacturing of tea. Productivity in plantations has to be increased by replantation of new varieties, scientific harvesting and mechanised pruning. Productivity in manufacturing can be increased by improving quality, product diversification and technological advancement. Companies have to adopt professional management system for making the units competitive. In the liberalised regime of world trade, paramount importance has to be given to the marketing of tea. The tea plantation workers have to face so many socio-economic challenges in their life due to low income, increase in debt burden and a wide gap between income and expenditure. The crisis in the tea industry has a huge negative impact on the family life of the plantation workers especially their dwelling needs. But they are managing their life in the midst of these problems due to the inherent strength in the labour mind.

Section III

7.7 Recommendations of the Study

1. Analysis of the growth performance shows that in Kerala growth in area is not commendable. But considering the importance of tea plantation industry and its contributions to the economy it is important to expand tea area by utilising the uncultivated fallow lands owned by tea companies which are suitable to cultivate tea. It is also important to promote the small growers by providing Government support to develop the area as well as productivity.

2. Productivity level of tea is affected by the existence of over aged plants. In order to increase the productivity level, tea companies could take proper measures for replantation of the over aged plants. Since tea industry is facing crisis and companies are not able to invest for replantation, the Government should come with incentives and subsidies for the modernisation of tea estates. The Central Government and the Tea Board have key roles to play in the modernisation process by providing a long term support system. The long term support system is required because the replantation and its connected work are long term capital investment.
3. Most of the factories are using age old machineries. No technological improvements are taking place in this industry. It is very important to take proper measures by tea companies to introduce advanced technologies to improve quality of the manufactured tea. This mechanisation process also need long term investment. Thus the Government should come to support with a viable incentive scheme for the mechanisation process in the tea factories.
4. The largely manufactured tea in Kerala is Orthodox variety. It is seen that no research and development activities have been undertaken by the Government and companies for the diversification of the product range of the tea. In this context it is imperative to conduct a market research to assess the customer preferences in the tea market to diversify the product range of the tea. The Tea Board and Government agencies in co-operation with the tea companies should undertake this task for introducing new product range of tea on the basis of the study in order to augment the demand level.
5. After the introduction of free import policy, low quality tea from other countries are being imported and re-exported either directly or mixing up with the Indian tea with the Indian brand name. This reduces demand and price of Indian tea in foreign markets. Restrictions on import and implementation of strict quality control measures from the part of Government are required to reduce the import of cheap tea.
6. Since tea plantation industry is an agro-based industry it has to pay agriculture as well as industrial taxes which will increase the cost of production. Considering the situation of high cost of production and low price realisation faced by the industry Government could help the tea companies by reducing the tax burden by amending the Kerala Agriculture Income tax Act and Kerala Plantation Tax Act.
7. One of the major problems faced by the tea industry for the actual price realisation is the hurdles related to the tea auction process. The intermediaries have enough space in the auction process to corner a sizable amount of the tea price. So the Government

should take steps to amend the present Tea Marketing Order in order to get the actual remunerative price to the producers. The rooms provided in the auction process for doing malpractices should be curbed.

8. It is suggested that the collected agriculture income tax should be invested in the plantation sector in the form of social forestry, water and soil conservation activity. It will generate additional employment opportunities for the plantation workers. And in turn it will provide a conducive eco-system in the plantation sector.
9. The Plantation Act should be amended in such a way that multi-cropping system could be introduced in the tea plantation in the place of mono-cropping. Fruit plants such as orange and apple could be cultivated in the admissible area in the tea plantation. This innovative crop pattern will increase the income of the tea plantation estates and the same time this will create more employment opportunities.
10. As a part of the diversification strategy Aqua-culture, Goat farming and Poultry shall be introduced in the appropriate locations of the tea estate in order to generate new jobs and additional income in the tea plantation sector.
11. Being Kerala “a must see tourist destination” among the 50 tourist destination in the world with a global tourism tag of “God’s own country”, plantation tourism has immense potential. This opportunity can be capitalised by promoting plantation tourism with the necessary amendments in the Plantation Act and Rules. This will create additional income to the tea industry and more employment opportunities.
12. A tendency has been seen in the plantation sector that the younger generation seek job outside the tea plantations. If the Government takes steps for promoting multi-cropping system, plantation tourism, aqua culture, got farming and poultry the younger generation of the plantation employees can be retained in the plantation sector.
13. The most serious problem faced by the small tea growers is the disposal of their produce. They are getting a lower rate fixed by the manufacturing companies. Thus they are struggling to keep their small estate running. It is strongly suggested that steps should be taken by State Government in consultation with the Small Tea Growers’ Associations and Trade Unions to formulate Small Growers and Workers Cooperative Tea Manufacturing factories.
14. Tea companies are providing basic facilities to the employees according to the Plantation Labour Act 1951. But now most of the companies are facing crisis and find difficult to provide it properly. In this regard Government could help the companies to

develop more infrastructural facilities in plantation area. Facilities like roads, health services, drinking water supply and transportation can be properly provided to the employees in association with the Local Self Government Institutions.

15. In view of the mounting crisis in plantation sector in Kerala, the State Government has declared a slew of measures for protecting the interest of the industry as well as the plantation workers. They are:
 - a. Abolishment of Plantation Tax
 - b. Moratorium on Agriculture Income Tax
 - c. Legislation to take over closed tea estates
 - d. Initiatives to formulate a Plantation Policy
 - e. Bringing the plantation workers under the Employees state Insurance Corporation
 - f. Excluding the plantation sector from the purview of Kerala Forest (Vesting and Management of Ecologically Fragile Land) 2000

The above measures are taken by the Government on the recommendation of the Justice Krishnan Nair Committee Report submitted to the Government in 2016. The State Government, the Agencies and Departments should come seriously to implement these measures in letter and spirit.

16. The socio-economic conditions of the families of plantation workers are found poor in comparison with the workers of other sectors in Kerala. Their household assets, income, debt position are found to be worse. And their debt burden has been increasing year after year. The Government should adopt policy measures in cooperation with the tea companies to raise the standard of living of the workers. The quality of work life of the employees is important for increasing the productivity of the industry.
17. It is also noted that 80 per cent of the plantation families have taken loan from the money lenders with high rate of interest. This has been badly affected their financial position. The Government should come forward to encourage them to take institutional loans as part of the programme of financial inclusion and financial literacy.
18. The most important problem confronting with the plantation workers is their housing problem. They live under dilapidated structures of hundred years old dwelling houses called Layams. It is seen that no repairs and maintenance have been effected to these buildings from time to time. This makes the situation more dangerous where an average of 6-8 persons resides in one living room with a small portico and kitchen. It

is suggested that steps should be taken in the initiative of the Government with the cooperation of the tea companies to get the Layams immediately repaired.

19. As a medium range measure the State Government in consultation with the tea companies to build Pucca apartments to solve the housing problem of the plantation workers. The required amendment in the Acts, Rules and Memorandum of Understanding should be effected for this. The construction of new dwelling units for the tea plantation workers can be conveniently incorporated in the 'Life Paarppidam Programme' of the State Government.

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**A STUDY ON THE IMPACT OF CURRENT CRISIS IN TEA INDUSTRY ON THE
PLANTATION WORKERS IN KERALA**

Interview Schedule for the Employees

1. Name of Employee:
2. Name of the Plantation/Factory/Company:
3. Category of Employee
 - a) Field Employees
 - b) Factory Employees
 - c) Office Employees
4. Gender
 - a) Male
 - b) Female
5. Marital Status
 - a) Single
 - b) Married
 - c) Divorcee
 - d) Widower/Widow
6. Type of Family
 - a) Micro Family
 - b) Joint Family/Extended Family
7. Education
 - a) Illiterate
 - b) Literate
 - c) Below SSLC
 - d) SSLC
 - e) Degree
8. Age
 - a) Below 20
 - b) 21 – 30
 - c) 31 – 40
 - d) 41 – 50
 - e) Above 50
9. No. of years of service
 - a) Up to 5 years
 - b) 6-10 years
 - c) 11-25 years
 - d) Above 25 years
10. Type of Worker
 - a) Native worker
 - b) Migrated worker
11. Community Status
 - a) SC/ST
 - c) OBC
 - d) General
12. Language spoken
 - a) Malayalam
 - b) Tamil
 - c) Kannada
13. Hours of work per day
 - a) 8 hours
 - b) 9-10 hours
 - c) More than 10 hours

14. Wage Rate

- a) Minimum wages b) more than minimum wages c) Wages as per labour agreement

15. Payment of wages

- a) Per Day b) Per Month

16. Status of House

- a) Owned b) Rented c) Provided by the Company

17. No. of workers in the family

- a) 1 b)2 c)3 d) 4 and above

18. Type of House

- a) Kucha House (Hut) b) Pucca House (Tiled or concrete roof)

19. Space inside the house

- a) One living room b) Two living rooms c) More than two living rooms

20. Household Assets

Variable	Yes/No		Rating of Sufficiency			Trend over a period of 10 years	
	Yes	No	Good	Average	Poor	Increased	Decreased
Furniture							
T.V							
Radio							
Mobile Phone							
Kitchen Vessels							
Livestock							
Vehicles							
Ornaments							
Deposits & Certificates							
Bank Balance							

21. Other Facilities Provided to the Employees by the Company

Variable	Yes/No		Rating of Sufficiency			Trend over a period of 10 years	
	Yes	No	Good	Average	Poor	Increased	Decreased
Land for Cultivation							
Drinking Water							
Electricity							
Sanitation							
Protective Clothing							
Medical Care							
Education to Children							
Recreation Facilities							
crèche							
Conveyance Facilities							
Communication Facilities							

22. Service Benefits

Variable	Yes/No		Rating of Sufficiency			Trend over a period of 10 years	
	Yes	No	Good	Average	Poor	Increased	Decreased
Leave with wages							
Maternity leave							
Provident Fund							
Family Pension							

23. Financial Position

A. Income

1. Monthly Wages and Salaries from plantation/Industry: Rs.....

2. Wage Rate

a) Field Worker Rs..... b) Factory Worker Rs..... c) Office Worker Rs.....

3. Monthly amount of other source of income: Rs.....

4. Amount of monthly family income :Rs.....

5. Rate of sufficiency of your monthly income

a) Good b) Average c) poor

6. Trend of your income over the past 10 years

- a) Improved b) Declined

B. Expenditure

1. Average Monthly Family Expenditure

Expenditure on	Rupees
Food	
Clothing	
Fuel & Electricity	
Medical Treatments	
Education	
Entertainments	
Household Amenities	
Travel	

2. Sufficiency of Monthly Income to meet monthly expenditure

- a) Good b) Average c) Poor

3. The status of the gap between income and expenditure

- a) Increasing b) Decreasing

C. Savings

1. Monthly Savings Rs.:

2. Annual Savings Rs.:

D. Indebtedness

1. Annual Debt Rs.:

2. Annual Loan taken for family requirement such as medical treatment and education:

3. Annual Loan for marriage:

4. Annual Loan taken for Household Appliances:

5. Type of Loan

- a) Institutional b) Indigenous

6. The status of manageability of debt

- a) Good b) Average c) Poor

7. Trend of debt for the last 10years

a) Increasing b) Decreasing

24. Knowledge of Employees about the crisis in the tea Industry

Particulars	Awareness		Rating of Crisis about its seriousness			Trend in the last 10 years	
	Aware	Unaware	High	Average	Low	Increase	Decrease
1. High Cost of Production							
2. Low price realisation							
3. High international 4. Competition							
5. Huge import of tea from other countries							
6. Labour and Union related problems							
7. Transportation problems							
8. Tax problems							
9. High wage rate							
10. Low quality of product							
11. Intermediaries in the auction of tea							