

Wage demands give Kerala's plantation sector the chills

V SAJEEV KUMAR

Kochi, May 28

The crisis ridden plantation sector in Kerala is worried with the Federation of Trade Unions submitting a charter of demands including wage revision.

The Federation is demanding 85 per cent wage hike for workers in tea and coffee plantations; 70 per cent for those in cardamom and 50 per cent in rubber.

Since 2011 the sector has been in an unprecedented financial crisis with low prices and increased cost of production.

The demand comes even as the current wage notification of May 17, 2016, as per the Minimum Wages Act, 1948, is in effect till 2021. So the charter of demands submitted before the Chairman of the Plantation Labour Committee is premature, says Association of Planters of Kerala.

The situation is more worse than it was during 1999-2000.

What a tea estate worker earns

States	Daily wages (₹)	Valid till
Kerala	₹512.72	2021
Tamil Nadu*	₹303.57	2020
Karnataka**	317.14	2021
Assam	137.00	2021
West Bengal	132.50	2021

*variable DA changes every quarter

** variable DA changes annually

Many of the plantations, which closed then, are yet to reopen. "We are not against a wage hike and are sympathetic to employees' desire for better living standards", Thomas Jacob, Chairman, APK said. But the financial situation, prospects and wage rates in other States should be considered, he said.

The daily wages including statutory benefits are ₹512.72 for tea; ₹638.90 rubber; ₹558.46 cardamom; and coffee ₹517.72 along with round-the-year employment, he added.

Unscientific tax structure, irrational wage settlements, low productivity, climate change, drastic increase in input cost and constraints in laws are to blame for the crisis, according to Ajith BK, APK Secretary.

Around 70 per cent of the production cost is towards the wage bill. Hence, every rupee increase in wages will have a ripple effect on costs.

He pointed out that the difference between the cost of production and realisation in the tea sector has been adverse during the last decade. Tea growers lose nearly ₹42 on every kg of tea produced.

In rubber, nearly 40 per cent of the area is left untapped.

Cost of production in Kerala is approximately ₹174/kg whereas the average price realised is less than ₹120/kg.

The average price of cardamom during 2017-18 was ₹915/kg and in the latest auctions around ₹680/kg against a cost of production of about ₹920/kg.

Exports from SEZs rise 5% to ₹20,548 cr in April

PRESS TRUST OF INDIA

New Delhi, May 30

Exports from the country's special economic zones (SEZs) grew 5.44 per cent in April to ₹20,548 crore as against ₹19,488 crore in the same month a year ago.

According to Export Promotion Council for EOUs & SEZs (EPCES), highest growth in outward shipments was recorded from the Cochin SEZ which witnessed a huge jump from ₹461 crore in April last year to ₹3,708 crore this year.

EPCES said the major sectors recording healthy growth include biotech, chemicals, pharmaceuticals, computer, electronics, non-conventional energy, plastic, rubber, trading and services.

"Total exports in April this year from SEZs amounted to ₹20,548 crore as against ₹19,488 crore in April 2017," said Vinay Sharma, Officiating Chairman of EPCES, adding that the government's policies have boosted growth of the manufacturing and service industry.