

# Need for the Survival of Handloom Industry and it's Workers: Special Reference to the Case of Uttar Pradesh

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## Abstract:

*The Indian economy has made remarkable progress since independence. Yet, for many reasons the unorganized sector, especially handloom sector and its workers which give a very significant contribution in total textile sector, still have been unable to enjoy the success of development; hence they belong to the weaker sections of society. After the introduction of globalization and liberalization, the economic conditions of handloom workers are expected to worsen since only highly competitive and skilled individuals and industries are expected to survive in such an economy. For the economic development of handloom workers, government should focus on this sector, where large numbers of workers are dependent for their livelihood. The state of Uttar Pradesh is well known for its traditional industries, like Handlooms and Handicrafts( which is famous for its uniqueness in the world) but the artisans engaged in this sector are unable to meet even their basic necessities as the latest handloom census report reveals very shocking economic condition of handloom household workers. The policy shift towards this industry is desirable for revival of handloom sector and the socio-economic upliftment of artisan of the state.*

**Key words:** Handloom industry, Workers, Development, Policy, Government

## I. INTRODUCTION

Handloom sector is the largest employment provider next only to agriculture and also the most important industry of India in terms of providing employment to asset less people, it is very ancient industry of our nation and played very significant role in the country's economy from very long time. In regard to production, the industry meeting around 12% of the total cloth requirement of the masses in the country, in the state of Uttar Pradesh; according to current Handloom Census of India 2009-10, Handloom industry is providing livelihood to 10,542 Handloom Households (HH). Unfortunately, studies have been revealed that the growth of this sector is declining very fast and the workers involved in this sector are also suffering due to many reasons.

There are several issues that need attention both in the form of policy intervention and ground level implementation. There are issues of providing

education, training for skill up gradation to the handloom workers, design and product development, investment, R & D, bringing in new and useful technology and innovations in weaving pattern. Overall, the challenge is to ensure sustainable production and growth of the sector along with empowerment of the handloom workers.

## A. Discussion

The present study is an attempt to discuss and analyse the problems suffered by the handloom industry and its workers in Uttar Pradesh. The study is expected to reveal the deficiencies, which are responsible for its backwardness and enable to suggest appropriate measures for the problems of the industry and handloom artisans more effectively.

## B. Organisational structure of Handloom industry in Uttar Pradesh:

Handloom is a household industry, all family members work as one unit; the head of the household perform the manufacturing work, as where other member of the family do the supporting or ancillary role, work and burden is divided on the basis of age and sex. Some of them work independently some of them with organization and some seek outside support. The organizational structure of the industry could be divided into four segments. They are:

- Independent weavers
- Master weavers
- Co-operative society
- Corporate sector

## II. EMPLOYMENT

Distribution of Men, Women & Children Engaged in Handloom Sector in Uttar Pradesh

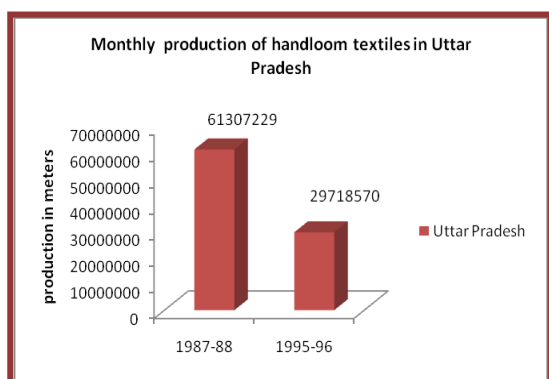
*Source: Joint Census of Handlooms & Power looms*

Distribution of Men, Women & Children Engaged in Handloom Sector (In Uttar Pradesh)				
	Men	Women	Children	Total
1995-96	187404	98198	40501	326103
	57.5%	30.1%	12.4%	
2009-10*	109340	107675	40768	257783
	42.4%	41.8%	15.8%	

1995-96, NCAER, Handloom Census of India 2009-10, NCAER.

The handloom census (2009-10) has not categorized the child workers. Census mentioned about adult (aged 18 year and above) and under age workers (aged less than 18 years). The researcher included below 18 years in the category of children for the purpose of analysis.

Handloom industry is a home-based business and entire family put their effort in this activity but the nearly 16% participation of underage workers in this sector is matter of great concern for U.P. because this share was found highest among all states in the Handloom Census 2009-10. The higher share of underage workers indicates that they are not getting proper education and also the low income of their family has forced them into handloom occupation along with their parents. The total number of Handloom workers has been declined since 1995-96 to 2009-10 in the state due to very low income generation from handloom activity, exploitation of the Master Weaver segment and most importantly negligible support from the government.



#### A. Production:

##### Average Monthly Productions of Handloom Fabrics in Uttar Pradesh

Census of Handlooms in India 1987-88, Ministry of Textile, GOI

- Joint Census of Handlooms & Power looms 1995-96, NCAER
- (In the current Handloom Census 2009-10 the production figure has not been given of Uttar Pradesh.)

As the figure shows, in the state of U.P., the volume of handloom production has been drastically reduced during 1987-88 to 1995-96. There are many responsible factors behind the decreasing production of handloom; as it has been found in many studies that power loom is playing major role in decreasing the handloom products because it produces same articles like handloom and the production process

takes very little time to prepare products and products are also cheaper than handloom. Therefore, people buy same articles made by mill & power loom at cheaper prices. Low demand of handloom products is a big reason of declining production because most of the districts are still weaving only traditional things like sari, dhoti, gamchha etc. the products are not updated according to the changing trends and fashion, thus today customers are not taking much interest in handloom articles.

#### B. Technology:

Since the Handloom workers come from the disadvantaged sections of the society, therefore lack of social capital has stopped them from moving ahead in the social ladder. Technology requires new skill and more capital, both of which lack in the community. It is a fact that new technology increased initial costs but due to lack of finance it has become a hurdle in the growth of production. In this state weavers are still weaving on very old type of loom (pit loom). It is also found in other study that not only in weaving but dyeing process is also being processed in a very old method.

#### C. Input Resources:

##### Source of Yarn for Handloom Households in Uttar Pradesh

Source Of Yarn in Uttar Pradesh (in %)					
	Open Market	Cooperatives	Master Weaver	SHDC/NHDC	From Others
1995-96	94%	14%	14%	9%	19%
2009-10	19.88%	0.49%	74.63%	0.07%	4.93%

Source: Joint Census of Handlooms & Powerlooms 1995-96, GOI, NCAER, Handloom Census of India 2009-10, GOI.

Weavers procure yarn from many sources like open market, cooperatives, master weavers, National/State Handloom Development Corporation (NHDC/SHDC) and from other sources. It is discovered by data that in 2009-10, 74.6 percent weaver Handloom households procuring the yarn from Master Weaver segment, and as far as the government institutions is concerned, all are insignificant in providing yarn to this sector.

#### D. Finance:

##### Sources of Finance in Indebted Handloom Households Units in 2009-10

Average Earning of Handloom households in 2009-10 (Rs./per annum) (Uttar Pradesh)			
	All HH	Weaver HH	Allied HH
Rural	24061	25087	20321
Urban	20543	20588	20376
Total	22547	23218	20347

*Source: Handloom Census of India 2009-10, GOI, NCAER*

It is found by the figures in above table that weavers are more convenient to take loans from informal sources rather than cooperative and commercial banks. The weavers avoid obtaining loans from the commercial banks because in banks there is a major problem of time delay in sanctioning, increasing transaction costs, and bureaucratic attitudes of bankers, lack of awareness among bankers about handloom sector as well as lack of weaver's assets, as our former Prime Minister Dr. Manmohan Singh has said once on the problem of finance in handloom sector that "Access to credit and cost of credit are two major problems facing by the handloom sector".

#### **E. Socio-Economic Condition of the Handloom Workers of Uttar Pradesh:**

The handloom census reports present the socio-economic condition of handloom workers by following parameters.

#### **F. Earning of the Handloom Households (HH) workers:**

The average income of the handloom household is of special interest, as it highlights the economic condition of HH. It is found in the handloom census report that the average earning of HH is very low, the following table presents the average earning of handloom households of Uttar Pradesh.

#### **G. Average Earning of HH in 2009-10 (Rs./per annum)**

*Source- compiled from: Handloom Census of India 2009-10, NCAER*

The handloom census also revealed that the contribution of handloom to total HH income is very high, more than 85 per cent of earnings come from handloom activity in Handloom Households. It can be analysed by the above data that handloom workers monthly earning is below than 2,000 per month of which the contribution of handloom is around 1500 per month and it may be said that the economic condition of U.P. handloom workers is very pathetic. They are unable to sustain their livelihood and also unable to fulfil their basic needs. Such a low

level of earnings has kept the weavers trapped in the vicious circle of poverty and this low earning also acts as a barrier for investment. This low income factor is majorly responsible for backwardness of the industry.

#### **H. Dwelling Condition of the Weavers:**

Housing is one of the basic necessities of every human being, which constitutes the protecting base for any individual and his family. In the case of Uttar Pradesh, 24.2 per cent HH units live in Kuccha type of house while 38.6 per cent HH reside in Semi-pucca and rest 37.2 per cent HH have in Pucca houses.

#### **I. Education level of the workers :**

As per the handloom census 2009-10, in total U.P. it is found that highest proportions of handloom workers (60.2%) were never attended school, while 17% workers have been noticed a below primary level, the primary level educated were 11.01% in U.P., nearly 5% were taken middle level education, only 3.7% handloom workers reported having completed high school/secondary level education, 1.57% handloom workers were Higher Secondary level qualified, only .88 per cent workers are found graduate and above 1.29% of weaver were other type of educated.

The higher proportion of never attended school in Uttar Pradesh indicates that for the survival of family the weavers involve their children in handloom work, children learn weaving at very early age and consequently schooling loses focus.

#### **J. Benefits of Government Schemes:**

Most of welfare schemes of government for handloom workers are channelized through co-operative society and a major part of handloom workers are out of co-operative fold. ( according to Handloom Census 2009-10 only 7.6 % are registered in Handloom Co-operative Societies ) it is also a big reason that these programs have failed to generate desired result at grassroots level and the implementing agencies found to be less effective. The cooperative (which is the best available alternative for decentralized industry like handloom) fails to ameliorate the deplorable conditions of weavers.

#### **K. Policy Suggestions**

Based on above discussion and analysis the following policy measures should be taken for the better future of handloom sector along with its workers.

#### **L. Strengthening and Preparing Handloom Sector for Competing with Mechanized Sector**

The production of handloom should be focused on those high value, intricate and unique designed product which the power loom cannot produce, and for this purpose, it is essential to inform

the weavers about the latest trends and today's consumers' tastes. Technological change can create new possibilities for design development, production process, packaging distribution. The modern dying plants should be set up in handloom clusters to meet their requirement of quality dying. In foreign countries, handloom fabric is famous for its uniqueness and fine quality, to make handloom fabric more popular and export-oriented.

#### **M. Enhancing the marketing**

Marketing of finished fabrics is the major task for the handloom weavers. This aspect needs a huge attention, although the govt. already has issued an order through which 11 products have been exclusive reserved for production by the handloom sector. Unfortunately, this order is being violated by power looms. The government must, deal very strictly with the violators and ensure that only the handloom industry produces these articles.

Preference to handloom products in government purchase had been of great help to the sector in past. The various govt. departments regularly purchase various items for use in govt. offices. One of the biggest Ministries, the Indian Railways, needs these items in bulk every year. Thus, the government can surely help the sector by issuing an order that certain products will be bought only from the handloom units.

#### **N. Improving the Cooperative Societies**

For the reviving and supporting the handloom sector, it is suggested that the handloom co-operatives should be strengthened with the help of the following steps-

- i. Handloom co-operatives should be depoliticized and the steps should be taken for the enhancement of weavers' membership.
- ii. Providing NABARD loans at reasonable interest rates to the primary co-operatives by pruning the number of intermediaries and providing required working capital in time.

#### **O. Input support**

- i. The govt. should initiate steps and mechanism to regulate the hank yarn prices in the market.
- ii. Yarn depots should be set up in major clusters to ensure that adequate amount is supplied at reasonable rates. The yarn requirement in different regions differs in terms of the count, quality and time, Therefore it is necessary that a supply mechanism should be created so that right counts of yarn must be supplied, in demanded quantity.

#### **P. Credit Needs**

A majority of handloom weavers obtain loan from outside the fold of institutionalized financing in U.P., because access to bank credit is a major problem faced by the weavers. In view of the above situation, it is suggested that:

- i. The financial literacy among weavers should be enhanced.
- ii. The govt. may introduce bank Credit Cards on the pattern of Kisan Credit Cards through which, easy credit may be made available to weavers, to meet their requirements related to either purchase or repair of looms and other machinery and to meet their working capital needs.
- iii. The growth of self-help groups and thrift groups among weavers must be encouraged.

#### **Q. Enhancing the Weavers' welfare policies in handloom sector**

In order to co-ordinate all the development schemes; there is a need for a 'Handloom weavers' Welfare and Development Board', so that these can be implemented effectively.

- i. Most of the welfare measures meant for the weavers are applicable only cooperative members. But during last few years, due to the crisis in and closure of the handloom co-operatives, there has been a phenomenal growth of the number of weavers in the master weaver segment. Therefore the welfare schemes must be extended to the weaver-workers in the master weavers segment along with those in the co-operative fold.
- ii. The Insurance scheme must be made applicable to all weavers;
- iii. Special Ration cards must be issued to the weavers to curb malnutrition among the weavers and their children.

#### **R. Improving the living condition of the handloom workers**

The government would be well advised that all villages/towns/habitations/ be provided with basic amenities, good quality government schools and health facilities, pucca approach roads, and general improvement in living conditions ( supply of electricity/housing/clean drinking water and sanitation). This is in the overall interest of India. So not providing these basic facilities is violation of human rights.

#### **S. Increase income level of Handloom workers**

The real income of handloom workers has decreased over the years instead of rising in with the growth of the economy. This calls for policy changes both at the centre and state levels. Although, the

minimum wages for handloom workers in Uttar Pradesh is prescribed (April 2012) is Rs.174.14/per day (Total minimum wage) for Unskilled, Rs. 198.51 for semi-skilled, Rs. 220.35 for skilled workers/ per day, but still they are getting around Rs 60/per day.

Therefore, there is also a need for scaling up and intensifying the central and state governments' interventions. The wages of the workers should be organized through the NGO to ensure that they are getting the minimum wages.

### **III. CONCLUSION**

By reviewing the overall discussion, it has been observed that the condition of handloom industry and its workers are very pitiable almost in every facet of development. There are several issues that need attention both in the form of policy intervention and ground level implementation. There are issues of providing education, training for skill up gradation to the handloom workers, design and product development, investment, R & D, bringing in new and useful technology and innovations in weaving pattern. Overall, for the socio-economic upliftment of workers involved in handloom industry,

there is a big need to educate them, aware them from government policies, train them, modernize them and also should eradicate the involvement of their children from the occupational activity. For the effective implementation, Social scientists like economist, sociologists and academicians, scholars, researchers, planners & policy makers and should work together with focussed approach for the upliftment of handloom industry which will ultimately benefit the workers of Handloom industry in Uttar Pradesh.

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