

A systematic review on Compensation determinants of informal Tribal coffee plantation Workers in Araku Valley Mandal, of Visakhapatnam District in Andhra Pradesh**Buridi Surendra**

Research Scholar, Department of HRM, Andhra University

Prof. K. John

Head- Department of HRM, Andhra University

Abstract

One of the Nontraditional coffee producers in India is araku valley in the state of Andhra Pradesh has immensely occupied by the tribal people and these people work in plantations for very low wages for their livelihood. They often exploited in terms of wages and their wage criteria is not on par with the exiting legal aspects and social security and this is the major drawback for their poor standard of living conditions This paper reveals about the systematic review on Compensation determinants of informal Tribal coffee plantation Workers in Araku Valley Mandal, of Visakhapatnam District in Andhra Pradesh. This is an empirical study based on primary data and secondary data collected through a well-structured Schedule. The study would highlight the wage payment, period for wage fixation, bases for wage fixation, wage per day, delay in payment of wages, monthly income and discrimination of workers in the coffee plantations of araku valley

Key Words: Tribal People, Coffee Plantation, Wages.**Introduction**

Coffee is a major cash crop and an important source of export revenue for many developing countries. About 125 million people worldwide depend on coffee for their livelihood, including 25 million smallholders. Coffee farming involves a whole chain of processes, from soil preparation, sowing and transplanting, irrigation, weeding, pruning, pesticide application, picking and field processing. Field processing can be done in two ways: the wet method, and the more labour intensive dry method (**ILO, 2004**). Coffee farms typically require a large number of workers during the harvest season, between the months of November and March. Hence, seasonal labour is usually the norm.

Wages& Related issues of Coffee Plantation workers

Wages of workers in the coffee plantation sector continue to remain low. The ineffective implementation of the statutory provisions pertaining to The **Minimum Wages Act (1948)** has impeded the progress in the direction of alleviating the plight of coffee plantation workers in this industry. The coffee plantation workers are entitled to minimum wages as per the Minimum Wages Act. The permanent workers are entitled to Provident Fund (PF), yearly bonus, medical facilities, and maternity benefits in addition to free housing, water and fuel. Gratuity is provided after five continuous years of service. Many plantations with permanent workers do not adhere to the provisions of Plantation Labour Act. In addition, the workers are not too keen on the Plantation Labour Act wages and benefits as

many planters offer better pay than Plantation Labour Act requirements. If more than 20 casual workers are employed, they are to be covered by PF. However, they seldom avail it as they do not want deductions from their salary and they do not want to bond themselves to a particular plantation.

Review of Literature

Jayanthi R., & Ravi Aditya (2019) studied the living conditions, wages, earnings and socio security benefits of Small Coffee Plantation Workers in Chikmagalur- Karnataka. Their study reveals that most of the workers are settled or have homes in nearby villages and they use local transport to reach their work place. Majority of workers are working on daily wages but the wages is given on weekly basis and they work on temporary basis. Majority of the workers in the small plantations are not happy about the working conditions. Some of the major reasons they highlight is the low wages, lack of leaves and long working hours during seasonal work. Majority of the workers feel there is discrimination among the supervisors. There is no system of complaining or Redressal of awareness of their rights against these discriminations. There are sometimes delay in the payment of wages also which is difficult to manage by the workers. It was surprising to know that some of the plantations workers work for 7 days without a holiday during the peak season to increase their earnings. Majority of the workers are not satisfied with their wages as they are not able to make both the ends meet, with raising prices their sustenance is becoming difficult in their opinion.

Akarsha B.M. & Marco Hartmann (2009) analyzed the emerging challenges for farm labour in the Indian coffee sector throws light on Agricultural production systems in India are often labour intensive and exposed to a high level of farm risk. Though agricultural labour is considered abundant in most parts of rural India, the coffee sector of Karnataka state is subject to conditions pointing at a different dynamic. Coffee production in Southern India offers little scope for mechanization and is consequently dependent on labour. Given that labour shortages frequently occur, labour is furthermore an issue associated with risk, especially for plantations growing Arabica coffee. The analysis of the coffee sector in Karnataka indicates a consistent scarcity of labour in recent years. Agriculture wages doubled from past five years. It is observed that among the labours as the number of working days has been relatively reduced to previous years with lower wage rates. Scarcity of labour facing all holdings of the plantation. Incentive measures should be following to reduce the shortage of labour.

Need for the Study

In South India Karnataka, Kerala, Tamilnadu and Andhra Pradesh are mostly famous for coffee plantation. As the Plantation work, being agriculture in nature is carried out on large pieces of land or estates that are remotely located. And this plantation sector is very labour intensive and it requires skilled labourers. Coffee Plantation workers are mostly exploited in terms of working hours ranging from morning until late night; the wages received by them are very low (**C.V Joy, 2004**).

Such miserable pay severely affects the daily lives of the coffee workers. Most especially in the Araku Valley region in the state of Andhra Pradesh, this coffee plantation is

mostly carried by Tribal workers. The employment for these coffee plantation workers is seasonal and apart from daily wages, they do not receive any social security benefits from employers. Several studies have been done on coffee plantation workers in India but there are hardly any studies focused on the wages of the coffee plantation workers and the studies relating to coffee plantation workers are insufficient. In addition, none of the in-depth studies has been made on compensation structure of tribal coffee plantation workers and their unheard problems most specifically in the Araku Valley region of Visakhapatnam district in the state of Andhra Pradesh leaving a gap for further research.

As Araku valley is one of the highest coffee producing areas in the state of Andhra Pradesh and the people residing in this region are mostly tribes and they depend mostly on agricultural activities. The agricultural activities prevailing in this region is mostly coffee plantation, pepper and millets. Among all these, the coffee plantation is mostly carried out so the requirement for Tribal workers is accelerating day by day but they are hardly taken care off. Thus, the present study has been undertaken with an intension to identify the compensation structure of Tribal coffee plantation workers with special reference to Araku valley Coffee plantation of Visakhapatnam district. The present study will be extremely beneficial to the Tribal coffee plantation workers community as a whole. This would also bring clarity with regard to their wages for which they are eligible for and most importantly how they are being exploited with regard to minimum wages.

Objectives of the Study

- To examine the compensation structure with regards to wage per day, provisions related to job and delay of wage payment of tribal workers in coffee plantations
- To examine the wage fixation periods and bases of wage fixation for tribal coffee plantation workers in Araku Valley Mandal, Visakhapatnam.
- To examine the discrimination of wage on plantations workers

Scope of the Study

The present study is confined to the tribal coffee plantation workers employed in Araku Valley, Visakhapatnam district. The present study focuses on the Compensation structure of tribal coffee plantation workers with reference to the above said study area. The data was specifically collected from the tribal workers who are working in the Coffee Plantations in Araku Valley, Visakhapatnam using two stage sampling method.

Method of Study

The present study is a survey method. Survey method is used to elicit appropriate and reliable information including the responses of the sample respondents from Coffee Plantations of Araku Valley Mandal, Visakahapatnam.

Universe & Sampling

This study related to compensation structure of tribal workers who are working in coffee plantation in tribal area of Visakhapatnam District are considered since Araku Valley mandal is producing highest amount of quality coffee. The research is concentrated on the tribal workers working in the coffee plantation situated in Araku Valley only. As per 2011 census it is observed that there are 169 villages existing in Araku Valley Mandal. Out of

those 169 villages it is observed that the coffee plantations exist only in thirty-five villages. Keeping the time, money, manpower and other difficulties in approaching and eliciting information from the tribal people, only 50 percent of those 35 villages i.e. 17.5 approximately 18 villages are selected using systematic Sampling Method (Every alternative village/ coffee plantation were selected). The total no. of coffee plantation workers existed in these eighteen selected coffee plantation villages are about 5812 in number (at the time of survey), these 5812 workers sometimes move from one plantation to another plantation but ultimately the total is more or less same. As this is high in number, it is decided to collect information from 10 percent of those workers selected purposively from each plantation. These purposively selected workers together give 581. However, besides the care taken by Researcher, 33 schedules are discarded as they are not completely filled. This gives 548 completely filled schedules selected through two-stage sampling. The first stage is selection of 50 percent coffee plantation villages and the second stage is 10 percent selection of coffee plantation workers existing in all the eighteen coffee plantation villages selected in first stage.

Data collection and study instrument

The study is mainly based on primary data. Secondary data has been procured to substantiate the primary data. To seek the opinions of the respondents from the coffee plantations a structured schedule covering the different questions on compensation structure.

Data Analysis

The attempt has been made, to analyze and understand the perceptions of sample respondents with respect to their compensation structure in coffee plantations, Araku Valley, Visakhapatnam. The information collected from the sample respondents has been systematically analyzed through Simple Percentile Method. Below is the description of compensation attributes of Tribal Coffee Plantation workers in Araku Valley, Visakhapatnam of the present study.

Distribution of respondents basing on the Compensation Structure existed in the coffee plantation, which they are working.

The distribution of respondents basing on their Compensation Structure variables namely Wage Payment Period, Bases of fixation of Wage, Wage per day, Provision for extra wage, Knowledge on minimum wages to contract labour, Date of Payment of wages, Delay of wage payment, Monthly Income of Workers, Discrimination Causes for Wage Payment are presented in Tables 1 to 8 respectively. The classifications of each of their variables relating to Compensation Structure variables are also presented in the respective Tables.

Table 1
Distribution of respondents basing on the period of Wage Payment

Wage Payment Period	Frequency	Percent
Weekly	424	77.4
Daily	46	8.4
Contract period	78	14.2
Total	548	100.0

Table 1 is on wage payment period. Out of the total respondents 77.4 percent getting weekly payment of wages, 8.4 percent of them get daily and remaining 14.2 percent of them get wages basing on their contract period.

Table 2
Distribution of respondents basing on their Bases of Wage Fixation

Basis of Fixation of Wage	Frequency	Percent
Piece rate	247	45.1
Time rate	301	54.9
Total	548	100.0

Table 2 is on bases of fixation of their wage. Out of the total respondent's 54.9 percent getting wages on Time rate and remaining 45.1 percent of them get their wages on Piece rate basis.

Table 3
Distribution of respondents basing on their wage per day

Wage Per day	Frequency	Percent
Below Rs. 200	414	75.6
Rs. 200 – Rs. 300	50	9.1
Rs. 300 & above	84	15.3
Total	548	100.0

Table 3 is on wages per day of the respondents. Out of the total respondents 75.6 percent getting below Rs. 200, 15.3 percent of them getting Rs. 300 & above and only 9.1 percent of them is getting their wage between Rs. 200 – Rs. 300 per day.

Table 4
Distribution of respondents basing on the provision for the extra wage

Provision for Extra Wage	Frequency	Percent
Yes	110	20.1
No	438	79.9
Total	548	100.0

Table 4.1
Distribution of respondents basing on the Type of extra wage provision

Type of extra wage provision	Frequency	Percent
Over time	56	50.9
Extra time in peak Seasons	54	49.1
Total	110	100.0

Table 4 is on provision for extra wages. Out of the total respondents around 80 percent have no provision for extra wage and remaining one fifth of them have provision for extra wages.

Table 4.1 is about type of extra wage provision. Out of the total respondents (110) the respondents who got over time and getting extra time in peak seasons are almost same.

Table 5

Distribution of respondents basing on their knowledge on minimum wages paid to contract labor

Minimum Wages to Contract Labour	Frequency	Percent
Below 150	257	46.9
Rs. 150 – Rs. 200	211	38.5
Rs. 200 & Above	80	14.6
Total	548	100.0

Table 5 is on their knowledge towards minimum wages to contract labour is given by the owner. Out of the total respondents 46.9 percent stated below Rs. 150, 14.6 percent of them stated Rs. 200 & above and remaining 38.5 percent of them stated that contract labour minimum wages are between Rs. 150 – Rs. 200.

Table 6
Distribution of respondents basing on their Delay in the payment of wages

Date of payment of Wages	Frequency	Percent
Always	48	8.8
Often	76	13.9
Sometimes	424	77.4
Total	548	100.0

Table 6.1
Distribution of respondents basing on their duration in delay of wage payment

Delay of Wage payment	Frequency	Percent
One week	49	8.9
1 – 4 weeks	499	91.1
Total	548	100.0

Table 6 depicts the opinion of the respondents towards their delay in the payment of wages. Majority of the respondents opined sometimes, 13.9 of them opined often and remaining respondents informed Always.

Table 6.1 is on delay in payment of wage to the respondents. Out of the total respondents, 91.1 percent of them were paid their wage with a delay of 1 – 4 weeks and remaining 8.9 percent of them are only one week.

Table 7
Distribution of respondents basing on their monthly income

Monthly Income	Frequency	Percent
Upto Rs. 6000	414	75.5
Rs. 6000 & above	134	24.5
Total	548	100.0

Table 7 is on monthly income of coffee plantation workers. It shows that three fifth of them get Upto Rs. 6000 and remaining 24.5 percent are get Rs. 6000 & above as their monthly income.

Table 8
Distribution of respondents basing on their causes of discrimination for wage payment

Causes of Discrimination	Frequency	Percent
Based on caste	46	8.4
Nativity	29	5.3

Age	46	8.4
Gender	135	24.6
None of the above	292	53.3
Total	548	100.0

Table 8 is on causes of discrimination for wage payment. It shows that around half of them did not face any discrimination in payment of wages. In other cases 24.6 percent of the total respondents discriminated basing on their Gender, 8.4 percent of them on their caste & age each and remaining 5.3 percent of them are facing nativity discrimination in payment of wages.

Findings based on the Compensation Structure for Plantation Workers

This section illustrates the opinion of respondents based on their compensation system. With regard to the wage payment, period majority of them stated that they are being paid on a weekly basis, most of the time the wages are determined based on time rate rather than piece rate and most of them workers are paid wages below Rs.200 and there is no provision for extra wages to these plantation workers. The type of extra wages provision is in the form of overtime, which is availed by most of them, and with a slight difference, many others get the provision of wages for extra time in peak seasons. The minimum wages to contract workers is below Rs 150 as opined by most of the respondents and sometimes they come across delay in the payment of wages and the duration in delay of wages payment extends to 1-4 weeks as opined by a vast majority of the respondents. For most of the workers, the monthly salary comes up to Rs. 6000 and there is no discrimination for payment of wages except for the discrimination that is being made due to gender of the respondents.

Conclusion

Coffee is a labour intensive plantation crop. The productivity and quality of coffee depends largely on the labour force. Hence, the responsibility is on the management of the coffee plantations to provide good working conditions, adequate wages, housing, education facilities, health and nutrition to their workers. The government, non-governmental organizations, representative groups should emphasis on improving the quality of work life in the coffee plantations. The legislations enacted for the plantation workers must be reviewed regularly and make sure to follow up its implementation. The living standards of Tribal Coffee Plantation Workers are far worse. Proper wages and welfare facilities must provide to overcome these problems. Governments must come forward and ensure that the various acts of coffee plantation workers are implemented, and the plans introduced for them are strictly monitored for the betterment of this zone of workers.

Reference

1. ILO (2004), International Programme on the elimination of child labour. Safety and health factsheet on hazardous child labour in agriculture. Geneva.
2. Minimum Wages Act (1948), Government of India, New Delhi.

3. Jayanthi R., & Ravi Aditya (2019), A Study on Working -Conditions of Small Coffee Plantation Workers in Chikmagalur- Karnataka. Pramana Research Journal, Volume 9, Issue 6.
4. Akarsha B.M. & Marco Hartmann (2009), Emerging Challenges for Farm Labour in the Indian Coffee Sector, Development Planning and Project Management, Germany.