

# Readymade garments industry

by Prof. Dr. Noor Ahmed Memon, Dadabhoy Institute of Higher Education.

**The export of readymade garments from Pakistan increased from 30 million dozens worth US\$ 1.91 billion in 2013- 14 to 40 million dozens worth US\$ 2.58 billion in 2017-18, thus showing an average increase of 17% in terms of value.**

Readymade garments and products have large demand both at home and abroad. The local requirements of garments are almost met by this industry. The garment industry is also a good source of providing employment opportunities to a large number of people at very low capital investment. Most of the machines used by this industry are imported or locally made.

The readymade garments industry started in the 70's in Pakistan. With the passage of time and industrialization, this industry expanded very rapidly. The majority of the units making cotton garments are medium and small-size in terms of machines, workers and output, with a few notable exceptions scattered throughout Pakistan.

**Table 2: Export of Readymade Garments**

Year	Quantity (Million Dozs)	Value (US \$ Million)	Average (Per Doz)
2012-13	27	1,800	66.66
2013-14	30	1,909	63.63
2014-15	31	2,095	67.58
2015-16	33	2,195	66.51
2016-17	35	2,319	66.26
2017-18	40	2,577	64.24

Source: Trade Development Authority of Pakistan.

**Table 1: Import of Sewing Machines**  
Value: Rs (Million)

Machines / Parts	2017-18	2016-17	2015-16
Sewing Machines (Household)	238	153	99
Automatic Sewing Machines	313	430	189
Other Sewing Machines (Industrial)	3,222	3,010	2,666
Sewing Machines Needles	152	149	132
<b>Total</b>	<b>3,925</b>	<b>3,742</b>	<b>3,086</b>

Source: Pakistan Bureau of Statistics.

## Raw Materials

The readymade garments industry uses both locally produced and imported raw materials, but it mainly uses locally produced raw materials.

Mill and non-mill sectors produce cloth which is widely used by the garment industry. The non-mill sector is scattered and unorganized and according to a rough estimate, there were about 250,000 looms operating in the non-mill sector. The power loom sector produces pure cotton, polyester, viscose and blended fabrics, which usually fetches low prices in the market.

The other locally produced raw materials of the garment industry which include lining, thread, buttons, interlinings, labels and polythene, which are also imported to Pakistan.

Total production of cloth (mill and non-mill sectors) increased from 9.13 billion sq. meters in

2014-15 to 10.01 million sq. meters in 2017-18.

**Import of machinery:** The automatic and industrial sewing machines are mainly imported from China and Germany, and are capable of working at high speed. These are especially suitable for assembly line operations and are mostly used by the organized sector. Besides automatic sewing machines, household sewing machines along with parts are being imported. The statistics regarding imports of sewing machines for the last three years are given in **Table 1**.

## Exports

At present the garment industry is able to offer a large volume of its products for export. The industry turns out various kinds of garments for men, women, boys such as plain / embroidered /printed dresses, blouses, maxis, shirts, skirts, nightdresses, tracksuits, middies, trousers, dresses, etc. Production of garments depends entirely on export orders directly or indirectly. These orders have somewhat risen in terms of value have fluctuated widely in terms of quantity.

Export of readymade garments from Pakistan increased from 30 million dozens worth US\$ 1.91 billion in 2013-14 to 40 million dozens worth US\$ 2.58 billion in 2017-18, thus showing an average increase of 17% in term of value.

Other hand Bangladesh captured a major share of the readymade garments industry and became the second largest producer of textile garments. The textile garments of Bangladesh contribute 18% to the GDP and 85% to the exports of the country. European Union, USA and Japan are the main importing markets. EU's imports account for 40.2% of the total imports followed by USA (20.8%) and Japan (8%).

The aforementioned countries import 69% of the total imports in the garment industry. Exports of readymade garments from Pakistan are given in **Table 2**.

Pakistan exports readymade garments to a number of countries. Major buyers of garments during 2017-18 were USA, UK, Spain, Germany, The Netherlands, France, Italy and UAE. The country wise exports of readymade garments are given in **Table 3**.

### Future Prospects

The fashion industry in Pakistan is witnessing fast growth and youth which comprise about 32% of Pakistan's population appear to be speedily seeking the favor.

There are numerous luxurious fashion brands in the country and

**Table 3: Country wise Export of Readymade Garments**  
Value in \$ 000

Country	2017-18	2016-17
U.S. America	552,627	620,230
Spain	348,204	282,514
United Kingdom	327,256	280,348
Germany	324,569	307,802
Belgium	170,870	166,488
Netherlands	14,232	109,623
Italy	92,735	88,344
France	80,088	79,975
Poland	71,572	58,126
U.A.E	70,987	66,339
Denmark	57,805	40,000
Canada	36,684	32,259
China	20,440	20,829
Australia	19,019	18,200
Japan	18,282	17,701
Saudi Arabia	14,594	12,781
Mexico	14,207	11,338
Norway	11,791	10,600
Portugal	10,788	10,242
Other Countries	320,468	85,060
<b>Total</b>	<b>2,,577,218</b>	<b>2,318,799</b>

Source: Trade Development Authority of Pakistan.

their annual sales volume runs in billions of rupees. In an exceedingly competitive market, these brands try to come up with the most creative designs. These brands are focusing the youth and meeting their demands. Brand consciousness among the people is increasing rapidly. Television and social media are playing a substantial role in changing the mind-sets of the youth. Fashion shows are also major contributors to changing the mindset of the youth.

A fashion product is showing drive and multifariousness in Pakistan. Most of the sales of branded clothing taking place through franchises that have bought the right to sell these products to consumers while the online sale of the clothes is also gaining grounds; as the younger demographic prefers to buy online products.

In recent years, the apparel sector has witnessed the entry of some of the biggest textile groups of the country and these textile groups' availed opportunities by introducing separate brands, lawns and other fashion related products in the market. On the other hand, talented designers with innovative ideas and internationally competitive designs are projecting the cultural heritage of Pakistan.

### References

1. Pakistan Bureau of Statistics.
2. Pakistan Economic Survey-2017-18.
3. Trade Development Authority of Pakistan. ♦

