

Value addition is the key to remain competitive

The textile dyeing printing and finishing are the key important sectors of textile industry as they account for the value addition of textiles and garments which is the key to survival in a globally competitive environment. Pakistan has the advantage of indigenous and inexpensive raw material (cotton) which is the true strength of our economy. The cotton is converted into yarn, fabrics and value-added home textiles and apparel.

Pakistan holds an important position in global textiles, being the 4th largest producer of cotton yarn. Pakistan today produces the finest bedlinen and home textiles, innovative and quality denim and denim garments. A large embroidery sector caters to the local apparel market's requirements. Despite the claims of the demise of knitting sector, it remains one of the top foreign exchange earners in the country. Fast emerging sector of digital printing holds great promise for the future of domestic retail sector as well as high value-added home textiles.

This strong position was achieved over the last seven decades through constant investments and implementation of state of the art technology by our industry. The textile industry was able to obtain the best of the textile technology in its time of infancy from Europe and Japan to establish a solid foundation. It was this technological edge which allowed the industry to exploit the natural advantages of raw material (primarily cotton) alongside abundant and talented labour force. The competitive edge thus gained has firmly positioned Pakistan among the top textile and apparel producing countries in the world.

However, today Pakistan is facing serious issues to remain competitive against countries such as India, Bangladesh and Vietnam. The key problems include high cost of production, unstable and insufficient availability of cotton and monumental amounts of dues from the government towards Sales Tax and duty drawbacks.

Resultingly many companies who could no longer compete with the global producers of textiles went out of business. Those who survived were resilient and consciously improved the quality of the textiles they produced by using the latest textile technology in all sectors from spinning, weaving, finishing to knitted and woven apparel and value-added textiles. However, even these companies are facing difficult times due to adverse conditions and apathy of the government despite the importance of the textile sector to the economy.

The key remains efficient and economical production with a focus on cost savings at all levels. That is where the new and state of the art textile technology can benefit our industry the most. On the other hand, the government has to play its role to assist the textile industry.

Therefore, it is interesting to note that the National Assembly Standing Committee on Textile Industry emphasised the importance of value addition and promoting and facilitating garment exports in order to enhance the country's overall shipments. Members of the Committee came up with recommendations in an attempt to offer incentives to the garments industry and its small units, which would help them, enhance their value-addition capacity. ♦

