Title: Problems being faced by Khadi workers and diminishing use of Khadi in Orissa and other parts of the Country.

SHRI PRASANNA ACHARYA (SAMBALPUR): Mr. Chairman, Sir, Gandhiji emphasized on Khadi and other village industries for economic support to the poorer sections of the society, particularly the rural unemployed. To continue Khadi as a part of the process of our economic growth and, in particular, to provide scope for self-employment in the post-Independent India, the Khadi and Village Industries Commission was constituted in the year 1957 with the sole goal of providing self-employment to landless poor in the backward, hilly, Adivasi-populated rural areas.

But that target does not seem to have been achieved in poorer States like Orissa and Chhattisgarh. Because of the neglecting attitude of the Khadi and Village Industries Commission towards the Khadi Boards of poor States like Orissa, the annual Khadi production in Orissa has gone down to below Rs. One crore and as per the information available with the Khadi Commission itself, the total sale of Khadi and village industries products in Orissa was Rs. 3.5 crore which is very discouraging. In the last 50 years, the total direct investment in the Khadi and Village Industries Commission is to the tune of around Rs. 13,000 crore whereas the total direct capital investment in Orissa is a meagre Rs.6.5 crore.

Khadi production in Orissa has drastically reduced, particularly after 1999 super cyclone. Most of the Khadi societies are in moribund condition due to shortage of working capital. The Khadi Commission is dilly-dallying to provide working capital. Contrary to the directive of the Union Government, the Nationalised Banks are also reluctant to provide working capital to the Khadi agencies resulting in serious financial problem for the Khadi producing units.

Sir, Orissa being a State with 47 per cent of the population living below the poverty line, which is the highest in the country, a State having the largest SC & ST population, I would appeal to the Government of India to give special emphasis to Orissa to promote khadi and village industries which would serve as a powerful means for the economic upliftment of the rural poor who are still reeling under poverty.