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Inclusion Far Away- A Probe Into the Livelihood Assets of Workers in Plantation Sector in Kerala

KEYWORDS: Deprivation, Exclusion, Inclusive policy, Livelihood assets,

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ABSTRACT *The paper tries to understand the dimensions of social exclusion among workers in rubber and spices plantations by analyzing the livelihood assets of workers and their standard and quality of life in these plantations as the sector provide livelihood to many in the rural economy of Kerala. The paper discusses the important livelihood assets of plantation workers considered vital in understanding the nature of vulnerability of livelihood as identified by USAID vizphysical, natural, financial, human, social, and political assets assets.Nature of livelihood assets and quality of life proves that plantation workers livelihood assets are vulnerable in nature even though the sector provides huge revenue and foreign exchange to the state's exchequer. While comparing livelihood of workers in the two commodity sectors i.e. rubber and spices, it is clear that the problem of decent livelihood is more perennial and severe in spices plantations.*

I. Introduction

Kerala is one of the most advanced states in the country with a high standard of living. Human Development Index of the state is on par with the most developed countries in the world. Kerala's low GDP and productivity figures juxtaposed with higher development figures than in most Indian states — is often dubbed as the "Kerala Phenomenon" or the "Kerala Model" of development by economists, political scientists, and sociologists. But certain sections of the society including SC's ST's, workers belonging to plantation sector and other traditional employments still remain as outlier community who lags behind this story of development in the state. These communities are virtually excluded from the main stream of the society with respect to education, health and livelihood options over the years.

The history of plantation sector in Kerala dates back to the pre independence period i.e. during the colonial rule in India (Ravi Raman, 1986) and thereby exclusion of workers in plantation sector could be considered as a product of this colonialism. The institutional factors like government, family, caste were very beneficial in the growth of plantation sector in the state. Governmental initiatives like providing provision of land at easy terms and promotion of labour migration played a significant role in the flourishing of plantation sector in Kerala in the 19th century. Labourers came from distant places dreaming of high wages but they were met with harsh treatment from the part of planters in the form of low wages, unhygienic working and living conditions and physical and mental exploitation of labourers. But push factors like extreme poverty and scarcity of work in their own villages and reasons such as famines, flood etc forced them to remain in these plantations for employment (Uma Devi, 1989). As labourerswere from faraway places it resulted in the permanent settlement of workers with their family.In the post-Independence period,plantation sector played a very pivotal role by acting as a linchpin in providing livelihood opportunities. It has also been instrumental in developing many of the remote areas into extensive rubber, coffee, tea and spices plantations and providing significant employment opportunities in these plantations.Among the plantation crops, rubber provides the maximum number of employment opportunity by providing livelihood to about 14 lakhs families. During the early day's rubber plantations were concentrated in the districts of Idukki, Kottayam and Pathanamtitta. Later, fall in the profit margin of crops like rice and coconut and increased price of rubber shifted the interest of farmers to rubber which resulted in growth of rubber plantations extensively in the state. In the case of spices plantations most of the cardamom plantations are owned by big land holding farmers, while about 90 percent of the pepper plantations are owned by small growers. Nowadays most of the cardamom plantations in Kerala hire contract labourers from Kambam area of Theni district in Tamil Nadu as the plantation owners are not supposed to give any extra benefit like medical benefits, accommodation, gratuityetc in the case of contract labourers and hence it is profitable for the planters. In the case of large plantations even though the Plantations Labour Act of 1951 specifically mentions about the basic amenities to be provided for labourers, most of the plantations fails to provide many of these facilities. The workers are forced to work and live in unhygienic surroundings leaving a heavy toll on their health conditions. Insecure and unhealthy working conditions make them socially as well as economically weak and vulnerable which automatically exclude them from the social strata. Bad health conditions and low education leave them with lesser options forcing them to remain in a vicious circle of poverty and thereby inherit the culture of poverty. The exposure of the plantation crops to world market has resulted in stiff competition from foreign markets resulting in increased fluctuations in price.Fall in price of plantation crops resulted in increased indebtedness among farmers. Farmer's indebtedness automatically paved the way for increased problems among the labourers causing large scale unemployment of agriculture labourers employed in these plantations especially in the case of spices plantations in the state. This resulted in the fall in wages and thereby causing labour redundancy thereby forcing them to migrate in search of other jobs.

II. Research Problem

Plantation Sector such as rubber,spices tea and coffee form the linchpin of the agriculture economy of Kerala.The area under plantation crops showed a monotonic increase from 1975-76 onwards and its total change has comes to about 126 percent for the last 32 years. Out of the total area of

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6.47 lakh hectares under plantation crops during 2007-08, rubber has the share of 79.2 percent, coffee 13 percent, tea 5.6 percent and cocoa 2.2 percent (Economic Review, 2012). Kottayam tops the district with respect to rubber and Wayanad and Idukki districts for spices. Plantation sector also contributes significantly to the state exchequer in the form of foreign exchange revenue through exports. It plays a pivotal role by providing significant employment opportunities for both men and women supporting their livelihood (See Table 1).

Table 1 Employment and Livelihood Dependence on Plantation in India

Plantation	Planters/Small producers		Plantation workers		Total Populaion		Women workers (Lakh nos.
	Lakh nos	% share	Lakh nos.	% share	Lakh nos	% share	
Rubber	10.73	74.67	4.06	18.01	14.79	40.08	1.66(41)
Spices	NA	NA	NA	NA	NA	NA	NA
Tea	1.43	9.97	12.60	55.92	14.03	38.02	7.31(58)
Coffee	2.21	15.37	5.87	26.07	8.08	21.90	3.35(57)
Total	14.37	100.00	22.53	100.00	36.90	100.00	11.72(52)

(Source: Vishwanathn and Shah, 2009)

One of the other significant aspect of employment in plantation is that women workers accounts to about half of the total workers employed in plantation sector in the country. Even though employment scenario in plantation sector is beset with manifold problems and the most serious among them is the social exclusion of the workers owing to socio-cultural and historic factors which in turn manifests in the form of a vicious circle of poverty.Low educational attainments are resulting in lack of employment optionsthereby causing having poor human development indicators, forcing them to remain in a vicious circle of poverty. Lack of enough livelihood options are possibly one of the determinant factor for the social exclusion of workers in the plantation sector as livelihood plays a very determining role in empowering the workers.

IV. Materials and Methods

The paper is an attempt to situate the status of livelihood assets among the workers in rubber and spices plantations in the state and to understand the degree of social exclusion/social inclusion of workers.Primary data of 350 members from three plantations, 150 from spices plantations (75 each from cardamom and pepper). 120 from small rubber plantations and 80 from large rubber plantations in Kerala are analysed for this purpose. Rubber plantations are sub divided into large and small plantation for sampling because about 90 percent of the total rubber plantations in the state fall under the ambit of small plantations and the rest of the plantations fall under classification of large plantations.

V. Livelihood Assets of Workers in Plantation Sector

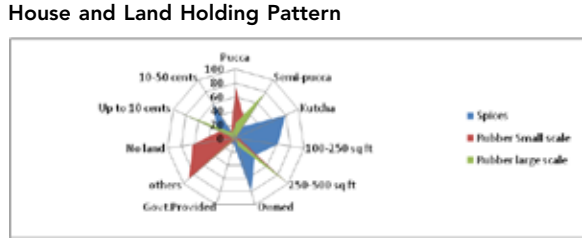
Livelihood assets are taken in to consideration for evaluating the status of workers in plantation sector as these factors are responsible for the overall development. Higher the socioeconomic development higher will be the living condition of the people. Major factor used for evaluating the socio-economic profile of workers is detailed below using the USAID thereotical framework for identifying the livelihod assets of workers in plantation sector. Major being physical assets, natural assets,human assets,financial assets, social and political assets.

1. Ownership of Physical Assets and Natural Assets

In order to evaluate the physical assets- type of house, area of house, ownership of house, land holding pattern, availability of sanitary facility, beneficiaries of government schemes and degree of government benefits received of workers were taken into consideration. In the case of natural assets

Ownership of house is a significant indicator of physical asset for an improved livelihood. Almost 80 percent of the workers in the plantations live in their own houses. Whereas the workers in large scale rubber plantations stay in plantation quarters as most of them are from neighboring districts or from neighboring states (see Figure 1). Majority of workers in rubber plantations irrespective of size live in pucca houses. An alarming finding is that about 80 percent of the workers in spices plantation stay in kucha houses.Low level of income can be attributed as one of the reasons for most of the workers in spice plantation to have kucha type of houses. In the case of large scale rubber plantation, the plantation itself provides housing accommodation which is of semi pucca type. The relatively higher income has enabled the tappers in small scale rubber plantation to have semi pucca houses.Most of the plantation workers live in houses with an area of between 200-500 sqft.As most of the workers in spice plantation live in kucha type of house the area of house is also less when compared to the workers in rubber plantation. In terms of land holding pattern, spices plantation workers are having a higher land holding when compared to the workers in rubber plantation (see Figure 1). About 60 percent of the workers in spice plantation own up to 10-50 cents of land, whereas 62.5 percent of the workers in large scale rubber plantations possess any land at all as most of the workers in large rubber plantations are living in quarters provided by the plantation. Workers employed here are living here for many years and the present group of workers belongs to the third generation.

Figure 1 Type of house, Area of House,Ownership of House and Land Holding Pattern



Source: Primary survey

The number of beneficiaries coming under various government schemes in plantations is minimal and most of the benefits received are under the components like education, construction of house, latrine etc. Less than 40 percent of the total plantation workers received any kind of government benefits which is very alarming since a large amount of money is being disbursed by respective state and central governments for the purpose of improving their quality of life but no reaching the needy. In the case of spices and large rubber plantation respondents having received government benefits are less than 20 percent(See Figure 2). Among the benefits received educational assistance for siblings and assistance for constructing and repairing houses contributes to about 2/3rd of the total government assistance for the workers.

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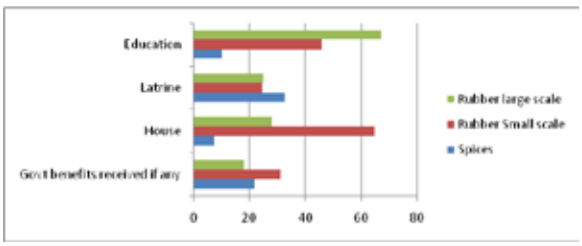
Figure 2 Government Benefits Received If any and the Degree of Benefits Received

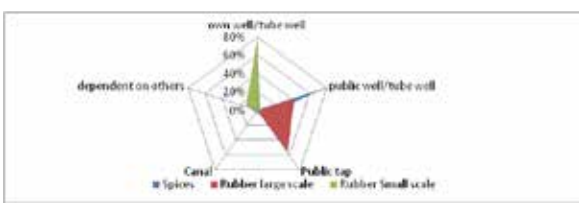


Source: Primary survey

1.1 Source and Status of Availability of Drinking Water, Source of Fuel for Cooking and Availability of Sanitary Facility

An adequate supply and easy accessibility of water for drinking and household use is a basic pre-requisite for the health and welfare of the workers. Further, it reduces the time spent by workers to collect water from distant places. Many water borne diseases like typhoid, dysentery, jaundice etc can be reduced by the supply of adequate quantity of safe drinking water.

Figure 3 Source of Drinking Water

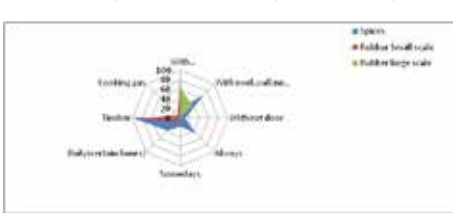


Source: Primary survey

Majority of workers in small scale rubber plantations are having their own well as a source of water whereas in the case of spices plantations and large rubber plantations public well and public tap is the major source of drinking water (see Figure 3).Because of difficult terrains where the plantation are located accessibility to the public well and public taps are much difficult in most of the plantations especially in spices sub sector.

Round the clock availability of water is therein most of the rubber plantations whereas in spices plantations for about 33 percent respondents (see Figure 4) access to water is only for certain hours in a day.Workers in plantations mostly dependent on timber wood as a source of energy for cooking.Majority of workers in rubber plantation have toilets with roof, wall and water connection whereas in spices plantation 70 percent respondents have toilets with roof, wall and no water connection which is a disturbing trend in the context of Kerala.

Figure 4 Status of Availability of Water, Source of Fuel for Cooking and Availability of Sanitary Facility



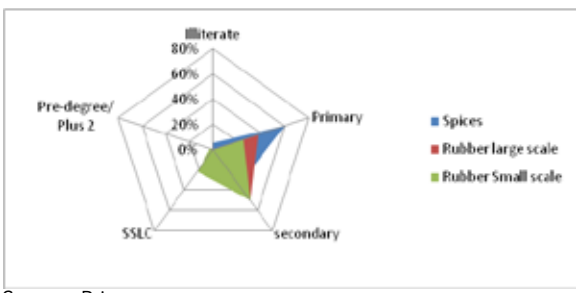
Source: Primary survey

2. Human Assets

Human assets could be classified in to educational attainments, skills and vocational training which are the necessarily the pre requisite condition for a better livelihood and for the overall development of an individual and society. Higher the attainment of these assets higher is the chance for a better well-being. Human assets are at risk in most of the plantations especially in spices plantations. Most of the workers in plantations lack any of the other human assets other than primary education which are desirable for better employment arenas.

2.1 Educational Attainments

Figure 5 General Education Attainments



Source: Primary survey

Majority of workers in spice plantation is not having even high school education which makes them very vulnerable in terms of livelihood options available with them. This is quite different in the case of workers in rubber plantation, where 50 percent of the workers are having high school education; out of this 21.90 percent have passed SSLC and three percent of them having qualification upto plus two (see Figure 5). In addition to the low level of education the spices plantation lacks other types of skill for employability in other sectors. As tapping of rubber demands specific skill the workers in rubber plantations are treated as skilled workers.

3. Financial Assets

Livelihood is highly dependent on the financial assets of an individual. It includes wages, number of days employed, access to credit facility and saving habit. Indebtedness, nature of indebtedness, source of indebtedness, and the amount of indebtedness are also taken for analysis for understanding the financial security/vulnerability of workers. The more the financial assets the bigger will be the probability to acquire other livelihood assets. It also indicates whether their wages are enough to make a decent living.

3.1 Wage Rate

Average wage rate is the lowest among workers in spice plantation and the highest among workers in the small scale rubber plantations. The average wage per day is Rs 168, Rs190 and Rs 274 respectively in spice, large scale and small scale rubber plantations(see Figure 6). Wages in large plantation is fixed by the Labour Department and is revised every quarterly without any gender based discrimination. Studyshows that the average wage rate is higher than the minimum wages fixed in most of the plantations irrespective of spices and rubber plantations. Even though the wage in large scale plantations is less than the wages in small scale plantations, workers are provided with extra benefits like quarters, free medical facility, provident fund, gratuity etc.

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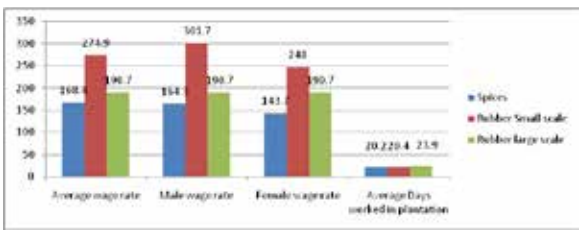
Figure 6 Average Wage Rate, Male –Female Wage Rate and Average Days Worked by Workers across Plantations



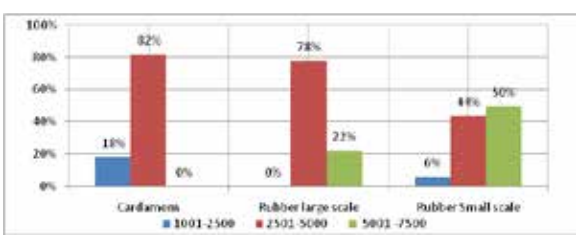
Source: Primary survey

It is important to mention that gender discrimination in terms of wage is still prevalent in various sub-sectors of the plantation economy except in large scale rubber plantations (see Figure 6). Average number of days worked in the plantations is the highest among the workers in large scale rubber plantations. Almost all the workers are able to get an employment for 23.9 days on an average in the large rubber plantations. On the other hand, workers in the spices plantations and small scale rubber plantations are able to get employment for 20.2 and 20.4 days respectively. Workers in most of the small rubber plantations usually get employment in more than one plantation.

3.2 Average Monthly Income

Average monthly income is an important financial asset. 82 percent of workers in spice plantation and 78 percent of workers in large rubber plantations earn between Rs 2501–5000 (see Figure 7). It is significant to note that 50 percent of the workers in small rubber plantations earn between Rs 5001-7500.

Figure 7 Average Monthly Earnings



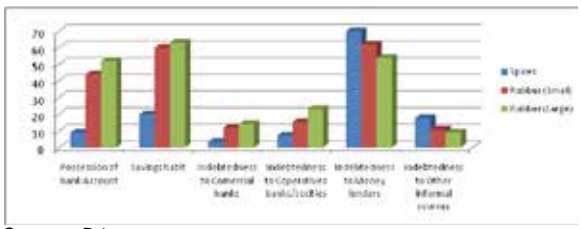
Source: Primary survey

This kind of relatively good average monthly income earnings could be because of the high bargaining power of the workers as a result of the recent spurt in the price (five to six fold increases) of natural rubber in the international market making them to be better in the process of financial inclusionand thereby social exclusion.

3.3 Possession of Bank Account ,Savings Habit and Nature of Indebtedness

In the case of possession of bank account considered as one of the important financial asset,less than 10percent of the workers in spices plantations (see Figure8) possess account in formal financial institutions like banks. The situation is much better in the case of rubber plantations. 52 percent of the respondents in large rubber plantations possess bank account whereas in the case of small rubber plantations around 44 percent of the respondents are having bank account as a financial asset (see Figure 8).

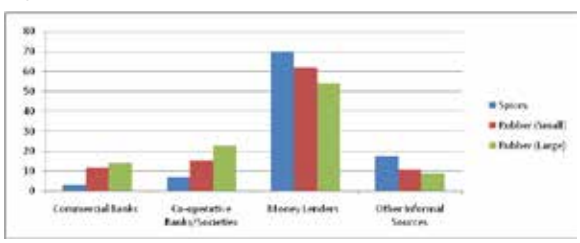
Figure 8 Possession of Bank Account, Savings Habit and Nature of Indebtedness



Source: Primary survey

Nature of indebtedness explains that less than 5 percent of the workers in spices plantations are exposed to loans from formal sources like commercial banks and the number of workers who are having debts in commercial banks in the case of workers in rubber large and rubber small plantations are little above ten percent (see Figure 8).

Figure 9 Nature of Indebtedness



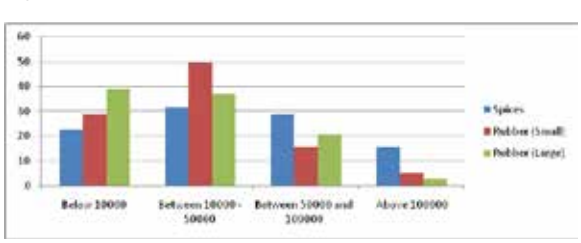
Source: Primary survey

Majority of the workers in plantation sector irrespective of the type of plantation are exposed to private money lenders who charges exorbitant rate of interest thereby paving their way to immense misery (see Figure 9).Lack of effective financial inclusion steps from the part of governmental agencies and failure of organised financial institution like banks in reaching to the vulnerable sections could be clearly showcased in the present case.Too much of procedures, lack of enough mortgages, time consuming for getting loan sanctioned are some of the reasons attributed for the low exposure of workers in plantation sector to organised financial institutions.

3.5 Amount of Indebtedness

In the case of amount of indebtedness, majority of the workers have debt up to the tune of below Rs 50000. 18 percent of the workers in the spices plantation have a debt of Rs100000 and above which is really a matter of concern (see Figure 10).As explained earlier the low exposure of spices workers to formal credit sources clearly states that these borrowings have happened through informal credit sources like private money lenders who charges hefty amount as interest.

Figure 10 Amount of Indebtedness



Source: Primary survey

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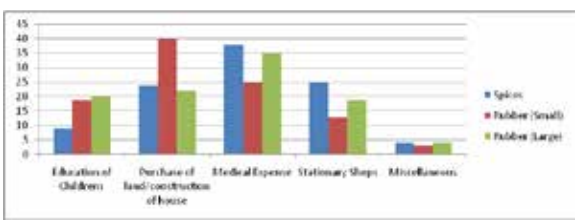
Truly speaking indebtedness of this amount from informal sources forces workers force them to remain in a cycle of financial and social exclusion as they will be deprived of many other basic necessities.

3.5 Purpose of Indebtedness

Meeting the medical expense of family is the major purpose of indebtedness among most plantations workers in the state. The reasons that could be attributed for the situation are low income, lesser immunity system and poor health conditions which make them prone to diseases. Lack of health insurance protection and lack of provision for medical reimbursement is really hurting the budget of workers (see Figure 11). Other important reasons for indebtedness are purchase of land /construction of house, education of children. Almost all the households have pending dues in stationary shops for purchasing daily household materials.

Figure 11 Purpose of Indebtedness

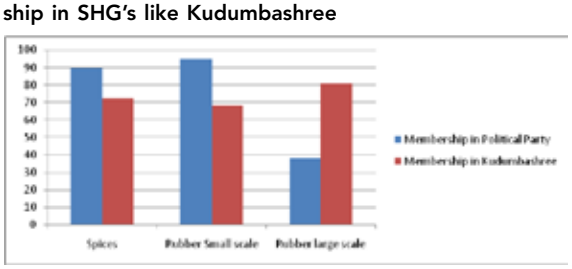


Source: Primary survey

4. Political and Social Assets

Political assetsinclude citizenship, membership in political party and other social organization. In order to address their grievances and to attain their rights and benefits affiliation to any of the political party is necessary. In spices plantation about 90 percent of workers and in large scale rubber plantation 95 percent have membership in any of the political party (see Figure 12). In the case of workers in while in the small scale rubber plantations the picture is quite different with only 38 percent having membership in political parties.

Figure 12 Membership in Political Party and Membership in SHG's like Kudumbashree



The organised nature of workers in large scale rubber and spices plantations could be the reason for the relatively high membership in political party when compared to small scale plantations.Kudumbashree is one of the major self-helpgroup (SHG.) in the state. Membership in kudumbashree units is considered as a social asset andthis is the only social assets among plantation workers. Kudumbashree units have played a major role in increasing women participation inself-help groups(SHG) and thereby increasing their income and savings.. The relative membership in Kudumbashreeis high among the workers in small plantations.

VI. Standard of Living and Quality of Life

In-depth analysis of various SLI indicators helps to understand the quality of living condition of workers in plantation sector and their standard of living index. The nine variable namely type of house, ownership of house, land holding, sanitary facilities, availability of electricity connection, source of fuel, main source of drinking water, status of water availability, possession of bank account and savings habit etc discussed in the important livelihood assets of plantation workers are taken for estimating standard of living parameters.

Among the plantation workers (See Table 2) about half (48 percent) of the household in spices plantation have a low standard of living whereas 94.7 percent of workers in large rubber plantations and 96 percent of workers in small scale rubber plantation enjoys medium SLI.

Table 2 SLI * Type of Plantation Crosstab

	Type of Plantation		
SLI	Spices	Rubber Plantation (Small)	Rubber Plantation (Large)
Low SLI	48.6	0	5.3
Medium SLI	51.4	96.0	94.7
High SLI	0	4.0	0
Total	100.0%	100.0	100.0

(Calculated from primary data)

Plantation Labour Act which is applicable to large plantation i.e. planters who possess more than 10 hectares are considered to be large growers is significant in this context as most of the spices plantations in the state fall under this category whereas only 10 percent of the rubber plantations fall under this category. The act stipulates uniform wages irrespective of sex, provision for providing proper amenities for workers including health dispensaries, schools, crèches, canteen, recreation clubs etc in addition to proper accommodation facilities and accessibility to proper drinking and sanitary facilities for permanent workers. Most of the spices plantation employs workers in daily wages in order to escape from the provisions of plantation labour act. Daily wage labourers mostly female workers are employed in these spices plantation who are less paid. These reasons could be attributed to the low standard of living index among workers in the spices plantations.

However, proper implementation of Plantations Labour Act of 1951 in most of large rubber plantations is significant in this context. Better wage structure and a consistent higher income accompanied with accessibility to better amenities, higher education attainments and vocational skills play a pivotal role for attaining medium SLI for workers in small as well as large rubber plantations (see Table 2). Wage disparity among small rubber plantations, unorganised nature of employment and preference for working in nearby locality, lack of permanency are some of the important reasons for a medium SLI among workers in rubber plantations. This kind of difference in SLI is further evaluated with the help of Chi-Square test to bring out the significance.The Chi-Square value shows that there is significant difference in standard of living among plantations (Table 3).

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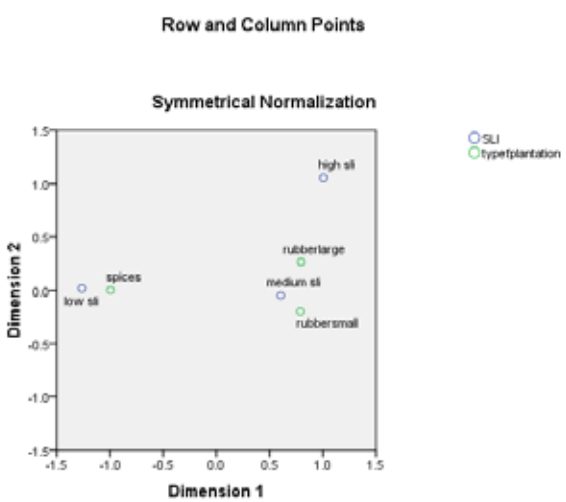
Table 3 Type of Plantation- SLI Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	25.608[a]	4	.000
Likelihood Ratio	30.274	4	.000
Linear-by-Linear Association	15.793	1	.000
N of Valid Cases	79		
a. 4 cells (44.4%) have expected count less than 5. The minimum expected count is .24.			

(Calculated from primary data)

Correspondence analysis was used to understand standard of living index in a more clear way (see Figure 13). The figure depicts that workers in spices plantations fall under a low SLI whereas workers in the large and small rubber plantations enjoy a better SLI index i.e. medium SLI. Workers in large rubber plantation shows a clear sign of an upward movement in the ladder of standard of living parameters when compared to workers in small rubber plantations as their position in the SLI plot (see Figure 13) is in between high SLI and Medium SLI.

Figure 13 Type of Plantation and SLI



Conclusion

Overall the livelihood status of plantation workers gives a bleak picture about their conditions when compared to the rest of the population in the state. While comparing livelihood of workers in the two commodity sectors i.e. rubber and spices it is clear that the problem of decent livelihood is more perennial and severe in the spices plantation. High volatility of plantation crops and the exposure of these commodities to foreign competitions make the livelihood of workers in this sector highly unstable. Seasonality nature of jobs in plantation sector, lack of proficiency in any skilled job and low education attainments followed by lack of enough livelihood assets as discussed earlier makes them highly vulnerable in the job markets limiting their scope only to the traditional unskilled jobs. Improper implementation of the labour provisions in the plantations act of 1951 also makes the working environment of the workers highly uncomfortable.Low wages in plantation when compared to other skilled jobs is also causing labour shortage especially in rubber plantations. The outmigration of Tamil labourers to their native places because of the recent construction boom in Tamil Nadu has also resulted in labour shortage in spices plantations. It looks as if the wage in plantation sector is lower than existing market clearing wage in the labour market of Kerala and this seems to have paved the way for the workers to switch over from plantation jobs to other unskilled jobs where wage rate is higher.Proper policy actions from the part of the government for improving the social and economic condition of workers in plantation sector is highly recommended as plantation commodities provide huge revenue and foreign exchange to the state's exchequer but the trickling down of benefits to workers not happening forcing them to remain socially excluded from the mainstream.

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