ABSTRACT

1.0 Introduction

The Informal Sector provides opportunities of employment to 330 million workers in India who are outside the ambit of the organised sector. Although such a vast majority are employed in this sector, yet their lives are insecure, vulnerable and full of struggles. Unfortunately, this informal sector fails to ensure an adequate livelihood to its workers denying them social and legal justice. Inequality, extraction and exploitation are the common grievances faced by the workers engaged in this sector. Such contradictions are a cause of concern thereby generating a debate to make efforts to revamp this sector. A labour friendly atmosphere needs to be created which would liberate the workers from the existing problems of uncertainty and vulnerability. This requires a close scrutiny of the working of the informal sector in order to explore the possibility of its expansion enabling the accommodation of more workforce by ensuring the labourers with utmost protection and decent working conditions.

The present study is an attempt to delve into the working of the craft sector in the Golden Triangle Area of Orissa. The craft sector of Orissa is assumed to be a major informal sector which has ensured employment to 1,04,000 artisans according to an estimation made by the Directorate of Handicrafts and Cottage Industries of Orissa during 1992-93. The crafts, which have been studied, are appliqué, coir and patta painting. Appliqué and patta painting crafts are known as popular crafts having a high employment potential and a flourishing market. Coir craft is designated as a special craft concentrated in the region of Satsankha and Sakhigopal. While these craft items have established themselves in the global market today, the plight of the artisans who are intensely involved in the preparation of these crafts is found to be quite miserable. The grievances faced by them are limited working days, low earnings, poor work environment, lack of legal protections and social security.

Thus, in the present study, efforts have been made to have a deeper insight into the functioning of the craft sector detecting the maladies associated with it and evolving solutions to overcome such problems thereby strengthening it as a leading informal sector, which can assure protection to its workforce.

1.1 The Crafts Under Study

The crafts, which have been studied, are appliqué, coir and patta painting. Each one of these has a historical past as well as a unique process of production.

Appliqué has its genesis in the 12th century when it originated as a temple craft. It gained momentum in the 16th century under the influence of Muslims when these ritualistic artefacts were converted into items of status markers possessed by elites. The zenith of its growth was reached in the last quarter of the 20th century as a result of the expansion of the transport and communication systems and emergence of Puri as a tourist spot.

Coir craft emerged in Orissa in 1960s as utilitarian products. Items are produced from coco-husks and fibres. The State Coir Board and the local co-operatives took up the pioneering role to utilise the local resources of the Satsankha and Sakhigopal areas and to generate employment
potentialities for the people by giving them training in the coir craft. This craft gained momentum in the last quarter of the 20th century.

The patta painting craft emerged in the Raghurajpur, Dandasahi areas of the Golden triangle having its deep association with the temple culture of the state. *Patta is a Sanskrit word meaning canvas, cloth, screen or veil and paintings done on these are known as Patta Chitra.* Various religious movements like the Saiva and the Bhakti, the Royal and the Governmental patronages have contributed in the growth of the craft over the years. Similar to the appliqué craft, patta painting has also undergone three phases of development-temple craft, royal craft for court decorations and finally popular craft used by the general public, more so in the form of decorative, ethnic items.

All these crafts reflect the craft heritage of the state through their aesthetic beauty and ethnic value. Simultaneously, they provide livelihood to a large number of artisans who have been in this profession for many generations together as well as those who have entered this sector in the recent past.

2.0 Methodology

This study, sponsored by International Labour Organisation, was launched on the 1st of April 2000 and completed on the 30th of November 2000.

2.1 Project Objectives

The broad objectives of the present study are three:

- Analysis of the micro-enterprises
- Study of the profiles, problems and prospects of the workers and the entrepreneurs engaged in the appliqué, coir and patta painting crafts
- Introduction of some direct interventions for the betterment in their conditions

They were coupled with certain specific objectives which are as follows:

2.1.1 For The Enterprises

1. An assessment of the classifying characteristics of the sample micro-enterprises along with the study of the socio-economic profiles of the micro-entrepreneurs

2. An analysis of the terms of trade involved in each of the handicraft studied with reference to man, money, machines, materials and market by and through which the craft production is carried out.

3. An examination of the existing technologies and designs used in each craft in order to explore the possibility of developing new and appropriate technologies in order to reduce drudgery for the workers, increase productivity and introduce upcoming designs to expand the markets for the handicraft items.

4. Identification of the financial necessities and supportive needs of the entrepreneurs to make their enterprises viable and expanding them to ensure employment to a greater number of people by ensuring better and decent working conditions.
2.1.2 For The Workers:

(1) Tracing the socio-economic background of the handicraft workers, their skill attainment stages, ages and means.

(2) An evaluation of their working and living conditions along with their health status and detection of their felt-needs to improve their plight and increase their access to better life opportunities.

(3) An understanding of the entire craft process, and structure with the job allotment pattern, skill gradation process, wage entitlements and the possible scope for vertical mobility and continuity in the same craft by tracing the key requirements like training and resource supports required for the same.

(4) An examination of the existing legislations and the system of social security to trace out the possibility of evolving some new laws in order to ensure decent working conditions, freedom from discriminations and exploitation to the workers.

2.1.3 Universe and Sample:

Due to the lack of any unanimous, clear-cut and updated statistics on the number of units and workers engaged in the appliqué, coir and patta painting crafts, the universe of the study has been formulated based on data furnished by different agencies such as the 3rd Economic Survey, 1990, the Survey Report of the state Directorate of Handicrafts and Cottage Industries, Government of Orissa, the Report of the Craft Council of Orissa and the Block Data.

The universe of the handicraft workers has been formed using the baseline data of 3270 appliqué workers in the undivided district of Puri (as registered by the State Directorate of Handicrafts and Cottage Industries, Orissa), 818 coir workers and 599 patta painters (enumerated by the 3rd Economic Census, Orissa, 1990). The total number of 1400 appliqué workers (42.81%), 700 coir workers (85.57%) and 415 (69.28%) patta painters in the craft concentration areas registered by the Block Office constituted the base for drawing the sample. The sample workers are drawn by the stratified random sampling method.

So far as the universe of the enterprises is concerned, the baseline data provided by the 3rd Economic Survey, 1990 is totally relied upon. According to the fore-mentioned survey, there are 479 appliqué units, 430 coir units and 279 patta painting units in the Golden Triangle Area.

The sample size for appliqué, coir and patta workers are 70(5%), 50(7.14%) and 50(12.05%) respectively. For the enterprises, it is 25 units from each craft constituting 5.2%, 5.8% and 8.96% respectively of the total number of enterprises present in the Golden Triangle Area.

The craft concentration areas covered by the study included Pipili, Banamalipur, Bhubaneswar and Puri, for appliqué. For coir, it covered Satasankha and Sakhigopal and for patta painting it gave coverage to Puri, Kapilprasad, Raghurajpur and Dandasahi.

Salient Findings

3.0 The Structure of the Craft Enterprises:
The craft enterprises have a hierarchical structure, with the unskilled workers at the base and the entrepreneurs at the apex. There is variation of tasks in accordance with the skill gradation system. The unskilled workers tasks comprise of giving finishing touches to the craft items by bringing out the extra threads and fibres in the appliqué and coir units respectively, loading/unloading the husks in the coir units, folding and rolling the products in the appliqué and the patta units. Marginally above them are the semi-skilled workers who are responsible for the hand stitching of the mudias, kanguras, motifs, chain fittings etc. in the appliqué units. In the coir units, they perform tasks such as rope making, dye preparation. In the patta craft, they do simple sketches and simple colour filling tasks. Above them are the skilled workers whose functions are considered to be quite significant and indispensable for the enterprises. This includes the designing, base cutting, base stitching, motif cutting tasks in an appliqué enterprises, mat & toy making in the coir units and the generation of new ideas/sketches along with the ultimate & intricate colour fillings in the patta units. At the apex are the entrepreneurs or managers who sometimes combine the managerial, organisational, supervisory functions along with the designing, preparing and selling the craft items. In a few enterprises, they are assisted by some intermediaries who facilitate the marketing of the craft products within and outside the state. Finally, the role of the wholesalers, retailers and suppliers cannot be lost sight of in the craft enterprises as they initiate the process of production by supplying the raw materials. Though they remain outside the units, yet they are an integral part of the craft sector.

The Craft Artisans

4.0.0 The Constituent Elements of The Labour Market in the Craft Sector

The generic characteristics of the labour market in the craft sector become reflective through an analysis of the age structure, gender distribution, religious affiliations, caste composition, heritage, marital status, level of education of the sample artisans.

4.1 Categorisation of Workers in the Craft Sector

There are three kinds of workers in the appliqué craft sector based on the nature of recruitment. They are family workers, hired workers at the units and home-based workers. In this craft the average number of home-based workers per unit is the maximum (66.24). The average number of hired workers at the units is 22.34 while that of the family workers per unit is the lowest (3.2). The hired workers are further categorised into regular managerial/marketing workers, regular craft workers, casual daily wagemakers and piece rated workers.

In the coir units, there are only hired workers who are categorised as regular managerial/supervisory/watch & ward workers (average -0.48 per unit), regular craft workers (average-0.8 per unit) and piece-rated workers (average-12.64 per unit). Thus the piece-rated workers dominate the coir units.

The patta units witness the dominance of the family workers whose average number per enterprise is found to be 6.4. The other categories of workers found in the patta units are the casual piece-rated workers (average-0.4 per unit), paid apprentices (average- 0.24 per unit) and unpaid apprentices (average- 0.72 per unit).
Handicraft workers are also graded on the basis of level of skills into skilled, semi-skilled and unskilled categories. Their ratio is 2:7:1 for the appliqué and patta units and 7:2:1 for the coir units.

4.1.1 Gender

Interestingly, the sample analysis of the workers in the three crafts undertaken in this study projects that the female workers predominate the appliqué (70%) and the coir (80%) units. On the contrary, the patta painting craft is a male professed craft (90%).

4.1.2 Age

_Craft workers mostly belong to the age group of 18 to 35 years._

In the appliqué craft, only females are found in the category >14 to 18 years of age. Maximum number of female workers (57.14%) are found in the age group >18 to 35 years. Thereafter their number shows a downward trend. No female worker is found in the >50 years age group.

Among the male workers, the maximum number are found in the >18 to 35 years age group (42.85%). In the >35 years to 50 years there are 38.1% males and then there is a drastic decline in the above 50 years age group (19.05%).

In the coir units no workers are found in the above 50 years age group. Majority of the male workers are in the category >18 to 35 years age group (80%). The remaining 20% are equally divided between the two age groups ‘>14 to 18 years’ and ‘>35 to 50 years’. Contrary to this, 12.5% females are child labourers. Majority of the female workers are in the >18 to 35 years age group.

Moving onto the patta painting, one finds that it is a male professed craft. Majority of the workers belong to the >18 to 35 years age group. There are substantial number of workers in the >35 to 50 years’ and above 50 years age groups as well. The share of male workers in the >14 to 18 years age group is almost one tenth. The female patta workers (60%) mostly come in the >18 to 35 age group. The remaining 40% are in the age group >35 to 50 years.

_Thus, it is observed that the craft sector prefers and accommodates younger personnel who are taken to be stable and vibrant human resources of production._

4.1.3 Marriage

Of the three crafts, it is the patta painting, which has the highest proportion of married workers (74%). While in the appliqué units there are 64.29% married workers, the coir units have the lowest share (38%).

Sex-wise distribution reveals that in the appliqué units the married male workers (80.95%) have an ascendancy over the female married workers (57.14%). The same situation is observable in the coir units. Male workers who are married are 40% vis-à-vis 37.5% married female workers. Also the mean age at marriage among the female workers in this craft is 21.4 years while it is 26.2 years for the men. Early marriage takes place among the Brahmin girls.
In the *patta* units the mean age at marriage is observed to be 14.9 years for females vis-à-vis 18.5 years for males.

**Religion-wise** distribution brings forth the fact that more Muslim workers are married in comparison to the Hindu workers in the *appliqué* units. Religion differences have no role to play in the *coir* and *patta* units.

*Affluent economic conditions coupled with caste or religious norms lead to early marriage among some craft workers and the Governmental stipulation on the age at marriage has hardly any deterring effect on the workers.*

### 4.1.4 Education

**Illiteracy and a low level of education is a common feature among the craft workers.**

The rate of illiteracy is highest among the *patta* craftsmen (16%) followed by the *coir* (12%) and *appliqué* (8.57%). 47.14% workers are primary pass among the sample *appliqué* workers, 34% among the sample *coir* workers and 20% among the *patta* workers. The share of matriculates is highest (30%) among the *patta* workers which is slightly less than the matriculates in the *appliqué* and *coir* workers taken together (33.14%).

The incidence of illiteracy is higher among the married, widowed and divorced workers. Among the *appliqué* workers 50% of the illiterates are married, 16.67% of them are widowed and 33.33% come in the category of divorced workers. In the case of the *coir* units, 66.67% of the illiterates are married. This craft is predominantly female based.

In addition, it is observed that among the illiterates and the primary pass 74.36% are Muslims in the *appliqué* craft. In the *coir* sector there is a domination of the Other Backward Castes (OBCs)-Bauris/Bhois (66.67%) in the above-mentioned categories.

Thus, it can be concluded, that caste, religion and gender have found to be playing a mediating role on the level of education of the workers.

### 4.1.5 Religion and Caste

In each craft sector, a particular religion and caste manifests its predominance and claims it to be its traditional occupation. Of the three crafts studied, only the *appliqué* units accommodate workers from both the Muslim (52.86%) and Hindu (47.14%) communities. Among the Hindus, the OBCs-Darjees predominate the *appliqué* craft (66.67%).

The *coir* units witness the predominance of the Scheduled castes (SCs)-Bhois and the Bouris who constitute 56% of the total workers vis-à-vis 26% OBC workers and 18% Brahmins.

In the *patta* units, three fourths of the workers are OBCs-Chitrakaras known as Mohapatras and Maharanas. Of the remaining one fourth workers, majority are Brahmins followed by the Kshatriyas.

### 4.1.6 Inheritance

*Crafts in Orissa reflect the cultural heritage of the state.*
This was substantiated when almost 58.57% of workers in the appliqué units and 84% of the workers in the patta units claimed to have learned this craft on a hereditary basis. However, in the coir units only one fourth of the workers could make such a claim. Thus it emerged from the study that while appliqué and patta craft workers carry with them a long heritage, the coir workers are mostly the first generation craftsmen.

The rich heritage of the three crafts is preserved by specific religious and caste groups who learn this art form from their family members. This is seen in case of 75.68% of the Muslim workers and 39.39% of the Hindu workers in the appliqué sector. Further among the Hindus, only the OBCs make such a claim. In the coir units, 42.86% of SCs and in the patta units 90.48% of the OBC workers have got initiated into the trade in this way.

4.1.7 Skill

The skills acquisition system takes place predominantly through the family in the appliqué (58.57%) and patta (84%) craft sector. The role of a master craftsman and the cooperatives in training the artisans is minimal in the appliqué sector being 20% and 21.43% respectively. It is sub-minimal in the patta sector-only 16% are taught the craft by a master craftsman and none of the workers have been trained through co-operatives. But in the coir sector, the role of cooperatives in imparting skill training is commendable, as 58% of the workers have taken this opportunity while 24% are trained by family members and 18% by a master craftsman.

In the appliqué units, skilled status is exclusively accorded to the males and unskilled status to the females. In the semi-skilled status, the females (85.71%) have a numerical ascendancy over the males (14.29%). The patta units exhibit the same scenario with skilled status exclusively accorded to males and semi-skilled status preferably (94.29%) reserved for the males. Only in the unskilled status, there is a predominance of females (60%).

However, the skill distribution pattern in the coir enterprises show a reverse trend tilting favourably towards the females who constitute the majority (89.19%) of the skilled workers and only 40% of the semi-skilled workers.

A correlation between education and the level of skills is observable. Among the skilled appliqué workers, 50% are primary pass and 21.43% are middle pass. Only 28.57% are illiterates. Among the semi-skilled workers, only 4.08% are illiterates. However, the presence of 71.43% matriculates in the unskilled category clearly indicates that the growing problem of unemployment has forced the educated youth to accept unskilled positions in the craft sector.

In the coir craft, the share of illiterates is very limited in the skilled (10%) and semi-skilled (10%) categories but in the unskilled category, 33.33 % workers are illiterates. Also what is observed is that the unskilled workers claim to be new entrants in this craft and so level of education seems to influence skill up-gradation system.
But in the *patta* craft sector, the role of education in skill acquisition seems to be limited as 80% of the skilled workers are illiterates.

In the craft profession, skilled positions are found to be monopolised by specific religious and caste groups. Of the total skilled workers in the *appliqué craft*, 78.57% are Muslims vis-à-vis 21.43% Hindu workers. 13.64% Obis are monopolising the skilled positions, giving no chance to the other castes to locate themselves in this position.

A similar situation is observed in the *patta* sector where 90% of the skilled workers belong to the OBC group but in the *coir* craft the role of caste becomes negligible in the process of skill acquisition.

Thus, the study concluded that when a craft is professed by a religious or caste group for generations together, higher skills are retained by that particular religion or caste.

Age has a positive correlation with skill achievement, in the innovative and manual crafts like *appliqué* and *patta painting* but no such linkage is marked, in the standardized and semi-mechanized crafts like *coir*.

### 4.1.8 Migration History

All the craft workers claim Orissa to be their State of Domicile and almost 98% of them are the natives of the craft concentration areas. The remaining 2% of the workers are located in Bhubaneswar and Puri. They migrated out from the craft concentration areas to get better opportunities of employment.

### 4.2.0 Characteristics of the Household

85.71% *appliqué* workers and 100% *Coir* and *Patta* workers have single male-headed house holds. 21.62% Muslim *appliqué* workers and 6.06% Hindu *appliqué* workers have more than one household in their dwelling units.

### 4.2.1 Family Size and Composition

The average family size among the *appliqué* workers is 5.37. 12.12% Hindu *appliqué* workers and 40.54% Muslim workers have large families with a membership of more than 8. The females have a numerical supremacy (53.72%) over the males (46.28%) in the *appliqué* workers households. Every third member in the *appliqué* households is a child. The share of the working population is 46.28% and almost more than half of the population are dependents.

The average family size among the *coir* workers (5.36) almost proximate the *appliqué* workers households. Only one fourth of the SC workers belong to large households with more than 8 members. The gender composition of the *coir* workers household exhibits a synonymous trend with that of the *appliqué* workers households consisting of 56.34% of females. Every fifth member of the *coir* workers’ household is a child and six out of ten workers are in the working age group.

However, the average family size among the *patta* workers (6.3) is little higher than the other two crafts. 31.58% of the OBCs are found with large families. The gender composition of the *patta*
households conform to the general state figures produced on sex ratio with the males (53.33%) having a numerical precedence over the females. Every fifth member is a child as observed in the coir units and every second member of the patta workers’ household comes in the working age group.

Thus, the study concluded that the average family size is larger in case of the Muslims, SC and OBC households as these were traditionally in need of manpower to operate the craft process. In exclusion to the patta craft sector, parasitic involution is a chronic feature visible in the craft households.

4.2.2 Household Economy of the Workers

Low income and poverty are the perennial features of the craft workers’ households which are responsible for the low level of motivation among the workers.

Income

The average per capita income of the appliqué workers amounts to Rs.497.85 per month from their crafts. The average household income of the appliqué workers comes to be around Rs.1733.35 inclusive of all sources. Although this does place the workers above the poverty line as stipulated by the Government, yet it does not free them from the shackles of absolute poverty. Due to the presence of large-sized families, the dependency load is more than 40%, thereby resulting in the persistent problem of unemployment. The average contribution of an appliqué worker to his family amounts to be 28.72%, which is quite meagre. The monthly, individual income of the appliqué households ranges from Rs.1200/- to Rs.6000/-.

In the coir sector, the monthly per capita income of a coir worker amounts to Rs.449.50/-. Income variations are tremendous in this sector on the basis of tasks allotted to the workers (Ranges from Rs. 300/- to Rs. 2200/-). The monthly, average household income is Rs.1457.50/- and from the craft itself the monthly, average income is only Rs.281.29/-, which is around 20% of the total. Thus it is observed that coir as a craft fails to function as a sustainable primary source of income for the workers. Nearly half the workers have a dependency load of more than 40% causing further financial strain on these craftsmen. The incidence of poverty is highest among the SC families.

The monthly, per capita income among the patta workers appears to be much higher in comparison to the appliqué and coir craft workers, amounting to Rs.795.50/-. The average household income of the patta workers is estimated to be Rs.2365.50/- and the contribution of the patta workers to the family income amounts to 92%, which brings out the potentiality of the craft to be able to provide subsistence to its workers.

It can be concluded that among the three crafts, the income generated from the patta craft is much higher than that generated from the appliqué and coir crafts. Thus the incidence of poverty is lowest in the patta craft sector. Internal income discrepancies within the patta craft are visible but not in a widespread fashion. It may be noted here that the study found many of the patta painting units to be completely family based enterprises, where the head of the family is the entrepreneur and the other members are workers. Thus the dependency load is very low, only about 18%.
4.2.3 Education

Illiteracy and a low level of education are the outstanding features of the craft workers’ households. They are both antecedents to poor economic conditions and are the consequences of the same. In the appliqué households while every fourth member is an illiterate while in the coir and patta households around one forth of the total members come in this category. So far as being just a literate is concerned then the scenario is equally dismal. In the appliqué and the coir households every tenth member falls in this category while in the patta households every twentieth person belongs to this group. The Graduate level of education which is the highest level of education found among these workers is very insignificant (less than 1%). Even more disheartening is the fact that the rate of illiteracy and low level of education is higher among the female members of the households.

4.2.4 Economic Possessions

House: House becomes the most precious possession of the craft workers, the structure of which varies according to the economic condition of the households. The ratio of workers having kutcha, semi-pucca and pucca houses in the appliqué sector is approximately around 6:3:1 while it is 8:2:0 in the coir sector and 1:5:4 in the patta sector. This brings out the economic affluence and craft prosperity of the patta workers. The houses are usually two roomed in case of kutcha houses, 3-4 roomed in case of semi-pucca and pucca houses along with narrow corridors, damp courtyards and verandas. The tube wells are present in every fourth pucca household. The women of the remaining households collect the water from the village ponds. Electricity is available in 80% of the patta households and 20% of coir and appliqué households. On the other hand, in 90% of the coir and appliqué households, illegal electric connections have been taken for which no levies are being paid.

Land: Land holdings of the craft workers are found to be very limited, projecting their marginalized conditions. In case of the appliqué workers, only 10% of the workers are landowners. The picture improves slightly with the other crafts. In the coir sector about 20% and among the sample patta workers about 40% are found to have hold over land. The average land holding size among the appliqué households is 1.5 acres whereas among the coir households it is 1.25 acres and is 2.5 acres in the patta sector.

Consumer Durables: The value of the consumer durables possessed by the workers’ households varies craft-wise. In the appliqué households, workers have reported to have consumer durables valuing up to Rs.5000/-. Thereafter is has been found that 33.86% estimate it to be between Rs.5000/- and Rs.10,000/- and only 11.43% estimate it to be more than Rs.10,000/-.

In the coir sector about 60% of the households have been found to have consumer durables valued up to Rs. 5000/- and about 30% and 12% of the households estimate it to be between Rs. 5000/- and Rs.10,000/- and above Rs. 10,000/- respectively. The coir workers have to take secondary occupations in order to be able to sustain themselves.

On the contrary, about 14% of the patta households have their consumer durables valued on the higher side i.e. above Rs.10000/- which is the result of a large number of people in the working population raising a spectacular amount of wages from the craft.
Asset Ownership:

The *patta* craft workers’ households possessing television sets, telephones and mopeds (around 14%) stand out distinct. Normally, the craft workers’ households own radios, wristwatches and bicycles.

Loans and Credit Purchases:

*Lack of ability to produce collateral securities and non-availability of institutional finances on easy terms discourage the craft workers to incur any loan. Non-institutional finances are intentionally avoided to get rid of heavy interest burden.* The number of workers incurring loans was found to be meagre with the amount of loan being minimal. The maximum loans incurred have been Rs.10,000/-. While 2.85% of the *appliqué* workers have taken loans from the State Bank of India, Pipili Branch, Orissa, 4% of *patta* workers have been financed under the PMRY Scheme.

Subsistence based economy, uncertainty of job opportunities and heavy dependency load discourage the craft workers from opting for credit purchases.

Expenditures Pattern of Craft Worker’s Households:

The major expenditure of the craft workers’ households is on food. This accounts for almost three fourths of the household income. The expenditure on productive economic assets, emergencies and social needs are limited in nature, accounting for 5% of the total household income. Savings constitute only 5% of the total household income for the *appliqué* workers, 1% for the *coir* workers and 9% for the *patta* workers. Moreover, 41.42% *appliqué* households, 8% *coir* households and 2% *patta* households go without any form of savings. *The absence of the concept of savings and the low amount of savings symbolise the poor living standards of the craft workers who lack any insurance against the unforeseen circumstances.*

Health Status

Ailments plague about 40 % of the *appliqué* and *coir* workers. In case of the *patta* painters about 20 % are found to be suffering from some sort of ailments. The common ailments include cough, cold, fever, body ache, filaria and leg cramps. In addition, and among the *coir* workers infection on palms due to the roughness of the fibres and asthma stemming from the pith are also noted. The tedious work of the *appliqué* and *patta* craftsmen result in frequent eyesight problems.

Private medical services are rarely availed by the *appliqué* and *coir* workers. They prefer using the Government medical facilities (36.67% and 55% respectively). Unfortunately, majority of them go without any medical care therefore neglecting their health. Low income, lack of time, absence of adequate amount of savings are the reasons preventing the craft workers to cater to their health needs. But the scenario changes in case of the *patta* workers (72.73%) who explore private medical facilities.

Possession of Voter/ Ration Cards:

60% of the *appliqué* workers, 68% of the *coir* workers and 90% of the *patta* workers are issued with voter’s identity cards which guarantee their nativity. All the craft workers are issued with
ration cards enabling them to purchase some basic items of consumption at subsidised rates. This is a way by which the Government endorses their poor living standards.

5.3.0 Work and Worksite Situation

5.3.1 Induction into the craft profession and dynamics of labour in the Craft Sector:

The reasons for induction into the craft profession are varied, be it a motive to uphold family tradition or to fulfil a passion for creativity or to earn livelihood with no other possible alternatives available. In the appliqué sector majority of the workers (six out of every ten workers) took up this craft to uphold the family tradition. This reason holds true for a larger number of the patta workers (eight out of ten workers) but in the coir sector only two workers took up this craft with this intention. The remaining workers in the appliqué (40%) and coir (80%) trades have opted for this profession due to lack of alternative opportunities of employment. However, in the patta painting craft around 20% of the workers have been inducted into the craft in a bid to manifest their creative talents on the canvas.

The craft workers are found to have switched over from school to the profession without any intermediate occupation. About 90% of the workers in the appliqué craft and 80% of the coir workers admit the craft to be their maiden profession.

Age at entry into the craft sector varies depending upon the complexity and intricacy of the craft. Half of the appliqué workers undergo an unpaid informal initiation into the craft at their homes right from the age of 10 while the remaining are introduced to the craft at the units after the age of 14. About 10% coir workers join the units around the age of 10 while the rest join after the age of 14. But, the patta workers are late entrants into the trade, only after the age of 17 due to their financially stable conditions as well as the intricacies involved in the craft process which demands stability of hand and concentrated attention that comes to an individual at a mature stage.

The initial functional position accorded in the craft units vary from craft to craft. The variations are also based on age and ability of the workers. 80% of workers join as unskilled and 20% as semi-skilled in the appliqué units. The situation reverses in case of the coir units. All the workers get inducted into the patta units at the unskilled level.

Skill up gradation is easiest in the coir units where within a period of 3 months an unskilled worker moves to a skilled position. All the coir workers manage to get skilled positions. But, in the appliqué sector, 80% of the workers are stuck at the semi-skilled grade with the remaining 20% taking 3-5 years to reach the skilled position. Of course, gender, religion, caste condition their promotion. Skill up gradation is most difficult and time consuming in the patta sector where an unskilled worker takes at least 2 years to reach the semi-skilled grade. 60% of the workers remain at this grade while 40% take at least 7 years to reach the skilled grade. Family workers get a preference in this functional up gradation.

Inter-unit mobility is rare in the craft sector as only one tenth of the workers opt for it. Lack of job opportunities, feelings of insecurity and above all no prospects of a higher income and better working conditions prevent the craft workers to leave their original units.
6.1.0 Nature and Conditions of Work:

6.1.1 Working Days:

There are no fixed working days ensured for the workers in the craft sector and variations exist on the basis of nature of recruitment and level of skills. In an appliqué unit, all the regular managerial/marketing workers, family workers and regular craft workers get work for more than 25 days, 50% casual daily wage workers, 46.15% piece-rated workers at units and 4.35% home-based piece-rated workers work between 21-25 days. The majority of the home-based workers (73.91%) get work only for a period of 15 days whereas 15.38% piece-rated workers at units work for 15 days. Analysing from the skill angle, one finds that 50% skilled workers work for more than 25 days while the remaining work for 21-25 days. 6.12% semi-skilled workers work 21 to 25 days while 59.18% of them and 100% unskilled workers work for a period of 15 days.

In the coir units, all the regular managerial/supervisory/watch and ward workers, and regular craft workers get work for more than 25 days while only 7.5% of piece-rated casual workers get work for these number of days. 42.5% piece-rated casual workers work for 21-25 days and 30% for 16-20 days. The remaining (20%) fail to get jobs beyond 15 days. From the skill perspective, while 35.13% of skilled workers work for more than 25 days, 37.84% of them manage to work between 21-25 days and 30% semi-skilled coir workers get jobs for the same number of days. Lack of regular job opportunities is a common phenomenon for all the unskilled workers who hardly get jobs for even 15 days.

In the patta units, 94.29% of family workers, 100% casual piece-rated workers and 25% paid apprentices work for more than 25 days.

In general, while 10% workers in the appliqué units work for more than 25 days in a month, 26% workers in the coir units and 78% workers in the patta units work for the same period of time. This clearly confirms that job security is best experienced in the patta painting units.

6.12 Hours of Work:

Craft units normally operate between 9 a.m. and 5 p.m. with a one-hour lunch break. The regular & the daily wage workers work for about 7 hours while 90% of the piece-rated workers at the units forego the lunch break. About 78.26% of the home based workers work up to 3 hours a day to deliver the supplies on time. In the coir sector, the regular workers work for about 7 hours, while the piece-rated workers work for a period of 3-5 hours depending upon the need of the entrepreneurs. In the patta sector, the family workers work beyond 7 hours and the hired ones do so for 7 hours.

6.1.3 Overtime Work:

Overtime work is allotted to 7.14% of the skilled appliqué workers and 50% of the patta workers in the tourist rush seasons (October - February), on the eve of exhibition sales and when a huge order is placed before the unit. Overtime work is almost absent in the coir units. However,
overtime work does not yield a substantive income in the craft sector. Payment for it is not made according to the stipulations of the Labour Department, but is done so on the basis of the extra pieces prepared. The rates are pretty low ranging from Rs.15/- to Rs.30/- in appliqué craft and Rs.25/- to Rs.60/- for the patta paintings.

6.1.4 Leave:

Forms of Leave are limited in the craft sector and they exclusively apply to the regular, managerial, craft workers and family workers. The other categories go without any payment. The appliqué craft units remain closed on the last Tuesday of each month at Pipili and the Second Saturday of each month at Bhubaneswar and Banamalipuri. Although the coir and patta units allow their employees to remain on leave on festivals yet they deduct their wages for the same. Provisions of medical and maternity leave are totally absent in the craft sector.

7.0 Worksite Situation:

The worksite situation is absolutely neglected in the craft sector failing to ensure the basic amenities to the workers. In addition, the cyclonic devastation has led to a further deterioration of the worksites in the craft units. 74.28% workers in the appliqué sector work in congested thatched sheds while 46% thrive without any provisions for electricity. The home based workers work under miserable conditions while the 10% managerial staff along with the regular craft workers work in well ventilated, electrified rooms with the availability of drinking water. The piece-rated workers at the units and home based workers sit on the ground and work. Many a time, these units are engulfed in darkness causing a number of occupational hazards.

The worksite of the coir workers is quite deplorable with 80% of the workers working in thatched sheds which are over crowded with machineries, raw materials and finished goods. About 64% of the coir workers work without electricity and 84% without any tap water supply which entails a lot of hardships on them during summers.

However, the worksite situation is comparatively much better in case of the patta craft, as the units are managed in the houses of the owners.

8.0 Income From The Craft Sector:

Income variation is a common phenomenon in the craft sector emerging out of skill gradation system and gender discrimination. A male casual daily wageworker 3.11 times more wages than a female casual, daily wageworker whose average monthly wages happens to be Rs.472. While a female home based piece-rated worker is entitled to an average wage of Rs.325/- per month, a male appliqué worker of the same category gets 3.69 times higher wages. The income discrepancy marked on the basis of skill is given below.

<table>
<thead>
<tr>
<th>Level of skill</th>
<th>Average wage of a Worker</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Male (in Rs.)</td>
</tr>
<tr>
<td></td>
<td>Female (in Rs.)</td>
</tr>
</tbody>
</table>
Females, in general, get very low wages in the *appliqué* sector, which amounts to Rs.10.83- Rs.25 per day. However, the average wages for the males ranges between Rs.40/- to Rs.65/- per day.

In the *coir* units, the plight of the workers is in no way better as they get a wage of Rs.400/- to Rs.750/- per month and the average wage per day ranges from Rs.13.33 to Rs.25/-.

However, the average monthly income for the *patta* workers is about Rs.3900/- for a skilled craftsman, Rs.1290/- for a semi-skilled one which higher than the other two crafts studied. But, the unskilled workers get no payment. In the *patta* craft too, in the same skill level, wide income differentiation is evident among the family workers, casual, piece-rated workers and the apprentices. A skilled worker (who operates an unit) gets 3.02 times higher wages than a normal family skilled worker, who on an average, gets Rs. 1290/- per month. A hired semi-skilled worker gets 1.69 times lesser wages than a semi-skilled family worker.

### 8.1. Wage Hike

Wage hike is not a common phenomenon in the craft sector. Discriminations and whims and fancies of the entrepreneurs condition the wage hike. The unorganised character of the craft sector, the lack of the implementation of any wage legislation provide a free hand to the entrepreneurs to use the cheap labour of the workers and to exploit them. This becomes a constant source of complaint among the *appliqué* and the *coir* workers who see no prospects of wage hike for even a period of 3 to 4 years. However in the *patta* sector, hike takes place regularly for all workers, every two years, amounting to 7 to 10%.

The prohibited entry of outside workers in the *patta* units, gives a better scope to the workers to get the best wages. On the other hand, the cheap labour available in the *appliqué* and *coir* sector restricts the bargaining capacity of the workers and they seldom raise their voice for a wage-hike.

### 8.1.2 Work Benefits:

Work benefits are provided in terms of a pair of dress to the Hindu regular workers on the eve of the *Dusshera* and to the Muslim regular workers on the occasion of Id only in case of the profit making *appliqué* and *patta* units. Festival advances ranging from Rs.50 to Rs.250 (which is recovered in due course by the entrepreneurs) are ensured to the workers and this too is limited to the regular workers who constitute 10% of the total workforce. The casual, daily wage, home-based workers enjoy no work benefits.

### 8.1.3 Relationship Among The Workers:

<table>
<thead>
<tr>
<th>Skilled</th>
<th>1950</th>
<th>600</th>
</tr>
</thead>
<tbody>
<tr>
<td>Semi-skilled</td>
<td>1470</td>
<td>472</td>
</tr>
<tr>
<td>Unskilled</td>
<td>1200</td>
<td>325</td>
</tr>
</tbody>
</table>
Relationship among the workers takes a very bad shape when there is a surplus of labour and the bargaining power of the workers is curbed by their fellow workers who make a lower bid to substitute their predecessors. This phenomenon is marked in case of the appliqué craft where every second female worker expresses her apprehension of losing her job due to the infiltration of new workers from distant places like Nayagarh, Daspalla and Bolagarh every week with the constant effort of convincing the entrepreneur to deliver the jobs with minimum wages. But, this is not the situation in the coir and patta units where the workers from the village and family have a strong hold.

8.1.4 Retention of Wages:

Retention of wages never occurs in the coir and patta units where apprehension of losing workers is rare and remote. But, it is a common phenomenon in the appliqué units where losing workers with the transfer of designs is always apprehended by the entrepreneurs. Deferred payments in the appliqué units ultimately culminate in the retention of 5-7% of the wages in case of ¾ of the workers while it escalates to about 10% for the remaining ¼ of the workers. The uncertainty of jobs without any legal protection prevents the workers to challenge this unhealthy practice.

9.1.0 Legislative Protection For Craft Workers:

The artisans in the craft sector fail to get any legal coverage and administrative back up to protect their interests. The major acts like the Industrial Dispute Act of 1947, the Trade Union Act of 1926, the Standing Orders Act of 1946, the Orissa Shops and Commercial Establishment Act of 1956, the Factories Act (1948), the Minimum Wages Act (1936), the Orissa Industrial Establishment (National and Festival) Holidays Act (1969), the Equal Remuneration Act (1976) which can be made applicable to this sector, have not yet been implemented thereby providing an upper hand to the entrepreneurs to exploit, extract and discriminate their workers according to their whims.

10.0 Organisational Status Among The Craft Workers:

The study results confirm that there is no strong organisation operating among the workers in the craft sector. The prevention of the workers to unionise themselves, the lack of strong leadership among the workers and finally, the absence of courage among the workers stop them from forming and sustaining an organisation. But the appliqué and coir workers express their feelings for the need of an association to manifest their collective identity and to place their collective demands before the entrepreneurs. To them, a strong associational framework can make a direct negotiation with the entrepreneurs to give them a handsome wages, resist retention of wages, harassment and exploitation. The organisation can also provide functional literacy and skill up gradation programmes for the unskilled, semi-skilled workers and advanced training camps for the skilled ones. The workers too expect their organisation to negotiate directly with the Government and private organisations allowing them to attend fairs, exhibitions and training camps outside the state.

11.0 Social Protection and Attitudinal Orientation:

High degree of indispensability of a craft worker to the entrepreneur and his consanguinity bond to the unit owner make the social protection higher and attitudinal orientation better towards him in the craft sector. In the appliqué sector, 57.14% of the skilled male workers evaluate the attitude of
the entrepreneur towards them as commendable or satisfactory while 28.58% skilled workers evaluate it to be unsatisfactory. Furthermore, 14.28% of the skilled workers go to the extent of labelling the attitude as deplorable. The conviction of the entrepreneurs that the women lack the appropriate skills and they do not have the propensity to leave the units irrespective of harassment fail to make them sympathetic towards the female workers.

Only one fifth of the workers who are regular skilled males admit their entrepreneurs to be approachable while one tenth among them get some actual help.

In the coir sector, irrespective of the low wages and poor worksite conditions most of the workers feel satisfied with the attitude of their unit owners who advance loans to them in case of emergencies and arrange flexitime facilities to combine their domestic burden with the worksite demands. They evaluate the attitude of the entrepreneurs to be protective when they work with some small units in their neighbourhood.

However, social security and protection is best ensured to the workers in the patta sector where more than three fourth of the workers commend the attitude of the employers towards them. Only about one fourth of them evaluate it as somewhat satisfactory. Kinship factors play the key role in generating such an employer-employee relationship. Regular wages, monetary help at the time of emergencies, leave with pay, appreciation for fine work followed by hike in wages, sharing of profit with the workers and regular outside state visits which are denied to the workers in the appliqué and coir craft are ensured to the family workers in the patta units which make them feel quite secure in this craft profession.

12.0 Aspirations of the Craft Workers

All the craft workers are overwhelmed with their craft preparation process but highly unsatisfied with their earnings. Almost all the workers visualise no alternative to their craft profession and about 90% of them do not want to leave their native places to which they are deeply attached. Advanced training camps for skill upgradation, improved worksite conditions and Governmental interventions are desired by 80% of the workers which in turn would enable them to increase their productivity and income in the craft sector. Getting Social and Economic Justice is their immediate demand.

In the patta sector however, the general satisfaction that prevails among the workers never creates a sense of alienation among them and does not motivate them to look for alternative jobs. But 100% of the male workers demand advanced training in designing and painting to improve their skills and income.

While in the appliqué and coir craft sectors, 90% of the workers do not want the craft to be a source of livelihood for their next generation, it is in the patta painting sector that majority (90%) of the workers want to strengthen the base of the craft by transmitting it to their next generations.

13.0 Child Labour:
Family needs and necessities compel children to join the craft units as child labourers. All the child labourers are school dropouts but 20% of them still preserve a strong fascination for education. In the appliqué sector, mothers and elder sisters socialised the younger girls at home about the craft techniques and in turn these girls supplement the labour power without any form of payment. 80% child labourers in the appliqué workers’ homes enjoyed their participation in the craft preparation process. But they never appeared in the units until completion of 14 years of age. The child labourers, who are marked in the coir units, never feel discriminated against. They are given lighter job assignments and accordingly they start from a lower scale status. They get a payment ranging from Rs.8/- to Rs.10/- per day, and they hardly manage to get 10-12 days of work in a month. All of them supplement the family income by contributing their entire wages and keeping nothing for themselves.

### 14.0 Interventions For The Workers :

This study has been a pilot survey launched by the ILO for a short period of six months. During this period, due to the limitations of time, long term interventions for the workers, could not be introduced. However, constant interaction with the workers and association with their daily lives led to the detection of certain immediate needs of the sample workers which called for few interventions on an experimental basis.

#### 14.1.1 Non-formal Education Camp at Pipili Muslim Sahi

During the field survey, it was noticed that mass illiteracy was prevalent among the Muslim female workers making them victims of exploitation and stifling their mobility to any nearby urban centres to fetch higher wages. Hence, a Non-Formal Education Training Camp was organised with the assistance from “Sikshya Sandhan”. This camp was organised for a month and was attended by 28 women in the age group of 23-52 years. A local middle school passed girl was assigned the task of teaching alphabets, corresponding words and numbers to these women for an hour every evening. The women at the end of the month were found to have mastered the alphabets and were able to sign their names in Oriya, the local language.

#### 14.1.2 Health check-up and AIDS Awareness Camps at Pipili, Sakhigopal and Raghurajpur

The lack of access to good medical care creates the need to ensure some doorstep medical care facilities to the workers. Further, a lack of awareness about AIDS among the workers, necessitated an awareness generation programme. Thus, in association with the AIDS Cell of Orissa and the Family Planning Association of India, health check-up and AIDS awareness camps were launched in the craft concentration areas. The beneficiaries numbered around 41 at Pipili, 29 at Sakhigopal & 44 at Raghurajpur. The audio-visual presentation made by the doctors on AIDS gave a prima facie idea about the disease, its genesis and consequences. The general health check-up of the workers helped in the detection of some of common and few occupational diseases among the workers. Free medicines were distributed among them.

#### 14.1.3 Skill Up gradation Training at Banamalipur:

Fifteen beneficiaries were given training on designing and stitching by Mrs. Manjushree Patnaik of Bhubaneswar at Jahangirbag and Bhakadsahi area of Banamalipur. As the appliqué
Artisans have no scope to upgrade their skills, they were taught five different types of stitches. Ideas about some upcoming designs and some tips on cutting were also given to them.

14.1.4 Labour Law Awareness Among The Craftsmen

The major reasons of exploitation of the craft workers emanate from their lack of awareness of the existing labour laws. Therefore, ‘Labour laws Awareness’ camp was organised at Banamalipur and Sakhigopal as part of the research. In these camps, the workers were sensitised to a number of labour laws which included the Minimum Wage Act of 1948, the Orissa Industrial Establishment (National and Festival) Holidays Act (1969), the Payment of Bonus Act (1965), Equal Remuneration Act of 1976, and they were advised to lodge complaints in the office of the ALO in cases of non-compliance.

15.0. Strategies for intervention for the craft workers

The research study on the craft workers projects the appalling conditions of the artisans who fail to get an iota of social and economic justice. Discriminations, uncertainties, insecurities, exploitations, and apprehensions haunt their lives. While there is enough appreciation for their creative abilities, no heed is paid to the abject conditions of these artisans. The insights, which have emerged through the present study, project the need for certain strategic interventions to alleviate the conditions of the artisans by ensuring them a basic minimum standard of living.

15.1.1 Ensuring minimum days of work and wages to the craft workers

Uncertainties in the craft sector stem from limited number of working days guaranteed to the workers according to the whims and fancies of the entrepreneurs. This should be done away with by making a legislative prescription to guarantee at least 20 days of work in a month to all the workers in a unit, irrespective of their skill level and nature of recruitment. Simultaneously, in order to ban exploitation, the Labour Department or the Directorate of Handicrafts should prescribe the parameters of judging the skill levels of the workers and stipulating the commensurate wages for each skill level.

15.1.2 Improving the worksite conditions

The worksites need to be made more spacious, well-ventilated, with good lighting/drinking water facilities and toilets. These provisions should be examined by the DICs before allowing a unit to operate. Storage facilities should be separated from the worksites to make the environment conducive for the workers. Finally, the workers of all skill levels should be given adequate facilities in the units in order to discharge their duties.

15.1.3 Introducing limited days of earned medical leave and maternity leave with retention of jobs

Suitable legislations must be brought forward to provide earned leave on medical or maternity grounds for a minimum number of days, to the craft workers, so that they do not lose their wages when it is needed most or fear losing their jobs.

15.1.4 Insurance against death and disability
Social protection for the craft workers is absolutely absent. A Life Insurance Scheme needs to be introduced for the craft workers at a minimum premium. As a result, their lives would be insured and in case of death or disability their families would be entitled to some form of monetary compensation.

15.1.5 Creating craftsmen kit find and Mobilisation by the Local Banks for Saving

Craft workers kit fund can be introduced in the craft concentration areas where each craftsman can contribute at least Rs.20/- per month. This would entitle him/her not only to get some interest but to get some loans on easy terms at times of need.

The concept of savings is absolutely absent among the craft workers. The Regional Rural Banks should come forward to mobilise the workers to save and develop a thrift habit. This will help them to use their own money at times of need without depending on others, especially the entrepreneurs.

15.1.6 Legislative Protections For The Craft workers

Apart from the legislations to ensure minimum days of work and minimum wages to the craft workers, stringent legislations should be implemented to prevent the unauthorised retention and deduction of payments due to the workers. This will ensure that the workers get their payment on time. All the existing laws like the Equal Remuneration Act (1976), The Orissa Industrial Establishments’ (National and Festival) Holidays Act (1969), The Trade Union Act of 1926 have to be extended to the craft sector too. Special laws need to be evolved in order to regulate the work conditions and terms of payment of the home-based and family workers.

15.1.7 Registration of the Workers By the DICs and Issuing of Identity Cards

To keep a check on the unauthorised entry of the workers and to put an end to the growth of surplus labour which curtails the bargaining power of the existing labour force thereby making their labour power cheap, the DICs should come forward to register the craft workers in the craft concentration areas. Years of practice of the craft as well as skill achievement should be made the parameters to issue an identity card to them. Only the identity card holders should get recruitment in the craft units. This would limit the entry of unskilled newcomers thereby not endangering the continuity of the existing workforce.

15.1.7 Health and Education Programmes

Poor health conditions, lack of time to access the Government hospitals and lack of money to get good private health services plague the craft workers. Occupational hazards along with common diseases impair their productive capacities. Thus a major finding of this study has been the immediate requirement of good doorstep healthcare facilities for the poor workers. Health camps and monthly health check ups by some Government doctors in the craft concentration areas with the provision of free medicines can solve many health problems of the craft workers.

A low level of education is a common phenomenon among the craft workers and an antecedent to their miserable condition. This calls for the imparting of non-formal education in their
free time. Primary knowledge of numbers and alphabets will enable them to keep a record of their dues which they have to get from the entrepreneurs and make them aware of their condition, improve their access to the local authorities (ALOs) to complain about their plight and give them courage to be mobile to the near by town areas to have better and improved communication skills.

Finally, periodical functional literacy camps in the craft concentration areas will benefit the workers to upgrade their skills faster thereby becoming eligible to get higher incomes.

16.0 Micro-enterprises Engaged in the Craft Trade:

The micro enterprises engaged in the craft sector organise the artisans to prepare the craft items. They become relatively visible when they have their units and showrooms on the roadsides or in the city centres. But they remain invisible and fail to capture the attention of the craft lovers when they have a remote rural set-up. The three crafts, which have been studied, have their local concentrations on the way from Bhubaneswar, the capital town of Orissa, to the holy town of Puri. As a result they have been able to draw attention of the local, national and international tourists. Their craft products have allured the customers, but their operational problems and their prospects have seldom been analysed. Hence, efforts have been made in this ILO sponsored study to understand these micro-enterprises as in their success or failure lies the future of a large number of craft workers engaged in this informal sector, as well as the economic prosperity, viability and continuity of the aesthetic and ethnic traditions of the state.

16.1 Salient Features of The Craft Enterprises

The craft enterprises are responsible for the organisation of the resources, employment of workers and synthesis of their skills in order to prepare the craft items. The craft entrepreneurs deal directly with the workers to whom they allot jobs, accord a skill status according to the level of their productivity and ensure an income. But in the process, they exploit the creativity of the craftsmen to get the best items made. The study noted that the micro-enterprises of the three crafts—appliqué, coir and patta painting—are concentrated in few pockets of the State of Orissa. But they have also developed in a dispersed fashion in the urban townships.

Essentially there are two types of entrepreneurs in the craft sector-artisan and trader. The artisan entrepreneurs, constituting only 10% of the total sample entrepreneurs, prepare the craft items by employing people to deliver certain orders made by some outside traders who supply them capital and raw materials and make the payments according to a pre-fixed rate. On the other hand, 90% of the entrepreneurs are trader-entrepreneurs who organise their own resources and take up the marketing responsibility of their products as well. In the crafts studied, many a time, there has been overlapping of these two groups as the artisan entrepreneurs were also found collecting their own resources and marketing their products to earn a better profits.

17.0 Classifying Characteristics Of The Micro-enterprises:

In the appliqué sector, the increase in the demand for the products has witnessed the conversion of many family units into micro enterprises. Such conversions were initiated in the 1970s
when 40% of the units had been established. By the 1980s, the remaining 60% of the units emerged as micro enterprises. In the mid 1980s, about 80% of the units registered themselves with the DIC.

Around 10% of the sample appliqué units are located in rural areas, 60% of them are in the semi-urban and 30% of them are in the urban centres. Majority of the appliqué units (88%) are operational in the household premises of the entrepreneurs. The infrastructural buildings of these appliqué enterprises are basically semi-pucca (60%). About 32% units are in pucca establishments with only 8% units still being operated in kutcha buildings.

The Coir units were established in the Golden Triangle area in the early 1960s but gained momentum only towards the end of the 1990s. It has been noted that every third out of four sample units claims its inception during this period. Of the 64% of the units registered in the nineties, 72.73% have registered themselves with the DIC and 27.27% with the Coir Board. The coir units (80%) overwhelmingly are rural with only 20% having a semi-urban, roadside location. 90% of the units are operational in the household premises of the entrepreneurs. It has been observed that 52% of the units are kutcha buildings, which is just a thatched shed. 32% of units are semi-pucca structures with asbestos construction and only 16% units are operational in pucca buildings.

The growth of the patta units started in the 1960s and gained an accelerated pace in the 1980s when almost half of the units were established. 20% of the units were added in the 1990s. Every three out of four units have registered with the DIC in the early part of the 1980s. Patta units are predominantly set up in the rural areas (about 60%) with 20% in semi-urban and 20% urban areas. The patta units are mainly operational in pucca buildings (64%), followed by 20% semi-pucca and 16% kutcha buildings.

18.0 Social Profile of the entrepreneurs:

Gender composition, age structure, level of education, religious affiliations, caste background and kind of training undertaken by the unit owners, spell out their profiles.

18.1.1 Gender composition

The unit owners are predominantly males in case of appliqué and coir trade while in case of patta painting trade they are exclusively males. The numerical ascendancy of the male owners over the female owners in the appliqué and coir trade is very well manifested. In the appliqué craft there are 84% male entrepreneurs vis-à-vis 16% females. In the case of the coir craft, the situation is slightly better. There are 60% male entrepreneurs and the remaining 40% are females.

Age Structure

Some of the entrepreneurs in the appliqué and the coir units are found to be less than 30 years of age. But the youngest unit owners in the patta trade are above 30 years of age. No women entrepreneur is found in the less than 30 and above 50 years age groups.

In the coir trade majority (48%) of the unit owners are in the age group of 31 to 40 years. 50% of the female entrepreneurs and 46.67% of male owners are found in this age group.
In the *patta* trade, 64% unit owners are in the 31-40 years age group.

18.1.2 **Religion, Caste and Inheritance**

Inheritance of the units in the craft sector is a common phenomenon in case of certain religious and caste groups which have been professing these crafts as a means of livelihood for generations to come. In the *appliqué* trade, every second entrepreneur is found to have inherited the unit. There is a slight variation in the number of unit owners in terms of religion. Hindu unit owners (48%) are less than their Muslim counterparts (52%). Furthermore, among the Hindus, it is the OBCs (66.67%) who have the lion’s share.

*Coir* units have basically been established by the first generation of entrepreneurs. Only 20% of the unit owners indicate that they have inherited these units from their forefathers. The owners in majority belong to the General Category (52%), followed by the OBCs (40%). The SCs have a negligible share (8%).

Poverty and illiteracy are found to be the major reasons, which prevent the development of entrepreneurial aptitude among the Scheduled Caste people.

Taking a look at the *patta* units, one finds an altogether different picture with 84% of the *patta* units being inherited and among them 80% of the unit owners belong to the OBC category.

Thus, it is observed that the entrepreneurs in the *appliqué* and *patta* trade appear as the second or third generation unit owners while in the *coir* sector, they are the pioneering entrepreneurs.

18.1.3 **Level of Education:**

Majority of the entrepreneurs in the craft sector are found to be managing their units with a low level of education. Very few are equipped with a higher level of education.

28.57% male *appliqué* entrepreneurs have a maximum level of education up to the undergraduate level while 25% and 50% female *appliqué* unit owners have a postgraduate and a graduate level of education, respectively. This trend emerges when the city based educated girls launch their craft units to gain economic self-sufficiency.

The maximum level of education of the *coir* entrepreneurs is to the graduate level. While 20% male entrepreneurs have achieved this level of education, only 10% female entrepreneurs are graduates. The women *coir* entrepreneurs are basically primary (60%) and middle pass (30%). But 40% male entrepreneurs are matriculates while 13.33% are undergraduates. Thus, the female *coir* entrepreneurs are basically rural based and are not highly educated like the city based female *appliqué* entrepreneurs and their male counterparts in the same trade.

8% *patta* entrepreneurs have studied up to the matriculation level while 40% are primary educated and 52% are middle pass.

The study noted that level of education becomes low due to the poverty-ridden conditions of the families as in case of *coir* entrepreneurs. Other reasons for low level of education include early
marriage among the women and the absorption of young boys into the already established businesses as seen in the patta trade.

18.1.4 Training

Formal training, which is an urgent requirement for the success of an entrepreneur, is visibly absent among the sample entrepreneurs. Interpersonal training instead of Institutional training equips them with only craft related knowledge depriving them of the other business related knowledge.

In the appliqué and patta trade, family members play a significant role in imparting training to their successors as 84.62% appliqué entrepreneurs and 80% patta entrepreneurs are trained by the family members about the craft techniques. 15.38% of the appliqué entrepreneurs who are females have undertaken training at the Mahila Vikash Samabaya Nigam, which explains to them the technicalities, involved in managing the units.

However, the role of formal training is more in the case of coir units. 35.29% and 64.71% entrepreneurs have been trained through the Coir board and co-operatives respectively. This formal training combines craft and trade related technicalities for the entrepreneurs.

19.0 Craft Products

The craft products are very limited in the coir sector while they are diverse in the patta and the appliqué trades. The coir craft products are basically utilitarian in nature and include ropes, mats, mattresses, carpets, coir toys etc. The patta paintings are basically used for decorative purposes. The appliqué craft items have both utilitarian and decorative uses. The items are wall hangings, bags, centre-pieces, tea-pot covers, dining table covers, bed-spreads, letter holders, folder files, garden umbrellas, lamp shades dresses, alatas etc.

20.0 Material Inputs

The material inputs of the craft units vary on the basis of the specific items they produce. Their quality and quantum vary on the basis of the size of the units and their targeted annual turn over rates.

The basic raw materials used in the appliqué units include different varieties of cloth which can be cotton, synthetic, velvet, water proof, poplin, organdi etc. and their width varies from 36” to 52”. The price ranges from Rs.121 to Rs.82 depending upon the quality. The investments made on the purchase of cloth by the units vary from Rs.50,000 to Rs.1.5 lakhs depending upon the product range and the quantity of production. The accessories required in the appliqué units include laces, threads, aluminium frames, card boards, bamboo-sticks, round iron frames, mirrors, mudias etc. for which the units usually invest from Rs.30,000 to Rs.1.5 lakhs per annum.

The raw materials used in the coir units are coco-husks, fibres, colours and spirits. The small units purchase processed fibres from the local coconut merchants of Sakhigopal. The prices of the
coco-husks and fibres are subject to constant fluctuations depending upon their production. The colours and spirits are preferably bought from the Bengal Chemicals of Calcutta or from Bhubaneswar. The costs incurred by the coir units for purchasing raw materials range from Rs.50,000 to Rs.2.5 lakhs per annum.

The investments made on the raw materials in the patta units is visibly low ranging from Rs.7,000 to Rs.25,000 per annum. The base material for patta painting is cloth, which may be cotton, polyester, bleached tasar or khadi having a width between 36” to 64”. The preparation of the base also requires tamarind seeds, kapitha gum and chalk powder. Stone colours are the traditional and preferable colours for patta painting which are prepared from conch shells (white), Hingula (Vermillion), Geru (Red Ochre), Harital (yellow), Blue pigment (blue), Pihuli (light red), sindoor (Red) which are procured from the local suppliers. Their rate varies from Rs.10/- to Rs.600/ per kg.

The study noted that the appliqué units usually procure their raw materials from suppliers who are outside the craft concentration areas. This in turn entails a physical and a financial strain on them. The availability of the raw materials for the coir and patta crafts (except tasar cloth) in the craft concentration areas undoubtedly relieves the entrepreneurs from the above-mentioned strains. On the other hand, these two crafts are heavily dependent on natural resources, which places them at the mercy of nature. Shortage of these raw materials puts the entrepreneurs in a major problematic situation.

21.0 Craft Process

The craft processes are always complicated, long, drawn-out and multi-staged in character. The various stages involved in the appliqué craft include the designing, cutting of the base cloth, putting the inner support, stitching of the motifs onto the base, preparing the triangular figures called kanguras, stitching flowers along with mirror fittings, machine stitching of the pieces, stitching them by hand on to the base, fixing of the card boards, chain-stitching and mounting on aluminium bases. The six types of stitches made use of in the appliqué craft are Bakhia, Taropa, Ganthi, Chain, Button-hole, Ruching.

The Coir craft process is initiated with the separation of knots from the fibres. Thereafter, it includes processes such as feeding the fibres into the spinnerets to get yarn and ropes, preparation of colours, soaking the ropes in the colour and drying them, putting the coloured ropes into the frames to prepare mats, pressing the mats to bring them to size and finally giving finishing touches to the mats.

The patta painting craft involves a very complicated process and entails a lot of physical strain on the workers. It is initiated by cutting the cloth into definite sizes, then stitching them, preparing the colours and finally drawing the sketch on the canvas and painting them. The colour filling stage in patta painting is known as “Banaka”. This is quite crucial to the preparation of the craft items and involves various sub-stages like filling the dress colours, designing the dress, print and border, painting the ornaments, filling the empty portions with white colours known as “Sankhapata”, colouring the architectural works such as the chariots and temples and finally colouring the plants.

22.0 Machines, Tools and Accessories
The machines and tools used in the *coir* units are quite costly in comparison to those used in the *appliqué* and *patta* enterprises. The machines used in the *appliqué* enterprises include sewing machines of “Merit” and “Usha” brands, scissors, tapes, stools, pencils, chalks, needles etc. 16% of the *coir* units have fully mechanized machines operated with electricity and in case of the remaining 84% units, the machines are manually driven. The mechanised machines include dissectors, decorticators, semi-mechanized spinnerets. The manual machines and tools include hand-driven spinnerets, dyeing pans, mat making frames, pressing machines (vice), scissors. The units incur heavy expenditure for the fully automatic machines ranging from Rs.3,400 to Rs.1.5 lakhs and these are brought from Chennai. Among the manual machines, the costliest is the vice (Rs.8,000/-), followed by the spinneret (Rs.1200/-) and the frames (Rs.1000/-). All these are procured from the local blacksmiths’ shops and those dealing with lathe works.

The *patta* craft, however, requires no machines per se. Of course there is a whole range of accessories like different types of brushes, bamboo pipes, coco-shells, *Matakaku, Matang*, scissors, grinding stones, *umhei*, desks, plyboards etc. All these accessories are more or less purchased from the local market while some of them are also homemade in nature.

All the units of the three crafts use similar machines, tools and accessories. The only variation occurs in their number.

### 23.0 Key Role Players In The Craft Units

The craft units witness a hierarchy of workers located on a gradational system based on their levels of skills, gender and work allotment pattern. These gradational variations entitle them to different wages.

In the *appliqué* units the different types of workers are the Regular Managerial/Marketing workers, Family workers, Regular Craft Workers, Casual Daily Wage Workers, Piece-rated Workers At Units, Home based Piece-rated Workers. While the regular managerial /marketing workers are exclusively males, the piece-rated workers at the units are only females. Female workers do not get the skilled status. They are basically recruited as semi-skilled and unskilled workers. The various tasks allotted to them include semi-skilled functions such as hand stitching of motifs on the bases, chain fittings, frame fittings, making kanguras, machine stitching of small base pieces and mirror fittings, and the unskilled jobs such as preparing flowers, pullis and chinhas, cutting the extra cloth/threads & folding the finished products. It is the males who do the crucial tasks like designing, cutting the base and motifs, machine stitching, marketing etc. and therefore monopolise the skilled status.

The *appliqué* units are operated mostly by home-based workers (average number is 66.24 per enterprise) and 56.16 of them are females. The regular managerial/marketing workers are confined to the larger units with their average number being 1.2. In the units, piece-rated workers predominate (average number of 9.1). Even if female workers are found to be more in number in the *appliqué* units, they are discriminated against in terms of wages vis-à-vis the male workers who earn three times more wages than them.
In the *coir* units, the workers are categorised into three groups-regular managerial/supervisory/watch and ward workers (average number per unit is 48.8), regular craft workers (average number per units is 0.8) and piece-rated workers at the units (average number is 12.64). While the regular managerial/supervisory/watch and ward workers and regular craft workers are exclusively males, the piece-rated workers are only females. The males discharging duties such as management, supervision, account maintenance and machine operation are given the skilled status while the watch and ward staff and the load carrying regular workers are given unskilled status at the units. The female piece-rated workers are employed in toy making functions as skilled workers, in preparation of ropes as semi-skilled and an unskilled status is given to them when they separate the knots and give finishing touches to the mats. However, so far as wages are concerned, in the same skill status, the females are found to be getting lower wages in comparison to their male counterparts. The average wages per month received by the females is Rs.400/- vis-à-vis Rs.1233.33/- received by the managerial workers and Rs.825/- received by the regular craft workers. However, the females constitute the majority of the workers in the *coir* enterprises.

In the *patta* units, the key role players are the family workers who involved in management, marketing, supervisory tasks, the family craft workers, casual piece-rated workers, paid and unpaid apprentices. The eldest male of the family workers performs the managerial/marketing functions along with craft preparation. Female workers are found as family craft workers and unpaid apprentices. They are treated essentially as unskilled and semi-skilled. A few female family workers doing simple sketches and paintings are treated as semi-skilled and they receive an average wage of Rs.650/-. The remaining are treated as unskilled who prepare the colour and canvas as a part of their household chores. They are unpaid. The female apprentices who are the initial learners also remain unpaid in the *patta* units. The skilled and semi-skilled positions in the *patta* units are monopolised by the males though a few unpaid, apprentices are found in the unskilled category as well. Again, the skilled status is exclusively reserved for the family workers performing functions such as the management, supervision, liaison, marketing, designing, drawing, painting while the semi-skilled positions are accorded to a few family workers who have not attained perfection in the craft preparation. The male casual piece-rated workers and the paid apprentices draw simple sketches and paint them.

Family workers predominate the *patta* units and earn much higher wages than the hired workers and the apprentices. The average number of family workers per unit is 6.4 and of them 6.2 are males who receive an average amount of Rs.3900/- in the managerial grade and Rs.1290.32 as craft workers. The casual piece-rated worker number is 0.4 per unit on an average and they receive Rs.760/- per month. The average number of paid apprentices is 0.24 & they receive Rs.575/- per month.

### 24.0 Capital Investment Pattern in the Craft Enterprises:

On the basis of the capital investment, the craft units are divided into very large, large, medium and small units. Two types of capital investment are made - Fixed & Working. (Table Nos .CI I,II,III).
(Table CI 1)
Fixed And Working Capital Investment In Different Appliqué Units

<table>
<thead>
<tr>
<th>Nature of the units</th>
<th>Total no of units</th>
<th>Fixed capital in Rs.</th>
<th>Working capital in Rs.</th>
<th>Total investment in Lakhs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Very Large</td>
<td>4</td>
<td>11,00,970</td>
<td>13,68,925</td>
<td>More than 5.5</td>
</tr>
<tr>
<td>Large</td>
<td>4</td>
<td>8,60,650</td>
<td>11,15,290</td>
<td>3.5 to 5.5</td>
</tr>
<tr>
<td>Medium</td>
<td>6</td>
<td>5,82,975</td>
<td>12,24,785</td>
<td>1.5 to 3.5</td>
</tr>
<tr>
<td>Small</td>
<td>11</td>
<td>2,65,780</td>
<td>13,61,000</td>
<td>Upto 1.5</td>
</tr>
<tr>
<td>Total</td>
<td>25</td>
<td>28,10,375</td>
<td>50,70,000</td>
<td></td>
</tr>
</tbody>
</table>

(Table CI - II)
Fixed And Working Capital Investment In Different Coir Units

<table>
<thead>
<tr>
<th>Nature of the units</th>
<th>Total no of units</th>
<th>Fixed capital in Rs.</th>
<th>Working capital in Rs.</th>
<th>Total Investment in Lakhs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Large</td>
<td>4</td>
<td>11,70,750</td>
<td>8,15,225</td>
<td>More than 3 lakhs</td>
</tr>
<tr>
<td>Medium</td>
<td>5</td>
<td>9,85,680</td>
<td>4,02,590</td>
<td>1 to 3 lakhs</td>
</tr>
<tr>
<td>Small</td>
<td>16</td>
<td>7,43,070</td>
<td>5,52,185</td>
<td>Up to 1 lakh</td>
</tr>
<tr>
<td>Total</td>
<td>25</td>
<td>28,99,500</td>
<td>17,70,000</td>
<td></td>
</tr>
</tbody>
</table>

(Table CI - III)
Fixed And Working Capital Investment In Different Patta Units

<table>
<thead>
<tr>
<th>Nature of the units</th>
<th>Total no of units</th>
<th>Fixed capital in Rs.</th>
<th>Working capital in Rs.</th>
<th>Total Investments in lakhs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Large</td>
<td>5</td>
<td>5,73,000</td>
<td>10,200,50</td>
<td>More than 2.5</td>
</tr>
<tr>
<td>Medium</td>
<td>7</td>
<td>7,62,500</td>
<td>7,36,870</td>
<td>1.5 to 2.5</td>
</tr>
<tr>
<td>Small</td>
<td>13</td>
<td>10,94,250</td>
<td>7,63,280</td>
<td>Upto 1.5</td>
</tr>
<tr>
<td>Total</td>
<td>25</td>
<td>24,29,750</td>
<td>25,20,200</td>
<td></td>
</tr>
</tbody>
</table>

Of the 88% appliqué units, which operate on their own land, 81.82% units have purchased the land before 1960. 9.09% did so in the 1960s and the remainder in the 1970s. Around three fourths of the unit owners (72.73%) estimate the current value of their land to be about Rs.50,000/- while the rest (18.18%) claim it to be Rs. 1 lakh. Interestingly, 9.09% of the units claim the value to be more than Rs. 1 lakh. 88% of the unit owners operate the units in buildings taken on rent. The appliqué units are predominantly run in semi-pucca buildings (60%), followed by pucca buildings (32%) and 8% of the units still operate in kutcha buildings.

The average fixed capital invested in an appliqué unit amounts to Rs. 1,12,415/- out of which 38.11% is spent on land, 43.59% on buildings, and 8.52% is on tools and appliances and 9.78% on furniture and fixtures.

The average working capital invested in an appliqué unit is valued at Rs.2,02,800/- out of which 16.96% is the value of the raw materials, 14.79% is the value of the semi-finished goods, 10.66% is the value of the finished products and the rest 57.59% remains as cash deposits.

The finances are arranged through borrowing only in case of 68% of the units while in case of 32% of the units, it is combined with self-financing. Public sector banks play an important role in financing the appliqué entrepreneurs by providing loans to 80% of the enterprises. The cooperatives
and the regional rural banks finance limited number of entrepreneurs (12% and 8% respectively). 52% of the units are found to have incurred loans up to Rs.1 lakh, while 20% of the units have taken loans > 1 lakh up to Rs. 3 lakh and 28% units have taken > 3 lakh up to Rs 5 lakh loans. However, the units are facing major problems in making the loan repayments at an interest rate of 14.5% per annum. What they require are softer loans enabling them to expand and modernize their present units.

The input-output analysis of the appliqué enterprises convey that the major part of the expenditure is done on the purchase of raw materials (44.37%) followed by wages (30.97%), shop maintenance (12.32%). Loan repayment amounts to 7.89% of the total expenditure. The average cost of production per annum of an appliqué unit is around Rs.2,02,800/-. The average output of these units is estimated to be Rs.3,44,000/- and the average profit is around Rs. 1,41,200/- per annum.

In the coir trade, 96% of the enterprises are operated on land owned by the entrepreneurs and 79.17% of them have purchased the land before 1960. 8.33% bought the land in the 1960s and 12.5% did so in the 1970s. 76% of the units however, have built their present unit buildings after 1991 and 16% did so in the 1980s and only 4% constructed their unit buildings in the 1970s.

The average fixed capital investment for a coir unit is around Rs.1,15,960, out of which 31.9% is invested on land, 19.68% on buildings, 46.22% on machineries and 2.2% on furniture and fixtures. The average working capital investment is much lower in the coir units in comparison to the appliqué, being only Rs.70,800/- on an average, out of which 31.3% is the value of the raw materials, 26.84% is the value of the semi-finished products, 21.69% is the value of the finished products and the cash deposits are around 20.17%.

12% of the coir units are totally self-financed, 28% have been set-up with external borrowings and 60% have combined both the sources. The co-operative banks have played a catalyst role in financing 40.91% of the coir enterprises followed by the Public Sector Banks who have financed 22.73% of the units. The roles of the Regional Rural Banks (Puri Gramya Bank) and the PMRY Scheme are quite limited as they finance only 18.18% of the units each. The high rate of interest ranging between 10% to 16.5% have discouraged the coir units from incurring very heavy loans and almost half of the units limit their loans up to Rs.25000/-. This prevents them from expanding their businesses by leasing a roadside showroom or creating storage facilities or replacing their worn-out machines and having at least one asbestos shed.

The average cost of production in a coir unit is Rs.70,800/- out of which 44.8% is invested on the purchase of raw-materials, 32.32% on wages, 18.07% on loan repayment, 3.38% on transport, 1.12% on unit maintenance and 0.28% on show-room maintenance. The average output value of the coir unit per annum is estimated to be Rs.1,36,400/- and the profit is only Rs.65,600/-. This low output and limited profit fail to create good opportunities in the coir craft enabling the owners to sustain their trade on a long-term basis.

In the patta trade, all the units are operated on land owned by the entrepreneurs. 64% of the units have pucca, 20% have semi-pucca and 16% have kutcha buildings. The pucca and semi-pucca buildings have been constructed in the 1980s and 1990s.
The average expenditure on fixed capital per unit is around Rs.97,190/- out of which 63.83% is spent on buildings, 29.84% on land, 4.53% on furniture and fixtures and 1.8% on tools and appliances.

The average working capital of the patta units is Rs.1,00,800/- out of which only 5.2% is the value of the raw materials, 28.07% is the value of the semi-finished products, 26.34% of the finished ones and 40.39% is the value of the cash deposits.

80% of the patta units are self financed and 20% are financed by public sector banks (80%) and under the PMRY Scheme (20%). The patta units do not depend much on external financing. Only they need some external finances to buy or lease roadside lands to build showrooms.

The average cost of production of the patta units is Rs.1,00,800/- out of which 64.69% is spent on wages, followed by raw materials(16.63%), 9.46% on transport and only 3.58% on loan repayments.

The average output value in the patta units is Rs.2,13,300/- and the average profit per annum is Rs.1,12,500/- which signifies the prosperity of the patta units.

25.0 Market Situation in Craft Trade:

The market situation in the craft trade is very tight, competitive and fluctuating. It is better for the appliqué and patta painting trades which have penetrated into the national and international markets as a result of their wide range of products having aesthetic and ethnic values. On the contrary, the coir trade is confined to the local or state markets due to the presence of standardized and utilitarian products. The distribution of products in terms of clientele for the three different crafts are shown in the following diagrams- Chart A,B,C.
The *appliqué* units depend on show-room sales, exhibitions and order based sales to market their products while the *coir* units depend on direct sales in the local markets and with the help of intermediaries to market their products in the urban townships. The *patta* units take the help of exhibitions, direct doorstep sales and order based supplies to market their products.

The lack of governmental support for the promotion of markets of the craft items, absence of advertisements at public places, absence of brand names, unavailability of roadside showrooms in case of *coir* and *patta* entrepreneurs, lack of innovative ideas in product designing fail to secure good markets for the craft items. The desperate sale of craft items on a credit basis, the commissions demanded by the marketing agents in the promotion of certain units, the lowering of prices of the products by certain units by sacrificing the quality, create major problems for the craft entrepreneurs. Fluctuation in the market situation is marked with a sudden reduction in the number of tourists to the state, in the cancellation of exhibition trips to other states and a large number of products remaining unsold. Finally, the lack of proper education among the entrepreneurs and their heavy dependence on intermediaries limit their profit margins.

Thus, the study noted that the market situation for the three crafts undertaken in this study subject to constant fluctuations.

The craft entrepreneurs face heavy competition to market their products and it becomes very difficult for the small units to survive in the competitive scenario.

The craft entrepreneurs are sometimes compelled to reduce the prices of the commodities to avoid stocking of items and to arrange their working capital.
26.0 Pricing of the craft products

The craft entrepreneurs take four expenses into consideration while fixing the prices of their products. These are the costs of the raw materials, labour, establishment and transport. The targeted profit on the small items is around 7-10%; on medium sized items it is between 11-25% and on large sized items it ranges between 16% and 30% in the appliquéd craft. The coir entrepreneurs make a profit of 7-15% on their products and the patta entrepreneurs make almost 50-100% profits on their products.

27.0 The Output and Sale values of the Units

The craft units fail to estimate the quantity of commodities produced by them per annum and they have given the values of the products produced, sold and unsold from which an average has been calculated.

<table>
<thead>
<tr>
<th>Name of the Craft</th>
<th>Average output value per annum per unit (in Rs.)</th>
<th>Average value of sale per unit (in Rs.)</th>
<th>Average value of unsold products per unit (in Rs.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Appliquéd</td>
<td>1,08,720</td>
<td>68,734</td>
<td>39,986</td>
</tr>
<tr>
<td>Coir</td>
<td>79,240</td>
<td>65,700</td>
<td>13,540</td>
</tr>
<tr>
<td>Patta painting</td>
<td>1,32,000</td>
<td>98,755</td>
<td>33,245</td>
</tr>
</tbody>
</table>

28.0 Entrepreneurs’ Perceptions of the Future of the Craft Enterprises

While four out of ten entrepreneurs in the appliquéd trade perceive the future of their enterprise as bright, majority of them do so in the patta trade (about 3/4 th). However, 100% of the coir entrepreneurs seem to be quite pessimistic regarding the future of their trade and they feel it is not easy to survive over a sustained period of time with their trade as a primary occupation.

29.0 Expansion Plans of the Craft Entrepreneurs

About 88% appliquéd, 76% coir, 100% patta entrepreneurs have their plans for expanding their units.

12% appliquéd entrepreneurs propose to buy land, 68% to construct pucca buildings, 40% to open showrooms and 88% to buy new machines in order to increase their productivity.

60% coir entrepreneurs want to substitute their worn out machineries and 76% would like to construct buildings with storage facilities.

All the patta entrepreneurs have plans of expansion by constructing or leasing roadside showrooms.16% of them has a plan to expand their workshops. But for these expansions they need external financial support, which is quite difficult for them to arrange.

30.0 Organisations among the Entrepreneurs

The appliquéd and coir entrepreneurs do not have any form of associations to protect their interests. But the patta entrepreneurs have an association, which serves as a means to protect and
promote their interests. However, all the entrepreneurs are interested in forming a common association to safeguard their trade interests and to promote the craft sector.

31.0 **Interventions for the Entrepreneurs:**

During the study, a few interventions were also launched for the craft entrepreneurs. They are the setting up of the ‘Designs and Training’ camp in *patta* painting and a Workshop on ‘Market Promotion for the Craft Products’.

**Workshop on New Designs and Technology in *Patta* Painting**

Ten *patta* entrepreneurs from Raghurajpur and Dandasahi were taken to a camp organised by the *Kalinga Silpi Mahasangh* at Nalco Nagar on the 30th of October, 2000. During this workshop, Mr. Gokuli Patnaik and Mr. Dinanath Pathy, two ardent exponents of *patta* painting, enlightened the entrepreneurs about the changes that can be introduced in the craft in an effort to capture the international markets. The main areas of focus were on the colour component, the content, lamination technique and making paintings on decorative pieces like lamps, tables etc.

**Discussion on Market Promotion for the Entrepreneurs**

The *Kalinga Silpi Mahasangha* also helped to organise a discussion on the market promotion strategies for the *patta* and *coir* entrepreneurs. Here ideas were given on how to make market contacts, establish direct rapport with the customers, create a brand name for the products, and generate a web-site for the products in each trade.

32.0 **Draft Recommendations for the Micro-Entrepreneurs:**

The micro-entrepreneurs engaged in the craft trade undoubtedly contribute significantly to the State Economy by generating an income and creating employment opportunities for a large number of people. But even today, they are subject to negligence and their grievances have rarely been focussed upon. So, the present study, certain recommendations have been made in a bid to improve the conditions of these craft enterprises.

1. The craft enterprises should be registered by the Municipal or District authorities with all details and an annual list of them should be prepared by the Government.

2. The entrepreneurs engaged in the craft trade should be given adequate and free ‘Entrepreneurship Development Training’ in the craft concentration areas to equip them with the business related aspects along with the craft related knowledge.

3. A minimum level of free and compulsory education till the Matriculation Level should be imparted to the craft entrepreneurs to provide them better communication skills enabling them to deal efficiently with the customers. Night schools or Adult Education Centres in the evenings should be organised with the help of local NGOs.

4. More women should be inspired to enter the craft trade making them self-sufficient with the help of Self-Employment Schemes of the Government.
5. Raw material depots should be opened in the craft concentration areas to reduce the financial strain on the entrepreneurs.

6. Common Facility Centres can be set up by organising the entrepreneurs, which would enable them to purchase a few costly automated machines thereby reducing drudgery of the workers. These machines can be hired and shared by all the entrepreneurs.

7. The craft traders should be given assistance on new designs through the NID, NIFT. The Directorate of Handicrafts and Cottage Industries should serve as a via media between the entrepreneurs and the Designing Institutes and should transfer the technology to the craft clusters.

8. Easy credit facilities should be ensured to the craft entrepreneurs by the financial institutions. The Government should try to provide financial support through various self-employment schemes to the craft entrepreneurs.

9. Marketing of the products is the biggest grievance of the entrepreneurs today. Roadside showrooms should be leased to them at a minimum charge enabling them to display and sell their products. The Government Emporia should come forward to provide publicity and attract customers to buy the handicraft goods. They should also try to promote the enterprises on genuine principles and curb the role of the intermediaries involved in marketing the craft items and appropriating the profits.

10. Incentives should be given to the craft entrepreneurs to attend more fairs and exhibitions in order to market their products.