

**GOVERNMENT OF INDIA  
TEXTILES  
LOK SABHA**

UNSTARRED QUESTION NO:4994

ANSWERED ON:07.05.2012

SHORTAGE OF LABOUR

Bapurao Shri Khatgaonkar Patil Bhaskarrao;Bhoi Shri Sanjay;Gaikwad Shri Eknath Mahadeo;Paranjpe Shri Anand Prakash;Tewari Shri Manish

**Will the Minister of TEXTILES be pleased to state:**

- (a) whether the low-end and household weavers are moving out of the profession as they find Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) wages more attractive;
- (b) if so, whether there is a possibility of shortage of labour in textiles sector including handloom sector in coming days;
- (c) if so, the likely impact of textile production and export earning in the country;
- (d) whether the Government proposes to include weaving under MGNREGA; and
- (e) if so, the details of the proposals in this regard and other steps taken by the Government to provide required manpower/ shops to the textiles industry?

**Answer**

MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SMT. PANABAAGA LAKSHMI)

(a): As per Second Handloom Census, 1995-96, there were 65.5 lakh handloom weavers and allied workers. Subsequently, there has been reduction in the number and as per Third Handloom Census, 2009-10, there are 43.32 lakh handloom weavers and allied workers.

(b): The Working Group on Textile and Jute Industry for 12th Five Year Plan in its report has projected that direct and indirect employment in textiles, including handloom sector, at the end of 12th Five Year Plan would be 121.2 million, as compared to 105.40 millions at the end of 11th Five Year Plan. The required manpower is to be met through Integrated Skill Development Scheme and other developmental and welfare schemes and programmes of the Ministry of Textiles.

(c): The Working Group on Textiles and Jute Industry has estimated the cloth production to be 1,11,848 million sq. meters in terminal year of 12th Plan, as against the base of 64,902 million sq. meters cloth production for the terminal year of 11th Plan. Similarly, the export earning at the end of 12th Plan has been estimated US\$ 65.41 billion by the terminal year of 12th Five Year Plan.

(d): Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) is a demand driven scheme in operation since 2.2.2006, backed by legislation. State Governments are obliged to provide up to at least 100 days of guaranteed wage employment in a financial year to every rural household for doing unskilled manual work, if demanded, at any time of the year, as mandated in the Act. The objective of MGNREGA is to unskilled employment to rural household as per list of works included in Schedule I of the Act and it is not intended to provide skilled employment. Weaving on traditional machines is not included in Schedule I of the Act and, hence, is not a permissible activity under MGNREGA.

(e): The Government of India is aware of the difficulties faced by the handloom weavers, who face stiff competition from international markets, powerloom and mill sector and Government is constantly making concerted efforts to arrest the declining trend of the weavers. Towards this end, the Government is implementing following 5 schemes for handloom weavers with a budget outlay of Rs.803 crore during 2012-13:

- (i) Integrated Handloom Development Scheme
- (ii) Marketing and Export Promotion Scheme
- (iii) Handloom Weavers Comprehensive Welfare Scheme
- (iv) Mill Gate Price Scheme
- (v) Diversified Handloom Development Scheme

The Government of India has approved a Financial Package for loan waiver of overdues of weavers' coop. societies and individuals as on 31-3-2010 with a total outlay of Rs.3884 crore, for benefiting about 15000 weavers' cooperative societies and 3 lakh individual

weavers.

Further, for easy credit availability to handloom weavers not covered under financial package, the Government provides margin money assistance @ Rs 4200/- per weaver, interest Subvention of 3% per annum for 3 years from the date of first disbursal /and credit guarantee for 3 years by the Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE) for which the Government pays the required guarantee fee and annual service fee.

As regards availability of cheap hank yarn, 10% price subsidy on silk and cotton hank yarn has been approved by the Government to ensure supply of subsidized yarn to handloom sector. The Government has further approved enhancement in the freight reimbursement for transportation of different types of yarn used by the handloom sector in order to offset the increase in fuel cost. The import duty on raw silk yarn has been reduced from 30% to 5%, in order to bring down the prices of different types of silk yarn in the country.