2.1 EARLY HISTORY

China is recognised as the immemorial home of tea. It is said that tea bush was discovered in China three thousand years before the Christian Era. But nobody believes this as it lacks authenticity. The first authenticated reference to tea in China is found in the fourth century A.D.\(^1\) At that time tea was being used in China as medicine. Thereafter tea gradually became popular as a beverage and was being extensively used as beverage in the 8th and 9th century.\(^2\) The simplicity of the technique required for its manufacture led to the establishment of almost universal habit of tea-drinking in China.

In Japan, tea was introduced by Buddhist priests between the 6th and 8th century, first as a medicine and then as a beverage.\(^3\) Gradually, the habit of tea drinking spread to South-east Asia and Central Asia. In India also, historical records suggest that tea was being used not by common people, but occasionally by well-to-do Indians.

There is no such certain evidence as to the date or time when tea was introduced in England. But the established fact is that the first public sale of tea was conducted by Thomas Garway in 1675.\(^4\) From 1663 onwards references to tea were found in the books of East India Company and the Company began to import tea from China in 1669.\(^5\) In the second decade of eighteenth century, tea became sufficiently popular in England and consumption of tea touched nearly eleven million lbs. in 1785.\(^6\) Tea drinking was first introduced in America in seventeenth century and gradually the beverage got popularity there.\(^7\) But because of strained relation between America and England at the time of the declaration of Independence of

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5. Ibid, p 17.
America in the eighteenth century, Americans had developed a strong prejudice against tea and tea consumption came down significantly in America.⁸

Before tea cultivation in India was started, China had been the main supplier of tea to Europe and also to colonies of Britain, including India. Upto 1833, East India Company of England held the monopoly of tea trade with China. In that year (1833) China cut off the supply of tea to England and to her colonies because of the emergence of a cold war between England and China over the opium question and as a result this monopoly business of East India Company came to an end.⁹ Directors of the company being deeply anxious over this matter began to take interest in the experiment on the cultivation of tea in various parts of Assam and North India and submitted reports on that matter from time to time. This vigorous experiment got impetus when Lord Bentinck took decision to set up a committee to enquire into the possibility of tea cultivation in India. Recommending the possibility of tea cultivation in India, the committee submitted its report in 1834. In the meantime, the Bruce brothers had entered into the field as venturesome business men. Being encouraged by the Tea Committee’s report, the Government of India had started the first experimental tea garden in Luckimpur (in upper Assam) in 1835 and appointed C.A. Bruce as the Superintendent of tea forests in upper Assam in 1836.¹⁰

In fact, British Government’s keen interest in this venture of tea cultivation in Assam was a reflection of their agricultural policy that was being pursued during the eighteenth and nineteenth century. A notable development in the agricultural history of Eastern India during that period was the growth of commercial agriculture. The important cash crops of that time were opium, indigo, silk and sugar.¹¹ To this, tea – an important cash-crop was added when tea cultivation was started in the first part of 19th century. The agricultural policy which encouraged the cultivation of cash crops was solely guided by the motive of profit maximization. The profit expectation was high in this line of production, because production of all those cash crops mentioned above were labour-intensive in nature. At that time, in India, because of the

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¹⁰ P. Griffths, op. cit, p 43.
¹¹ Dharma Kumar (ed.), op. cit, p 311.
availability of labour at relatively cheaper rates, production cost could be kept low and hence expectation of profit on the part of the British planters was high. With this background tea cultivation was started in Assam in the nineteenth century.

In the second half of nineteenth century, tea production gradually spread to many other parts of India. Indigenous tea was first discovered in Cachar (in South Assam) in 1855.12 Regarding this discovery, Captain G. Verner, the then Superintendent of the district of Cachar in his letter (dated 10th July 1855) wrote to W. Grey, Secretary to the Govt. of Bengal:

I submitted specimens of the Plant to Dr. Thomas, Supdt. of the Govt. Botanical Garden, Calcutta and to others, and all agree in considering them identical with the tea plant of Assam . . . On my first ascertaining that the plant discovered was the genuine tea plant, I sent people in several directions into the jungles to look for it, and wherever I sent, the plant was found, more or less abundant, and no doubt on search being made, it will be found in the jungles whereever there are low hills.13

It is evident from a letter later written by Captain Verner to R. Houstonn, an applicant for grant of land in Cachar for tea plantation, dated 4th Sept. 1855, that as a result of search, tea plant was first discovered to the south and south east of Silchar— the sadar station of the district of Cachar.14 From the same letter, it is evident that the principal places where tea plants were growing in abundance were the Bargoongoor hills in the Chatla Howher, Baokara and Nawowalla near Gagra river, Barrahangun near Hyleakandy.15 Captain Verner wrote:

... Any person intending to cultivate tea in Cachar should employ some person at once to look out the best locality and to collect the seed. I have already received four or five applications for the lands from parties willing to embark in the enterprise on a large scale"16

Thus it is clear from the above letters, that having been satisfied by the encouraging report on the possibility of tea plantation in Cachar, Government permitted experimental tea plantation in Cachar. It is evident from a letter (dated 19th April, 1858) written by R. Stewart, the then officiating Superintendent of Cachar to the Commissioner of Revenue, that Mr. G. William was the first gentleman who applied for lands after the discovery of the tea plants in

12 P. Griffths, op. cit, p 82.
14 Ibid, p 88.
16 Ibid, p 89.
the district. He was offered the first grant of 742 acres in Barrahangun for 99 years and had first commenced the cultivation of tea in 1856 with great success.\(^\text{17}\)

The names of the pioneers in the field of tea industry in Cachar were – A. Tydd of Wise and C. Dacca (Baokara Garden), I. Davidson of Cachar Tea Company (Adelaide Gardens) and M. Herring of Chundeepoor.\(^\text{18}\) The progress made by the pioneer planters attracted more mercantile units and large number of applications came in for leases. The Cachar Tea Company, Silchar Tea Company, Sylhet and Cachar Tea Company, Cachar Tea Association, Badarpur Tea Company and Jirighat Tea Company were among the competitors.\(^\text{19}\) All of those companies were sterling companies. The first Indian-owned tea company in South Assam was the Cachar Native Joint Stock Company Ltd. which started operation in the seventies of the nineteenth century. In this way, Cachar came within the map of tea producing areas.

**2.2 GROWTH OF THE INDUSTRY**

In the initial stage, tea business in India was not so profitable because of the high import tax imposed on Indian tea in Great Britain. But as the move towards free trade was started, tax barriers disappeared and Indian tea gradually captured the tea market in England and in the British Colonies. The last two decades of the 19th century were the period of continuous expansion of tea production in all over India. Of course, this increase in quantity was obtained at the cost of quality, the result of which was that prices and profits fell down.

During the beginning years of 20th century, production as well as the price of tea recovered. The prosperity continued even during the period of first World War. The year 1923 was in fact a year of record production and prosperity. The area under tea was expanding almost uniformly at the rate of 2 per cent per year. The decade of forties witnessed vigorous expansion of market and, as a result, India's total production of tea increased by 20 per cent over the pre-war figure.

Time series data pertaining to the later half of the nineteenth century show that, in 1861, Cachar yielded 3400 mounds of finished tea and Rs. 2,50,000/- was invested in the tea

\(^{17}\) Ibid, p 93.

\(^{18}\) Ibid, p 101.

industry in South Assam during that year. In 1869, Cachar had 24,151 acres of land under tea cultivation and yielded 4,255,000 lbs of finished tea.\textsuperscript{20} In 1885, Surma Valley comprising only two districts of Cachar and Sylhet yielded 20,998,978 lbs of tea. At that time, of all the tea producing districts in Assam, Cachar topped the list with regard to production of tea. Till the end of 19th century, Cachar continued to be one of the largest tea manufacturing districts. In 1895, Cachar had the highest number of tea gardens in Assam (199 gardens).\textsuperscript{21} In fact, in the last quarter of the 19th century, the industry’s expansion in this region was remarkable. In 1898, the area under tea cultivation in Cachar district was 62,179 acres and total production was 20,898,000 lbs of tea.\textsuperscript{22}

In the beginning of 20th century, the growth of tea industry in Cachar experienced a declining trend. But after 1926, the industry recovered and a rising trend was noticeable both with regard to area under tea cultivation as well as production of tea.

Table 2.1 shows the time series data on production of tea, acreage and the average yield of tea in Assam and Cachar during the period from 1901 to 1951:

\begin{table}[h]
\centering
\begin{tabular}{|c|c|c|}
\hline
Year & Area (Acres) & Production (Lbs) \\
\hline
1901 & 62,179 & 20,898,000 \\
\hline
1902 & 65,321 & 22,000,000 \\
\hline
1903 & 68,463 & 23,100,000 \\
\hline
1904 & 71,605 & 24,200,000 \\
\hline
\end{tabular}
\end{table}

\textsuperscript{20} Ibid, pp 191, 199.
\textsuperscript{21} Ibid, p 200.
\textsuperscript{22} Ibid, p 200.
<table>
<thead>
<tr>
<th>Year</th>
<th>Area under Tea (in hectares)</th>
<th>Production of Tea (in thousand kg)</th>
<th>Yield (kgs per hectare)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Assam (total)</td>
<td>Cachar</td>
<td>Cachar's share in Assam total (%)</td>
</tr>
<tr>
<td>1901</td>
<td>1,36,859</td>
<td>24,502</td>
<td>17.90</td>
</tr>
<tr>
<td>1926</td>
<td>1,70,148</td>
<td>23,232</td>
<td>13.65</td>
</tr>
<tr>
<td>1951</td>
<td>1,55,674</td>
<td>30,445</td>
<td>19.56</td>
</tr>
</tbody>
</table>

Note: The Cachar tea district (popularly called Barak Valley) actually comprises the present Cachar, Hailakandi and Karimganj districts of Assam and is referred to as South Assam in this thesis.


It is evident from Table 2.1 that during the first half of 20th century, although there were increasing trends in respects of area under tea cultivation and tea production in Cachar, the growth of average yield of tea per hectare in this district was slower than that in the rest of Assam.

Tea industry in Cachar experienced significant growth particularly during the post-independence period. The time series data on area under tea cultivation, production of tea and average yield per hectare in Cachar pertaining to the period 1951 to 2000 are depicted in Table 2.II:
### TABLE 2.II: TREND OF GROWTH OF TEA INDUSTRY IN CACHAR: 1951 TO 2000

<table>
<thead>
<tr>
<th>Year</th>
<th>No. of tea estates</th>
<th>Area under tea production (in hectares)</th>
<th>Production of tea (in thousand kg)</th>
<th>Avg. yield of Tea per hectare (in kg)</th>
<th>Index numbers (1951 = 100)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Area under tea</td>
</tr>
<tr>
<td>1951</td>
<td>NA</td>
<td>30,445</td>
<td>19,827</td>
<td>651</td>
<td>100</td>
</tr>
<tr>
<td>1961</td>
<td>116</td>
<td>29,928</td>
<td>20,181</td>
<td>647</td>
<td>98.3</td>
</tr>
<tr>
<td>1971</td>
<td>114</td>
<td>31,018</td>
<td>22,736</td>
<td>733</td>
<td>102.0</td>
</tr>
<tr>
<td>1981</td>
<td>115</td>
<td>32,368</td>
<td>29,277</td>
<td>904</td>
<td>106.3</td>
</tr>
<tr>
<td>1991</td>
<td>115</td>
<td>35,314</td>
<td>40,605</td>
<td>1150</td>
<td>116.0</td>
</tr>
<tr>
<td>2000</td>
<td>NA</td>
<td>31,150</td>
<td>53,672</td>
<td>1727</td>
<td>102.3</td>
</tr>
</tbody>
</table>

Note: i) The Cachar tea district (popularly called Barak Valley) actually comprises the present Cachar, Hailakandi and Karimganj districts of Assam and is referred to as South Assam in this thesis.
ii) NA means 'not available'.


As may be seen from Table 2.II, during the period 1951 to 2000, the area under tea production in Cachar and the number of tea estates operating therein remained more or less static. Yet, during this period, the production of tea increased by 170.7 per cent and the average yield per hectare increased by 165.2 per cent. The growth of production of tea in Cachar which was noticeable particularly during the period 1971–2000 resulted largely from improved plantation practices and a gradual rise in labour productivity. The productivity of labour in tea industry in India (total), in Assam (total) and in Cachar during the period from 1950 to 1997 are presented in Table 2.III:
TABLE 2.III: PRODUCTIVITY OF LABOUR IN TEA INDUSTRY: 1950 TO 1997

<table>
<thead>
<tr>
<th>Year</th>
<th>Production per Labourer (in Kg)</th>
<th>Index Numbers of Labour Productivity</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>India</td>
<td>Assam</td>
</tr>
<tr>
<td></td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>1950</td>
<td>276</td>
<td>272</td>
</tr>
<tr>
<td>1961</td>
<td>431</td>
<td>415</td>
</tr>
<tr>
<td>1971</td>
<td>568</td>
<td>563</td>
</tr>
<tr>
<td>1981</td>
<td>660</td>
<td>666</td>
</tr>
<tr>
<td>1991</td>
<td>757</td>
<td>722</td>
</tr>
<tr>
<td>1997</td>
<td>785</td>
<td>733</td>
</tr>
</tbody>
</table>

Note: Same as Table 2.I.


The following two points are evident from Table 2.III:

(a) Labour productivity in Cachar during 1950 to 1997 rose by 184 per cent. The rate of growth of labour productivity in Cachar was almost the same as that in case of India.

(b) The production per labourer in Cachar in 1997 was almost the same as the production per labourer in Assam. This means that the labourers in Cachar are now equally productive as their counterparts in the rest of Assam.

Table 2.IV shows the area, production and yield of tea in estates of different size-classes in Cachar (referred to as South Assam in this thesis) during the period from 1962 to 1997:
TABLE 2.IV: AREA, PRODUCTION, YIELD OF TEA IN ESTATES OF DIFFERENT SIZE-CLASSES IN CACHAR DURING THE PERIOD FROM 1962 TO 1997

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>No. of Estates</td>
<td>Area (in hectare)</td>
<td>Production in ('000 kg.)</td>
</tr>
<tr>
<td>Tiny</td>
<td>0.0–8.09</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Small</td>
<td>8.09–50.0</td>
<td>10</td>
<td>362</td>
</tr>
<tr>
<td>Medium (small)</td>
<td>50.0–100.0</td>
<td>15</td>
<td>1091</td>
</tr>
<tr>
<td>Medium (large)</td>
<td>100.0–200.0</td>
<td>27</td>
<td>4343</td>
</tr>
<tr>
<td>Large</td>
<td>200.0–400.0</td>
<td>41</td>
<td>11470</td>
</tr>
<tr>
<td>Very large</td>
<td>Above 400.0</td>
<td>21</td>
<td>12,446</td>
</tr>
<tr>
<td>Total</td>
<td>114</td>
<td>29,712</td>
<td>16,747</td>
</tr>
</tbody>
</table>

Note: Same as Table 2.1
Source: Same as Table 2.1
As may be seen from Table 2.IV, during the period from 1962 to 1997, the total number of estates in the ‘large’ and ‘very large’ size-groups rose from 62 to 73, while the total number of estates in the ‘tiny’ ‘small’ and ‘medium’ size groups declined from 52 to 43. In 1997, out of 116 estates in Cachar, 73 estates belonged to either ‘large’ and ‘very large’ size-groups. Average yield per hectare (in kg) increased in estates in all the size-groups during the period 1962 to 1997.

2.3 LABOUR INTENSITY OF TEA MANUFACTURING

Tea plantation industry is a labour-intensive agro-based industry. Work in plantation is essentially agricultural though its management resembles that of an organised industry characterised by corporate ownership and large scale participation of equity capital.

Plantation crop is cultivated with wage labour. Table 2.V shows the time series data on the average daily number of labour employed in tea plantations in Cachar and Labour employed per hectare of area under tea during the period from 1950 to 1999:

<table>
<thead>
<tr>
<th>Year</th>
<th>Average Daily number of Labour Employed</th>
<th>Labour employed per hectare of area under tea</th>
</tr>
</thead>
<tbody>
<tr>
<td>1950</td>
<td>76681</td>
<td>2.52</td>
</tr>
<tr>
<td>1961</td>
<td>52970</td>
<td>1.77</td>
</tr>
<tr>
<td>1971</td>
<td>46638</td>
<td>1.50</td>
</tr>
<tr>
<td>1981</td>
<td>50140</td>
<td>1.55</td>
</tr>
<tr>
<td>1991</td>
<td>60744</td>
<td>1.72</td>
</tr>
<tr>
<td>1999</td>
<td>67191</td>
<td>2.12</td>
</tr>
</tbody>
</table>

Note: The Cachar tea district (popularly called Barak Valley) actually comprises the present Cachar, Hailakandi and Karimganj districts of Assam and is referred to as South Assam in this thesis.

It is evident from Table 2.V that tea plantations in Cachar (South Assam) employs a large number of labourers. In 1991, the total number of workers engaged in all sectors (primary, secondary and tertiary sector) in South Assam was 7,13,935. Of this total, 8.5 per cent (60,744 workers) were in tea industry alone.\(^{23}\)

But Most of the labourers currently employed in tea industry in South Assam are third or fourth generation migrants. From the very beginning, the tea industry in Assam (including Cachar) was dependent upon immigration for its labour supply. This large scale immigration continued upto 1950.

In fact, when tea was first discovered in Cachar in 1855 and tea production was started, the industry did not face any problem with regard to labour. But soon the problem of labour shortage became acute because of fast expansion of the industry. Labour-supply fell far short of the total demand for labour as, because of low wage rate, agricultural labourers of the nearby villages were often unwilling to get absorbed in the tea plantation industry. In the given situation, British planters started thinking of importing labourers from other parts of India particularly from those regions where there were abundant supply of cheap labourers. Accordingly the practice of importing labour into Assam, including Cachar, was started. Four hundred labourers were imported in Cachar in 1958-59.\(^{24}\)

The immigrant labourers initially came mainly from Benaras, Gazipore, Chotenagpur, Santal Pargana. During the nineteenth century, the tribal races in those areas were in the midst of severe economic hardship. Therefore, planters did not find much difficulty in importing those tribal people as tea labourers. The Tea Planters Association was formed subsequently to regulate the recruitment of labourers. Recruitment was being done mainly through the ‘arkatis’ – a class of contractors who supplied labourers to the tea gardens. The Inland Emigration Act – Bengal Act III of 1863 made it obligatory that all labour recruiters should be licensed and the period of contract should not exceed four years.\(^{25}\) During the period from May 1863 to January 1868, a total of 52,155 labourers were imported to Cachar. During the decades of


\(^{24}\) P. Griffiths, op cit, p 268.

\(^{25}\) Ibid, p 269.
eighties and nineties of 19th century, a total of 51,894 and 75,415 labourers were imported into Cachar respectively. By 1901, the tea labour population in Cachar stood at four lakhs. Increase in labour employment in tea industry continued till the beginning of the Second World War.

Since the fourth decade of 20th century, the tea districts of Assam, including Cachar started facing the problem of abundance of labour in the tea gardens. As a result, ultimately, in August 1950, it was decided to discontinue the immigration of labour into Assam. Accordingly the immigration of labourers from outside the State was stopped. Currently, the chief modes of labour recruitment in tea gardens of Cachar are –

i) hiring directly from within the organisation;
ii) hiring directly from outside sources on temporary or casual basis;
ii) hiring labourers from outside the estate through labour contractors;
iv) hiring labourers through the employment agencies set up by the Government.

Indeed, the labour employment in the tea plantations in Cachar marginally declined over the period from 1950 to 1999 (Table 2.V)

2.4 WAGE STRUCTURE AND THE WELFARE AND AMENITIES

Prior to Independence, there was no legislation to protect the interest of labourers with regard to wages, hours of work, number of working days in a week etc. As tea plantation industry is a labour-intensive industry, a reduction in the wage-bill means for the estate-owners an increase in profits. At the same time, planters try to extract as much work as possible from the labourers. Employment of indentured labour during the British days meant that workers were bound to work on whatever wages were given to them. Therefore wage rates for tea plantation labourers in Assam which was fixed in 1865, remained almost stationary till the end of the 19th century. The 1865 Act fixed the wage for a male labourer at Rs. 5/- per month and for a female labourer at Rs. 4/- per month. The Act I of 1882 made it obligatory for planters to supply to their labourers foodgrains at a price lower than the market price.

26 J.B. Bhattacharjee (1977), op cit, p 199.
28 P. Griffiths, op cit, p 304.
29 Ibid, p 306.
means that cash wage does not represent the whole of the remuneration of tea plantation labourers in India.

During the first half of 20th century, minimum wage of tea plantation labourers had been revised from time to time. Nevertheless, in the middle of 20th century average monthly earning of a tea plantation labourer was much lower than that of a labourer of any other industry.

Table 2.VI shows average monthly wage (including D.A.) in some selected industries and in tea industry in 1948.

<table>
<thead>
<tr>
<th>Name of the industry</th>
<th>Average monthly wage including D.A. (in Rs.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Calcutta Electric Supply Corporation</td>
<td>85.00</td>
</tr>
<tr>
<td>Bengal Jute Mills</td>
<td>63.00</td>
</tr>
<tr>
<td>Calcutta Tram Way Company</td>
<td>85.00</td>
</tr>
<tr>
<td>Engineering Industries</td>
<td>61.00</td>
</tr>
<tr>
<td>Tea Industry</td>
<td>36.00</td>
</tr>
</tbody>
</table>

Note: Average earning of a tea plantation worker per month (provided he worked for a whole month) stood at Rs. 36.00 (average monthly cash wage at Rs. 22.00 + cash equivalent to supply of foodgrains at concessional price + income derived from land cultivation per month).


The Minimum Wage Act 1948 was a landmark in the history of labour legislation in this country. This was the earliest legislation in independent India for protecting labourers from exploitation. The enactment and subsequent implementation of the act not only brought some improvement in the wages of labourers but also paved the way for standardization of wages of labourers in tea plantations. Yet till 1961, the average monthly earnings of a labourer in tea plantations was much lower than that of a worker in any other labourer-intensive manufacturing industry in India. Table 2.VII shows the average monthly wage earnings of a worker in tea plantation industry in Assam and those of the workers in some other labour intensive manufacturing industries in 1961:
TABLE 2.VII: AVERAGE MONTHLY WAGE EARNINGS OF WORKERS IN TEA PLANTATION INDUSTRY IN ASSAM VIS-A-VIS SELECTED INDUSTRIES IN 1961

<table>
<thead>
<tr>
<th>Name of the industry</th>
<th>Average Monthly Wage (in Rs.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cotton Textile Industry</td>
<td>149.16</td>
</tr>
<tr>
<td>Jute Industry</td>
<td>111.33</td>
</tr>
<tr>
<td>Leather Industry</td>
<td>92.16</td>
</tr>
<tr>
<td>Paper Industry</td>
<td>117.75</td>
</tr>
<tr>
<td>Tea Plantation Industry in Assam</td>
<td>Male 49.70</td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Female 46.53</td>
</tr>
</tbody>
</table>


In 1961, Central Wage Board for plantation was set up. On the basis of the recommendation of Central Wage Board, the basic wage rates of a male labourer and a female labourer in tea plantation industry were fixed and subsequently revised from time to time.

The enactment of the Equal Remuneration Act, 1976 was another important event in the history of wage fixation for tea labourers. Wages of female labourers in tea plantation industry were brought at par with male labourers after the enactment of this Act in 1976.

On the basis of system of payment, the tea plantation workers can be divided into three groups – monthly rated, time rated and piece rated workers. The time rated or piece rated workers are also called daily rated workers. Under the act of 1865, Hazri System became the basis of wage fixation for daily rated workers in tea plantation industry in Assam. The 'Hazri' represents a specified task which a worker is expected to perform by 4 or 5 hours and for which a standard daily wage is paid to the worker. After completion of this specified task the worker may perform extra work at additional wage rate. For example, in South Assam the specified task for an adult tea leaf plucker is 18 kg. per day which is called 'Hazira'. Extra wages are payable for tasks completed above this specified task. Those of the daily rated workers who work for 6 (six) days in a week in the factory receive a 'factory attendance

incentive' at specified rates.\footnote{Surma Valley Branch of Indian Tea Association: \textit{Hand Book on Terms and Conditions of Service}, Silchar.}

Table 2.VIII shows the wage rates fixed for the adult daily rated workers in South Assam at different points of time between 1975 and 1999:

\begin{center}
\begin{tabular}{|l|c|}
\hline
\textbf{Wage fixed on} & \textbf{Labour Wage per day (in Rs.)} \\
\hline
5th January 1975 & 3.02 \\
1st February, 1980 & 6.28 \\
1st August, 1985 & 9.46 \\
1st September, 1990 & 14.19 \\
16th August, 1995 & 21.35 \\
1st August, 1999 & 29.35 \\
\hline
\end{tabular}
\end{center}

\textbf{Source:} Surma Valley Branch Indian Tea Association: 'Hand Book on Terms and Conditions of Service' mimeo, Silchar, p 8.

Alongside, there were important developments in the area of labour welfare. On the basis of ILO's prescription for labour welfare services, the Plantation Labour Act was passed in 1951. The Act made it obligatory for tea estates to arrange certain welfare and amenities for the plantation workers. The important welfare and amenities prescribed for plantation workers were as follows:\footnote{GOI: Ministry of Labour, Employment and Rehabilitation :\textit{Report of the National Commission on Labour}, New Delhi, 1969; pp 104-77.}

\begin{enumerate}
\item The Act prescribed the maximum hours of work as 48 in a week per worker—male or female.
\item The Act made it obligatory for employers to grant casual leave and sick leave to every permanent worker and also maternity leave for three months to every female worker who has completed not less than 80 days of work during the 12 months immediately proceeding the confinement.
\item The Act laid down that every planter should provide and maintain readily available medical facilities for the workers. The Act framed the rules underlying the type
of hospital, number of beds in the hospital, number of medical and paramedical staff etc. The State Governments were given the responsibility to prescribe the nature of medical facilities. To ensure that hospitals in plantation are properly equipped, state governments were required to prescribe lists of drugs, medicines and equipments for the hospitals.

d) It was also laid down in the Act that every employer should provide and maintain for every permanent worker and his family the necessary housing accommodation. For this purpose the Plantation Labour Housing Scheme was drawn up in 1956. On the basis of this scheme, the plantations whose financial condition was not up to the mark were entitled to get subsidy to the extent of 25 per cent of the cost of constructing houses for workers. The Act also prescribed the standard of houses to be provided.

e) Under the Act, employers were required to provide educational facility for workers’ children. State governments were empowered to make rules specifying the manner and standard of educational facilities to be provided by the employer.

f) The Act also prescribed that creche facility should be provided to the working mothers in the plantations. The standards for creche facility to be provided by the employers were also laid down.

g) It was made obligatory for employers to provide recreation facilities to the workers.

h) Another amenity prescribed under the Plantation Labour Act of 1951 is the provision of ration at the prescribed scale and at concessional rate for the worker and for his or her dependents (children under 16 years of age, parents who are now unable to work owing to old age, nonworking wife of a working husband). State governments were empowered to prescribe the scale and rate at which rations were to be provided. In South Assam, currently the ration entitlement per worker per week is 3.26 kg (1.63 kgs of rice and 1.63 kgs atta). Ration entitlement for each adult dependant per week is 2.44 kgs of rice and atta and for each dependant child is 1.22 kgs of rice and atta.\textsuperscript{33}

\textsuperscript{33} Surma Valley Branch of Indian Tea Association: ‘Hand Book on Terms and Conditions of Service’, mimeo, Silchar.
Besides, the Act also provided for free issue of dry tea to all permanent workers at the rate of 1 lb (450 g) per family per month.\textsuperscript{34}

i) The Act asked the planters to allow free collection of firewood by their labourers for cooking purposes.

j) Under Rule 71 of the Act, each permanent worker was entitled to get one umbrella of good quality once in every two years, woolen blanket once in every two years, one pair of chappal once in every year and a mosquito net (one time issue).\textsuperscript{35}

Besides those amenities provided under the Plantation Labour Act 1951, plantation workers along with other industrial workers are entitled to some other welfare and amenities. These are as follows:

k) Under the Payment of Bonus Act 1965, bonus would be payable to every worker who renders minimum 30 days' work in a year during the accounting year in which the employer derives a profit from the establishment.

l) Under the Employees' State Insurance Act 1948, sickness benefit is available to every worker who pays 13 weeks' contribution in a period of 26 weeks.

m) Under the Employee's Provident Fund Act 1952, Planters are required to provide provident fund facility to the workers who have put in 240 days of continuous service in one year.

While the welfare schemes and amenities prescribed by the various Acts as noted above are meant generally for permanent workers of the tea estates, the temporary or casual labourers also come under the scope of some labour protecting enactments particularly those relating to wages, regulation of hours of work, condition of work, payment of bonus etc. But temporary workers of plantations are not entitled to leave with wages, casual leave, sickness benefit, provident fund, housing facility, ration facility throughout the year, among others.

\textsuperscript{34} Ibid, p 9.

\textsuperscript{35} Ibid, Annexure-B.
2.5 OWNERSHIP OF TEA ESTATES

During the British rule, the tea industry in India grew mainly through the initiative of the European planters. In 1839, the Assam Tea Company in London was formed with the intention of purchasing East India Company’s plantations in Assam. At the same time, Bengal Tea Association in Calcutta was formed with the same intention. Ultimately these two associations were amalgamated to form the Assam Tea Company. By March 1840, East India Company handed over almost all tea plantations in Assam to the newly formed Assam Tea Company. Assam Tea Company was located in London and employed agents in Calcutta to implement plans and policies formulated by the Board of Directors. Some of those agents began to take lands on lease and establish tea gardens in Assam.

After the discovery of indigenous tea in Cachar on 1st May 1956, Mr. G. William, Superintendent of Assam Tea Company was granted 742 acres of land in Burrahangun on lease for 99 years for tea cultivation. He was the first gentleman who was granted land. Within 4th May 1956, I. Davidson of Cachar Tea Company, A. Tydd of Wise and Co. and Mr. Herring Charles Mackey, a businessman were granted lands for tea cultivation in Cachar. It is found in the report submitted by the then Superintendent of Cachar that all the pioneer planters had started cultivation of tea with great success and their successful performance attracted a large number of European capitalists and mercantile units. A large number of applications poured in for leases. By 1872, there were eighty Tea estates in Cachar. These were all foreign concerns under the ownership of Sterling Companies or of European 'gentlemen'.

During the second decade of 20th century, because of excessive supply, there was a steep fall in the prices of tea and this had led to a serious slump in the tea industry in all over India. This situation of serious set back in tea plantation industry in Cachar made some sterling Companies unremunerative and forced them to sell some of their estates to Indian entrepreneurs. The Cachar Native Joint Stock Company was the pioneer among the Indian entrepreneurs who entered into the field of tea production in Cachar and had emerged as a leading concern. Gradually Indian capital had been penetrating into the field of tea production

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36 P. Griffiths, op cit, pp 61-63.
37 J.B. Bhattacharjee (1977), op cit, p 190.
38 Ibid, p 190.
40 Ibid, p 194.
41 Ibid, p 201.
in Cachar. But all these could hardly fill up the vacuum created by the departure of some European concerns.\textsuperscript{42} Upto the Second World War, British Capital was predominant in the tea industry in Cachar.

The process of change in ownership structure in the tea industry in Cachar like all over India received an impetus during and after the termination of the Second World War. After independence, a series of Acts, such as — FERA, Import-Export Council Act, Minimum Wage Act 1948, Plantation Labour Act 1951, Companies Act 1956 etc. were passed to control and regulate industries and all these regulating measures hit hardly the foreign tea companies. The Companies Act, 1956 restricted the functioning of managing agents of foreign tea companies. The result was that many of the sterling tea companies, started selling their estates to Indian hands. The number of sterling companies declined and that of Indian companies increased. From 1977 onwards all the foreign tea estates in Cachar, like their counterparts in the rest of India, were Indianised to comply with the provisions of the Foreign Exchange Regulation Act (FERA), 1973.\textsuperscript{43}

At present, tea estates in Cachar (South Assam) are owned and managed by joint stock companies — both the private limited and public limited ones and also by sole trading concerns and public sector units.

\textbf{2.6 PRODUCERS' ASSOCIATIONS}

During the last three decades of the 19th century, the principal worries of planters in North East India were the shortage of labour, the problem of transport and communication and the problems arising out of threats to law and order. In view of these problems, in 1881, A. Wilson of Jardine Skinner and Company and D. Cruickshauk of Begg, Dunlop and Company took the lead in the formation of Indian Tea Association in Calcutta.\textsuperscript{44} The Association was formally constituted at the meeting on 1st June 1881.

Indian Tea Association (Calcutta) was the first producers' organisation of tea industry in India. In 1885, the Indian Tea Association (ITA) was brought under the umbrella of Bengal Chamber of Commerce.

\textsuperscript{42} Ibid, p 201.
\textsuperscript{44} P. Griffiths, op cit, p 514.
The membership of the association grew rapidly and by June 1882 it covered several districts such as Cachar, Sylhet, Darrang, Kamrup, Lakhimpur, Nowgong, Sibsagar, Chhotenagpur, Hazaribagh, Terai, Darjeeling and Chittagong. In 1884, district committees were formed in each member tea district.\textsuperscript{45}

In 1889, a branch of Indian Tea Association was formed by planters of Sylhet. The Branch so constituted stopped working in 1893. Again in 1897, the Sylhet Branch was revived. Towards the end of the 19th century, the planters of Cachar launched a separate branch – the Cachar Branch of Indian Tea Association. In the year 1900, Indian Tea Association had formed a subcommittee to improve the organisational work in Cachar and Sylhet and the committee recommended for amalgamation of Cachar and Sylhet branches. Accordingly, in 1901, the Surma Valley Branch of Indian Tea Association (SVBITA) was formed.\textsuperscript{46} In 1915, the number of member tea estates under SVBITA was 165.\textsuperscript{47}

Till independence, majority of the member gardens of SVBITA were European-owned. In the later years of the nineteenth century, Indian capital started entering into the tea industry in South Assam. The process gained momentum after the First World War. Initially, the Indian planters were the members of SVBITA. During the 30s, when the number of Indian owned tea estates and the area under tea under the control of Indian capital increased, the Indian planters started thinking about the formation of a separate association of Indian Tea producers. Gradually, a number of local associations were formed.\textsuperscript{48}

The transfer of power in 1947 and the partition of India altered the map of the country and within few years, Sylhet gardens had withdrawn their membership of SVBITA and joined the newly formed Pakistan Tea Association. Meanwhile, the Tea Association of India (TAI) was formed in the mid-fifties of the 20th century. The Cachar Branch of TAI was formally opened in 1961. Many of the member estates of SVBITA acquired membership of this new organisation.

At present in South Assam two producers’ organisations are operating. These are the Surma Valley Branch of Indian Tea Association (SVBITA) and the Tea Association of India.

\textsuperscript{45} Ibid, 516.
\textsuperscript{47} Ibid, p 5.
\textsuperscript{48} Ibid, p 6.
(TAI). As on 31st December, 2000, SVBITA had 45 member estates with an acreage cover of around 18,500 hectares out of the total area of 39,560 hectares under tea cultivation in South Assam.\(^4^9\) In the same year, 48 estates were members of the Tea Association of India (Barak Valley Branch) and 23 estates were dual members of both the associations.\(^5^0\)

The foregoing account indicates that, from the very inception, tea growers in South Assam were well-organised. Till independence, British tea planters had been enjoying the protection from the British Government. During that period planters could take part in decision making process of the Government through their representatives in the legislative assemblies. Naturally, the legislations which were passed from time to time were framed keeping in view the interest of the planters. On the contrary, there was no organisation of plantation labourers till 1920 to defend their rights and interests.

After independence, a series of legislations had been passed from time to time to regulate tea production, tea market and tea export on the one hand and to protect workers' interests on the other. But because of the existence of strong and well-organised producers' associations which are closely tied up with each other under a common umbrella provided by the Consultative Committee of Planters' Associations (CCPA), producers' interests could so far be kept well-protected despite the enactment of numerous labour-protecting legislations and the existence of powerful workers' organisations in the tea estates.

### 2.7 WORKERS' ORGANISATIONS

Till the first quarter of 20\(^{th}\) century, there was no organisation of the plantation workers' in Assam. Workers were practically powerless against the planters as they were illiterate, ignorant and unorganised.

The world faced a serious shake in 1914 as the first World War broke out. A serious slump occurred in the World Tea Market and the industry was not in a position to do anything effective to meet the economic difficulties of labourers.\(^5^1\) In view of this, for the first time, labour unrest of a serious magnitude developed in several districts of Assam. In the mean time, Assam was slowly drawn into the orbit of all-India political agitation. It was in September 1920 that the Surma Valley Political Conference had declared nonviolent noncooperation

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\(^4^9\) Ibid, p 7.
\(^5^0\) Ibid, p 8.
\(^5^1\) P. Griffiths, op. cit, p 378.
movement against European merchants and planters. The tea plantation workers came in contact with the Congress-Khilafat volunteers and were encouraged to come out in action. Accordingly, plantation workers in various parts of Assam, including the then Cachar, became restive and were gradually drawn into struggles for national independence.

Within the estates, tea plantation workers started raising their voices against the planters. During the thirties of the 20th century, the movement of the tea labourers gradually took shape and gathered momentum. The provincial election of 1936-37, in which Indian National Congress was able to form a government in the province of Assam, may be regarded as the starting point of the trade union movement in Assam. The plantation workers of Assam, adopted an anticolonial stand and thereby, tea estates of Assam started witnessing widespread strikes organised by labourers against the exploitation by British Planters.

As a result of these movements, after independence the Indian Government granted several rights to workers. Workers acquired the right to organise and form associations and thereby various trade unions were formed.

Trade unions operative in Assam, like those in other parts of the country, are usually affiliated to a central trade union organisation, like the Indian National Trade Union Congress (INTUC), the All India Trade Union Congress (AITUC), the Centre of Indian Trade Union (CITU) and the Bharatiya Mazdoor Sangha (BMS). Each of those central organisations is associated with a political party. For instance, INTUC is associated with Congress (I), AITUC with CPI, CITU with CPM, BMS with BJP and so on.

In South Assam, the first regional level Trade Union – Cachar Cha Sramik Union was formed in 1947. Later this union came under the jurisdiction of the Assam branch of the INTUC.

The organisational structure and the hierarchy of the above mentioned unions are more or less alike. The central organisations have their branch headquarters normally located in district towns. The district headquarter is housed by regional organisers who maintain a link between the workers and the central organisation. The regional organisers are expected to

53 P. Griffiths, op. cit, p 391.
54 Ibid, p 392.
solve the day-to-day problems faced by the member workers.\textsuperscript{55}

The garden unit is the grass-root organisation of the union. It functions through the garden committee headed by president and other office bearers. Office bearers keep the link between garden units and the district headquarter of their respective unions. The functioning of garden committees differs from union to union, though it depends largely on the local situation.\textsuperscript{56}

In South Assam comprising the three districts—Cachar, Karimganj and Hailakandi, three trade union organisations are predominant in the tea plantations. These are Cachar Cha Sramik Union (affiliated to INTUC), CITU and BMS. Out of these three, Cachar Cha Sramik Union has the influence on majority of tea estates in South Assam.

\textsuperscript{55} Sarit Kumar Bhowmik: \textit{Class Formation in the Plantation System}, op cit, p 159.

\textsuperscript{56} Ibid, pp 160-1.