

## CHAPTER – IX

### STRATEGIES FOR DEVELOPMENT OF TEA GARDENS AND TEA INDUSTRY

#### INTRODUCTION

Development of plantation of tea is conceived as an approach designed to improve the economic and social life of a specific group of poor garden people. The idea of rural development in India dates back right to the pre- independence days of Mahatma Gandhi. Rural development to Gandhi was national development and he viewed that each rural community stands on its own feet and contributes to national development (Mishra, 1979). Thus he can be termed as a pioneer and a champion of rural development (Sing, 1989).

The Indian Tea Industry, in order to survive and grow must improve production and reduce its cost of production drastically through productivity optimization. There is need for detailed research into the latest production and marketing trends worldwide. The govt. has to encourage this introspection with the right incentive because in this era of globalization India needs to be aggressive in carving out the share of world trade it deserves. The ground reality is that while an exporter like Sri Lanka consistently invests huge sums in the promotion of its tea, the Tea Board of India, spends virtually nothing. We need some thing that is easy to work with and which will focus on existing potential and its exploitation, won't need heavy investments and will achieve the objective in the shortest possible time. (Boriah, 1999)

#### 9.1 DEVELOPMENT OF TEA INDUSTRY BEFORE INDEPENDENCE

The tea industry's significance in the Indian economy is immense. The hard numbers are mind – boggling. India is one of the largest producer and explorer of tea in the world market. Tea contributes a substantial part in the expert development of India.

The role played by the pioneers of tea prior to Independence is a saga of courage, entrepreneurship, and determination. Sir Percival Griffiths, in his History of the Indian Tea Industry (London, 1967) – is considered to be one of the best accounts of the early years – described that the first planters had “to hew their way through trackless jungles to cope with disease and the ravages of wild beasts, to recruit and maintain the morale of the workers from distant provinces, and last, but not least, to learn the technique of tea cultivation and manufacture.

In 1841, Dr. A. Campbell brought Chinese tea seeds from Kumaon and planted them in his garden in Darjeeling town – commercial cultivation began around 1852 – 53. By 1874, there were 113 tea gardens in Darjeeling District alone. This inspired planters to try out tea

cultivation in the Terai region. James White set up the first Terai Plantation Called Champta in 1862.

When the Terai region an unhealthy forest area of the state came under British rule, the British Govt. wanted to utilize this tract of land for growing tea, a commodity which was then strongly in demand in Great Britain and invited British businessmen to start tea estates in the Terai where soil and climate were found to be fit for tea cultivation. By the year 1878, a large number of tea gardens had been started in the best available sites of Terai, all by British planters. After 1 year the first Indian joint stock company, The Jalpaiguri Tea Company Ltd was established with an authorized capital of Rs 50,000/- dividend in 200 shares of Rs 250 each. There was no dearth of people who discouraged the enterprises, donated nothing the pioneers went from house to house asking people to subscribe only one share each. In this period, the then British Government stopped formation of all new tea estates on Govt. Khas lands presumably because the entire entrepreneur was Indians. To avoid this difficulty, Indian Planters started purchasing 'jote' lands from private parties and then sought government permission to convert the jotes to tea estates.

In 1915, some eminent persons who were connected with a few companies made a proposal that Indian managed tea companies of Terai & Jalpaiguri district should form an Association for safeguarding the legitimate interests of Indian Planters and ventilation of their grievances to the government. The principal organization of the tea growers at that time was "Indian Tea Association" (ITA) which was wholly non - Indian in its set up. In 1922 the association submitted a memorandum and directly presented it before the Royal Commission on labour known as Whitley Commission. The Whitley Commission was deeply impressed with the representations made by the Association as well as by the welfare arrangements for workers. The Association had already set up a subsidiary wing under the name of the Indian Planters Medical Board. The functions of this board were to assist the Medical officers of a tea estate in serious diseases as consultant and to advice the estates for improvement of their medical and sanitary services. Under the care of this group, the arrangement of health and sanitation and the anti-malaria operations were so good that Whitley Commission highly complemented the Association for its labour welfare activities.

Indian Planters made enduring contributions in building up the social infrastructure and took a keen interest in rescue operations during natural calamities. The First Welfare Project undertaken by the Indian Tea Industry was the establishment of the Prince of Wales Technical School.

In 1858, George Williamson, founder of Williamson Magor bought two tea gardens called Cinnamara and Senglung in Sonari, Assam, which had belonged to Maniram Dewan, first Indian tea planter ( Dewan had been hanged by the British for taking part in the Mutiny and his estates had been sold at a throwaway price ). Williamson sold these gardens 2 years later and through a will dated 23 Feb, 1865, donated about 10,000 pound for opening libraries and schools in the area. This was among the earliest instances of a planter wishing to give something back to the land that had brought him prosperity. An Assamese businessman, Bholanath Barua, donated a lakh of rupee to one of these schools which enabled its up gradation and it was then renamed Prince of Wales Technical School (The Heritage of Indian Tea, 2002).

There were no hospitals or doctors in those early days in the tea estates. People in droves died of Malaria and Kala – azar. Hookworm infestation was a common disease affecting the tea workers. Planters learnt some basic elements of health care they carried their own medicine chests, using them to cure their own workers. An early planter, E.G. Fley, wrote, ‘when I was an assistant it was my duty to administer the medicines to all sick workers who were brought to me by the line chowkidar. With the aid of Dr. Goodeve’s book I did my best. The specifics were quinine, chlorodyne and castor oil....naturally, the mortality of the gardens was of very high percentage.’

In 1895, the Indian Tea Association, financed research on Kala – azar, malaria and hookworm at the School of Tropical Medicine and Hygiene, Calcutta. An injection to counter kala – azar was discovered by Dr. U. N. Brahmachari, from then onwards the disease was no longer fatal. The tea industry has a history of providing food security to its worker. As the estates are located in remote areas, the provision of food is an important part of estate management. Food has always been subsidized to protect workers against price increases.

Tea crisis of 1932 completely paralyzed the tea industry. The Planters of North – East India was very much perturbed about how to keep the industry alive. In this respect, the tea planters made their decision that tea industry as a whole should limit the production and cultivation of tea at least for some years and try to expand the internal and external markets.

The ball thus set rolling by Indian and non Indian planters culminated in the biggest event for the sustenance of the tea industry, namely the setting up of the International Tea Committee and International Tea Market Expansion Board in 1933 and the passing of Tea Control Act by the Government of India.

Every asset has to be carefully marketed. India has commanded a position of leadership in the quality and quantity of its tea output among the tea producing countries in the world due to

its long running research endeavors. The role of research is immense for two principal reasons. Firstly, the tea industry combines roles in agriculture, manufacturing & marketing. Secondly, tea is grown in varying terrains & climatic conditions which have a bearing on cost, quality and yield.

Leading tea companies had their own research programme. The saga of research and development began in 1824 when the first specimens of indigenous tea plants from Assam were given to Dr. R. Wallich for scientific study. He visited Assam after undertaking a boat journey of over 4 months and submitted his report in 1835. Several other scientists, like Dr. W. Griffith and Dr. J. Mc Lelland, were also associated with tea research.

The Indian tea Association was closely associated with the scientific study of tea in Assam, but the industry as a whole was involved for the first time when James Buckingham of Aurgooria Tea Estate asked for the views of planters on the special qualities of Albizzia stipulation. The planter's replies were published by the Indian Tea Association in 1885.

The Association established a Scientific Research Organization in 1899 which was the precursor of the 'Tocklai Experimental Research Station' founded in 1911. This organization conducted useful research for the introduction of scientific methods into tea cultivation. It was followed by a scientific department set up by the United Planters Association of Southern India in 1909.

Harold H. Mann, a well known agricultural scientist, was appointed in 1900 to conduct research on methods of growing and making tea in north-east India. He set up an Indian scientific station at Heelekah Tea Estate near Moriani, and recommended the use of oil cakes and cow dung to energize the exhausted soil. Mann discovered that water logging was responsible for greatly reducing the quality of the soil, and therefore suggested proper drainage. His efforts led to a full fledged research station, conducting studies on the cultivation of tea, being set up in Tocklai in 1911.

The Tocklai Experimental Research station, established by P. H. Carpenter and supported by an entomologist and a mycologist, is today the largest organization conducting research on tea in the world. Its activities cover all aspects of tea cultivation and manufacture. Its principal achievements have been the development of high yield varieties of the tea plants, effective pest control, better drainage system and techniques of cultivation. In 1938, an advisory department was set up with the aim of transferring technology to members of the Indian Tea Association. On 1<sup>st</sup> January 1964, the Tea Research Association was formed to take over the management of the Tocklai Experimental Research Station. The Tea Research Association is a statutory co-

operative research organization. It has a substation at Nagrakata and it is an advisory centre also.

## **9.2 DEVELOPMENT AFTER INDEPENDENCE**

Independence in 1947 ushered in dramatic changes in the tea industry. Industrial giants moved into the large tea estates vacated by their European owners. These Indian entrepreneurs improved the quality and distribution networks by introducing technological changes. After independence the tea business gradually began to pass into the hands of Indian businessmen. The Marwaris and others took over many tea estates from the European and contributed to the development of the tea industry by adopting modern techniques in the cultivation & manufacture of tea. The Khaitans, Birlas, Goenkas, Pauls, Jajodias, Dhanukas, Jalans, Poddars, Sethias, Kotharis, Lohias, Saharias, Berias, and Ruias also became major owners of tea Gardens. Today 90 % of the tea industry is owned Indians, and of this the share of the Marwaris is nearly 80 percent.

### **9.2.1 THE TEA BOARD & RESEARCH ACTIVITIES**

Under the Tea Act 1953, the Union Government had taken the tea industry under its control. The Tea Board was formed under the act with a chairman and 30 other members representing producers, workers, traders, consumers, state government and parliament. The functions of the Board are defined in the Tea Act. It is directed towards the development of the tea industry and trade in the sphere of production, extension of area under tea cultivation, improvement in quality of tea, promotion of co-operative efforts among growers and manufacturer, undertaking promotional campaigns for increasing export of tea to foreign countries, issuing of export license, collection of tea statistics & adoption of welfare measures for workers.

The Tea Association of India spends Rs 2 million annually on several welfare projects and these include the conversion of Kuchha schools into Pucca ones and digging deep shaft wells. It has also contributed to the chief minister's relief fund and renovated many old educational institutions. Besides these, various cultural organizations such as the Sahitya Sammelan, are assisted by the Association.

The Consultative Committee of Plantation Association consisting of 9 tea associations from Assam, Dooars, Terai, Darjeeling and Southern India has implemented several development programmes. The north-eastern Tea Association, Tea Association of India, United Planters Association of Southern India, Assam Tea Planters Association, Bharatiya Cha Parishad, Dooars Branch Indian Tea Association, Indian Tea Planters Association, Darjiling

Tea Planters Association, Terai Indian Planters Association, and Kangra Valley Small Tea Planters Association have contributed to the betterment of the living standards of the local people. All the tea estates are the members of one or other of these producers associations.

The Indian Council of Agricultural Research, government of India, started setting up Krishi Vigyan Kendras to increase rural income and employment by improving farming practices under the aegis of this association in 1983. Farmers and young people were taught how to cultivate crops, principally tea. The best Krishi Vigyan Kendra award was awarded to the Krishi Vigyan Kendra of the United Planters Association of Southern India during 1996 – 97. A few small grower enhancement schemes were also implemented by the association which was sanctioned by the government of India.

The Tea Research Institutes receive funds for specific projects from the National Tea Research foundation and also from other funding agencies. The total investment on research and development activities is more than rupees ten crores per annum and about 500 scientific personnel are involved in research and extension activities. A major input in the progress of tea industry has been the Research and Development (R&O) efforts and more significantly the effective transfer of research findings from laboratory to land. The Tocklai Experimental stations and the United Planters Association of Southern India (UPASI) are managed by Associations of Tea Planters and there is a strong interaction between the scientists and the planting communities. The Research Extension linkage of these institutes is unique as it comes under a single umbrella unlike in many other institutions where research and extension activities are separate entities.

There is a need for intensive research on tea. It should focus on –

- (i) Compressing the breeding cycle and micro propagation and genetic engineering.
- (ii) Use of some clone variations as a breeding test for genetic improvement of crops.
- (iii) Stress and salt tolerance to be developed.
- (iv) Selective plucking should be developed and conveying of plucked tea leaf from field to factory.
- (v) Remote sensing for optimum exploitation of ground water, flood control, soil conservation and water management schemes.
- (vi) Development of environmentally safe methods for the control of insects, pests and diseases.
- (vii) Precise identification and quantification of various constituents responsible for flavour and liquor characteristics in tea.
- (viii) Process control, improvements and energy conservation.

- (ix) Design, development and integration of electronic monitoring and control systems at various stages of manufacture (Tea Culture Processing & Marketing).

### **9.2.2 FINANCING IN TEA INDUSTRY**

The long term development needs of the tea garden were not fulfilled by the financial institutions under a tie up arrangement with the Board who provides subsidy part for the same. The commercial Banks were, therefore, accommodated under agricultural refinancing scheme of the NABARD for refinancing facilities. The records of the tea garden to utilize long term finance are rather poor. The tea industry has also not been availing facilities from Industrial Development Bank of India.

In the context of the immediate measures required for restoration of health of the tea bush and the desirability to have one institution monitoring there is requirement of term loan: NABARD is now directly looking after the subsidy scheme created to take care of the problems of tea gardens. The other plantation finance scheme would remain non-operative for the time being. While the industry welcomes the move at the first instance their reluctance to come forward to avail the interest subsidy scheme has been a matter of serious concern for the long term prosperity of all the tea gardens. It is only through participation of financial programme of credit institution that the Terai tea would be able to see better days in future.

Above all the government would be ensured that a dependable forum would now exist who would take care of fund released and protect the interest of the workers and the industry. It is in this context the urgency and desirability of a monitoring is felt for the Terai tea industry. The body far from being a paper organization would require ensuring that tea gardens not only participate in the developmental programme and interest subsidy scheme but are also run as per provisions of the Tea Act and follow scientific prescriptions of T.R.A and other research institutes for the betterment of the crop and the industry.

### **9.2.3 REGULARIZATION OF ILLEGAL TEA GARDENS**

The state government has started the process of regularizing tea gardens which didn't have a legal status so far, in four districts of North Bengal. No objection certificates had been recently issued by the authorities to stop such gardens in the area. There are about 300 tea gardens spread over North Bengal which have come up over the past 15 years but which lay out side the purview of the relevant labour laws. These gardens employ a total of nearly 50,000 persons. Officials in the local tea industry here say that with the regularization of these tea gardens, the employees will be entitled to various work benefits. The tea garden owners too

can avail the financial assistance from banks and the Tea Board once the tea gardens are regularized. The move to regularize these tea gardens had earlier been resisted by different political parties including those of the Left Front who had then objected to the setting up of these gardens. Even the powerful Krishak Sabha, a frontal organization of the CPI (M), opposed to running of these 'illegal' tea garden.

#### **9.2.4 VARIOUS LABOUR WELFARE PROGRAMMES**

The West Bengal Labour Welfare Board has been constituted by the government of West Bengal for rendering and promoting welfare activities amongst the workers in West Bengal who are covered by the West Bengal Labour Welfare Fund Act, 1974. The Board has extended its activities in the plantation as well. The Board is running 15 Labour Welfare Centers including five model Labour Welfare Centers in the plantation area of North Bengal. These centers cater to the recreational needs of plantation workers by providing them with sports, goods, arranging various cultural programmes, sports and games competition, celebrating national and international events.

The activities of the Labour Welfare Centers can be broadly divided into three categories:

**(i) Games and Physical Exercise:** In this section there are provisions and arrangements for indoor and outdoor games, such as chess, carom, football, volleyball, badminton etc. Again in each center, annual sports are conducted for both children and adults. Besides these, in some of the centers there are arrangements for conducting physical exercise under the supervision of trained physical instructors.

**(ii) Recreational and Cultural Activities:** Almost all the centers have been provided with radio and television sets. In different centers, days of National importance and birthdays of great men are observed with due solemnity. Cultural functions and cinema shows are also arranged from time to time at different tea gardens.

**(iii) Vocational Training:** There are arrangements in different centers for training in sewing, knitting and embroidery by trained female instructors. This facility can be availed by the workers to supplement their income.

#### **9.2.5 CONTRIBUTION OF TEA TO THE ECONOMY AND SOCIETY**

Tea is mainly an agricultural product and tea gardens are mostly located in remote, rural and backward areas of the country, away from the glamour of the city lights. The sizes of the tea gardens vary from as small as 1 bigha to as 1000 hectares and sometimes even larger. In places

were tea gardens are situated, tea cultivation is the only activity that supports the economy of those areas.

#### 9.2.5.1 TEA & EMPLOYMENT

Tea Industry being labour intensive directly employs over 11 lakh (1.1 million) workers, the largest in any industry. It looks after more than 30 lakh dependants of these employees, and along with the associated ancillary activities of distribution of tea, warehousing, retailing, tea shops etc. directly & indirectly supports 2 % of the total population of the country. The employment in the tea estates is family based and women constitute 50 % of the total work force.

The Tea industry appeals to be the largest employer in the organized sector in India. A comparison with the employment figures of some of the other industries/services is given below: (Table 9.1)

**Table 9.1 Employment figures of various industries**

Category Employments	No. (Approx) in 000
Insurance	200
Banking	550
Port and Docks	250
Railways	170
Coal and Other Mining	400
Tea	1100

#### 9.2.5.2 SUPPORTING THE SMALL TEA GROWERS

The tea industry today supports more than 50,000 small growers in the country who are able to earn better value for their produce and reach a larger market despite having no infrastructure of their own. This started in South India at one time, is now prevalent in the north – east also (R. S. Jhavar).

The Tea Board of India has implemented a scheme for the overall development of the small tea growers which provides them with loans or subsidies to set up new plantation in new areas. It also imports training on modern aspects of tea cultivation and manufacture, supply of materials and other inputs and also organizes field and factory tours.

As a consequence, these days tea cultivation is generating an income for people and also becoming a popular career choice for young people. People have almost started growing tea in their courtyards. An investment of approximately Rs. 80,000/- to Rs. 100,000/- per hectare is

needed, and on an average, tea cultivated on a hectare of land produces 15,000 – 18,000 kg of tea leaves. These are then sold to large gardens at a price ranging between Rs. 18 -19 per kg.

### **9.2.5.3 CHALLENGES CONFRONTING SMALL TEA GROWERS**

The unfortunate thing is that there is no monitoring of the produce of small tea growers. The poor quality of their produce has become a serious problem for the industry. It is felt that the quality standard is being neglected by the small growers in order to increase production (Heritage of Indian Tea, 2002).

The rapid growth of the small tea growers has been rather un-regulated and has resulted in some social and security problems which need to be tackled soon. The Tea Board of India should register both small tea growers and 'bought leaf factories', and the sale of green leaf should be allowed only after production of valid registration certificates.

Tea in small holdings does exist in many other parts of the world as well. There are about 75000 hectares of Tea in Kenya, of which 48,000 hectares are grown by 1, 26,000 small holders whose average size of holding is 0.38 hectares.

### **9.2.6 ECO – FRIENDLY ENVIRONMENT**

In a world where ecological degradation has reached alarming proportions and the management of the environment is now a primary concern of the policy makers around the world, the Tea Industry provides a non – polluting atmosphere through miles and miles of lush green plantations.

#### **9.2.6.1 CARE OF ENVIRONMENT AND RURAL DEVELOPMENT**

The tea gardens are located in areas where infrastructural development is lacking, and other employment opportunities are low, the industry has undertaken several social, literary and welfare activities outside the tea estates. These activities include building and assisting schools and colleges, hospitals, cultural and sports complex, libraries and temples. Generating employment opportunities by providing technical training and handicraft development scholarships for technical and higher studies, providing drinking water, medical facilities, and providing assistance in upgrading agricultural practices are just to give a few examples of such welfare activities.

### **9.2.7 SOCIAL SECURITY FOR PLANTATION WORKERS**

There is no commonly accepted definition of the term 'Social Security'. The International labour organization has defined social security as the "Security that society furnishes through

appropriate organization against certain risk to which members are exposed. These risks are essentially contingencies against which the individual of small means and meager resources control, effectively provided by his own ability or pre – sight or even in private combination with his fellows, these risk being sickness maternity, invalidity, old age and death. It is the characteristics of these contingencies that they imperil the ability of the working man to support himself or his dependant in health and decency.

The Govt. has framed schemes to provide social security benefits for the plantation workers. Table9.2 shows the schemes available for plantation workers.

**Table 9.2 Social security scheme for plantation workers**

Scheme	Types of Benefit	Benefits available to Plantation Workers
1	Old Age	a) Employees Provident Fund b) Gratuity
2	Survivor Benefit	Dependents employment on Superannuation and or death Of the worker
3	Loss of Employment	Retrenchment compensation as per Provisions Act 1947
4	Employment injury	As per Provision of Workers Compensation
5	Medical Care	As per provisions of PLA Act 1951
6	Sickness	”
7	Maternity Benefit	As per provisions of maternity Act.

An imp social security measure for the plantation workers was adopted through the introduction of the Employees Provident Fund and Miscellaneous Provisions Act 1952.

### **9.2.8 STRATEGY FOR OCCUPATIONAL SAFETY & HEALTH FOR PLANTATION WORKERS**

The plantations have a distinct form of production organization and process where it is difficult to distinguish between health as safety problems arising out of occupation and those arising otherwise. The occupational hazards in tea industry can be broadly classified under two heads mechanical and health hazards.

These hazards can be averted by creating alertness among the workers against the damages associated with the operations. Proper handling and maintenance of machines helps to minimize the accidents. The Plantation Labour Act states that if any accident occurs which

causes death or bodily injury to a worker by reasons of which the injured worker can not work for a period of 48 hours or more or which is of such a nature as may be prescribed in this behalf, the employer shall send notice to the prescribed authorities. Protective clothing is provided to workers engaged in spraying operations. Every employer shall supply to every worker free of cost at specific intervals such materials for protection from rain or cold as may be notified by the State Government.

### **9.2.9 INTRODUCTION OF PANCHAYAT SYSTEM IN TEA GARDEN**

Since 1997, the West Bengal Government has taken special initiative to introduce Panchayat System in the tea garden. The main objective of the Panchayat system is to make the garden people economically and socially conscious. There is a proposed to increase the socio economic condition of the workers. Thus it is seen that after independence the relation between the worker and the planters have become more formalized. The existing master and servant relationship was replaced by employer and employee relationship. The planters started losing grip over the workers, which they had maintained formerly. The workers here are not wholly dependent on the mercies of the planters.

### **CONCLUSION**

It has been observed that application of national plantation development strategies are contributing much for the area development but as the needs and problems of different area differs, there are short comings in implementation of these programmes in Terai. In view of the complex nature of the problems of the area, various developmental strategies were introduced in the pre independent period and post – independent period. It is evident that most of the tea planters are paying attention in afforestation. Therefore afforestation in gardens is highly essential to protect land against erosion, moisture conservation and to reduce flood as well as siltation. Therefore, Social Forestry Programme with quick growing species has to be emphasized in every part of the tea garden to improve shade tree, fuel wood as well as to maintain the natural balance.

Though extensive development work has taken place in mostly all the tea gardens of the area with the implementation of different development strategies, the problems of the people in general and the tea industry in particular remains precarious. The problem based strategies have been suggested for solving the problems in the concluding chapter.