

Jute Industry and Its Labour: Analysis the Trend of Change in Context of West Bengal

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Abstract: *The development of a particular country is mainly depended on Industrial development of that particular country. From the starting of handicraft to the invention of giant machinery, it is an ongoing process of Industrial development around the World. India was belated to join the developmental movement, Industrial Revolution. The so called industrial development was started in 19th century in India. In the beginning of this process the primary intention was to make ea boom in Handloom Industry, Jute Industry, and Tea Plantation etc. First Jute Mill in India was established in 1855 at Rishra, beside the river Hooghly. From 19th century to the 20th century the Jute Industry had shown a rapid growth but in this 21st century it is seriously ill-fated due to some unavoidable cause, like- lacking of raw material, invention of polymer and worldwide contest in jute manufacturing product. The labour also getting devaluated and many fatal incident had also took place around West Bengal, The main centre of Jute Industry of India.*

In this research paper I want to review those problems related with Jute Industry of West Bengal and the effects of those measurable steps, have been taken by the Government of India to make save the sick Jute Industry of West Bengal as well as India. I would also like to give an alternative solution beside the role of state government as well as central government.

Key- Words: *Jute Industry, Labour Problems, PVC, Stacks, West Bengal, MSP, NCJD etc.*

Introduction: Jute is a very important natural fiber which is grown in countries like India, Bangladesh, Myanmar, Nepal, Vietnam etc. It is mainly used for packaging along is environment friendly and also diversified use. The entire Jute sector globally employs more than 4 million workers in the Jute Industry and people working in the Jute Diversified Product (JDP) sub-sector. India is the largest producer of jute goods in the world, accounting for around 70 percent of world production. It is also the largest consumer of jute goods.

Background of the Study: Jute Factory as well as Jute Industry was first started in West Bengal in 1855. The first Jute Mill was established at Rishra, in west bank of the river Hooghly. Since then the industry ran well, but after the partition of Bengal in 1947 the industry got a big jolt owing to short supply of raw jute. The best jute growing land went to Pakistan but India retained almost all the Jute mills on both of the banks of the river Hooghly. Gradually the problem of short supply of raw jute was over with the expansion of jute growing areas in West Bengal, but the industry was confronted with severe competition from its close substitutes like synthetic fibers, paper bags and PVC bangs. As a result the economy of this industry has developed a declining trend. This export-oriented industry has turned to be mainly home market based industry.

Why Bengal is The Main Centre of Jute Industry: Production of jute is concentrated in West Bengal, Orissa, Bihar, Assam, Meghalaya, Tripura and Andhra Pradesh. There are 33 odd districts spanning West Bengal, Orissa, Bihar and Assam, which count for 98.43 percent of the total raw jute production in the country. Nadia, Murshidabad, Cooch Behar, Dinajpur, Jalpaiguri, North 24 Parganas, Hooghly and Malda districts in West Bengal account for 71 percent of area under jute cultivation in India and 73.09 percent of the total raw jute production in the country.¹

The alluvial conditions of Eastern Bengal offer an ideal environment for jute cultivation and by the turn of the century the region accounted for more than half of world output. Eastern Bengal was firmly relegated to a role as a supplier of raw material; however, the jute was shipped to Calcutta as well as in West Bengal.² Jute Industry started to flourish in the eastern region of India by taking the raw jute from farmer at comparatively low price than other state of India.³ India has 92 jute mills of which 67 are located in West Bengal as per information available with the office of Jute Commissioner.

The first cluster was around Rishra and Serampore on the west bank of the river Hooghly. Further to the south of the river, a group of mills came up in Howrah; on the east bank, a group of mills came up between Shyamnagar in the north to Sealdah, within Kolkata proper along the newly laid railway tracks. In the southern suburbs of Kolkata a group of mills came up near the docks and jetties of Khidirpur and Garden Reach. Further south along the east bank were Budge-Budge Jute mills and later bulk of the industry was not located within the municipal limits of the city unlike the Bombay Cotton Industry.⁴

India is now importing approximately 1, 62,000 tones of raw jute fiber and 1,75,000 tonnes of jute products in 2011.⁵ India is now producing 19,68,000 tonnes of raw jute, which is highly than neighbor Bangladesh.⁶

Multiple Uses of Jute and Its Market: It has multiple uses. It is used to make twine, rope and mat. In combination with sugar, the possibility of using jute to build aero plane panels has been considered. Jute matting is used to prevent flood erosion while natural vegetation becomes established. For this purpose, a natural and biodegradable fiber is essential. Jute is used chiefly to make cloth for wrapping bales of raw cotton and to make sacks and coarse cloth, Jute fibers are also being used to make pulp and paper. Jute is used in the manufacture of a number of fabrics, such as Hessian cloth, Sacking, Scrim, Carpet backing cloth and Canvas. Diversified jute products are becoming more and more valuable to people, because it is being used to make Espadrilles, Soft Sweaters. After coverings home textiles, Geo textiles, Composites and more. Its UV protection, sound and Heat insulation low thermal conduction and anti-static properties make is a wise choice of people.⁷

India mainly imports raw jute from country like Bangladesh and Nepal. It has large International demand of jute manufacturing goods, so there is a little need to export jute made commodities to other countries. There was a time when India was use to produce only jute bags and sacks, but by bringing varieties in its producing it has created a broad International market to sell jute products.

Jute Labour and Their Problems: Jute industry is depended on huge and cheap labour. It supports round 40 lakh farm families and provides direct employment to 2.6 lakh industrial workers and 1.4 lakh in the tertiary sector.⁸ It was dependent on migrant labours from the initial days. The industry attracted immigrant labours from outside of West Bengal, especially from Orissa and Bihar. The Royal Commission observed that “Few industrial workers would remain in industry if they procure sufficient food and clothing in the village.”⁹ They failed to get adequate employment and subsistence in the rural economy. Thus these migrants remained villagers at heart and retained a close homes.¹⁰

The workers who joined the mills were generally uneducated and untrained for any specific job. Moreover the system of recruitment was informal in the beginning and their wage was comparatively lower than other industry.¹¹ The task of developing a labour force was always a supply of proposition to the mills and not a question of skill formation and training. They migrated from one place to another place to find a better working environment, but most of the time their thinking was use to be prove as wrong. The industry has got a good boom in different times by gaining potential for employment generation and modernization of the mills through technology up gradation can improve the quality of workers who will get employed in the jute mills.

But it is sad to say that Economic conditions of the jute mill workers were not good and also at present the condition has degraded more than before. Indebtedness was a common problem among the workers of jute mills and many of them were always in debt.¹² The money-lender used to take this chance to getting richer by lending money to those indebted workers in a high interest. The working conditions of the mill authorities ignore the plight of the workers and turned a blind eye to the poor conditions and squalor that prevailed in and around the mills. Not only the mill owners but also the government and other philanthropic organizations also ignored the poor living conditions of the jute mill workers.

There housing was also very poor, mostly made of Mud, Bamboo Flakes, Tins and Straw etc, though there was some exceptions like Birla Jute Mill, which provided a healthy living conditions to its workers, which resulted less morbidity among the workers. The poor living conditions of the workers affected their health. Overcrowding with in sanitary condition inside the house created stress and health hazards due to lack of sanitation, ventilation and low light. A study conducted during the year 2010 found that an outbreak of cholera in a jute mill situated by the side of the river Hooghly, continued for several days.¹³ The health seeking behavior of the workers was influenced by the Socio-Economic conditions, their working and living environment, poverty and ignorance on causes behind diseases because good health is related to attaining certain level of Education in West Bengal.

Job insecurity and poor working conditions had been a matter of continuous dimities faction among the workers and the jute sector became one of the hot beds of trade union activities. The first industry wide strike in jute was called in 1936, which lasted for around three months.¹⁴ After the Independence; Central Wage Board was set up in August 1960, with two representatives, each of the workers or Trade Unions and employers, giving its recommendations in 1963 for a validity of three years. This industry had faced hundreds of strikes with the demand of the wage growing in 1978, 1981-1982, 1992, 1995, 1997, 2000, 2001, 2002, 2003, 2007 and also in recent years of 2017 and 2018. It is an unending process of mill strike which the jute industries of West Bengal as well as India are facing drastically.

In the decade of 1990 jute workers used to get wage around 619 rupees to 660 rupees. They were deprived of PF, ESI and Gratuity. so the Trade Unions went on a strike from 28th January of 1992 to 17th March of 1992, which increased the basic wage to a minimum of rupees 406 and maximum of rupees 615. However, since DA had increased substantially, the total emoluments of permanent workers had exceeded rupees 2,000 per month.¹⁵ The high degree of mistrust between the mill owners and the workers in West Bengal as well as India is one of the reasons of resorting to extreme steps by the workers in resolving issues than the regular process of conciliation for settlement of disputes.

Considering the demand of the jute mill and other workers for proper working and living conditions, the Government of India has enacted many laws, which are applicable for the favor of jute industry workers in West Bengal as well as of India are briefly mentioned below:

- i. **The Industrial Dispute Act, 1947:** This Act was passed by the Government to provide for investigation and settlement of the industrial disputes between employers and employees, promotion of measure for securing and preserving amity and good relationship, prevention of illegal strikes and lockout and relief to workmen in the matter of lay off and retrenchment, collective bargaining etc.
- ii. **The Factory Act, 1948:** This Act ensures that the workers have a safe, clean and healthy working environment. Facilities for sitting, first-aid, canteen, shelters, rest rooms, lunch rooms and crèches where women workers were present. In most of the jute mills these facilities were not provided as per requirement.
- iii. **Minimum Wages Act, 1948:** This Act was passed to prevent exploitation of labours and to provide some sort of social security measures to a vast majority of working class people employed in the unorganized sector in the country since these workers had very little or no bargaining power and they often get deprived of fair and legitimate wage.
- iv. **The ESI Act, 1948:** This applies to factories (except seasonal factories) employing 10 or more persons. Employees of the factories drawing wages up to Rs. 15000/- per month are entitled to social security cover under the ESI Act. It is a self-financing health insurance scheme for Indian workers. This fund is managed by the Employees' State Insurance Corporation (ESIC), an autonomous corporation established by the Ministry of Labour and Employment, Government of India, according to rules and regulations stipulated in the ESI Act 1948. The employers' rate of contribution is 4.75 percent of the wages paid to employees. The employees' contribution is 1.75 percent of the wages paid, making the total share of 6.5 per cent of wage as contribution to the ESI. Daily-wage employees earning less than Rs100/- a day are exempt from paying their share. Main benefits under ESI Scheme are Sickness Benefit, Disablement Benefit, Dependents' Benefit, Maternity Benefit and Medical Benefit.
- v. **The Employees' Provident Funds and Miscellaneous Provisions Act, 1952:** It is an Act to provide for the institution of provident funds, pension fund and deposit-linked insurance fund for employees in factories and other establishments.
- vi. **The Payment of Gratuity Act, 1972:** This Act is an important social security legislation intended to provide relief to an employee when he is no longer in service under his employer.
- vii. **The West Bengal Workmen's House Rent Allowance Act, 1974:** This Act applies to the industrial establishments in West Bengal where 20 or more workmen are employed. The Act provides for payment of house rent allowance to a

- workman @ 5 per cent of the wages during a month or Rs. 15/- whichever is higher.¹⁷ Even temporary, casual or budli workmen rendering services for less than 6 days in a month are entitled to a pro-rata house rent allowance.
- viii. **The Equal Remuneration Act, 1976:** The Equal Remuneration Act, 1976 is an important piece of legislation in the field of women's welfare to provide for the payment of equal remuneration to men and women workers and for the prevention of discrimination on the ground of sex, against women in the matter of employment, promotion etc.
- ix. **The Jute Packaging Materials (Compulsory Use in Packing Commodities Act, 1987):** An act to provide for the compulsory use of jute packaging material in the supply and distribution of certain commodities was passed by the Parliament in 1987 in the interests of production of raw jute and jute packaging material and of persons engaged in the production thereof. This helps to provide an assured market to the jute manufacturers. Jute Commissioner procures B-Twill bags for use by government to indirectly benefit the jute growers and the mill workers. The quantum of purchase was 2424 thousand Bales at a price of Rs 5589.1 crore during the year 2015-16
- x. **The Minimum Support Price:** Minimum Support Price (MSP) is a form of market intervention by the Government of India to insure agricultural producers against any sharp fall in farm prices. The minimum support prices are announced by the Government of India at the beginning of the sowing season for certain crops on the basis of the recommendations of the Commission for Agricultural Costs and Prices (CACP). MSP is price fixed by Government of India to protect the producer - farmers - against excessive fall in price during bumper production years. The minimum support prices are a guarantee price for their produce from the Government. The major objectives are to support the farmers from distress sales and to procure food grains for public distribution. In case the market price for the commodity falls below the announced minimum price due to bumper production and glut in the market, government agencies purchase the entire quantity offered by the farmers at the announced minimum price. The MSP for raw jute for the year 2018-2019 is rupees 3700 per quintal.¹⁸
- xi. **The National Jute Board Act 2008:** The National Jute Board Act 2008 was passed by the parliament to establish the National Jute Board for the development, the cultivation, manufacturing and marketing of jute and jute products; for matters connected therewith and incidental thereto.¹⁸ The Act also provides that Board may take measures to (i) take steps to protect the interests of the jute growers and workers and to promote their welfare by improving their livelihood avenues and (ii) secure better working conditions and provisions and improvement of amenities and incentives for workers engaged in the jute industry.¹⁹
- xii. **National Jute Board:** It was set up in the year 2008 by The National Jute Board Act 2008. The Charter of the Board includes providing for the welfare of workers in jute-producing units and some schemes have been already taken up towards that end, which is briefly mentioned below.

Sanitation facilities- A Scheme to provide hygienic sanitary facilities for mill workers and their families, first in the mill quarters and in the second stage in the working areas have been introduced five years ago. Applications are sought from mills for construction of sanitary facilities in mill quarters and in the working areas, which is examined and appraised through an independent agency. Sanitary facilities include designed sanitary blocks with toilet facilities for men and women, wash basins, sewage, etc. The total cost of constructing such sanitary facility is borne by NJB, subject to a maximum of Rs. 20 lakhs each. The concerned mill first incurs the expenditure for construction of the sanitary facilities and thereafter 90 per cent of the costs up to the ceiling of Rs 20 lakh is reimbursed by NJB. As far as possible, the facilities in the workers' quarters / living areas should be Pay-and-Use type where revenues provide the cost of maintenance for the agency managing them. In the case of facilities constructed in the mill working areas, the mill concerned is required to enter into Annual Maintenance Agreement with Sulabh International or such other agency as may be selected. The mill concerned has to bear the cost of maintenance.

Scholarship Scheme for Children- NJB extends support to the workers' family towards education of their children through a scholarship scheme, which was approved during the 9th Board meeting of NJB held on 25th February, 2015. The amount of one-time scholarship for different categories of students is given below:

- A. on qualifying Secondary Education (for girls only): Rs. 5,000
- B. on qualifying Higher Secondary Education (for girls only): Rs. 10,000
- C. on qualifying Graduation (for boys & girls): Rs. 15,000
- D. on qualifying Post Graduation (for boys & girls): Rs. 20,000
- E. For pursuing Professional courses (Engineering, Technical, Management, Chartered Accountant, Chartered Secretary, Institute of Cost and Chartered Accountants courses) in Govt. Institutions (for boys & girls) Annual Tuition fees. The scheme will be applicable to all jute goods manufacturing units throughout the country paying Cess. Annual budget for the year 2015-16 was Rs 2.0 crore.

Problems causes the Decline of Jute Industry: For last few decades Jute Industry of west Bengal as well as India has been suffering with many difficulties. There are many problems which are the cause of the decline of this industry, which is follows:

Shortage of Raw Material: Despite of the Government efforts to increase area under Jute, India is not self sufficient in raw material. The raw material is imported from Bangladesh and some other countries. The problems are further aggravated by import of finished Jute products both legally and illegally. These problems never allow Jute industry to be competitive. This necessitates a "Golden Fiber Revolution" in India.

Obsolete Mills and Machinery: The mills and machinery in Jute sector are obsolete and need technology up gradation. The Government had launched a **Jute Technology Mission (JTM)** in 2006 with four mini Missions. On Jute Research; Development / extension of raw jute agriculture; marketing of raw jute and processing, utilization and industrial aspects of raw jute. But this mission was unable to achieve targets and use the allocated funds.

Competition: Indian Jute industry faces competition in the global market with countries such as Bangladesh, Philippines, South Korea and Japan etc. The industry also loses competitiveness due to obsolete technology, higher prices and industrial sickness in the Jute mills. The industry has become stagnant, unproductive and inefficient due to over dependence on jute sacks; and non-diversification.

Decrease in the Demand: Jute products are fast losing market to plastic, synthetic fibers and similar substitute products. The parliament of India had enacted the Jute Packaging Mandatory Act, 1987 with an objective to protect the Jute industry.¹⁹

Strikes and Lock-outs: Jute Industry is reeling under a crisis triggered by the shutdown of jute mills.

These problems directly affect the mill workers, because many jute mill workers have lost their work due to lock-out of jute mill. The effect of demonetization in the last year also resulted the lost of work of 2,500 workers of a mill situated in West Bengal.²⁰

The Government of India has taken many initiatives to eliminate this menace and has taken many schemes in this Context:

(i) Under the Jute Packaging Materials (Compulsory Use in Packing Commodities) [JPM Act], 1987, Government specifies the commodities and the extent to which they are mandatorily required to be packed in Jute Packaging Materials. At present, a minimum of 90% of food grains and a minimum of 20% of sugar are to be compulsorily packed in jute sacking. On an average, the annual Government support to jute industry on this account amounts to Rs.5500 crores.

(ii) Whenever the market price of raw jute falls below a certain level, the Jute Corporation of India (JCI) procures raw jute at Minimum Support Price (MSP), fixed on the basis of recommendation of the commission for Agricultural Cost and Prices (CACP), from jute growers to safeguard their interest. Government of India has sanctioned Rs. 204 crores for four years starting from 2014-15 to enable JCI to be in readiness for MSP operations.

(iii) Incentive Scheme for Acquisition of Plants and Machinery (ISAPM): Government of India launched ISAPM for Jute Industry and Jute Diversified Products Manufacturing Units, with effect from 1st October 2013. The basic aim of this scheme is to facilitate modernization in existing and new jute mills and up-gradation of technology in existing jute mills and to provide assistance to a large number of entrepreneurs to manufacture value added biodegradable Jute Diversified Products (JDP) as well as for modernization Jute up-gradation of technology.

(iv) Jute-ICARE (Jute: Improved Cultivation and Advanced Retting Exercise): This pilot project launched in 2015 is aimed at addressing the difficulties faced by the jute cultivators by providing them certified seeds at subsidized rates, seed drills to facilitate line sowing, nail-weeders to carry out periodic weeding and by popularizing several newly developed retting technologies under water limiting conditions. This has resulted in increased returns to jute farmers.

(v) The National Jute Board implements various schemes for market development, workers' welfare and promotion of diversification and exports.

(vi) Government has issued a notification on 5th January, 2017 imposing Definitive Anti-Dumping Duty on jute goods originating from Bangladesh and Nepal. Based on the current level of imports, the industry has estimated that this is likely to generate up to 2 lakh MT of additional demand for jute goods to be met by the Indian Jute industry.

(vii) Government has made it mandatory for the entire chain from importers and traders to the level before the end-users, to register with the Office of Jute Commissioner, and furnish monthly reports on the imported goods.

(viii) Government through its Office of Jute Commissioner, Kolkata has also directed all manufacturers, importers processors and traders to mark/ print/ brand the words "Made in- Country of Origin" on imported bags. Customs have also been requested to maintain a strict vigil so that no unregistered importers/ traders can import jute and no unbranded jute goods can enter India.²¹

a. **Conclusion:** Though the government has taken many schemes and also enacted many acts for the betterment of Jute Industry as well as jute mill workers, it has not achieved 100 percent success; so we need to find some alternative ways to solve the jute mill related problems permanently. These steps also can be taken beside the government schemes:

- (i) Encourage the people of India to use jute made goods in many occasions, not only by the influence of the government but with the consent of self-esteem they should use jute made commodities.
- (ii) It is true that Indian jute manufacturing industries has bring many variations in its producing, but it is not enough to compete with the worldwide varieties of jute product. The government can start to take initiatives to develop the skill of jute manufacturing workers, after which they will be able to bring more varieties in their products.
- (iii) The government is organizing many fair in different parts of West Bengal to encourage the handicraft industries, but beside this initiative It should try to ban totally the PVC made products in every possible way and should try to replace it with jute made products.
- (iv) We need to show the importance of jute and also the menace of using polymer bags, with the help of TV advertisement, Poster and also by writing about it in text books at different level of academics.
- (v) Most of all we need to take this matter seriously and also need to enforce those related laws effectively to eradicate every negative impact from Jute Industry as well as from the life of its workers related directly or indirectly with Jute.

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