

NREGA leaves textile, handloom sectors gasping

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UPA's much-publicised scheme, Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA), is not creating labour shortage for agriculture and dairy production alone, but the textile and handloom sectors are also facing the heat on this count.

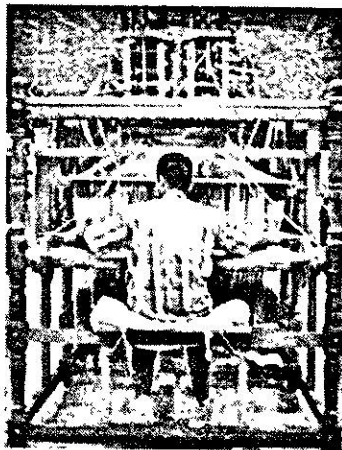
A Working Group report on textile and handloom sectors has noted that the scheme was drawing skilled weavers to 'unskilled' MGNREGA. It says that high-end weavers are sticking to the profession, but low-end weavers are moving out of it as they find MGNREGA wages more profitable.

The report says that women in particular are dumping weaving and taking up MGNREGA work. According to the Third Handloom Census, 75 per cent of weavers engaged in the sector were women.

The trend is prevalent in States like Maharashtra, Andhra Pradesh, Tamil Nadu, Kerala and Rajasthan.

The report points out that there were 25.25 lakh weaver households in the country as per the second census (1995-96), and this has been found to decline to 22.68 lakh weaver households in the third census (2009-10). There is also a decline in the weaver numbers from 34.71 lakh to 29.09 lakh. The sector was already struggling due to weak demand in domestic market and declining exports due to recession in markets like the US, UK and Greece.

A Planning Commission official told *The Pioneer* that the report raises serious concerns because MGN-



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REGA is working as a "catalyst" to attract people engaged in weaving activities by offering relatively easy money.

The official said that report suggests that the Government should consider inclusion of weaving in MGNREGA because weaving was the second largest employment generating industry after agriculture. "But the Rural Development Ministry is not keen on this," the official added.

Continued on Page 4

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From Page 1

Southern States have been raising this issue from quite some time now.

Telugu Desam Party president N Chandrababu Naidu as well as weavers from Andhra Pradesh and Maharashtra have repeatedly raised this demand.

The working group report will be discussed in Steering Committee on Textiles and form basis of formulation of the 12th Five-Year Plan (2012-17).

The sector industry contributes 4 per cent to the country's GDP, 14 per cent to the country's industrial production and around 12 per cent to the country's foreign exchange earnings.

The MGNREGA has drawn criticism from a number of other ministries like agriculture, food and industry like real estate causing labour shortage.

The Plan Panel is already reviewing its guidelines for the 12th Plan.