

# **THE SMALL-SCALE BAMBOOCRAFT MANUFACTURING ENTREPRENEUR; HIS ECONOMIC PROFILE, PRACTICES AND PROBLEMS IN THE MUNICIPALITY OF MAASIN, ILOILO\***

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The interest in and attention given to the bamboocraft industry and the bamboocraft manufacturers in the municipality of Maasin, as explained by the secretary to the mayor of Maasin, spring from acute scarcity of capital which limits the scope of enterprises in the area. Agriculture, the main means of livelihood of Maasin's population, is largely on a subsistence level. Farming land has been considerably reduced by the acquisition of Metro Iloilo Water District of about 6,150 hectares of the municipal land. This situation, according to him, calls for concerted effort in other areas of economic activities of which bamboocraft production comes first.

In effect this study wishes to determine who are the bamboocraft manufacturers in the municipality of Maasin and what their practices and problems are in relation to the aspects of the manufacturing business such as:

1. Obtaining capital and financing their enterprise
2. Obtaining labor and technical personnel
3. Obtaining material for production

This study also wishes to determine if bamboocraft manufacturers lack skills and what particular skills they and their personnel lack.

To determine the profile, practices and problems of bamboocraft entrepreneurs, this study used the interview technique.

Analysis of data revealed that entrepreneurs engaged in bamboocraft production in the municipality of Maasin are men and women who have usually completed only grade school. They have been engaged in the bamboocraft business for an average of more than 9 years, having organized their business either as sole proprietorship or family-based types.

Bamboocraft entrepreneurs face the problems of inadequate working capital. To overcome this problem, they ask for a down payment or a cash advance for orders received. They adopt the product costing method in determining selling price of products and pay their workers by piece rate. Although they need additional funds to finance their business, high interest rates and the requirement of collateral keep them from seeking and obtaining loans.

Also, bamboocraft business owners lack skills, especially on how to make products different from other producers' products. Again, most bamboocraft producers in the municipality of Maasin buy their bamboo rather than harvest from their own bamboo clumps. They produce various items but fans, baskets, flower vases and sawali are the most frequently produced. They get their bamboo mainly from within Maasin, but their problem in acquiring bamboo is the high cost of bamboo.

Furthermore, bamboocraft manufacturers from the municipality of Maasin face the problem of low sales resulting from inadequate market outlets or channels of distribution. Aside from this, price competition tends to compound the problems of entrepreneurs in this municipality.

Also, they do not market their products adequately. Hence it is recommended that bamboocraft manufacturers in Maasin group themselves together and form a producers / marketing cooperative in order to jointly market their products and avail of group loans from various government agencies. Procedures should be set so that loans availed of is used only for working capital to ensure continued and regular operations.

It is also advised that the present municipal government's plan of building a cottage industry training center be implemented. And when completed this should extend free skills and management training for bamboocraft entrepreneurs.

It is also recommended that, the provincial government should review its various lending policies so as to incorporate in some of these policies new provisions such as, one which could grant collateral-free loans and undertake joint marketing and profit sharing (loans are collected out of profits). This provision can better help entrepreneurs and at the same time safeguard government loans.