

# Factors affecting socio-economic status of farm workers of tea industry in Himachal Pradesh

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#### **Abstract**

The present study was carried out in Kangra district of Himachal Pradesh to analyse the various dimensions of human work-force employed in tea plantation and processing. 100 farmers, 50 each from production and processing were randomly selected. The study showed that the education status of the respondents was extremely low particularly those of women. Workforce engaged in processing was comparatively more qualified (upto the metric standard) than those engaged in production. Most of the workforce had only traditional knowledge and skill to work in the tea plantation. 80% of the workforce employed in tea processing was male. 74% of workforce was casual due to the seasonal requirement of the human resource in the tea factories. Tea industry was contributing 64% of total income of the casual workforce. The permanent workforce was earning 57% more than the casual. Due to more income and privilege of compulsory saving in GPF/CPF or EPF, permanent workforce saves more than the casual workforce.

Key words: Tea industry, Socio-economic status, Human workforce

Tea is one of the cheapest beverages in the world. At present 45 countries grow tea over an area of 1.4 million (m) ha with annual production of 3726.7 m kg. China stands first with 1094 m kg of tea production (29.4% of total tea production in world) followed by India with 944.7 m kg (25.3%). For a number of developing countries it is an important commodity in terms of jobs and export earnings (Majumder and Roy, 2012). In India tea is grown on an area of 0.427 m ha and is considered as one of the major foreign exchange earning commodities. A survey conducted by the Indian Tea Board reveals that 89% of the people take tea as their habit, 8% for refreshing their minds and 3% for appeasing hunger (Sarma, 2013). Tea industry of Himachal Pradesh is about 150 years old. Its cultivation in this region was started in 1849, when Dr. Jameson, the then Superintendent of the Botanical Gardens North - West Province, Peshawar visited the area to ascertain its suitability for cultivation after observing preliminary success of tea plants at nursery stage introduced from China. He recommended the lower slopes of Dhauladhar ranging between 900-1400 m altitude receiving annual precipitation of 1500-2500 mm and soil pH below 6.0, as the most suitable areas for its cultivation.

In Himachal Pradesh, tea (*Camellia Sinensis* (L) O Kuntze) is grown in mid hills, sub-humid soils of Kangra and Mandi districts covering an area of about 2310 ha and producing 1.464 m kg of made tea (Dixit *et al.* 2006). Out of this an additional area of about 3200 ha in Chamba district has been identified as non-traditional land suitable for tea cultivation in Himachal Pradesh (Sharma *et al.* 1999). The first commercial tea plantation was established as 'Hailey Nagar Tea Estate' at Holta, near Palampur, in 1852 at an altitude of 1291 m (Anonymous, 2000). The produce from this plantation was sold at a very high premium price. It encouraged many private entrepreneurs with the result that by the end of 1880, about 4183 ha of area was brought under tea cultivation extending from Jogindernagar in Mandi district to Shahpur in Kangra district.

Himachal tea industry has got tremendous potential of employment opportunities. At present about 7000 workers are directly or indirectly associated with this industry. Tea industry provides the employment opportunity to almost every section of the society i.e. form illiterate (to work in plantation) to technical personnel, to work in the processing unit and R & D institutes for quality and productivity improvement.

There is a tremendous scope for the other professionals such as management, trading and transport. With the emergence of new concept of agro-eco-tourism, the beautiful green carpet of tea plantation fully equipped with all basic facilities of recreation and natural environment, is well suited to exploit this venture to generate more employment for youths as well as to boost the tourism industry of the state. The concept of organic farming will definitely enhance the employment opportunities for the youths to work in tea plantation. Keeping this in view, the present study was carried out to study the demographic structure and socio-economic status of human resource engaged in the tea plantation and processing.

### **Materials and Methods**

In this study an attempt has been made to analyse the various dimensions of human resource development with special reference to economic and social status of workforce employed in tea plantation and processing industry of Himachal Pradesh. The study was carried out in Kangra, district of Himachal Pradesh. The Kangra district was selected because it the major district growing tea. The simple random sampling was employed for the selection of farmers. Total 100 workers were selected randomly to carry out this study. Out of total sample size, 50 workers each form tea plantation and processing unit were selected proportionately from private, co-operatives and government units.

Workers were further classified in three age groups as follows

Group		Age	
A	:	20-30 Years	
В	:	31-45 Years	
С	:	46-60 Years	

The workers were interviewed with the help of structured questionnaire/schedule to collect the data from regular and casual labour working in the tea industry of Himachal Pradesh. Simple percentages and averages were calculated to analyse the data.

## **Results and Discussion**

The finding of study has thrown valuable light on the socio-economic status of workers in tea industry of Himachal Pradesh. It has also helped in analysing and evaluating the impact of social and economic securities granted to the workers in the palpation/processing unit. The findings of study shall be useful in identifying the remedial measure to improve the social status of workers so that unemployed youth can be attracted to work in tea industry.

# Demographic structure

The education status of the respondents was extremely low particularly among women (Table 1).

Table 1. Demographic structure of human workforce in Tea business in Himachal Pradesh

Particular	Distribution	Tea Processing			Tea Plantation				
	-	N=50	A (= 17)	B (= 22)	C (= 10)	N=50	A (= 11)	B (= 22)	C (= 16)
			(n=17)	(n=23)	(n=10)		(n=11)	(n=23)	(n=16)
Age group	A	34	100.0	0.0	0.0	22	100.0	0.0	0.0
(%)	В	46	0.0	100.0	0.0	46	0.0	100.0	0.0
	C	20	0.0	0.0	100.0	32	0.0	0.0	100.0
Gender (%)	Male	80	88.2	86.9	50.0	24	27.3	21.7	25.0
	Female	20	11.8	13.1	50.0	76	72.7	78.3	75.0
Education (%)	Middle	60	29.4	65.2	10.0	66	45.5	65.2	81.3
	Metric	30	58.8	21.8	0.0	26	45.5	21.8	31.3
	10+2	10	11.8	13.0	0.0	8	9.0	13.0	0.00
Employment status (%)	Casual	74	100.0	78.3	20.0	86	100.0	87.0	62.5
	Permanent	26	0.0	21.7	80.0	14	0.0	13.0	37.5

Similar results were reported by Devi (2014) who found that most of the women workers engaged in tea were illiterate. Of the respondents engaged in processing, 60% were in the class of illiterate to middle. Among the workforce engaged in production, 66% was of having middle standard education. Percentage of the qualification up to Metric standard workforce was higher in number in the processing (30%) as compared to the plantation (26%). None of tea workforce was having college education. Middle class workforce neither having any technical knowledge regarding plantation and processing management nor any training for other modern occupation. Most of the workers were equipped with the only traditional knowledge and skill to work in the tea plantation.

In processing age group B represents 46% of working strength followed by A and C. As for as gender is concerned, 80% of the workers employed in tea processing unit were male. The main reason for the major proportion of male workers in the unit is that the processing is a continuous process and carried out 24 hrs of the day during the season and needs high manual strength. As per the employment status is concerned, 74% of workers comes under the category of casual labour due to the seasonal requirement of the human resource in the tea factories.

In production, the strength of female workers was high (76%) as compared to the male workers (24%). The reason for the more female workers in tea production is the efficiency of female worker to pluck the good quality tea leaves. Majority of the workers (86%) engaged in production were due to seasonal field operations in tea.

#### Socio Economic Status

#### Income

For both permanent and casual workforce, major proportion of income was contributed by the tea industry. Perusal of Table 2a showed that tea industry contributes 66% and 64% of total income/month of the permanent and casual workforce, respectively. On an average permanent workers were earning 57% more than the casual workers. Family expenditure of permanent workers was 61% of their total earnings. The casual workers restrict their house hold expenditure to 54% less than the permanent workers (Majumder and Roy, 2012). However, their expenditure was 66% of their total income.

## Saving system

Perusal of Table 2b revealed that all permanent workers had opted the pay saving schemes whereas, 69% of

casual workforce had savings in commercial banks. Saving was more in case of permanent workers which may be due to the prevalence of saving schemes, to which permanent workers are bound to contribute up to minimum of 10% of their salary as GPF/CPF or EPF. Such saving schemes as available (i.e PPF) are not opted by the contractual/casual workers due to lower income as well as ignorance.

#### Social status

Regarding mode of conveyance, 48% of permanent labour had owned two wheelers, whereas it comes out to be 23% for casual workers. The reason of high percentage of two wheeler holders was the availability of money to meet the expenditure of vehicle and prevalence of easy finance schemes exclusively for permanent employees by the different banks and financing agencies. Nearly 85% of the permanent workforce possessed their own house, out of which 24% were newly constructed due to mild house loan schemes for permanent employees from cooperatives, nationalized, state and private banks. But in case of casual workers 60% possessed their parental house.

Regarding the basic facilities provided to the workers of tea industry, most of the permanent workers were satisfied with the medical facilities, fair price shop, drinking water supply and power supply. There was need to improve these facilities for casual workers.

As for as the security measures are concerned consensus of casual as well as permanent workers was more or less same. There was need to improve the fire protection measures in the processing unit for the safety of the workers. As per information collected regarding the satisfaction level of the workers in the tea industry, all the permanent workers were satisfied with their working condition and present employment, but 82% of the casual workforce wanted to shift from the industry subject to the better employment opportunity. So there was need to formulate socio-economic development schemes in tea industry.

From all above it can be inferred that while permanent workforce was quite satisfied with their present employment and working environment, casual workforce in Himachal tea industry wanted to shift from the industry subject to the better employment opportunity elsewhere.

Table 2a. Socio economic status of permanent and casual workforce in tea plantation and processing

Particular	Permaner	Permanent workers (N=33)	Casual	Casual workers (N=67)
	INR/month	Percent contribution	INR/month	Percent contribution
Source of Income				
Agriculture	700	7.7	009	15.3
Salary/wages	0009	65.5	2500	63.7
Family Pension	1500	4.91	450	11.5
Other	955	10.4	375	5 6
Total	9155	100.0	3925	100.0
Average expenditure				
Food	3000	537	2000	3 77
House Rent	250	A	55	;; c
Education	009	£ 01	200	: ×
Clothing	250	4.5	105	S: 4
Social ceremonies	350	£ 5	92	9.0
Repayment of loan	857	15.3	0	0.0
Miscellaneous	275	4 9	145	9 5
Total	5582	0 001	2581	0.001
Average family size (No.)				
Male	3.5	63.3	3.5	58.6
Female	2.0	29.5	2.5	41.4
Total	5.5	100.0	6.0	100.0

Table 2b. Socio economic status of permanent and casual workers in tea plantation and processing unit

Particular	Pe	rmanent	Casual		
	(N=33)	Percent contri- bution	(N=67)	Percent contribution	
Mode of saving					
GPF/CPF/EPF	33	100.0	0	0.0	
Commercial Bank	33	100.0	46	68.7	
Rural/Agri. Banks	15	45.5	25	37.3	
Co-operative bank	17	51.5	22	32.8	
Source of financial assistance (Loan)					
Commercial Bank	20	60.6	0	0.0	
Rural/Agri. Banks	3	9.1	0	0.0	
Co-operative bank	10	30.3	0	0.0	
Social status					
Two wheeler	16	48.5	15	22.4	
Four Wheeler/travelling	0	0.0	0	0.0	
Four Wheeler for transportation	0	0.0	0	0.0	
Own house	28	84.9	40	59.7	
Parental	20	60.6	40	59.7	
Purchased/new constructed	8	24.2	0	0.0	
Rented house	5	15.2	27	40.3	
By the employer (Rent)	2	6.1	20	29.9	
Private rented	3	9.1	7	10.5	
Basic facilities available					
Hospital	30	90.9	40	59.7	
School	0	0.0	10	14.9	
Govt. fair shop	30	90.9	40	59.7	
Good drinking water	33	100.0	57	85.1	
Proper electricity	33	100.0	59	88.1	
First aid	20	60.6	45	67.2	
Security in working place					
Wild animal	25	75.8	56	83.6	
Snakes	20	60.6	40	59.7	
Fire	15	45.5	25	37.3	
Water flood	33	100.0	62	92.5	
Satisfaction with work					
Family allow to work	33	100.0	60	89.6	
Satisfied with work	30	90.9	52	77.6	
Opportunity of growth	10	30.3	20	29.9	
Management satisfied with your work	33	100.0	67	100.0	
Salary/wages	23	69.7	24	35.8	
Working hrs.	26	78.8	48	71.6	
Govt. Policies	27	81.8	10	14.9	
Want to shift from industry	6	18.2	55	82.1	

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