Chapter X: Legislature and Personnel Administration.

Section I: Plantation Legislations.

Section II: Administration of the Law.

Section III: Problems of Administrations.

Section IV: Social Control.
Section I: Plantation Legislations:—The origin of plantation legislations might be traced back to the thirties of the last century when the foreign Capitalists recruited labour from different areas for cultivation of tea. The Government of India tried to regulate supply of labour in two different ways. First, regulation of recruitment and employment and Second, provision for punishment for breach of contract. The essential feature of these early measures was the regulation of contract between planters and labourers which led to the development of the indenture system.

The planters wanted to secure a hold over their labourers and as the indenture system was the best security they did not like to employ workers under any other condition. The Workmen's Breach of Contract Act, 1859 (Act VIII of 1859), The Employers' and Workmen's (Dispute) Act, 1860 (Act IX of 1860) and Sections 490 and 492 of I.P.C., 1860, which made it a penal offence for a worker for breach of contract were helpful to the planters. However, as the legislative measures were gradually modified, planters resorted more and more to Act VIII of 1859, which provided the earliest and cheapest form of contract. We have discussed these measures while dealing with the subject of recruitment. Here we shall discuss the chief aspects of the different legislative provisions as amended from time to time and which have moulded the administrative practices established.
in the tea gardens of the State.

**Breach of Contract Act** - The Workmen's Breach of Contract Act (Act VIII) was passed in 1859, at the instance of the Calcutta Trade Association and other Employers' interests seeking security from wilful breach of contract and desertion of services by their employees. The Provincial Governments were empowered to extend the Act to areas within the States on condition that the power under it were exercised only by specially appointed officers.

The Planters in Assam began to make use of the Act from the early sixties limiting its application to the locally engaged labourers which was gradually extended to the re-engagement of time-expired labourers and in the Surnah Valley it often replaced the plantation law, even in the case of new immigrants. The legality of applying such an indefinite Act to tea garden labourers was first questioned by Charles Elliot, the Chief Commissioner of Assam, who recommended its withdrawal in 1888. The Government of India agreed with this view and represented to the Secretary of State for India to that effect. But the new Chief Commissioner, W. Ward maintained in 1889 that though indefensible in principle, the Act was not harmful in actual operation. In 1890, the then Chief Commissioner, Quinton, favoured its retention and the Central Government, with the consent of the Secretary of State for India, decided in favour of retaining the Act. Since then the Breach of Contract Act XIII of 1859 continued to gain popularity with employers.

The Assam Labour Enquiry Committee, 1906 advocated the retention of the Act. But the Act was found to be unsuitable in many respects. By Act XII of 1920, which came into force on March 12, 1920, the original Act of 1859 was amended but several defects still remained. On 10 September 1921, a resolution was made in the Legislative Council that the Act should be repealed. The Assam Labour Enquiry Committee of 1921–22 favoured the abolition of the Act, as there were many abuses under it. The chief abuses related are, First, illegal arrest of absconders; Second, replacement of local agreement under Act VI of 1901 by long-term agreement under Act XIII of 1859; Third, placing minors under the contracts and often arresting them and sending them to jail; Fourth, illegal return of labourers from jail to complete their contracts on gardens; and Fifth, the system interfered with free recruitment of labour. In compliance with the recommendations of the Committee, the Government of India passed an Act in 1925 repealing the Workmen's Breach of Contract Act, 1859, and sections 490 and 492 of the I.P.C. 1860. The Bill was passed in 1925 and came into force on 1 April 1926. While abolishing the Workmen's Breach of Contract Act of 1859, the Government of India indicated, however, that the provincial governments might give some temporary relief to the


3. Assam Labour Enquiry Committee Report, 1921–23 pp 75–92. Two members, connected with the industry, were in favour of its retention on the grounds that it was necessary for planters, who incurred an expenditure of Rs. 100 to 150 per recruit to have some hold on him, and also that the labourer himself seemed to favour the retention of an Act under which he received a bonus.

employers. This repeal, nevertheless, took the first forwarding step in abolishing penal contract.5

The Assam Labour Emigration Act, 1901 (Act VI of 1901):—
The first legislative measure which gave some degree of protection to the Plantation labour was passed in 1901. The first protective legislation was Assam Labour Emigration Act, 1901.6

The Commission of Enquiry appointed by the Government of Bengal in 1895 criticised the abuses in connection with the prevailing system of recruitment and recommended several measures. Right of arrest by planters, recruitment by contractors and the indenture system were gradually abolished amending the Act in 1908 and 1915 but the last vestige of penal contract disappeared from the Indian Statute Book only in 1931. The Act was repealed by the T.D.E.L.Act, 1932, which was passed as a result of the Royal Commission's recommendations.

The T.D.E.L.Act, 1932 (Act XXII of 1932):— In dealing with the problems of recruitment we have already referred to and discussed the provisions of this Act. The job of this Act, as we have seen, was to regulate the recruitment of workers for the tea gardens in Assam so as to prevent recruitment through false representation and to ensure proper arrangement for medical attendance, feeding and rest during their journey from individual

5. Ibid pp 164-65.
migrant areas to Assam. Thus the Act, strictly speaking, is not a piece of labour legislation but is really an emigration legislation. Further, it applied only to assisted labourers coming to the gardens for work. Of nearly 12 lakhs of workers in the tea gardens of Assam, the great majority were not even covered by the provisions of the Act.  

Defects of the early legislative measures: Thus these measures were not adequate. The Labour Investigation Committee, while referring to the unsatisfactory conditions in the gardens suggested separate labour code as the conditions of life and employment on plantations were basically different from those in other industries.

Evolution of New Labour Code: The Government of India Act, 1935, made labour a concurrent subject and the initiative for labour legislation was thus passed on to the provinces. However, under the Five-year Labour Programme, the Government of India undertook measures to improve wages, and living conditions of plantation workers. In the mean time, we find that there have been a large number of statutory enactments governing the terms and conditions of employment of the workers. Most of these enactments are applicable to the industrial workers generally within limits specified in the Acts. The Acts specifically applicable to the plantation workers are:

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7. Ibid.
The Workmen’s Compensation Act, 1923.
The Trade Unions Act, 1926.
The payment of Wages Act, 1936.
and
The Industrial Employment(Standing Orders)Act, 1946.

It was soon realised that the industry had long suffered from the application of measures originally intended for factory labour and quite unsuited to the circumstances of the industry and for this reason shortly after the Second World War, the proposal for a Central Plantation Labour Code covering all labour legislations in force was accepted at the first meeting of the Industrial Committee on Plantations in January 1947. In the second meeting of the Committee held from 31 March to 2 April, 1948, the general outlines of the proposed legislation were discussed. In September 1949, a comprehensive questionnaire on the subject was issued to employers and labour in plantation industries. The Committee held on 4 and 5 November 1950, reaffirmed employers’ liability in providing congenial living conditions in the tea gardens.

The Plantation Labour Act, 1951(Act LIX of 1951):— Regarding the codification of the Central Rules, the subsequent discussions in the Industrial Committee meetings became infructuous, at the first instance, due to the absence of the labour representatives, although these deliberations furthered the cause of general

understanding to a very great extent. The Employers' representatives emphasised that, First, the statutory powers under the proposed Act must be Central rather than Provincial; Second, the imposition of a cess from which health and welfare measures could be implemented would be unjust to the good employers; Third, there was no need for a new and expensive Inspectorate; Fourth, the Wage Boards under the proposed Act should supersede the Minimum Wages Board existing under the Minimum Wages Act. The Employers' representatives also opined that it would not be fair to insist on a whole-sale replacement of labourers' houses merely to secure compliance with the rules to be framed under the proposed Act.

However, the Plantations Labour Act was passed as Act IXIX of 1951 on 2 November but some of its provisions were permissive in the sense that they would only have effect if and when a State Government made the relevant rules. The Assam Plantations Labour Rules published in 1956 had given effect to the provisions of the P.L. Act in its applicability to the tea estates of the State. The main provisions of the Act dealt with Health and Welfare, hours of work, rest intervals, employment of children and adolescent and leave wages facilities. Important features of these provisions are already discussed in earlier. We note here that the Act departed from the earlier principles of providing

for a comprehensive nation-wide code on these grounds, First, it did not secure uniformity throughout the country because of diversity in the State Rules framed under the Act by different State Governments and Second, it is not a Comprehensive code including all legislative measures pertaining to the tea estates of the country.

The implementation of the Act was postponed by the Government of India in view of the economic difficulties of the tea industry in 1952. In 1954 the Central Government framed rules which became the basis of the Rules framed by the State Government as noted above.

**Legislative Measures untouched by the P.L.Act:** While the deliberations for the P.L.Act were in progress several other legal measures having influence on the tea gardens came into being. The chief among them are:

- The Industrial Disputes Act, 1947.
- The Factories Act, 1948.

Subsequently other legislative measures have also been taken up to protect the health and happiness of tea gardens workers. These are:

- The Maternity Benefit Act, 1961 (Assam Rules 1965)
The legal protection thus granted to plantation workers covers terms and conditions of work, regulation and payment of wages, investigation and settlement of disputes, provisions of welfare facilities, and social security measures. The P.L.Act does not interfere with the provisions of these legislative measures. We have discussed these provisions in the earlier chapters. Here we point out the important features of the I. D.Act.

I.D.Act.1947 :- The object of all labour enactments was firstly to ensure fair terms to workmen and secondly to prevent disputes between employers and employees in order that production may be carried on uninterruptedly in the larger interest of the society. Through these legislative provisions the will of the Government is sought to be enforced by executive pressure as well as by statutory powers. The basic aim of the I.D.Act however, is to provide a set procedure for settlement of industrial disputes. Under the I.D.Act the Government may refer any industrial disputes which either exists or is apprehended, to a Tribunal, the decision of which is, in theory binding on employer and employee alike. This is a fair substitute for a trial of strength by strikes and lock-outs. Conciliation is the first aim and there is provisions for arbitration when conciliation fails.

After independence there was accelerated developments towards industrialisation coupled with the new need for vital changes in the Act. These changes were incorporated in the I.D.Act by the I.D.(Amendments & Miscellaneous Provisions)Act,1956(Act No XXXVI of 1956).
The principal object of this legislation is to promote measures for securing and preserving amity and harmonious relation between the employers and the workmen. The Act also provides for (i) investigation and settlement of industrial dispute between employers and workmen or workmen and workmen with the right of representation by a registered trade union or a federation of trade unions and associations of employers (ii) prevention of illegal strikes and lockouts (iii) relief to workmen in the matter of lay off and retrenchment and (iv) collective bargaining.

The Act is essentially intended for regulating the relations of employers and workmen—past, present and future. It draws a distinction between 'workmen' and the managerial or supervisory staff and confers benefit on the former only.

Section II: Administration of the Law: We now discuss about administration of the law in tea garden areas.

Supervision and Inspection: Provisions for the supervision of emigration were made by the first Plantation Act of 1863. At the close of the year 1928-29, there were 41 local agencies at work in different provinces. There were three supervisors, who visited 56 recruiting stations, 47 recruiting agencies and 10 transport agencies. The procedure for the inspection of labour conditions on plantations was first provided by the Act of 1865. The appointment of both protectors and inspectors was made compulsory. By the Act of 1870 the title of protector was abolished and instead

inspectors and assistant inspectors were appointed with the power of suspending contracts and reducing the schedule of task. At first, inspection was compulsory only for the gardens employing Act-labourers, and such gardens were to be inspected at least once a year. By the rules under the Act of 1882, the inspection of gardens employing more than 50 imported labourers was also made compulsory.

In 1887, it was decided that the unhealthy gardens would be inspected twice a year and in 1889 more elaborate procedures for inspection and supervision were introduced. In 1893 the standing orders for inspection were revised and subsequent visits to a garden were restricted to the unhealthy gardens. The system of inspection was further revised in 1895 and the Deputy Commissioners were entrusted with the responsibility of classifying the gardens as healthy or first class, second class and unhealthy, according to the state of health and the number of death and it was made obligatory for the civil surgeon or district medical officer to inspect the unhealthy gardens twice a year.

Further changes were made in 1904-05 and biennial inspection was sanctioned for gardens in Cachar. This innovation reduced the number of gardens liable to inspection from 709 in 1904-05 to 609 in 1905-06. This

15.Ibid,1889 p.50
16.Ibid,1893 p. 66
17.Ibid,1895 p. 84.
provision was extended to the other districts in 1906 with provision for annual inspection only in the cases of those gardens which appeared delinquent in complying with the various legislative provisions. This reduced the number of gardens liable for inspection. With the abolition of the Emigration Act of 1915, Act Labourers ceased to exist and only the gardens employing more than 50 workers remained subject to inspection.

The effect of these modifications was a gradual decline in the number of inspections. The position is given in the table below. It was mostly in the case of unhealthy gardens that additional regulation was made for more than one inspection.

Table 93: Inspection of Tea Gardens in Assam 1883-1929

<table>
<thead>
<tr>
<th>Year</th>
<th>Gardens employing Act-labour or more to inspection</th>
<th>Gardens liable than 50 workers</th>
<th>Gardens inspected once or more</th>
<th>Total Number of inspection</th>
</tr>
</thead>
<tbody>
<tr>
<td>1883</td>
<td>698</td>
<td>698</td>
<td>567</td>
<td>Not available</td>
</tr>
<tr>
<td>1900</td>
<td>752</td>
<td>752</td>
<td>749</td>
<td>815</td>
</tr>
<tr>
<td>1920-21</td>
<td>775</td>
<td>385</td>
<td>374</td>
<td>383</td>
</tr>
<tr>
<td>1928-29</td>
<td>857</td>
<td>379</td>
<td>347</td>
<td>352</td>
</tr>
</tbody>
</table>

Inspecting Authority: The success of inspection depends largely upon the personnel entrusted with such responsibilities. As early as in 1878, the Assam Government desired that the inspections should be done by the Executive Officers. Although the

20. Compiled from the Assam Labour Reports for the respective years.
Deputy Commissioners were the Executive officers under various legislative provisions, the largest number of inspections were carried out by their assistants or by the Civil Surgeons. The Assam Labour Enquiry Committee of 1921-22 suggested more regular and effective inspections.

The working of the T.D.E.L. Act, 1932, was supervised by the Controller of Emigration Labour who was an employee of the Central Government. His principal duty was to enforce the provisions relating to repatriation from Assam and supervise the forwarding routes and recruiting. He had no control over conditions of labour and life in the tea gardens in Assam. The provisions of the Act and of the rules there under were properly observed but a few cases of evasion occasionally took place. Cases of illegal and fraudulent recruitment were mostly reported by the L.F. As to the authorities exercising the power of the Controller. Such cases ranged from 8 to 22 in the six years from 1939 to 1944.

Whatever might have been the conditions in the earlier years, the emigrants gradually became aware of their rights under the Act, particularly the right of repatriation. When the right of repatriation arose in respect of a widow, an agreement by the widow had to be ratified, as required by Rule 60(1) of the Government of India Rules, by the District Magistrate or other Magistrate appointed by him in this behalf. Some of the managers had been appointed as Honorary Magistrates for this purpose and it is not unlikely that some of them ratified the agreements as a

22. Assam Labour Report, 1928-29: Out of 352 inspections in this year 173 were made by Deputy Commissioners.
matter of routine. The Government of India did not prescribe the authority before whom the agreement postponing the right of repatriation was to be signed, as contemplated by the proviso to section 14 (1) of the Act. In the absence of such prescribed authority, the agreement was made before the manager and it is likely that at least some of the labourers might have been induced to sign it without knowing its full implication.

**Prosecution** :- The terms of contract made desertion a criminal offence, and all deserters under labour contract were liable to arrest and prosecution. This provision was often misutilised in so far as outsiders could effect an arrest with the hope of reward. Many hill tribes outside the gardens were often engaged in such work. In 1903-04, for example, several ferrymen were found making arrest and illegal detention of suspected persons. The practice was, however, stopped by law. Majority of the arrests were made by the offenders. For desertions as well as for breach of contract many convictions took place but no information is available about convictions for breach of contract until 1899.
The following table exhibits the position as far as these figures are available through authentic sources, like the Assam Labour reports.

Table 94: Prosecution and Conviction for desertions and Breach of Contract.

<table>
<thead>
<tr>
<th>Year</th>
<th>Number of Arrest</th>
<th>Number of Convictions</th>
<th>Number of persons imprisoned</th>
</tr>
</thead>
<tbody>
<tr>
<td>Desertions:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1885</td>
<td>558</td>
<td>482</td>
<td>Not available</td>
</tr>
<tr>
<td>1900</td>
<td>362</td>
<td>323</td>
<td>294</td>
</tr>
<tr>
<td>1917-18</td>
<td>26</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>Breach of Contract:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1899</td>
<td>418</td>
<td>149</td>
<td>34</td>
</tr>
<tr>
<td>1907-08</td>
<td>1115</td>
<td>523</td>
<td>74</td>
</tr>
<tr>
<td>1913-14</td>
<td>1192</td>
<td>370</td>
<td>111</td>
</tr>
<tr>
<td>1920-21</td>
<td>1604</td>
<td>278</td>
<td>63</td>
</tr>
<tr>
<td>1925-26</td>
<td>67</td>
<td>29</td>
<td>Not available</td>
</tr>
</tbody>
</table>

Penalties for the offence of desertion were either fine or imprisonment or both. In the beginning the penalties were more drastic which had subsequently been modified. When a deserter actually suffered imprisonment for a period up to six months in the aggregate, his contract could be cancelled. Convictions under the Act & of 1859 were more of the nature of civil trials; in the majority of cases persons convicted were given the option of completing contracts or refunding advances. But fines and imprisonment continued to be an important feature of punishment.
The period of imprisonment under the Act might extend to three months. In actual practice, however, this varied from a few days to a month or so. Under the Act of 1859, the labourers were also entitled to sue the employers in case the latter refused to grant discharge certificates. In 1925-26, for example, there were 142 such cases, of which 96 were successful.

Administrative Agencies: After independence more elaborate steps have been adopted to administer the various labour laws in the country. The administrative agencies for implementing the policies adopted by Governments, the laws enacted by the Parliament/State Legislatures, and decisions taken by tripartite bodies at the Centre/States have been built up at the Government level as a separate wing of the Government. The administration of certain matters have also been entrusted to statutory bodies constituted by the Government. The Labour Department and the Board of Trustees administering the P.F. & Pension Fund Schemes are the two important wings operating in the State of Assam.

Labour Department: It is interesting to note that the Royal Commission on labour, 1929, had recommended,

"that in every province, with the exception of Assam, there should be a Labour Commissioner. We except Assam because industrial labour here is unimportant apart from plantations, and for these we have recommended adequate provision in other ways."

However, in 1947 it was considered proper to have a whole-time Labour Commissioner for the State, and the genesis of this post can be traced from the period immediately after the attainment of Independence of India.
The administrative structure of the Labour Department is shown in a tabular form as under:

<table>
<thead>
<tr>
<th>Government of Assam: Labour Department</th>
</tr>
</thead>
<tbody>
<tr>
<td>Minister, Labour</td>
</tr>
<tr>
<td>Deputy Minister, Labour</td>
</tr>
<tr>
<td>Secretary, Labour, with Deputy Secretary and Under Secretary and Office Superintendents etc.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>L.C. (1) Director of Employment and Craftsmen Training, Assam.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Addl. L.C. (1)</td>
</tr>
<tr>
<td>Dy. L.C. Cum C.I.P. (1)</td>
</tr>
<tr>
<td>D.L.C. Cum C.I.M.T.U. (1)</td>
</tr>
<tr>
<td>Sr. A.L.C. &amp; Secretary State Implementation Committee (1)</td>
</tr>
<tr>
<td>A.L.C. Cum D.C.I.P. (5)</td>
</tr>
<tr>
<td>L.O. (10); L.W.O. (1); Special Officer (1); M.I.P. (4)</td>
</tr>
<tr>
<td>L.I. (21)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
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</thead>
<tbody>
<tr>
<td>District Employment Exchange</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employment Information &amp; Assistance Bureau</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

23. The chart is adopted from the Assam Government Memorandum, October 1968 submitted to the National Labour Commission on Labour. The position remains the same except that the number of some posts have been increased and there is no Dy. Labour Minister at present.
The administration of the Factories Act is vested with the Chief Inspector of Factories since 1930 and the Indian Boilers Act, 1923 is administered by the separate inspectorate of the Chief Inspector of Boilers created in Assam in 1935. The Directorate of Employment and Craftsmen Training is a fairly recent organisation which, among other things, is responsible for administering the Employment Exchange (Compulsory Notification of Vacancies) Act, 1959. Labour and Labour Welfare proper come under the Directorate headed by the Labour Commissioner which is the most important department in so far as the tea gardens of the State are concerned. In absence of the post of Labour Commissioner the Controller of Emigrant Labour was declared to be the part-time Labour Commissioner for the State towards the end of 1941. It was, however, only in August 1947 that the Labour Commissioner Directorate came to be set up, to start temporarily, under a whole-time Labour Commissioner. Subsequently, the number of posts under the Labour Commissioner came to be increased gradually with the increase in the number of labour legislations. The separate powers of inspectors of plantations although vested with the same officers have been useful in effective implementation of the various legislative provisions in the tea gardens of the State.

Separate Inspectorates: Except under the Plantations P.F. Scheme there are no exclusively category of officers to function as inspectors in the plantations under different laws. Certain practical difficulties are encountered in the allocation of work on a functional basis. In the present state of labour legislation,
however, it is found that the combination of inspecting service with conciliation is not a satisfactory arrangement. A fair proportion of industrial disputes may be traced to grievances arising from the employers' failure to implement the various provisions of law. An efficient inspectorate service can, therefore, be expected to prevent such grievances from developing into disputes. Moreover, the nature of duties of Conciliation Officers is such that they should not be made to function as Presiding Officers, if they are to maintain a detached and neutral attitude. From purely administrative angle also, combination of duties is required to be avoided if the activities of the field staff are to be properly controlled.

Section III: Problems of Administration: We now discuss some general aspects of administrative problems experienced in recent times which we have not covered in the previous chapters. The special problems relate to First, unemployment. Second, Administration of the Sick and Closed gardens. Third, Re-organisations. Fourth, Change of ownership of gardens; and Fifth, Non-provision of benefits in kind as provided under law.

Problems of Unemployment: There has been no fixed criterion by which the optimum number of workers for a tea garden can be decided and no fixed convention appears to have been followed. The opinion of planters had never been uniform in this respect. The Managing Director of the Jorehaut Tea Company, William Roberts, is reported to have stated before the Commissioners of 1868 that larger returns of leaf were to be had with a given supply of labour by reducing the acreage under cultivation and by increasing the...
proportion of labour on the land retained and not by spreading the same labour over larger area. The Managing Director considered that to secure thorough cultivation, a garden ought to have two persons employed for every acre under tea taking men, women and children together. In his estimates of the labour requirement, Roberts might have gone somewhat beyond the majority opinion of the other planters, but there can be no doubt that the proportion of labour to area originally, and even now prevailing, is below the requirement of thorough cultivation and there is great substance in the contention that higher productivity has been achieved by the employers by increasing the work load or by employing contract or casual labour who are not shown in the regular pay rolls of the estates. Undertaking further investigations on the basis of the report submitted by J.C. Arbutnot, the Labour Enquiry Committee of 1906 also concluded even at that time, that in the Assam Valley alone the labour force was short by about 50,000 and that the annual intake was about three thousand less than was required. These calculations were made on the assumption that one and half labour per acre were required for the average garden. Thus there are historical evidences to show that the industry has always been kept under-employed and the recommendations of the Despande Committee have also not been implemented on the plea of the Supreme Court verdict that the employment is a function of the management and there is no scope for outside interference on

this vital issue. Guided by such principles, the management of some tea estates are found to have been reducing the labour force in a planned manner and the strength of permanent labour has been going down gradually in most of the gardens. Vacancies caused by death, retirement etc. are not filled up. This has created the most serious problem in administration, the magnitude of which may be appreciated by the tremendous increase in the number of Casual workers in recent years.

**Government Committees** :- The problem was discussed at the 9th session of the I.C.P. held at Calcutta on 23 and 24 October, 1959 in which it was decided that the State Government would set up Committees to collect detailed information for the purpose of assessing the employment position on the plantations and for determining the number of workers who could be profitably employed there. The matter was again discussed at the 10th Session of the Committee held on 21 September, 1961, when the question of fixation of a ratio of employment on the basis of acreage in tea plantations, the necessity of the system of engaging temporary labour and the question of abolition of Contract labour were considered.

The enquiries made by the State Government did not prove conclusive. As per decision of the 11th Session of the Industrial Committee held on 30 and 31 October, 1964 the Government of India appointed a One-Man Committee under N.N. Chatterjee and the Committee after careful studies concluded that, *First*, in a number

of gardens not all vacancies that arose since 1959 were filled up. Advantage was taken of natural wastage to reduce labour force. In a number of gardens the employers have been found to reduce the labour force by 'inducing' voluntary retirement in a manner which may not be quite fair. Second, there is a tendency to reduce the permanent labour force and to increase the temporary or casual strength.

S.L.C. Agreement: It was in the context of such national consideration and growing consciousness and resentment among the tea workers that the Emergent session of the S.L.C. in Assam, in its sittings held on 29 September, 1969, 22 and 23 October, 1969, made an agreement whereby it was decided that the industry would maintain the level of permanent workers obtaining as on 1 January, 1969 and that the industry would provide employment to 15,000 fresh hands as an additional gesture for solving the unemployment position to certain extent.

This agreement made under cordial atmosphere was expected to solve the growing problem of casualisation and thus bring back the goodwill that has eroded in the mean time. But the position has not improved during the subsequent years and the number of permanent workers dwindled down still further. The flagrant violation of the standing agreement in some gardens is apparent when we observe that in a garden in the Rangapara Circle, as

against 132 outgoing workers the garden has appointed only 52 permanent workers during the period from 1969 to 1972. The reduction of permanent workers in a rapid manner is also seen from the fall in P.F. membership in the tea gardens as all permanent workers are required to join the Fund under legal obligation. In the table below we note that the total number of P.F. members during the period from 1962 to 1973 has gone down steadily indicating a reduced number of permanently or regularly employed workers in the gardens.


<table>
<thead>
<tr>
<th>Year</th>
<th>Dibrugarh &amp; Lakhimpur</th>
<th>Sibsagar</th>
<th>Darrang</th>
<th>Nowoong</th>
<th>Kamrup para</th>
<th>Cachar</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1962</td>
<td>1,86,191</td>
<td>1,42,099</td>
<td>85,634</td>
<td>16,424</td>
<td>3,982</td>
<td>3,133</td>
<td>62,785</td>
</tr>
<tr>
<td>1963</td>
<td>1,91,079</td>
<td>1,46,499</td>
<td>84,954</td>
<td>16,205</td>
<td>3,899</td>
<td>3,052</td>
<td>62,405</td>
</tr>
<tr>
<td>1964</td>
<td>1,96,913</td>
<td>1,46,758</td>
<td>82,809</td>
<td>15,892</td>
<td>4,094</td>
<td>3,355</td>
<td>45,641</td>
</tr>
<tr>
<td>1965</td>
<td>1,96,190</td>
<td>1,49,355</td>
<td>79,543</td>
<td>14,457</td>
<td>3,797</td>
<td>3,017</td>
<td>45,333</td>
</tr>
<tr>
<td>1966</td>
<td>1,99,190</td>
<td>1,47,418</td>
<td>78,309</td>
<td>13,902</td>
<td>3,687</td>
<td>2,949</td>
<td>43,577</td>
</tr>
<tr>
<td>1967</td>
<td>1,88,689</td>
<td>1,44,941</td>
<td>76,773</td>
<td>12,924</td>
<td>3,235</td>
<td>2,739</td>
<td>41,218</td>
</tr>
<tr>
<td>1968</td>
<td>1,80,682</td>
<td>1,44,840</td>
<td>76,208</td>
<td>12,919</td>
<td>3,210</td>
<td>2,719</td>
<td>40,912</td>
</tr>
<tr>
<td>1969</td>
<td>1,77,901</td>
<td>1,44,799</td>
<td>75,990</td>
<td>12,812</td>
<td>3,102</td>
<td>2,609</td>
<td>40,907</td>
</tr>
<tr>
<td>1970</td>
<td>1,76,891</td>
<td>1,44,693</td>
<td>74,903</td>
<td>12,463</td>
<td>3,099</td>
<td>2,313</td>
<td>40,050</td>
</tr>
<tr>
<td>1971</td>
<td>1,75,879</td>
<td>1,44,061</td>
<td>74,563</td>
<td>12,303</td>
<td>3,075</td>
<td>2,294</td>
<td>39,865</td>
</tr>
<tr>
<td>1972</td>
<td>1,75,279</td>
<td>1,43,860</td>
<td>74,750</td>
<td>13,103</td>
<td>3,002</td>
<td>2,201</td>
<td>39,644</td>
</tr>
<tr>
<td>1973</td>
<td>1,74,831</td>
<td>1,43,792</td>
<td>74,019</td>
<td>12,083</td>
<td>2,912</td>
<td>2,260</td>
<td>39,209</td>
</tr>
</tbody>
</table>

The fall in P.F. Membership is due to, First, non-extension of P.F. benefits to a large number of eligible workers which means that

29. Compiled from the Annual Reports on the working of the A.T.P.P.F. Scheme for the respective years. The total number of membership does not tally with the number of regular workers shown in the previous tables since the figures include staff members and accounts of non-contributing members waiting for settlements are also included which inflates the gi figures shown here.
some of the workers working regularly are not taken in permanent employment and are not extended the benefit of the Scheme. Second, non-replacement of outgoing members with new entrants, and Third, exhibition of incorrect wage-structure for deduction of P.F. contributions which means that all the wages paid in the garden are not entered in the regular pay books and some of the workers are kept constantly out of regular pay rolls and are thus deprived of their right for permanent employment.

Thus we find that, in spite of standing agreement, the problem of un-employment in the tea industry of the State has become very acute in recent years.

We therefore, suggest that the optimum number of workers needed in a particular garden should be decided and employed. Further some sort of technical training should be imparted to the children of the tea garden workers. Besides training the surplus workers in other jobs the Government should try to control the employment situation at places allied to the industry ensuring thereby that the dependants of the tea workers may find necessary avenues of employment in such places.

It is pertinent to mention here that under the Centre's Half a Million Job Programme the State Government has been trying to provide avenues of employment in the tea gardens of the State. The total number of persons who can thus be employed in the tea industry and the financial implications thereof as estimated by

the Director of Employment and Craftsmen Training, Assam, are as under:-

Table 96: Avenues of Employment for Technical hands

<table>
<thead>
<tr>
<th>Category of Personnel</th>
<th>Number to be Employed</th>
<th>Salary per month (Rs.)</th>
<th>Subsidy 50 percent of Salary (Rs.)</th>
<th>Number of Months</th>
<th>Total Subsidy Rs (Lakhs)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Engineers (Degree holders)</td>
<td>20</td>
<td>400</td>
<td>200</td>
<td>6</td>
<td>0.24</td>
</tr>
<tr>
<td>Agricultural Graduates</td>
<td>20</td>
<td>300</td>
<td>150</td>
<td>6</td>
<td>0.18</td>
</tr>
<tr>
<td>Post Graduate (Science)</td>
<td>60</td>
<td>250</td>
<td>125</td>
<td>6</td>
<td>0.45</td>
</tr>
<tr>
<td>Engineers (Diploma Holders)</td>
<td>300</td>
<td>250</td>
<td>125</td>
<td>6</td>
<td>2.25</td>
</tr>
<tr>
<td>Certificate Holders</td>
<td>300</td>
<td>150</td>
<td>75</td>
<td>6</td>
<td>1.35</td>
</tr>
</tbody>
</table>

It is suggested that for more than 700 tea gardens in Assam it may not be difficult to absorb the various categories of engineering, technical, agricultural and supervisory staff for twelve months on a subsidised basis and thereafter on a regular basis. The garden have been requested by the Government to co-operate. This programme, if implemented, is sure to ease the un-employment.

31. Letter No E/P-561/13058-84 dated 8.9.1973 from Director of Employment and Craftsmen Training, Assam issued to the garden managers.


33. Letter dated 8.2.1974 from the Director of Employment & Craftsmen Training, Assam.
position of the State to a great extent. The children of the tea
garden employees also should be trained up to take up such
appointments in near future. This will not only provide employment
to the children of the industry but it will also generate a spirit
of co-operation and goodwill which will go a long way in stream-
lining the administrative practice of the industry.

In the interest of industrial harmony, not only should
the gains of increased productivity be shared equitably, but the
adoption of new techniques should be made subject to prior
scrutiny and approval by an Expert body in which the employers,
workers and the Government are properly represented. The Expert
body should be entrusted with the responsibility of conducting a
special census in the tea garden areas of the State to find out
the actual employment position and the number of surplus workers
who are really in excess of requirement. Besides enabling the
Government to find out a permanent solution to the problem and
removing the misunderstanding cropping up in the minds of the
workers, such a census will also fix up the necessary framework on
the basis of which a Gratuity Fund Scheme may be formulated
as suggested in an earlier chapter.

The Employment Review Committee of the Assam Assembly has,
of late, selected this burning problem for investigation. It is
noted that the industrialists and the employers have their own
problems but the solution has to be found elsewhere and not
definitely on the policy of deprivation of the set of people who
are the life-blood of the industry in the true sense of the term.
Sick and un-economic gardens: The problem of sick and mismanaged gardens has been with the industry for quite long years. A number of tea estates have closed down during the last ten years, resulting in loss of employment and livelihood to thousands of workers, in loss of production, and also in loss of Government revenues. In this respect there is a virtual crisis in the tea industry of the State. There are many other gardens which are on the verge of closure, somehow maintaining an existence in a stifling atmosphere, causing untold suffering and misery to the workers and their families. This has caused considerable unemployment of about 4,000 labourers and their 40,000 dependants have been rendered destitute. Closure of tea estates, resulting in throwing workers out of employment, also creates special kinds of sociological problems which have, inevitable repercussions on law and order situation and tends to cause political uncertainties. The chief causes of such sickness are mismanagement, non-investment of fund and disputes between partners and owners.

Due to mismanagement, diversion of funds, neglect of necessary accepted agricultural practices over a number of years, a large number of tea estates in Assam have been closed and many others are on the verge of closure. This is due to lack of professional management in estates transferred from one owner to another, witnessed in several estates previously...
belonging to sterling companies. This is illustrated by the fact that by good management practices some gardens left uneconomic by foreign companies have been improved by the succeeding owners. One such garden is Durrung T.E. near Tezpur. This garden when purchased by the present owners, W/s Sheoprasad Darshanlal of Dehradun, from the Managing Agency of Kilburns was in an awful state. Subsequent improvement and constant supervision by the present owners have made this garden one of the best in Assam. In sharp contrast is the nearby Chardwar T.E., which has become uneconomic due to lack of care on the part of its owners from the date of purchase in 1948 till date. The personnels employed in such sick gardens are never administered properly.

The Government of Assam set up a Committee on Uneconomic Tea gardens vide Notification No MI 97/65/85 dated 8.2.1968 as modified by Notification No MI 97/65/104 dated 12.3.1969 with the Secretary to the Government of Assam, Co-operation Department as Chairman and a convenor and with the Secretary to the Industries department, Director of Economic & Statistics, State Labour Commissioner and the Director of Tea Development of the Tea Board as members to go into the question of such gardens and to recommend remedial measures within a maximum period of five months. The Government of Assam thereafter, drafted a Bill called the Assam Tea Estate (Prevention of closure Bills) 1971 seeking to acquire better controlling power over the management of tea gardens but the Central Government did not accord permission to enact this
legislation. On the basis of report submitted by the Task Force appointed in April, 1973, the Tea Act of 1953 has now been amended empowering the Central Government to take over management of such sick gardens under specific reasons.

Problems arising out of re-organisation: In the name of re-organisation and economy, abolition of Central Offices, Central Workshops and amalgamation of factory and offices have been very frequently resorted to thereby throwing large number of workers out of employment and diminishing future legitimate employment potentialities. These steps introduced on the teeth of opposition from workers, more often than not create counter-productive results and contribute to sickness of gardens and deterioration of industrial relationship.

It is essential that Government should be able to devise some effective measures to stop arbitrary and unnecessary re-organisation and rationalisation. We shall discuss this aspect of the problem a little later.

Transfer of Management and change of ownership: Transfer of management through sale or by the operation of law and closure of uneconomic units have affected a number of tea plantations. So long as job-opportunities do not keep pace with the net addition to the employment market, such problem, as we have already noted, should continue to engage the very serious attention of the Government. In this context, labour opinion is tending towards increasing social control of industries.
Piece-meal sale of gardens of big companies causes deterioration of the economy of such gardens and also the companies concerned. Another problem that crops up is that sale in this manner results in closure of Central Offices, Central Workshops etc. which are usually maintained by big companies, causing large scale unemployment. This also affects efficiency and well-being of the gardens concerned. It is imperative that Government should consider taking legislative and administrative measures to stop piece-meal sale of gardens and fragmentation of companies in the interest of the national economy and the industry itself.

Transfer of tea estates to undesirable hands is another serious problem. These owners do not put their heart in the real development and well-being of the Industry and Labour. It is, therefore, necessary to devise effective measures to prevent tea estates from falling into the hands of such undesirable elements. Ownership of tea gardens means ownership of vast lands and becoming arbiter of the fate of a large number of workers and their families. Government should seriously consider whether ownership of tea estates under the circumstances should be allowed to pass over to individuals without any thought to their antecedents. Solution to this problem lies in ensuring that transfer of hands in tea industry may be allowed either to the co-operative sector or to a Corporation sponsored and run by Government.36

That the problems of sickness in the tea gardens can be solved by careful administration has been amply demonstrated by running few such units by the Assam Tea Plantations P.F. Scheme without any legal backing from the Government. This is now followed up by the Assam Tea Corporation as well as by the ATEICOL. As a result of timely take over by the A.T.P.P.F. Scheme, in the Brahmaputra tea company gardens, a total of 5000 workers with their dependants numbering about 25,000 had been saved from unemployment and consequential starvation. The P.F.Board had also taken over responsibilities of managing the Mandacotta T.E. in Kamrup district and Chincoorie and Khoreel T.E.s. in Cachar district in the year 1968 and Hatticheraa and Subhong T.E. of the same district in the year 1973.

The Assam Tea Corporation was registered as a Public Limited Company on 9 February 1972 and it started functioning from 17 September, 1973. The Corporation, up to March 20, 1975, purchased seven tea estates - Amluckie, Dejoo Valley, Naginijan, Bholaguri, Rajabarrie, Cinnamora and Sycotta. Through this change the Corporation became committed to the administration of 7,527 employees including both labourers and other employees of different grades excluding the 29 staff members employed at the head office of the Corporation at Gauhati. On 25 March, 1975 the Corporation purchased the Depling T.E. belonging to the Jorehaut Tea Company thereby

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increasing the number of purchased gardens to eight. It also took over management of the Latekoojan T.E. in January, 1974.

The A.C.M.S. and the A.C.K.S. in Assam have recently created history by taking over management of Wokha T.E. near Golaghat through their Co-operative organisation, the Assam Tea Employees' Industrial Co-operative Organisation Limited.

Section IV: Social Control: In this chapter we discuss the factors affecting the industry under the new post-war economic concept and under the post-independence developments.

Economic Control: The Government of Free India, from the very beginning did not accept the idea of nationalising the tea industry although the industry was to some extent dominated by British Capital and thus during the post-war period, nationalization of the tea industry has never been a serious issue. The tendency was towards control rather than nationalization and it was in accordance with this trend of thought that in 1949 the Central Tea Board was brought into being.

Central Tea Board and Tea Board: The Central Government, by inaugurating the Board did not like to interfere with the normal activities of the industry and the preamble to the Bill made it clear that the industry had to be developed under Central Control.

40. Neogy, K. C., the Commerce Minister at the time of inauguration of the Board made it clear that the Central Government had no intention of interfering with the normal activities of the industry.
Accordingly the Indian Tea Market Expansion Board was dissolved and with the idea of producing greater efficiency through increased authority, the Government secured the passage of the Tea Act, 1953 (Act 29 of 1953) which set up a new body, known as the Tea Board, in place of the Central Tea Board, for promoting the development of tea industry and trade. Since inception the Board has been doing commendable service to improve the production of tea in India as a whole as also to enlarge exports. Although financed by a statutory cess, the Tea Board has proved worthy of existence.41

On the development of the industry, the efficiency of administration depends. Thus besides helping the administration indirectly, under Section 10(1) of the Tea Act, 1953, one of the functions of the Tea Board is to secure better working conditions and the provisions and improvement of amenities and incentives for workers supplementing the measures provided under the P.L. Act. We have, in an earlier chapter discussed the various items under which the Board renders assistance. As per recommendations of the Task Force appointed by the Union Commerce Ministry, the Tea Act, 1953 was proposed to be amended to change the constitution of the Tea Board. The 1953 Act envisaged that the Chairman of the Board need not be one from official service cadre. But some kind of unwritten

41. The Board is mainly financed by tea cess levied under section 25(1) of the Tea Act, 1953 at the rate of 4 paise per Kg. of tea produced in India, which is collected by the Central Excise department and then apportioned by the Government as per approved budget of the Board. There is a proposal to increase the rate to 10 P/Kg (Hindustan Standard 22.3.1975).
convention has developed whereby only officials have so far headed the Board since its reconstitution and establishment in 1954. The Government was keen in changing this pattern. To avoid delay involved in the legislative process, the Tea Board adopted a resolution on February 14, 1974, requesting the Government to amend the Act by an ordinance. No Ordinance, however, had been promulgated, although the Tea Act has now been amended covering the issues as well as to provide some form of power to control the sick and closed-down gardens of the country.

Committees of Enquiry: In a period when a planned economy was taken for granted, it was natural that Governmental Committees of Enquiry into affairs of an important industry like tea should be set up at frequent intervals. There is nothing wrong in forming such enquiries provided the Government implements the acceptable suggestions in the right spirit. Apart from the various enquiries into matters relating to the labour conditions, to which we have referred in the relevant places, three more committees were set up during the first decade after the war to enquire into the general economic conditions of the industry in Northern India. All of these Committees made very useful recommendations after elaborate investigations and these recommendations, if implemented properly would have had far-reaching influence on the general administrative and economic practices.

Chettur Committee of Enquiry: This Committee was appointed in 1949 under the Chairmanship of K. K. Chettur to enquire into the problems of warehouse accommodation, training of Indian in tea-broking and methods of improving quality of tea. The Committee submitted its report in 1950 covering other important topics, which however led to no practical action.

Rajaram Rao Committee: This Committee was appointed by the Government at the request of the I.T.A., with E. Rajaram Rao and M. A. Mulky, to enquire into the economic condition of the industry in the year 1952 and to advise on the relief to be afforded. The team's report although interesting resulted in no practical action.

Menon Committee of 1954: This Plantation Inquiry Commission of 1954-56 under the Chairmanship of P. M. Menon made a comprehensive survey of the problems of the tea industry and other plantation industries. The report suggested almost complete control of the industry by the Tea Board. Moreover, the report was marred by a persistent refusal to believe that the old established companies knew anything about the business of producing and selling tea. The Government of India decided not to adopt most of the recommendations of this committee.

All these Enquiry Committees thus collected a wealth of information but no practical result accrued from their labour.

44. Griffith, Sir Percival. History of Indian Tea Industry p. 239.
P.C. Barooah Committee: This is another important Committee constituted by the Government of India in 1967 to undertake a comprehensive review of the economic conditions and problems of the tea industry in all its aspects and make recommendations regarding the measures required to be taken for its appropriate development on the right lines.\(^\text{45}\) The Committee submitted its report to the Government in November, 1968 and made various recommendations, some of which have since been accepted by the Government. The Committee also suggested that the Government should take over the responsibility of supplying foodgrains to tea garden labour and arrange to distribute them through fair price shops as in South India. Alternatively, Government is requested to set up rationing centres in the tea estates for such distribution.\(^\text{46}\)

The Central Government giving due consideration of the important recommendations commended them to the State Government for action where necessary. The suggestion to treat expenditure on labour houses as revenue expenditure is found unacceptable to the Government. Some recommendations like the reduction of statutory rates of labour houses made by the Committee, however, appear to have been made from a planters' point of view. In our opinion the provision of good housing facilities should get its due precedence over other matters. Even when all allowances are made for human error and a failure to comprehend fully the rather

\(^\text{45}\)Government of India resolution No F 28(63) Plant(\(\Delta\))/66 dated 9.1.1967. (Ministry of Commerce)

\(^\text{46}\)Barooah Committee Report, Para 4. 53.
intricate economic mechanism of the industry, there remains much that many of us must find hard to understand. The reports of these Committees should provide us with knowledge to channelise our efforts in the right direction.

Social Control of the Industry: The prosperity of this vital industry depends on efficient administration of the personnel engaged in it. The industry therefore, not only needs patronage of but also control by the society. The 'Planters Raj' obtaining in pre-independence days in Assam gardens, for instance, made outside contact impossible. The workers continued in that state of semi-serfdom till the dawn of independence and the workers had suffered greatly during the transitional period from 'Planters Raj' to 'Swaraj'. Gradually, however, when their conditions became known outside, the society took up their cause and their conditions of service and social status began to improve. In a planned economy society must assume some control over the management of such a key industry. But unfortunately although laissez-fair is now a thing of the past in respect of employment of labour this has been the basis of the Government policy in respect of management of the industry resulting in a steady decline in managerial efficiency bringing in its wake threat of insecurity of thousand of workers and their dependants. This has a tendency

47. Some of these points reflecting the approach to the problem as made by the A.C.K.S. are quoted from the Letter No NCL/156-G/68/949 dated 30.4.1968 written by Sri G.C. Sarmah, General Secretary, A.C.K.S. and a Member of the Labour Commission Study Group addressed to Sri B. Sarma, the then Additional Labour Commissioner, Assam, pp. 5-6.
to create imbalance in the National economy with fall in quality and quantity of its products and holding back all the welfare activities the Government has introduced for raising the standard of tea plantation workers who are still the most backward community in the country.

In this background it is a reasonable demand that the Industries Development and Regulation Act should be extended to the tea plantation industry. This is a demand which is not directed against the industry but intended to cure those of its mismanaged units of the maladies they suffer from. We, however, feel that the Government's policy of non-interference must yield place to the demand of the new trend in social thinking. As commented by a veteran trade union leader,

"No industry should be permitted to close or reduce employment. Any or all industrial units which close partly or wholly should be taken over for continuing production and employment, without compensation. When a person closes a factory, he does not expect return. On the contrary he has to spend for its maintenance out of his pocket. So taking over management of such concern saves the owners from further expenses and danger of loss. Yet the Sholapur Case law says that a person has a right to mismanage or waste his property but the Government has no right to step in to manage it even for his benefit."

This remark made more than twenty years back is applicable even in present times.

The mismanaged gardens apart, the Society should have control over other matters including the cost structure of the industry. With regard to this, the industry always emphasises on expenditure

48. Ibid p 6
on labour. Their economy drive is always directed towards bringing labour costs down. As Sri Tripathy writes,

"Economy must mean economy at the top. The real problem of plantations is the reduction in management and supervisory costs. In no industry in India is the proportion of management and supervisory costs so high and disproportionate." 50

The same view was also expressed by the Plantation Enquiry Committee. It is, therefore, felt necessary that there should be a probe in the cost structure of the industry to find out to what extent it could be rationalised. 51 "Somehow or other the secrecy which invests the subject of personal earnings and particularly the upper reaches of the Income pyramid must be dispelled." 52

The labour unions in Assam are also in favour of controlling the growth of Managing Agency in the industry as the industry, to a great extent, appears to have become personified in Managing Agents. It is opined that once this superstructure is removed, the economy of the industry is bound to boost up, for, the disproportionate overhead expenditure will be available for better utilisation of men and material. 53

Another aspect of social control is to impart the due share of responsibility to the garden workers to manage their own affairs. The Workers' Participation scheme announced as a part of the 20 point Economic Programme in the country may form the basis of such co-operation. The Scheme as envisaged by the Government presents

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52. Wootton, Prof. Barbara, 'Social Foundation of Wage Policy' p 67.
two-tier participation model, namely, ShopCouncils at the Shop level and Joint Councils at the enterprise level. This new scheme, if given a fair trial may ensure good results in the case of the tea industry.

Pertinent to this observation is the fact that the people of the tea garden areas are being deprived of their right to choose their representatives to the Gaon Panchayats and Anchalik Panchayats and thus these people are virtually reduced to the status of second class citizens. The Government should extend the Assam Panchayati Raj Act to tea garden areas which will give a new sense of dignity to the workers leading to far reaching consequences. The tea garden workers generally regard themselves as outsiders, as persons who have merely to carry out orders. Wherever the enterprise makes losses the workers have no reason to feel themselves involved in it or responsible for it but the ultimate penalty has to be borne by them, the penalty of starvation and unemployment. In a democratic welfare state this state of affairs cannot be allowed to continue and therefore, it is felt that the time has now come to provide the workers with other channels for effective participation in the formulation and implementation of the economic policies of the industry and thus play an effective role in building up our country.

Rationalisation: With the increased economic liabilities the tea industry has, by necessity, introduced a process of

54. Indian Worker, 22.12.1975, p. 4

rationalisation. This is welcome but there are certain aspects which demand immediate observation. Not only are the methods of cultivation and the process of manufacture undergoing changes but the method of accounting and management have also been subjected to rationalisation, not so much with a view to increasing productivity as to curtail expenditure on labour. In an industry where all the members of the family have to work for its sustenance, and still live in poverty, where cheap human labour is raising the output year by year, the scope for rationalisation or automation should be extremely limited. However, the workers are not opposed to any genuine changes. In fact in the 17th Session of the S.L.C. convened by the Central Government an agreement was reached to affect rationalisation without tears. But the Employers have not been following these practices and the process of rationalisation appeared to mean only reduction of labour force. In the name of rationalisation there has been a reduction of 3.2 to 2.7 workers per hectare during the period from 1959 to 1964. To such type of rationalisation, the labourers are understandably opposed. Introduction of automatic machines such as Rotorvan and other such machines is threatening large-scale unemployment in the tea industry and the people thus thrown out of employment are to be fed by other workers with their meagre income which poses a big problem.


58. Ibid, p. 2
Amalgamation of factories and hospitals, re-organisation of local offices and computerisation of accounting system are all aimed at throwing more and more workers out of employment and restricting employment potentiality for future. By using chemical substances, human labour in hoeing, weeding etc. are sought to be eliminated. It thus appears that the 'process' has been operating rather silently over the years during which the number of workers have been systematically reduced. In the 26th Session of the S.L.C. held on 13.12.1966, a Tripartite Committee was set up to go into the problem and suggest remedial measures. But the Committee could not go ahead due to the indifferent stand reported to have been taken by the employers. Another important feature is the loss of job satisfaction due to sudden re-organisation. As for instance when the Balijan North and Balijan South Tea Estates were amalgamated the workers of Balijan South T.E. continued to get their pay without any work which led to loss of job satisfaction. It is necessary that when there is a guarantee for job there should be job satisfaction also. The most important result of the deliberations of the S.L.C. is to arrive at an understanding in the following terms. First, any change must be notified to the workers. Second, there should be bi-lateral discussion with workers, and Third, the matter should be placed before the Sub-Committee of the S.L.C. if bi-lateral discussion fails.

60. Ibid, p. 3.
61. Ibid, Speech of the Chairman.
But the problem has not shown any improvement over the years and the sense of insecurity still persists in the mind of the workers as the size of the labour force is cut to size in a systematic manner as before. Thus the process of rationalisation has not so far been able to introduce a better administrative structure in the industry.

We note that if rationalisation simply means an advanced method in bush culture or 're-organisation' of managerial set-up to bring about greater cohesion, more efficiency and consequently higher productivity or use of better equipment, there should be no concern for the workers or the society. But labour displacement as above done in the name of rationalisation is in fact deprivation.

"Automation is a concept of the organisational work and is therefore applicable to the organisation of distribution or of clerical work as to that of Industrial production.63 Rationalisation or automation or re-organisation all mean, the mechanisation of more direct labour activities which integrates the several parts of a complex total process; The I.L.O. research team on the subject has stated that -

"The significance of automation involves not only the span of its application but the speed of its penetration and the responses of the market to it. We must not be so absorbed with engineering form as to neglect those responses. By response we do not mean the establishment of an advance warning system, the rationalisation of labour through the use of attrition, training and retraining programmes alone. We mean the manner in which savings in the use of both capital and labour are transmitted to society in order to set in motion employment generating impulses."


As we have noted above the workers are not opposed to genuine changes as called for in modern times. In our opinion, labour saving devices whether it is by introduction of more sophisticated system of accounting and manufacture or by using chemical substances to eliminate human labour in cultivation, should follow careful assessment of their impact on the employment position and the disturbances they would cause to the wage worthiness of workers, present and future. If such changes result in labour displacement as they almost invariably do, there should be provision for alternative employment for displaced workers in absence of which there should be a moratorium on the so-called rationalisation. We further feel that since the process of rationalisation has threatened plantation workers' employment potentiality, a detailed study of the problem in all its aspects should be conducted by the Union and the State Government before the process of motivated rationalisation robs off thousands of workers their livelihood creating an unsolvable administrative problem for the industry. The local universities should also undertake proper studies of the problem.

Nationalisation: In view of the anomalies pointed out there are demand at certain quarters to nationalise the industry as a whole. This demand is made on the ground that although they are provided with replantation and other subsidies by the Government.

65. The Annual General meeting of the A.C.K.S. held at Tinsukia on 30.3.1975 demanded nationalisation of the tea industry in the greater interest of tea workers. (Assam Tribune 3.4.1975).
the Employers are constantly neglecting the developmental works to the great detriment of the future well-being of the industry. Besides the various laws are not implemented in the right spirit. The Central Government as before does not appear to be interested to nationalise the industry as demanded although the Government is going to take steps for managing the weak and sick gardens through legislative control. The State Government is also alive to the problems created through mismanagements of T.E. as well as through selling of gardens to undesirable hands. The Assam Tea Corporation, as we have noted earlier, has been created with the sole purpose of increasing production through scientific cultivation and efficient management. The Corporation has so far acquired the gardens through voluntary negotiations. The amendment in the Tea Act of 1953 may provide better control in deserving cases. We feel, that no useful purpose may be served by nationalising the industry. The need of the hour is rationalisation under proper public supervision.


67. Statement made by the Union Commerce Minister on 17.6.1974 (Dainik Assam 11.6.1974)