

# Small farmers ride rubber price boom

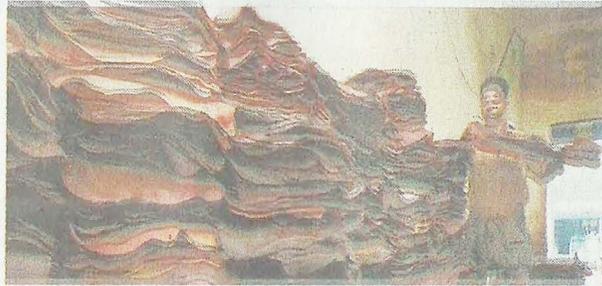
## Families share work to cut labour costs

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Prosperity has come knocking on the doors of millions of small cultivators of rubber as prices have soared in domestic and international markets.

The sudden spurt in income is evident in the case of Mr Siby whose family owns 6-7 acres in Mundakkayam, a traditional rubber growing belt in Kerala. As prices and incomes shot up last year, the Siby family bought a Maruti Alto while continuing to incur major expenditure on education of its two children, who are pursuing engineering degrees.

India produced rubber worth approximately Rs 16,377 crore in 2010-11 of which over 93 per cent, or close to Rs 15,230 crore went into the households of small cultivators. The average size of the small holder of rubber was around half a hectare. The price of RSS-4 grade rubber in Kottayam markets shot up to Rs 190/kg last year, against an average of Rs 115 in 2009-10.



The total value of rubber produced in 2009-10 was just Rs 9,561 crore.

The growth in income from rubber to the small farmers who number just over a million was Rs 6,338 crore last year. By implication, the average income to a small rubber farmer last year would have been close to Rs 1.5 lakh — around Rs 12,000/month tax-free income, if the labour involved was also sourced in-house.

Mr M.S. Peethambaran, Joint RTO of Perumbavoor, which forms part of rural Kerala, said each year the number of cars registered in his office was increasing 25 per cent. And

reflecting the changing lifestyles of the hinterland, most of these growing car numbers come from the small-size B-segment — the hatchbacks.

Gone are the days when it was just the large rubber estate owners and the huge single owner proprietorship concerns that used to flaunt their wealth with opulent cars and fancy mansions. Down the line, the small and medium grower and the rubber tapper are also rapidly upgrading their lifestyles.

The good times have begun to percolate to the 11,60,000 small rubber farmers. The Rubber Board statistics for 2009-10

enumerate every cultivator with an average holding of less than 10 hectares as a small farmer. However, the average holding size of the small farmers in India is just 0.53 hectares. Small farmers account for 90 per cent of the country's 6,86,515 hectares of rubber cultivation. Revealing better personal care and sustenance, they accounted for 93 per cent of the country's total rubber production.

The high returns for the Siby family was possible because the husband-wife duo team up as the tapper and helper in tapping the trees, converting that into rubber sheets before drying and selling them in the market. While there is an acute shortage of rubber tappers, the Siby family remains self-sufficient. There is also a rapid turnover of tappers as they hop from job to job in pursuit of higher wages and better working conditions, leaving fair amount of area untapped. Though there is no immediate cause for concern for the Siby

family, they also remain apprehensive about the future as none of their children would want to enter into agriculture.

### SHORTAGE OF TAPPERS

Even as the rubber prices spurt, the paucity of rubber tappers is giving sleepless nights to the small holders. The estates and the large holdings have their own captive labour as they are able to provide other incentives like housing, water and electricity which the small holders are unable to, Mr N. Radhakrishnan, Advisor to the Cochin Rubber Merchants Association, said. And to add to the woes of the rubber farmer, tapping is a skilled job which needs patience and practice.

A smooth transfer from the domestic labour to migrant workers does not seem likely at the moment. The booming rubber prices has ushered in prosperity and changing lifestyles to millions of farmers, but the question remains: how long can the cultivation cycle be sustained.