

**Rapid Assessment Study of the Impact of the
Financial and Economic slowdown on the
Handicrafts Industry in Sanganer, Rajasthan
May-June 2009**

**Institute of Social Studies Trust,
New Delhi**

**Commissioned by
International Labour Organization**





Background: Sanganer

- Home to high quality handicrafts including block printing, handmade paper, blue pottery
 - Over the years, hand block printing has been largely displaced by screen printing
 - And vegetable dyes by chemical dyes
 - (Also shift away from local hand production of raw material for paper)
- As a result, a conflict has arisen between preserving tradition, production using hand printing and vegetable dyes, which is environment friendly vs. screen printing, chemical dyes, and high levels of pollution, water shortage

Focus of the Study

- Identification of key problems faced by

- Block Printing

- Handmade Paper

as a result of financial and economic slow down in Sanganer and identification of policy priorities



Methodology

- Rapid Assessment through semi structured interviews with exporters, traders, workers, officials, academics, NGOs....
- Qualitative methods
- Attempt to verify through triangulation
- Stakeholder consultation in Jaipur, June 17

Effort has been to identify broad contours of the problems facing workers and enterprises



Sanganer: Current Scenario

- Market demand for handicrafts overall has been falling over the last 3 years

Block printing:

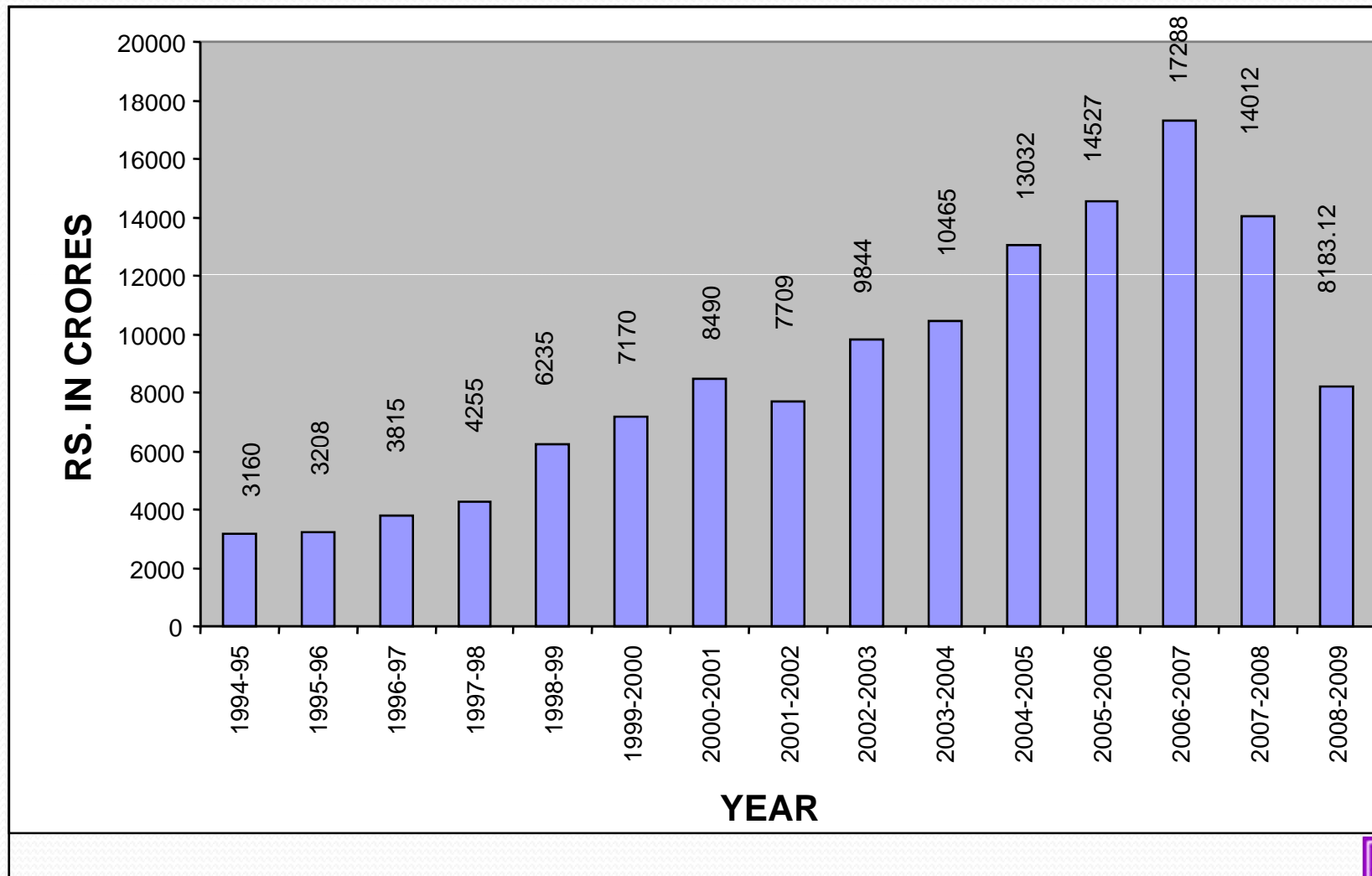
- Over the last one year, fall of 30-40% experienced by respondents
- Large domestic market has cushioned the impact
- Worst affected group of workers is the semi skilled, mainly women and migrated workers.

Handmade paper:

- Over the last one year, drop in demand of 40-50 % experienced
- Small domestic market
- Worst affected group: migrated workers

Handicrafts: Review of overall Export

Export of Handicrafts between 1994-95 and 2008-09

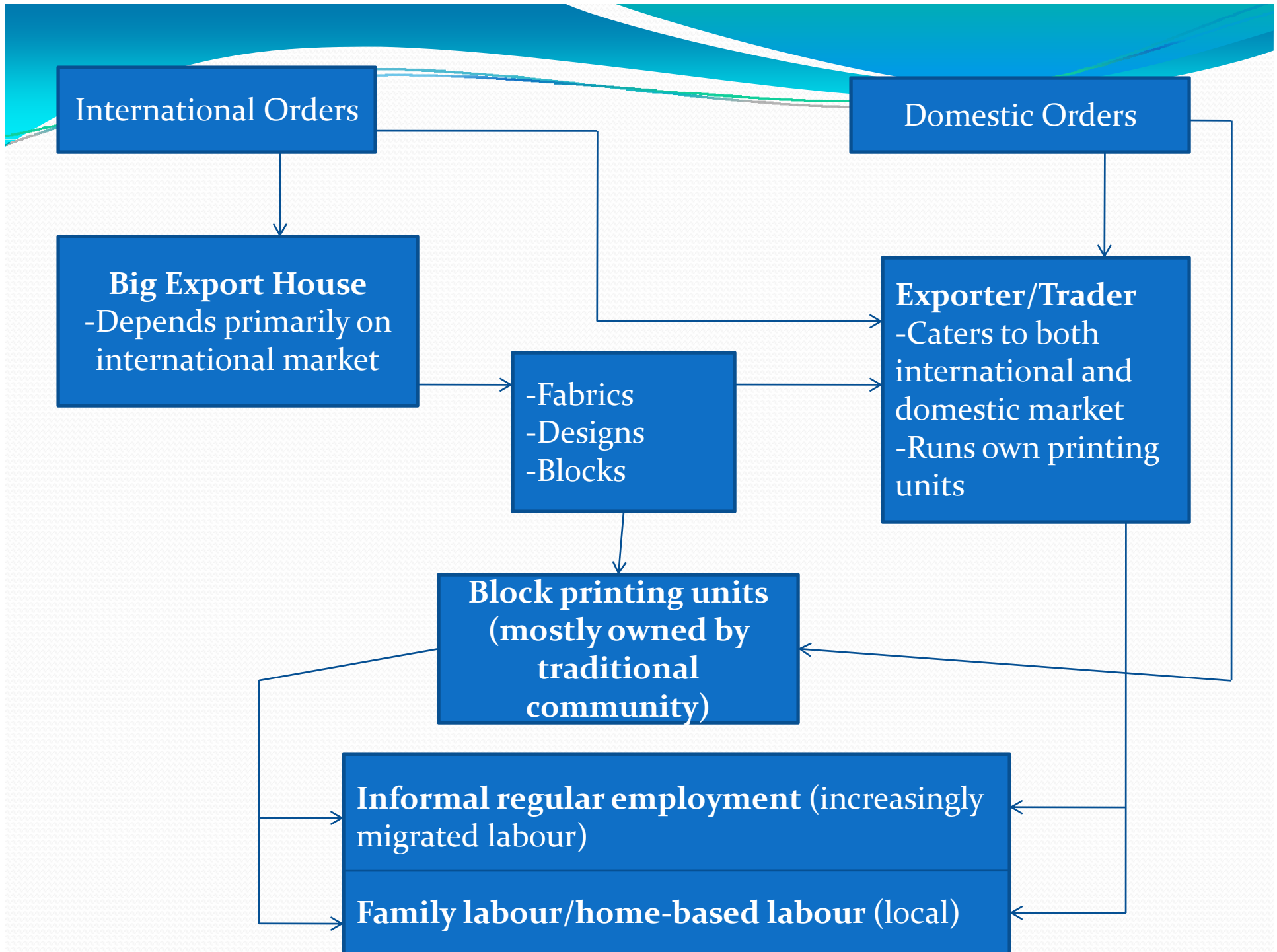


Source: Export Promotion Council for Handicrafts, www.epch.com



Administrative Responsibility: Hand-printed textile





Administrative responsibility: Hand-made paper

Ministry of micro, small and medium enterprises

↓
Khadi and Village Industries Commission (KVIC)

←
Export Promotion Council of KVIC

Deemed EPC status granted to KVIC by Ministry of Commerce & Industry in December 2006

Provide inputs for capacity building for exports under a single window system.

Organize and Participate in trade fairs, exhibitions and buyer-seller meets in India and abroad to explore overseas market opportunities

↓
Marketing

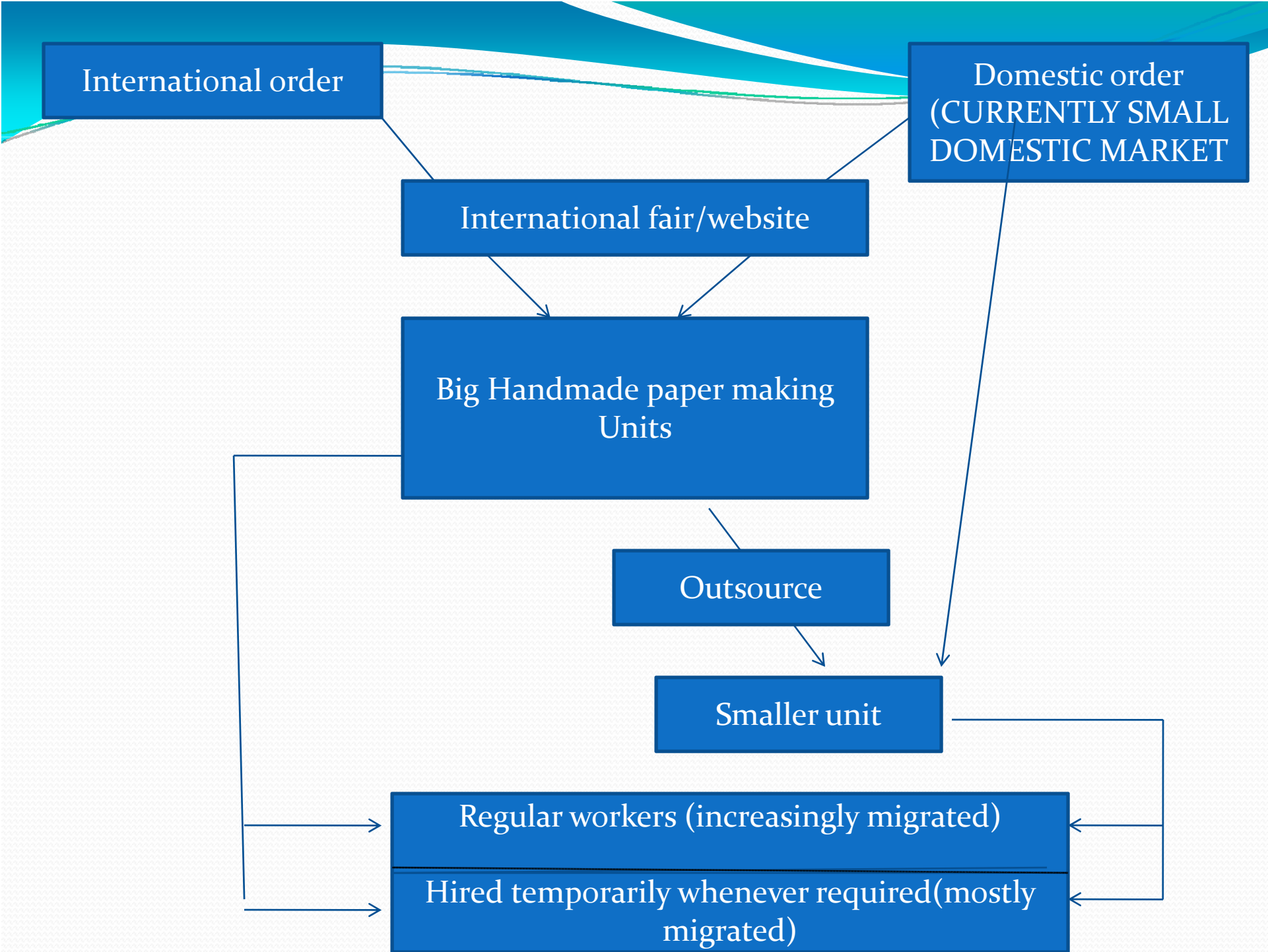
KVIC
Departmental
Bhavans (Sales
Centre)

Other Sales
outlets and
Franchisees

↓
Training

Multidisciplinary
and Specialized
Training Centre
under directorate
of HRD.





Workers and Employment Issues

- Traditional craftspersons from chhipa community (block printing), kagzi community (handmade paper), home based production
 - Now both large and small units, enterprise + home based work
 - Large number of migrated workers from other districts and other states
 - Payment on both piece-rate basis and daily wage basis (200-350 a day is usual range of wages)
 - Female to male ratio is 30 : 70 in printing units.
 - More women in home-based jobs.
 - Women more into semi-skilled job than skilled (printing)
 - Social security measures are negligible.
- (Schemes exist but limited registration – eg Artisan credit card by DCH)



Challenges

- Limited presence of trade unions or other forms of organising – lack of processes to develop a joint voice
- Presence of migrant workers need recognition, ensure registration, housing, health, education
- Need for a forum with representation of craft workers, community members, enterprises, design institute, government officials, to come to a shared approach and ensure compliance



Markets

Production process:

- Awareness building about vegetable dyes as environment friendly products

Expanding domestic market:

- Participation in national trade fairs and exhibitions
- Systems for providing market information, demand trends etc.
- Direct help – government orders for handmade paper (visiting cards, letterhead.....)



Challenges

- Active role of the government in seeking to expand markets linked to taking decision on development trajectory (banning screen printing, chemical dyes)?
- For exports, obtaining 'GI' registration may help?



Challenges: Policy framework

- Defining a long term trajectory which is tradition and environment sensitive: Forum for discourse to give space for various stakeholders in identifying development trajectory for Sanganer?
- Once defined, stimulus package: cluster development approach



Planning the future

- Plan of action will need to be based on a more careful study capturing the nuances and disaggregating the sector further: impact on different groups and products likely to vary.



Thank You

