

## After floods, wage revision to hit Kerala's plantation sector

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The crisis in Kerala's plantation sector, which is trying to recover from the devastating blow dealt by the floods, might deepen further if the trade unions flex their muscles to cause an upward revision of wages.

The meeting, convened by the Plantation Labour Committee on December 21, to discuss the wage hike remained inconclusive, as the management offered a hike of ₹30/day against the demand of ₹600 as a base rate for all the plantation crops.

Lalaji Babu, President, All India Plantation Workers Federa-

tion, told *BusinessLine* that the managements in the last wage negotiation had increased ₹64/day and the present offer is too low. However, the State Labour Minister has called both trade unions and the managements separately on January 10 to discuss the issue.

According to Babu, unions have not demanded any exorbitant hike, but only a minimal increase by fixing ₹600 as a base rate. "It is not proper to consider wage fixation based on the commodity price fluctuations. Then why the managements have not given any hike for rubber plantation workers when prices of the crop reached an all time

high few years back?" he asked.

H Rajeevan, General Secretary, Plantation Workers Federation, said that it is high time the wages were revised as plantation labourers are passing through difficult times due to sharp increase in cost of living. The unions also demanded raising of workers' retirement age to 60 years and payment of wages in cash instead through bank accounts.

Major players in the sector are of the view that the emerging situation has come at the most inopportune time with the sector still reeling under the impact of floods.

The current wage notifica-

tion that came into effect on May 17, 2016 has a time limit till 2021.

However, a trade union leader refuted the claim, saying that the period of Plantation Labour Committee was for three years and not five.

It is pointed out that daily wages including statutory benefits for workers in tea sector was ₹551.27; ₹570.31 for coffee, ₹778.26 for rubber and ₹563.73 for cardamom along with round-the-year employment. Around 70 per cent of the production cost has been paid towards wage bill and hence every rupee increase in wages would have a ripple effect on costs.