Chapter I

Introduction.
CHAPTER- I

INTRODUCTION

Importance of tea industry in India:

Often described as the queen of beverage, tea is one of the largest organised industries of India. It is labour intensive, agro-based, export-oriented and a significant factor in the economic structure of the country. A substantial number of population get the opportunity of employment in the industry irrespective of their technical ability. Besides employment, the tea industry in the country is a single important factor in earning foreign exchange. In 1977 tea export had alone added about 800 crores of rupees to the GNP out of which 550 crores of rupees in the form of foreign exchange and 250 crores in the form of Central and State taxes.¹

India is one of the largest tea producing country, accounting almost 33 per cent of the total world production. During the period from 1951-78 the production of tea has increased from 285.399 thousand Kilograms in 1951 to 551.930

¹ Boruah, R.K., Manager, Cinnamara Tea Estate, Jorhat, 'Tea industry in India' a confidential Report submitted to an Inspecting Committee on 29th of January 1979, p. 1.
thousand kilograms in 1979. The table 1.1 shows the area and production of tea of some of the leading countries of the world.

In the plantation sector, tea occupies the highest position with regard to employment. The industry also has necessitated the growth of ancillary industries to meet its own requirements and provides substantial gainful employment too. As observed by R.C. Awasthi\(^2\) "the tea plantation\(^*\) and manufacturing industry provides direct employment to about one million workers in India." The table 1.2 furnishes a comparative statistics of the number of gardens and average daily employment in Tea, Coffee and Rubber plantations in India from 1951 to 1970.

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* The terms 'tea plantation' and 'tea estate' are also used in this study in the same sense as 'tea garden'.
Table 1.1

Total area and production of leading tea producing countries of the world.

<table>
<thead>
<tr>
<th>Countries</th>
<th>1951</th>
<th>1961</th>
<th>1971</th>
<th>1978</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Area</td>
<td>Production</td>
<td>Area</td>
<td>Production</td>
</tr>
<tr>
<td>India</td>
<td>316</td>
<td>285</td>
<td>331</td>
<td>354</td>
</tr>
<tr>
<td>Ceylon</td>
<td>230</td>
<td>148</td>
<td>237</td>
<td>206</td>
</tr>
<tr>
<td>China</td>
<td>-</td>
<td>65</td>
<td>-</td>
<td>157</td>
</tr>
<tr>
<td>Indonesia</td>
<td>30</td>
<td>48</td>
<td>137</td>
<td>74</td>
</tr>
<tr>
<td>Japan</td>
<td>28</td>
<td>44</td>
<td>49</td>
<td>81</td>
</tr>
<tr>
<td>Russia</td>
<td>69</td>
<td>24</td>
<td>63</td>
<td>40</td>
</tr>
<tr>
<td>Turkey</td>
<td>3</td>
<td>0.3</td>
<td>14</td>
<td>5</td>
</tr>
<tr>
<td>Kenya</td>
<td>8</td>
<td>7</td>
<td>18</td>
<td>13</td>
</tr>
<tr>
<td>Uganda</td>
<td>3</td>
<td>2</td>
<td>8</td>
<td>5</td>
</tr>
<tr>
<td>Tanzania</td>
<td>4</td>
<td>1</td>
<td>8</td>
<td>4</td>
</tr>
<tr>
<td>Malaysia</td>
<td>9</td>
<td>6</td>
<td>12</td>
<td>14</td>
</tr>
<tr>
<td>East Africa</td>
<td>24</td>
<td>16</td>
<td>46</td>
<td>36</td>
</tr>
<tr>
<td>Argentina</td>
<td>3</td>
<td>0.2</td>
<td>30</td>
<td>9</td>
</tr>
</tbody>
</table>

Table 1.2

Number of estates and employment in Tea, Coffee and Rubber Plantations in India during the period 1951-70

<table>
<thead>
<tr>
<th>Year</th>
<th>Tea</th>
<th>Coffee</th>
<th>Rubber</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Number of estates (000's)</td>
<td>Employment</td>
<td>Number of estates (000's)</td>
</tr>
<tr>
<td>1951</td>
<td>0</td>
<td>1,018</td>
<td>0</td>
</tr>
<tr>
<td>1956</td>
<td>0</td>
<td>1,005</td>
<td>0</td>
</tr>
<tr>
<td>1961</td>
<td>9,499</td>
<td>323</td>
<td>47,406</td>
</tr>
<tr>
<td>1962</td>
<td>9,653</td>
<td>316</td>
<td>43,267</td>
</tr>
<tr>
<td>1963</td>
<td>9,774</td>
<td>347</td>
<td>45,355</td>
</tr>
<tr>
<td>1964</td>
<td>9,933</td>
<td>319</td>
<td>46,726</td>
</tr>
<tr>
<td>1965</td>
<td>10,166</td>
<td>306</td>
<td>46,528</td>
</tr>
<tr>
<td>1966</td>
<td>10,323</td>
<td>304</td>
<td>46,796</td>
</tr>
<tr>
<td>1967</td>
<td>10,861</td>
<td>775</td>
<td>47,882</td>
</tr>
<tr>
<td>1968</td>
<td>10,901</td>
<td>756</td>
<td>48,983</td>
</tr>
<tr>
<td>1969</td>
<td>11,501</td>
<td>748</td>
<td>50,135</td>
</tr>
<tr>
<td>1970</td>
<td>11,603</td>
<td>760*</td>
<td>49,523</td>
</tr>
</tbody>
</table>

* Provisional, o Not available.

N.B. : Data for the years after 1970 is not available.

Source : Fact Book on Manpower Part I (Population and Labour force), IAMR, New Delhi, 1979, p. 163.
The table 1.2 shows a relative difference in case of the number of plantation holdings and employment. The number of estates are more in case of Coffee and Rubber but the employment is less in comparison to tea. In 1969, 11,501 tea estates accounted for 74,000 employed people whereas in 50,135 numbers of Coffee estates and in 107,472 numbers of rubber estates the employment figures were 108,000 and 144,000 respectively. Compared to tea industry the relatively low employment figure in other plantation sector is because of small holdings and the productional procedure is akin to the production of food crop on a substantial basis. On the other hand, tea is indeed a more organised large scale industry and also involves large capital investment normally having a large working population.

Tea Growing areas of India:

Geographical conditions and climatic suitability are important factors for the growth of tea. There are a number of states producing tea in India. Though the state of Assam occupies an unique position in the tea map of the country, other states like Tamilnadu, Karnataka, Kerala from South India and west...
Bengal from Eastern India do contribute from a minimum to a moderate quantity to the tea production of the country. On the whole, these states taken together contribute to the historical growth and culture of tea in India.

The tea gardens of the south Indian states are mainly concentrated in the Nilgiri Hills and Western Ghats. The rainfall in the tea growing areas of south is very uncertain unlike the consistent rainfall in the plains of Assam, particularly during the months of March, April and May. Its proneness to low humidity during this period is said to be one of the factors for the comparatively inferior quality of south Indian tea.

The total area under tea plantation as distributed among different states of India is being furnished by the following table no. 1.3.

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Table 1.3

Area under tea in India as on 31st March 1979*

<table>
<thead>
<tr>
<th>States</th>
<th>Figures in hectares</th>
</tr>
</thead>
<tbody>
<tr>
<td>Assam</td>
<td>195,459</td>
</tr>
<tr>
<td>West Bengal</td>
<td>91,003</td>
</tr>
<tr>
<td>Tamil Nadu</td>
<td>36,353</td>
</tr>
<tr>
<td>Kerala</td>
<td>36,097</td>
</tr>
<tr>
<td>Karnataka</td>
<td>1,866</td>
</tr>
<tr>
<td>Other states</td>
<td>12,462</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong>: 37,3740</td>
</tr>
</tbody>
</table>

* Provisional

Source: Tea Board of India, Tea Statistics 1979-80, pp. 3-6.

The estimated area in 1979 under tea plantation is reported to be 37,3740 hectares. Through the years there has been a marked increase in the plantation area, yet the rate is relatively slow. The post-independent period in tea history compared with the pre-independent period exhibits a substantial increase in production and also area under plantation. It may be noted here that the above difference in
plantation and production has been due to the transfer of management to Indian hands during the post-independent period. The quantitative production and respective distribution by different states have been shown in the following table.
## Table 1.4
Statewise area under cultivation and production of tea in India

<table>
<thead>
<tr>
<th>States</th>
<th>1951</th>
<th>1961</th>
<th>1973</th>
<th>1978</th>
<th>1979*</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Area</td>
<td>Production</td>
<td>Area</td>
<td>Production</td>
<td>Area</td>
</tr>
<tr>
<td>Assam</td>
<td>155,674</td>
<td>150,370</td>
<td>162,367</td>
<td>182,311</td>
<td>185,113</td>
</tr>
<tr>
<td>West Bengal</td>
<td>79,580</td>
<td>78,158</td>
<td>82,705</td>
<td>86,258</td>
<td>89,025</td>
</tr>
<tr>
<td>Tamil Nadu</td>
<td>33,375</td>
<td>25,225</td>
<td>32,723</td>
<td>39,768</td>
<td>35,044</td>
</tr>
<tr>
<td>Kerala</td>
<td>33,203</td>
<td>25,775</td>
<td>39,784</td>
<td>33,545</td>
<td>37,146</td>
</tr>
<tr>
<td>Karnataka</td>
<td>1,869</td>
<td>874</td>
<td>1,794</td>
<td>1,779</td>
<td>1,865</td>
</tr>
<tr>
<td>Other States</td>
<td>13,339</td>
<td>4,997</td>
<td>11,856</td>
<td>4,736</td>
<td>11,925</td>
</tr>
<tr>
<td>TOTAL</td>
<td>316,870</td>
<td>285,399</td>
<td>331,229</td>
<td>354,397</td>
<td>360,108</td>
</tr>
</tbody>
</table>

* Provisional

Source: Tea Board of India, "Tea Statistics 1979-80", pp.5-6 & 11-12.
**Assam as a tea producing state:**

The state of Assam, situated in the north eastern part of the country is the wonderland of tea. It is not only the single largest tea producing state in India but also occupies a significant position in the world. In the year 1973, as estimated, Assam has produced 51.43 per cent of the total national tea production and 15.00 per cent of the total world production.

Geographically, the plantation area in Assam is divided into two: Brahmaputra valley and Surama valley. The Brahmaputra valley is flanked in the north by himalayan foot hills and by the Naga, Karbi Anglong and Khasi Hills in the south. Tea is grown in the alluvial plains of both sides of the Brahmaputra river. In the Brahmaputra valley tea is mainly grown in the districts of Dibrugarh, Sibsagar, Nowgong, Jorhat and Lakhimpur. In some parts of Kamrup, Goalpara and Karbi Anglong districts tea is produced but in meagre quantity. (Fig. I)

The Surama valley region is surrounded by hills in all sides except the west. The District of Cachar comes under this valley. (Fig. Ibid)
MAP SHOWING
THE TEA GROWING AREAS OF ASSAM

Fig I

50
100 Km
Tea as a source of revenue to Assam:

Tea is a major source of foreign exchange earning in our country. Besides, tea is a potential source of revenue income for the state government. In the year 1978 India had exported 116 million kilograms of tea and earned ₹ 328.6 crores as foreign exchange in which Assam's contribution was 60 per cent. The Government of Assam during the period of 1977-78 has earned ₹ 32.42 crores and in 1978-79 ₹ 35.03 crores respectively as agricultural revenue from tea. The revenue income from tea almost covers 99.9 per cent of the total agricultural income-tax of the state.

Tea industry and the development of transport and communication system in Assam:

The tea industry provides the impetus for the development of transport facilities in Assam. The socio-economic structure of the Brahmaputra valley up to the early nineteenth century did not call for interactions of any significant magnitude with outside areas. The superimposition of an export-oriented tea plantation enterprise on a subsistence agricultural base

5. Ibid., p. 9
brought about a qualitative change in this situation."\(^6\)

Before the tea industry was started in Assam the Britishers made use of the transport system inherited by them from the Ahom ruler with little development to serve their purpose.

But the starting of tea gardens increased the demand to have better transport network and accordingly a number of roads and railway lines were constructed all over Assam. "The first Railways in Assam, Jorhat provincial and Dibru-Sadia line, were started in 1885 to mobilise and store tea between the estates and river steamer ghats. In 1905, Assam-Bengal Railways meter gause line was constructed through Tripura, Sylhet and Cachar then across the North Cachar Hills to Lumding and then to Tinsukia, where it joined the Dibru-Sadia line."\(^7\)

The transport and communication system always influences the

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development of trade and commerce which also contributes substantially to the urbanisation of certain commercially important areas. Places like Jorhat, Dibrugarh, Tinsukia, Silchar, Tezpur etc. have began to develop because of its well-established tea gardens.

The starting of the steamer services between Bengal and Assam also owes to the establishment of the tea industry in the state. For the supply of essential commodities like coal, fertilizer and other articles from Calcutta to Assam and the shipment of tea from Assam to Calcutta steamer services were indispensable in those days.

Air services to Assam, prior to 1950 was in the hands of the private enterprises which was mainly used by the planters and those engaged in oil industry for their convenience. The aerodrome at Mohanbari (Dibrugarh) was constructed at the pressures given by the tea planters of Upper Assam.

Tea and its ancillary industries:

(a) Plywood: The plywood industry in India has originated due to the development of the tea industry. In 1918, the
Maiden plywood factory "The Assam Sawmill and Timber Company" was installed in India. Since then more and more plywood factories are coming up in Assam and West Bengal. In the beginning, these factories were manufacturing only wooden materials for tea chests, but now it has grown into a full-fledged plywood industry. The tea gardens of North-East India require about seven million of tea chests annually to pack their produce for sale.

(b) Fertilizer: Fertilizer is another item which figures largely in the requirements of tea industry. Nitrogenous manures, urea, ammonium sulphate and calcium ammonium nitrate chemical manures are now-a-days used widely by the tea gardens. At Namrup one fertilizer factory has been set up by the Government of Assam to meet the requirements of tea and agriculture, which is found to be inadequate to meet the requirements considering the increasing demand for it.

(c) Tea machinery manufacturing unit: India is turning out to be a notable exporter of tea machinery to other tea producing countries. This industry is mainly concentrated in Calcutta and their production capacity is adequate to satisfy
the internal and external demands.

**Development of the tea industry in Assam:**

The story of tea is as old as the British connection in India. Though tea plant was growing abundantly in Upper Assam before the Britishers discovered it, yet its official discovery dates back to 1821. The industry in India is definitely a colonial legacy and was taken up by the Britishers initially on an experimental basis and later in a more organised manner. In case of Assam the Britishers found the local people averse to work in the tea garden which in turn encouraged the migration of people from other parts of the country and that suited their commercial purpose.

At the initial stage, the planters in Assam moved forward for the Chinese those who had earned reputation as good tea growers. Moreover, the Britishers were thinking of transplanting the Chinese variety of tea in Assam, with a motive of trying it out with the Chinese artisans. For the purpose, the newly constituted tea committee deputed G.J. Hunter, W.W. *"A Statistical Account of Assam"*, B.R. Publishing Corporation, Delhi, Vol. I, p. 263, 1975 (Reprint).
Gorden to induct Chinese people for the experimental garden. 9

In the meantime, the officer-in-charge of Sadiya, Lieutenant Charlton and Captain Jenkins after investigation traced out that the variety of tea which the tea committee was trying to cultivate was found to be growing wild near Sadiya. This tea was considered to be the tea of commerce which saved much of their time in naturalising tea. 10

C.A. Bruce the Superintendent of the experimental garden was in pressing need of Chinese workmen. Meanwhile, Gordon arrived at Calcutta with some Chinese workmen who were brought to Upper Assam by country boats. 11 "The demand for ordinary worker was equally great. Bruce consulted the Barsenapati, the ruler of the Muttoc country, where the plantations were set up,


10. Ibid., p. 251 also Allen, B.C. & Others 'Gazetteer of Bengal and North-East India' Mittal Publications, Delhi, 1979, pp. 69-70.

1. Busy pluckers.

2. Two leaves and a bud.

3. A green bed of tea bushes.
and the latter agreed to supply him some labourers to work in the experimental plantations. Ahom king Purnananda Singha of Upper Assam is already said to have assured Bruce that he would exert his personal influence in inducing some Kachari labourers who had their settlements near Gabroo Hills, South of the Sibsagar District.  

Similarly, Captain Jenkins attempted to procure and utilise the labour of Kacharis, Rabhas, Garos and Nepalis for the Sadiya Garden. But the whole effort was a failure.

The socio-economic structure of the Brahmaputra valley upto the early 19th century did not call for interactions of any significant magnitude with areas outside. The superimposition of an export-oriented tea enterprise on a subsistence agricultural base brought about a social change. But the local people being contented with their own cultivation and land, which was abundant bothered least to work in plantations. Hence there was need for importing labourers beyond Brahmaputra valley. The Government on the suggestions of Jenkins inducted labourers from Chhotanagpur area of Central India

In spite of all the hurdles, by the end of 1837 the experimental tea plantation became a success. In 1837 the tea from Assam was well appreciated in London auction market and brought fame for it instantly. On its success the Government was approached by private capitalists to take up the industry in their hands. A company named "The Bengal Tea Company" was born in Calcutta in 1839. In the same year a joint stock company named as 'Assam Company' also came to being in London having similar objective to purchase the gardens from East India Company and to carry on the production on a huge commercial basis. In 1840, two thirds of the experimental tea gardens were handed over to the new companies and C.A. Bruce was made superintendent of the northern division with headquarters at Jaipur.

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Background to labour recruitment:

The Assam Company had to face the scarcity of labour which was not locally available in sufficient number. The early planters had a supposition that every China man was capable of cultivating and manufacturing tea. Accordingly a large number of Chinese people were engaged. But later they were found to be no better. A large number of Chinese were released from service and repatriated. The labourers recruited from India were also found to be unsatisfactory largely because of the unhealthy climatic condition of the area. Then attempts were made to recruit local Assamese labourers. But the Assamese youths had refused to be wage earners and the problem of the scarcity of labour continued. "To attract the local people to tea gardens, some planters even suggested the increase of land revenue rates as means to drive the Assamese cultivators from

15. Berry White, J. Lecture to the society of Arts, 1887

"Acting presumably on the belief that every Chinaman must be an expert in tea cultivation and manufacture, they transplanted all the Chinese shoe makers and carpenters that they could induce to go from Cositollah and other Bazars in Calcutta to Assam; these area were nearly all from the tea port towns of the celestial Empire and many had never, seen a tea plant in their life time."
their lands to the tea gardens for wages. But the Government outright rejected this scheme for obvious reasons. It was also realised in official circles that even if the majority of the adult population (which was very scanty at the time) of the tea producing districts were recruited as labourers for the tea industry, the supply of labour would not be sufficient, apart from creating new problems like scarcity of food grains in the province. The Government, therefore, encouraged importation of estate labour from other parts of India."16

In the beginning labourers were mainly recruited from among the Hill tribes of Chotanagpur and south of Midnapore. The Assam Company recruited through agents and maintained establishments one at Topchanchee in Bihar and another at Govindapore in Bengal for recruitment purposes. Recruitment was also made through the workers when they visited their home place, at certain intervals. They were instructed to bring some workers with them to work in the gardens. The Secretary of the tea gardens or his deputed officer examined the people at Calcutta and if they were found suitable they

had to sign an agreement with the private contractors. The contractors were paid @ 8s. 5/- per head even for those who died on the way. During the period from September 1st 1859 to 31st August 1860 as many as 2049 labourers were recruited for Assam and in 1860-61 about 3081 labourers were recruited. But still the supply of labourers was not sufficient.

Gradually the quality of labour supplied deteriorated with the increase in the demand for it. The suppliers became too commercial and started supplying people without considering their physical fitness and efficiency. Many people were forcibly taken though they were reluctant to come to Assam which was unknown to him. Moreover there was a belief that a person once he come to Assam never returned.

The mortality rate among the labourers in voyage was too high. The death figure sometimes reached even 50 per cent. To get better class of labourers, to stop fraudulent recruitment and to minimize the mortality rates in voyage, the Government of Bengal in the year 1860 made attempts to evolve a plan. The progress in evolving a plan to avoid these was

made while Mr. Jenkinson, the Commissioner of Assam, directed his district officers to submit reports in consultation with planters the ways and means of improving the system of recruitment of labourers for Assam.

The Government of Bengal in July 1861 appointed a Commission to find out among other things the drawback of the system of recruitment. While the investigation by the Commission was going on, the Secretary, Land Holders Commercial Association, W.R. Fergusson put forward a plan for better recruitment. He suggested that first a recruiter should be granted a licence by the Government to recruit for a specific station. Secondly, the recruiter on arrival with such certificate at the recruiting district should report to the officer-in-Charge of the district who would then inform all heads of villages of the destination of one particular recruitment so as to enable the labourers to accept or reject the offer. The recruiters should also submit a return to the Government Officer before taking the labourers for destination, certifying that he had explained all the terms and conditions of contract to his labourers. This was intended to avoid evils of recruitment procedure and also to bring the private recruiters to
the fold of the Government. This scheme received appreciation from the Government of Bengal. In the year 1862 the said Commission submitted its report. The Commission had pointed out only the defects of the private recruitment without assigning any remedial measures there of. The report of the Commission however could convince the government for an urgent necessity of referring the case to the Legislative Department with an aim to frame law.\(^\text{18}\)

The Government of Bengal asked its legislative department to introduce a bill for the regulation of labour recruitment which later became an Act as the Act III(B.C.) of 1863. The Act prohibits the recruitment of labour by a person without licence. And anybody found violating the law is liable for a maximum sentence of imprisonment not exceeding 6 months or a fine of Rs. 1,000/-.

Besides this the contractors were required to furnish information and particulars to the Superintendent of labour as and when required. On the labourers side, they were required to sign a contract for a period of 5 years. The Act fixes a ratio of 4 men to 1 woman in every batch of recruit.

\(^{18}\) Ibid.; pp. 261-263.
The Governor General while giving assent to the bill remarked that the measures adopted were, more or less, tentative and experimental and hoped that different state Governments would watch out its operations and report, if any, for subsequent amendment. But no proper inspectorate was set up and simply watching without an inspectorate was meaningless and sufficient scope was left to continue the evils in the absence of proper inspecting authority.  

Depression in the industry:

In the early part of the sixties of the 19th century there was a tremendous success in the production of tea in Assam. The total crop of Assam Company in the year 1851 was estimated at 280,000 pounds. In the year 1854 gardens were opened in Darrang and Kamrup districts. Tea was also found growing wild in Cachar in 1855. During the next ten years large capital started flowing into the tea industry. Ultimately many bubble companies also entered into this trade. In the year of 1866 the industry faced a great crisis of mismanagement and a depression started and continued for

19. Ibid., pp. 263-64.
Fraudulent recruitment and sufferings of the labourers:

The manner of labour recruitment was very inhuman.

During the period from 15th December 1859 to 21st November 1861, the Assam Company recruited 2,272 labourers from outside of whom 250 or 11 per cent died on the way. During the period from 2nd April 1861 to 25th February 1862, out of the total recruits of 2,589 who were sent by the Brahmaputra in two batches, as many as 135 died or got drowned and 103 absconded. Between the period from 1st May 1863 and 1st May 1866, of the total recruits of 84,915 for Assam, 30,000 died by June 30th 1866. This high mortality rate among the recruits caused losses to the planters as the rate for each recruit was very high ranging from Rs. 12 to Rs. 20. "Men, women and children were enticed, even kidnapped and traded like cattle; absconders were hunted down like runaway slaves." Under the workmen's Breach of contract Act of 1859, Sections 480 and 492 of the Indian Penal Code (1860) and the Labour Act 1863, as amended in 1865, 1870 and 1873, runaway workers could be

20. Allen B.C. and Others * op.cit., p. 70 and also Hunter, W.W., op.cit., p. 263.
punished only by the Government. But still the planters continued to inflict torturous punishments of all kinds to discipline the labourers. Because the planters, as far as practicable, used to avoid taking help of police and jail custody considering the preciousness of the labourers.21

The working conditions in the gardens were horrible. The gardens were surrounded by deep forests and infested by poisonous reptiles and wild animals. Besides, tropical diseases like malaria and kala-azar added to fast mortality. The basic amenities, like house, food, education and recreation were not easily available.22 Under this wretched surrounding the transplanted labourers became passive victims of exploitation in the hands of unscrupulous contractors and also infavourable environmental condition.

Expansion of tea industry:

"About 1869, matters began to amend ...... The returns for 1871 showed (in round figures) that 11,000,000 pounds of


tea were manufactured in the province. For 1881 the figures were 37,000,000 pounds; for 1891 90,000,000 pounds and for 1900, 141,000,000 pounds. Most of the newly formed companies were brought under better management and the industry started to recover rapidly. In the year of 1870 an act was passed which is known as the Act II of 1870. The act attempts to remove the irregularities of recruitment. After this Act came into force recruitment increased at a much faster rate. The table below shows the growth of recruitment of labour.

<table>
<thead>
<tr>
<th>Year</th>
<th>No. of recruits</th>
</tr>
</thead>
<tbody>
<tr>
<td>1870</td>
<td>2098</td>
</tr>
<tr>
<td>1871</td>
<td>9342</td>
</tr>
<tr>
<td>1872</td>
<td>14411</td>
</tr>
<tr>
<td>1873</td>
<td>25811</td>
</tr>
</tbody>
</table>

The reason in the increase of recruitment was probably due to famine of 1868-69 in Orissa, Rajputana and part of

23. Allen, B.C. and Others, op.cit., p. 70
24. Harlalka, S.S., op.cit., p. 272
North West Provinces. It was a devastating famine which brought the people to a starving point and subsequently forced them to migrate to other places. The professional recruiters took the full advantage of the situation.

In the year of 1873 Act VII was introduced which established free recruitment and migration. Under the provision of this Act recruitment continued from January 1874 to the end of 1881. The table below shows the percentages of persons recruited through Sarders and professional contractors during this period.

<table>
<thead>
<tr>
<th>Year</th>
<th>Percentage of recruits among Sarders</th>
<th>Percentage of recruits among contractors</th>
</tr>
</thead>
<tbody>
<tr>
<td>1876</td>
<td>62.1</td>
<td>37.9</td>
</tr>
<tr>
<td>1877</td>
<td>63.4</td>
<td>36.6</td>
</tr>
<tr>
<td>1878</td>
<td>72.9</td>
<td>27.1</td>
</tr>
<tr>
<td>1879</td>
<td>71.4</td>
<td>28.6</td>
</tr>
<tr>
<td>1880</td>
<td>68.6</td>
<td>31.4</td>
</tr>
<tr>
<td>1881</td>
<td>54.4</td>
<td>45.6</td>
</tr>
</tbody>
</table>

The above mentioned act was aimed at encouraging recruitment by garden Sarders and to discourage recruitment...
by professional recruiters. The success of the act is indicated in the above table no. 1.6. The recruitment by garden Sarders continued to increase up to 1878 but from 1879 it started declining. This very act frustrated the framers of the law. It's failure may be due to financial crisis faced by the companies from 1879 and lack of honesty of the Sarders.\(^\text{25}\)

The total strength of the labour force, including both the actual workers and their dependents, in the year 1877, was 157,219 and rising to 662,471 in 1900, in 1919-20 to 1,110,364 in 1928-29 increased to 1,067,662. The table below shows the break-up data for men, women and children of the above figures.

\begin{table}[h]
\centering
\begin{tabular}{l|c|c|c|c}
\hline
Year & Men & Women & Children & Total \\
\hline
1877 & 59,923 & 50,752 & 46,544 & 157,219 \\
1900 & 204,492 & 205,603 & 252,376 & 662,471 \\
1919-20 & 323,731 & 305,850 & 480,850 & 1,110,364 \\
1928-29 & 333,962 & 281,507 & 452,183 & 1,067,662 \\
\hline
\end{tabular}
\caption{Labour force in Assam Tea-Gardens (At specified periods)\(^\text{26}\)}
\end{table}

\(^{25}\) Ibid., pp. 275-78

The number of persons in employment was much less than the labour force. Of the total labour force of 1,046,441 in 1928-29, for instance, only 577,943 or 55 per cent were actual workers and the remaining 45 per cent were dependents. The average daily strength is, however, still less, being 528,441 or 41 per cent of the total labour force. The table 1.8 below is provided to make the point clear.

**Table 1.8**

**Number of actual workers on Assam Tea-Gardens 1928-29**

<table>
<thead>
<tr>
<th>Workers</th>
<th>Total labour force</th>
<th>Number on the book</th>
<th>Average daily strength</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Number</td>
<td>Percentage of the total</td>
<td>Number</td>
</tr>
<tr>
<td>Adult</td>
<td>600,291</td>
<td>484,565</td>
<td>80</td>
</tr>
<tr>
<td>Children</td>
<td>446,150</td>
<td>93,378</td>
<td>20</td>
</tr>
<tr>
<td>Total</td>
<td>1,046,441</td>
<td>577,943</td>
<td>55</td>
</tr>
</tbody>
</table>

The irregularities in the recruitment still continued and in order to end this situation the government finally prohibited in certain recruiting areas all recruitment for Assam,

27. Ibid., p. 21.
except by actual workers (Garden Sardars), persuading or inducing worker, to go to Assam by any one else was thus made illegal. The Assam Labour Board was created and recruitment was placed under it. This had slightly improved the situation. The Royal Commission on labour stressed the need for enactment of a new recruiting Act for Assam and prepared a scheme for it. In 1932, on the basis of that proposal Tea District Emigration (Sic) Labour Act was enacted.28

During the period 1946-47 recruitment of labourers was done mostly from the controlled emigration areas, i.e., the whole of the provinces of Bengal (except the Hill tracts of Chittagong), Bihar, Orissa, Madras, the United provinces and Central Provinces.29 During this period 35,757 persons were recruited by the Tea Districts Labour Association through their depots and 2,668 persons by three other local forwarding agencies at Ranchi. The cost of recruitment of an adult emigrant (Sic) labourer also marked a slight increase over the figures for the preceding year. The average cost comes to

29. Figure II shows the different provinces of India from where tea labour population immigrated to Assam.
MAP SHOWING THE IMMIGRATION OF TEA LABOURERS TO ASSAM FROM THE DIFFERENT PARTS OF INDIA

1 WEST BENGAL
2 BIHAR
3 UTTAR PRADESH
4 ORISSA
5 MADHYA PRADESH
6 ANDHRA PRADESH
7 TAMIL NADU
Rs. 95-0-2, as compared with Rs. 90-4-6 for the year 1945-46 and Rs. 89-4-2 for the year 1944-45. The reason being the increased rate of advances payable to Sarders which was felt to be necessary in view of the decreasing purchasing power of the rupees. 30

Occupational category of tea garden workers:

The essential characteristic of the plantation labour force is that it consists of a large body of unskilled labour employed at low wages. This does not mean that there are no skilled workers in plantation.

There is no standardised categorisation of workers of tea plantations. They are generally classed as 1) Labour ii) Staff and iii) Artisans. Labour includes all manual workers employed in various processes of the field and factory and includes peons, chowkiders, Sarders, malis, orderlies and so on; while 'artisans' include all those who are engaged as skilled and semi-skilled workers like drivers, fitters, carpenters, electricians and so on. "Staff" and "Artisans" are

ordinarily monthly rated; and according to convention, those among the labour class like Sarders, Chokidars, Malis etc. who are also monthly rated, are sometimes described as "Sub-Staff". The labour class numerically predominates over the rest, constituting about 96 per cent of the total. 31

According to the nature of employment, tea plantation labourers can be classified under three broad categories.

(1) **Permanent resident labourer**: A labourer is considered to be permanent if he or she resides in the garden itself and is enrolled as a worker of that garden who has completed the probation period of six months in the same or any other occupation in the industrial establishment, including breaks due to sickness, accident, leave, lock-out, strike (not illegal strike) or in voluntary closure of the establishment.

(2) **Outside labourer**: An outside labourer commonly known as 'Basti labourer' is one whose name is entered on the garden roll of workers and resides outside the garden.

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(3) Temporary labourer: A temporary labourer is one who is engaged for a limited period and is terminated from service after the expiry of the limited period. They are commonly known as 'Faltu labourers'.

Characteristics of tea plantation labourers:

The tea plantation labourers have certain peculiar characteristics unlike other industrial labourers. The most important characteristics are (a) unskilled, (b) low paid, (c) low living conditions, (d) lack of mobility, (e) low education, (f) restricted employment, (g) poor health. These have been discussed in further detail in other chapters.

Organisation and Management:

The tea industry in India is dominated by well-organised large plantations and in this respect differs from the Coffee industry. About 85 per cent of area under tea is owned and managed by Corporations. Its corresponding figure for Coffee is only 12 per cent. Upto the recent time tea industry was largely managed by some well-established British Companies.
which are described as "Sterling Companies". But at the
direction of the Central Government some shares have been
sold out by these companies to Indian entrepreneurs and its
shares are being converted into rupees. But this has not
affected the size and the growth of these companies. Among
the Indian companies the number of public limited companies
is more. But a good number of private companies are also there.
The average size of a plantation owned by the older starling
companies is the largest (408 hect) followed by the Indian
public limited companies (265 hect) and private companies
(152 hect). Plantations under individual proprietorship or
partnership are even smaller (79 hect). 32

During the later decades of the nineteenth century many
tea estates were opened in North East India by individuals or
as family concerns. Subsequent development has been made mainly
by limited liability companies. In the early days, the length
of the journey from England to India made it practically neces­sary to have a Calcutta agent to look after the business
interests of the tea estates in India. In spite of recent
development in transport and communication, the importance of

32. Bhatty, I.Z., op. cit., p. 95
these agency houses still continues, because such a system gives the benefits of a steady policy in estate management, and makes for co-operation amongst the sellers in shipping and marketing their crops. Most agency houses have considerable holdings in the concerns they manage.33

To illustrate further the ownership concentration in tea industry, it is found that the leading North Indian tea companies control 57 per cent of the production in North India. Each of them own more than 20 plantations and some more than twice that number. Beside these there are several other companies with several plantations. In fact, out of 713 plantations exceeding 200 hectares in size, only 269 are owned by companies which have only one plantation. All the big companies have interlocking interests as producers, exporters and retailers both in India and abroad.34

The big companies enjoy certain advantages, such as ease of securing finances and better industrial relations etc. The bigger companies have better financial position and ease access to the financing institutions. Whereas the smaller ones remain

33. Harler, C.R. *op.cit.* , pp. 135-36
34. Bhatty, I.Z. *op.cit.* , p. 95
in a disadvantageous position in this regard. Under the Plantation Labour Act 1951, on the estate management a number of welfare obligations have been imposed, such as, housing, medical, educational facilities etc. When the Act was brought into force in 1954 plantations were expected to make the necessary investments and other arrangements to comply with the requirements of the Act within a certain period of time. The bigger companies due to their sound economic background could meet the obligations better and more speedily. Before the introduction of the plantation Labour Act all the plantations used to keep a surplus labour force. But when the Act was introduced due to the obligation which the companies had to fulfill, it became impossible on their part to retain all the surplus workers. And therefore, all companies tried to rationalise their labour force which the bigger companies could achieve more efficiently.

The economic factors play a very important role in the proper management of the gardens. The tea industry is now facing a crisis due to heavy loss and high indebtedness. If no protective measures are taken in respect of the economically
weak tea gardens it is probable that about one fourth of these may go out of existance even as green leaf producers. This may mean a loss of about 3 per cent of the area.\(^{35}\)

The Indian Tea Association, Calcutta was formed at a meeting of the Calcutta agency houses in 1881, the object and duty of the Association being to promote the common interests of all persons concerned in the cultivation of tea in India.

The Indian owned tea concerns have an association known as the Indian Tea Planters' Association with headquarters at Jalpaiguri, established in 1914. Another major association is United Tea Planters' Association of South India which was established in 1893. There are associations of more recent origin in addition to the above, such as, the Assam Tea Planters' Association, the Tea Association of India and the Bharatia Chah Parishad. Besides representing the interests of the producers in several matters, these associations do identify various problems of the industry and in organising factual evaluation and discussion. They are directly involved in research, in technology and management. It is held by many

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35. NCAER; 'Economically Weak Tea Gardens in North-East India', Delhi, 1961, p. VI.
that both technological and management information in India is much more efficiently transferred through the network established by the associations for this purpose than by any other means. However, it would be true to say that efficient as the informational network of the association is, it is the more progressive and enterprising among the planters who benefit more from it.\textsuperscript{36} This associational network is of particular relevance to the larger growers, whereas the smaller ones are completely outside the fold of this network, nor do they have any association of their own.

The Tea Board of India:

Since the great depression the various tea producing countries of the world entered into some internal tea agreements from time to time and the origin of the Tea Board is linked to these agreements. The participating countries in these agreements have some obligations to regulate their export and control over the area planted with tea. The discharge of these obligations under the Indian Tea Control

\textsuperscript{36} Bhatty, I.Z. \textit{op. cit.}, p. 97.
Act, 1933, became the responsibility of the Indian Tea Licencing Committee. Subsequently another statutory body, viz., The Central Tea Board was set up under the Central Tea Board Act, 1949 for the development of the tea industry. In 1953, the Tea Bill was passed and the Tea Board was created by merging the Indian Licencing Committee and the Central Tea Board.

The Tea Board to-day plays a very important role in the development of the tea industry. The functions of the Board are as follows:

(a) regulating the production and extent of tea;

(b) improving the quality of tea;

(c) promoting co-operative efforts among growers and manufacturers of tea;

(d) undertaking, assisting or encouraging scientific, technological and economic research and maintaining or assisting in the maintenance of demonstration farms and manufacturing stations;

(e) associating in the control of insects and other pests and diseases affecting tea;

(f) regulating the scale and export of tea;

(g) training in tea testing and fixing grade standards of tea;

(h) increasing the consumption in India and elsewhere of tea and carrying on propaganda for the purpose;
(i) registering and licensing of manufacturers, brokers, tea-waste dealers and persons engaged in the business of blending tea;

(j) improving the marketing of tea in India and elsewhere;

(k) collecting statistics from growers, manufacturers, dealers and such other persons as may be prescribed on any matter relating to the tea industry; the publication of statistics so collected or proportions thereof or extracts therefrom;

(l) securing better working conditions and the provisions and improvement of amenities and incentives for workers;

(m) such other matters as may be prescribed.

The Tea Board plays a very important role in the matters of tea cultivation, financial assistance in long term credit and promotion of co-operation among the growers. But it is held by many growers that Tea Board adequately does not represent the small growers when it mediate on their behalf with the Government. 37

Trade Union Movement in the tea plantations of Assam:

The non-co-operation movement which started in the year 1921 brought the congress workers in close touch with the people in general and labourers in particular. The congress

leaders could see the inhuman conditions of life led by the plantation workers in Assam which stirred them to take up their cause.

Some local congress leaders took up the matter with the leaders of Bharat Sevak Samaj and all India trade union congress about the pathetic condition of the plantation workers in Assam. All the prominent leaders agreed upon that they should be organised and trade union movement should be developed in Assam. But before 1938 trade union movement did not get its proper shape. 38

The first plantation workers' union was formed and was registered under the name of "Sylhet Cachar Tea Garden Labour Union". The head office of the union was at Silchar. In 1948 "Chah Majdoor Sangha" was formed under which there were 17 independent trade unions operating in seven districts of Assam.

The labour leaders later felt the need of a machinery for co-ordination among the different independent trade unions. Ultimately an union of all Assam basis was formed on 9th August 1958 in a meeting of the members of general council of

38. ACMS, Chah Majdoor 2nd January 1972, p. 3.
INTUC, Assam Branch and representatives of Chah Majdoor Sangha held at Bordubi, with an objective to have a stronger union. The meeting asked all the 17 circle branches of INTUC tea garden workers' unions to cancel their registration before 30th September 1958 and to merge into the new union named as "Assam Chah Majdoor Sangha" (ACME) with its head office at Dibrugarh.

With the progress of time some more trade unions have also emerged in the tea plantations of Assam viz., "Akhil Bharatia Chah Majdoor Sangha" having leftist ideology, "Assam Tea Labourers Association", "Uttar Assam Chah Karmi Santha" etc. These new unions though making their best effort to gain popularity among the tea labourers of Assam yet the lion share of membership of plantation labourers is enjoyed by the Assam Chah Majdoor Sangha affiliated to INTUC.

In the year 1947, the employees of the tea industry in Assam also felt themselves to be unorganised and unrepresented and ultimately formed a trade union named as "Chah Karmachari Sangha" at Jorhat on district level. And in the same year a conference was convened at Jorhat with the representatives of
all places with an idea of forming a trade union of all Assam level. As a result the "Assam Chah Karmachari Sangha" was formed. 39

One feature of the trade union movement in tea is the fact that the "white-collared workers have refused to associate themselves with the field and factory workers in tea." 40

In Assam the Assam Chah Karmachari Sangha represents the "white-collared" workers while the Assam Chah Majdoor Sangha represents the labourers.

Another important feature of the workers' union in the tea plantations of Assam is that it records a very high percentage of outside leadership in all respects in comparison to all India average. The economic, social and educational backwardness of workers is the responsible factor for the slow growth of insider-leadership.


Tea is one of the largest organised industries of India. It is labour intensive, agro-based, export oriented and a significant factor in the economic structure of the country. Tea industry is also a potent source of foreign exchange earning. Tea industry, provides direct employment to about one million workers in India. The employment in tea industry is more than any other plantation industry in India.

Among all the tea producing states of India Assam occupies the unique position both in cases of production and employment.

Through the years there has been a marked increase in the plantation area, yet the rate is relatively slow. The post-independence period in tea history compared to pre-independence period exhibits a substantial increase both in production and area under plantation. This is due to the fact that the independent Indian Government took interest in the industry.

The state of Assam is not only a famous tea producing state of India but of the world. In 1978, Assam has produced 51.43 per cent of the total national and 15.50 per cent of the
total world production.

The plantation area of Assam can be divided into two; Brahmaputra valley and Surama Valley.

Tea is a major source of foreign exchange earning in our country. It is also a potential source of revenue income for the State Government. In the year 1978 India had exported 116 million KILOGRAMS of tea and earned 328.5 CRORES as foreign exchange in which Assam’s contribution was 60 per cent. The revenue income to the state as agricultural revenue was 32.42 CRORES and 35.03 CRORES in 1977-78 and 1978-79 respectively.

The tea industry also provides impetus for the development of transport and communication. Before the starting of the tea industry in Assam the Britishers made use of the transport system inherited from the Ahom rulers with little development to serve their purpose. The starting of the tea industry has necessitated better transport facilities and as a result a number of roads and railway lines were constructed. The starting of the steamer and air services also owes to the establishment of tea industry.
The tea industry in Assam also helped in the development of ancillary industries. Plywood, Fertilizer and Tea machinery manufacturing industries have developed based on the tea industry.

The tea industry in Assam was started by the Britishers. It was started in the beginning on an experimental basis and later in a more organised manner. In case of Assam the Britishers found the local people unwilling to work in the plantations as wage earners. This in turn encouraged the Britishers to bring people from other parts of the country.

In the early stage, the planters in Assam recruited Chinese workers to work in the tea plantations. But the whole attempt was proved to be a failure. In spite of all the hurdles, by the end of 1837 the experimental tea plantation became a success. In 1839 "The Bengal Tea Company" was formed in Calcutta and in the same year a joint stock company named as Assam Company was formed in London. In 1840, two thirds of the experimental tea gardens were handed over to the new companies.
The Assam Company had to face the problems of the scarcity of labour. As the labourers were not locally available the company had to import from outside the state. In the beginning labourers were mainly recruited from among the Hill tribes of Chotanagpur and south of Midnapore. The Assam Company recruited through agents and maintained establishments. Recruitment was also made through the workers when they visit their home place. During the period from September 1st 1859 to 31st August 1860 as many as 2049 labourers were recruited for Assam and in 1860-61 about 3081 labourers were recruited.

Gradually the quality of labour supplied deteriorated. The suppliers became commercial. Many people were forcibly taken though they were reluctant to come to Assam.

Measures were taken by the government to regulate recruitment and to avoid the evils of recruitment procedure. The Act III (E.C.) of 1863 which was passed by the Bengal Government prohibits the recruitment of labour by a person without licence. But that measure was not successful.

With the success in the tea production in Assam large amount of capital started flowing into the tea industry.
Ultimately, many bubble companies also entered into this trade and the industry suffered from a depression resulting out of mismanagement.

About 1869 matters began to improve. Most of the newly formed companies were brought under better management and the industry started to recover rapidly. In the year of 1870 an act was passed which is known as the Act II of 1870. The Act attempts to remove the irregularities of recruitment. After this Act came into force recruitment increased at a much faster rate.

In the year of 1873 Act VII was introduced which established free recruitment and immigration. The Act was aimed at encouraging recruitment by Garden Sarders and to discourage recruitment by professional recruiters. The irregularities in the recruitment still continued and in order to end this situation the government finally prohibited in certain recruiting areas all recruitment for Assam, except by actual workers (Garden Sarders), persuading or inducing workers, to go to Assam by any one else was thus made illegal. The Assam Labour Board was created and recruitment was placed under it. This
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(3) **Temporary labourer**: A temporary labourer is one who is engaged for a limited period and is terminated from service after the expiry of the limited period.

The tea plantation labourers have certain peculiar characteristics such as (a) Unskilled, (b) Low paid, (c) Low living conditions, (d) Lack of mobility, (e) Low education, (f) restricted employment and (g) poor health.

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big companies enjoy certain advantages, such as, ease of securing finances and better industrial relations etc. The bigger companies have better financial position and ease access to the financing institutions.

The Indian Tea Association, Calcutta was formed at a meeting of the Calcutta agency houses in 1881, the object and the duty of the Association being to promote the common interests of all persons concerned in the cultivation of tea in India. There are a number of associations in India at present, such as Indian Tea Planters' Association, United Tea Planters' Association of South India, Assam Tea Planters' Association, Tea Association of India and the Bharatia Chah Parishad. Besides representing the interests of the producers in several matters, these associations do identify various problems of the industry. However, this associational network is of particular relevance to the larger growers. Whereas the smaller ones are completely outside the fold of this network, nor do they have any association of their own.

In 1953, the Central Government has created the Tea Board of India. The Tea Board plays a very important role in
the development of the tea industry.

The role of the trade unions in the tea plantations plays a significant role. The first plantation workers' union was "Sylhet Cachar Tea Garden Labour Union". Later in 1943 "Chah Majdoor Sangha" was formed under which there were 17 independent trade unions.

In 1958 "Assam Chah Majdoor Sangha" was formed by merging the 17 independent trade unions under "Chah Majdoor Sangha" with its head office at Dibrugarh. In the recent time though several other trade unions have come up yet the "Assam Chah Majdoor Sangha" commands the support of majority of tea labourers.

The clerical staff of the industry have separate association known as the "Assam Chah Karmachari Sangha" formed in 1947.

One important feature of the tea trade union is that the "white-collared" workers refused to associate themselves with the labourers. Another feature is that there is a very high percentage of outside leadership in the tea trade unions. This may be due to the socio-economic and educational backwardness of the labourers.