

PILOT STUDY OF GUJARAT

ON

JANATA CLOTH PRODUCTION SCHEME FOR HANDLOOM WEAVERS

SUMMARY AND RECOMMENDATIONS

The Handloom Sector is protected and promoted because it is a major employment sector, next only to agriculture. Therefore the study has focussed on these objectives of employment sustenance and employment-generation.

2. It is fully appreciated that employment level cannot be maintained without reference to markets, and market segments where handloom competes with fabrics from the composite mill sector and powerloom sector. This approach has been adequately developed and several, legal, fiscal, legislative and promotional policy instruments have been devised and are tried out.

3. However, consolidation, penetration and development of new markets is totally dependent upon the quantitative and qualitative production capabilities, which in case of handloom sector largely depends upon the producer, weaver and his household behind every loom.

4. Therefore the study focusses on the issues and problems, faced by the weavers to sustain and develop this activity and occupation. How technological upgradation or total change in the technologies can be a planned and humanised transition can be worked out. The market forces may have to be tempered with socio-cultural and politico-economic considerations.

5. Like IRDP, 'target-group approach' should be developed for identifying households of traditional weavers communities and preparing lists of persons under following categories and issue them numbers and cards :

- (a) Active weavers : working with cooperatives
: working with State Corporation
: Private traders, master weavers
: Self-employed.
- (b) Skilled weavers : with loom
: without loom
- (c) unskilled weavers: willing to take primary training,
preferably in the age-group of 18 to
30, men and women

6. The focus of identification process, should be to concentrate on (a) rehabilitation and (b) developmental needs of the traditional handloom weavers' communities.

7. The District Industries Center (DIC) should also up-date their data base of the primary cooperatives in specific terms of :—

- (a) membership.
- (b) members with looms and active.
- (c) members with looms and dormant.
- (d) members with skill but no loom.
- (e) members without skills and loom.

8. The D.I.C. should also have updated data from Gujarat State Handloom Development Corporation on yearly basis about village-wise coverage of (a) registered and (b) active weavers and also (c) modernisation needs of the weavers.

9. Similar data should also be available to D.I.C from Khadi and village Industries Board of the State

10. The State level Federation should also be asked to develop complete data-base for each district and each cooperative in the categories suggested in paras 6 and 7 above.

11. The availability of this data base at (a) Directorate level (b) G.S.H. Corporation level (c) GSH&I Federation level and at (d) D.I.C. level and yearly updating is a minimum information-base to be developed for such a massive (a) employment (b) income generation programme, to prevent :

- (a) diversion and leakage of financial and physical resources.
- (b) duplication of efforts and resource allocation
- (c) optimise the employment and income-generated asset-utilisation and benefits to the largest number.

12. When the productive activity is so dispersed and decentralised and there is substantial subsidy component attached to the scheme, strong, up-date centralised data-base is the minimum condition for efficient, and result oriented implementation.

13. District Rural Development Agency, with its basic role of employment--generations, through skill-formation and asset allocation, can realize its objectives, by linking and coordinating its efforts with the Gujarat State Handloom Development Corporation and the Federation. Both these structures can provide not only the raw-material, but the marketing facility, which an individual illiterate or semi-literate weaver may find difficult to develop.

14. The D.R.D.A subsidy, can also be placed at the disposal of those state-level structures and they can supply the asset (loom) and recover the loan component through work. The entire process of preparing individual cases referring to a bank and recovery of bank money can be dispensed with in case of handlooms.

15. In states like Gujarat, where the displaced weavers have lost not only assets but degraded in or lost the skills, the coordinated efforts at State level for planned utilisation of the resources under TRY-SEM can assist all the state-agencies to maximise their achievements and fulfil their targets.

16. The state-level cooperative Federation, though its major source of revenue and surpluses is Janata Cloth Scheme it has continued to remain Industrial Cooperatives Federation. The word 'Handloom' was added in its name as late as January 1987. The position of the weaver cooperatives in District Association is still deplorable.

17. With 522 registered weavers Cooperatives, and 247 claiming rebate the Federations has missed its basic role and its fundamental duty of implementing State Policy to bring Weavers into Cooperative fold. With confused role perception the Federation has remained and inward-looking, unresponsive and insulated organisation for the weavers community and, their cooperatives. Full membership, legitimate and effective participation and control and protection and promotion of their legitimate interest of the large-mass of weavers cooperatives are badly missing.

18. The only effective solution would be to allow the 'Federation' to operate as industrial cooperatives Federation and to set up exclusive specific and independent 'Gujarat State Handloom Weavers Cooperatives Federation' whose role will also be to promote the District level Unions of the weavers cooperatives.

19. All the resources of sustaining and development of the cooperatives, should be channelised through the new Gujarat State Federation Handloom Weavers Cooperatives.

20. The launching of exclusively weavers Federation is recommended also because in 1987, when word 'handloom' was added in its very name, no legitimate, democratic participation of weaver has been legally and structurally worked out. It is also surprising, how and why such undemocratic and unprincipled change in the bylaws of the Federation was accepted and approved by the Registrar of the cooperatives. With this track-record, the study-team is unable to recommend any restructuring of the 'Industrial Federation', which is likely to be time-consuming and devoid of fundamental cooperative principles of openness and democratic functioning, and get wasted in legal grooves and contests.

21. To maximise the benefit to the weavers community traditional and non-traditional, the roles and relationship, between the Gujarat State Handloom Development Corporation (Nigam) and the cooperative 'Federation' needs to be spelt-out in detail, to eliminate existing uncertainty, over-lapping and unhealthy competitiveness.

22. As it is provided under its Article of Association the Gujarat State Handloom Development Corporation (Nigam) should also implement the national policy of cooperativising individual weavers, where it find a stabilised, unified groups on single village or group of village basis. It should also aim at organising and working with the cooperatives even to control its overheads and costs. The Cooperatives created by Gujarat State Handloom Development Corporation may have option to continue to work with Gujarat State Handloom Development Corporation or to join Handloom Weavers Federation.

23. Wherever, a primary cooperative or even District Union who is unable to function smoothly to protect the employment and income of the primary member-weavers the GSHDC may be assigned the responsibility to provide work to weavers and even take over their administration.

24. Both the state-level structures under the leadership and guidance of Director of Cottage Industries, can coordinate and collaborate their promotional and development efforts in the following areas :

- (a) coverage of weavers, area-wise or fibre-wise or product-wise.
- (b) control dual registration, non-recovery of yarn or cloth and leakage of yarn to the powerloom sector.
- (c) produce development in janata cloth and other fabrics.

(d) developing distribution outlets within the state and outside.

(e) market-intelligence, promotion and publicity.

25. To develop and strengthen the primary cooperatives of handloom weavers three-pronged actions are recommended.

(a) In collaboration with the State and District Cooperative Union pre-cooperative, and primary members, executive committee members and office-bearers education programme, should be carried out as top priority programme.

(b) Detailed printed guide-line material in Gujarati should be prepared and made available from (a) Cooperative Extension Officer in each taluka and D.I.C. The themes suggested illustratively (i) how to organise weavers cooperative? (ii) how to apply to agencies for support under various schemes (iii) process and documentation for various bank facilities.

(c) Regular holding of annual general meetings and conducting elections of the Executive Committee and the office-bearers.

26. Though, there is a scheme, and financial provision for revival of the dormant primary cooperatives, dormancy is growing. It is recommended that a State-level workshop should be organised and guidelines should be developed for identifying causes of dormancy and to prescribe a set of actions for revival.

27. A membership and loomage verification campaign should be launched, wherever there is artificial mushrooming of the cooperatives in any village or town or a region. The member weavers, who are unable to receive the work or wages or other support, may be linked up with corporation, pending verification merger and amalgamation.

YARN-PRICE—YARN SUPPLY

28. The major block in continued and sustained production of Janata Cloth and other varieties has been (a) highly speculative yarn prices (b) non-availability of adequate yarn and (c) supply-schedule. Dual or triple registration of looms is also due to irregular yarn-supply. To meet with this problem following recommendation are made :—

(a) norms of maintaining necessary inventory level of yarn at (i) weavers (ii) cooperative or depot and (iii) godowns of the State-level agencies should be developed and implemented

(b) The Gujarat State Handloom Development Corporation and Federation should prepare their quarterly production plans and inventory levels, and schedule the supply of yarn from the cooperative and state-owned Mill sector (GSTC and NTC).

(c) The Federation which under present system maintains zero inventory, which leads to intermittent and irregular production, should immediately be asked to maintain minimum inventory level for maintaining continuous production level, employment level and income-level.

29. To provide for adequate supply of requisite yarn at reasonable prices to the primary weavers it is strongly recommended that :—

(a) the Gujarat State should appoint a pricing committee for assuring supply of yarn to the handloom sector.

(b) The yarn should be supplied by either (a) cooperative spinning mills (b) Gujarat State Textile Corporation (GSTC) Mills or (c) National Textile Corporation (NTC) Mills.

(c) Yarn prices should be fixed and stabilised for a quarter (three months) and should be revived at the end of each quarter.

(d) The yarn should be supplied at ex-gate price of mills and no commission should be charged to apex bodies.

(e) Yarn should also be made available on the terms and condition referred above for the production of non-Janata Cloth also if the Federation and the primary cooperative operate common production programme wherein minimum comparable weaving charges to Janata Cloth are regularly and actually paid.

WAGE-RATES—WAGE-PAYMENT

30. The very principles and criteria of fixing weaving charges for Janata Cloth varieties, should be applied to fixing weaving charges for non-Janata Cloth varieties also to sustain and promote employment and income-generation.

31. It is also recommended that while fixing weaving charges, the relief-wages paid to workers at minimum wages paid to agricultural labour should also be kept in mind while fixing piece-rate of handloom fabric. The piece-rate multiplied by daily production should be higher than daily wage-rates referred above.

32. Wage-fixation should also take into consideration the fact that behind every loom two persons are working.

33. The state-level Federation and the Corporation in consultation with the primary cooperatives should launch a process to standardize wage-rates for some major standard products to begin with.

34. The 20 per cent subsidy given on sales, should be sanctioned only when wage-rates have been standardized by the Apex bodies and approved by the Directorate of Cottage Industries and verified that they have been regularly and actually paid.

35. The cooperative Federation, set up to protect the legitimate interest of the primary weavers, should be asked to play the role of wage-fixation, wage-standardization and wage-payment methods.

The Federation should be empowered to take corrective, remedial and even punitive actions against the primary cooperatives who indulge in irregularity pertaining to wage-payment, income-generation and employment-generation.

36. Every handloom weaver should be given pass-books, recording all the transactions of goods and payment of wages and contribution towards welfare-schemes.