

Why Bengal failed to pay salaries to tea workers, but Assam managed to

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Kolkata, December 1:

West Bengal and Assam are of similar size. Assam has 792 tea estates in comparison with the 295 gardens in Bengal's adjacent three districts in the North. The remoteness and logistical challenges in Assam are greater than in Bengal.

Yet, post-demonetisation, Assam paid November wages (weekly, fortnightly and monthly) to twice the size of workers while Bengal suffered. For the majority of the workforce, wage payment was delayed by nearly a fortnight. And, workers in some 25 odd gardens didn't get that too.

What's more, Assam is moving steadfastly to shift from cash to bank transfer by December 15. Banks are conducting camps in Assam's gardens to open accounts of the unbanked. At least one garden has already started paying wages through banks. In Bengal, this is still a far cry.

Assam into action

Is there a conspiracy behind this, as the West Bengal Chief Minister often complains? Is it the RBI and its quick changes in rules and regulations that came in Bengal's way?

The answer lies in the way the two State governments approached the issue. The Bengal government called district magistrate-level meetings with the tea industry on the evening of November 12, four days after demonetisation. By this time, Assam had started paying wages to tea workers using RBI special provisions.

"The demonetisation was declared on Tuesday (November 8). Since wages are paid on Fridays and Saturdays we barely had time," Sandip Ghosh, Secretary of Assam Branch Indian Tea Association (ABITA) told *BusinessLine*.

As the industry approached the State government on the next morning (November 9), Assam Chief Minister Sarbananda Sonowal called an emergency meeting. Within 48 hours, the State government activated all district collectors. The industry was asked to transfer funds to the collectors who would, in turn, issue cheques for withdrawal.

The rest was a cakewalk. According to Ghosh, most workers were paid on time, for some payment was delayed by a day or two. "We paid on schedule. There was no hassle excepting that garden managers braved long queues at banks,"

Ghosh added.

He is confident that the majority of gardens will migrate to bank transfer of salary by the December 15 deadline. Some 25 per cent of the gardens suffer from internet connectivity issues. Some have to invest in computerisation. The payment schedule of workers should also be adjusted to help banks dispense cash smoothly.

Overall, the tea industry is bullish that migration to the new system will not be delayed beyond January.

“The Chief Minister has asked all including banks, telecom companies and tea producers to implement the order in mission mode. He personally takes stock of the progress every day at 10 AM,” Ghosh said.

Compare this with Bengal. Chief Minister Mamata Banerjee took to Twitter and protested against demonetisation within 30 minutes of the Prime Minister’s announcement.

The State administration started to follow Assam’s example only four days later. By November 21, when the RBI amended the special provisions to allow tea gardens to raise money directly from banks (not through the State) under a pre-decided formula, nearly one-third of the gardens were unpaid.

Fresh preparations for wage payment started last week. In the absence of strict State monitoring, the implementation was delayed further.

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