



### AUSTRALIA

#### Brands contributing to driving wages down, Oxfam reports

The report came to notice while manufacturers of Bangladesh has increased their workers' wage up to 51% and to afford the new wage structure manufacturers are urging supports from brands and buyers

Ground breaking research conducted by Oxfam has exposed the undeniable truth behind the clothes being sold in shops across Australia. According to the report released by Oxfam, women in Bangladesh and Vietnam making clothes for the US\$ 23 billion Australian fashion industry are going hungry because of wages as low as 51 cents an hour.

The report came to notice while manufacturers of Bangladesh has increased their workers' wage up to 51% and to afford the new wage structure manufacturers are urging supports from brands and buyers.

Oxfam interviewed 470 garment workers employed at factories supplying brands such as Big W, Kmart, Target and Cotton On, and found 100% of surveyed workers in Bangladesh and 74% in Vietnam could not make ends meet.

The investigation has uncovered the widespread payment of poverty wages and the impact this is having on the lives of the workers, mainly women, making

the clothes Australians love to wear, said Oxfam Australia Chief, Helen Szok.

Women who are unable to get treatment when they fall sick, workers who cannot afford to send their children to school, families that cannot make their pay stretch to put enough food on the table, people sleeping on floors in overcrowded houses, spiralling debts, mothers separated from their children these are just some of the common realities of the failure of big brands to ensure the payment of living wages, the reports highlighted.



### BANGLADESH

#### 85% of the exports to the Netherlands are apparel products

Very good trade relations prevail between Bangladesh and the Netherlands. The trade relations between the two countries range from agricultural products and services to industrial products and services. However, almost 85% of the exports to the Netherlands are apparel products. According to recent data, total apparel export from Bangladesh to the Netherlands was US\$ 986.93 million in 2018. The Netherlands has been supporting Bangladesh through providing financial and technical aid to water resources and coastal management projects in Bangladesh. It is also assisting

Bangladesh in enhancing its business enabling environment.

Dutch brands under the textile covenant do business with 238 producers in Bangladesh. Almost all brands have participated in the Bangladesh Accord. In terms of size, the Dutch sector plays no major role with 1% of the world market, but in terms of sustainability, the sector plays a pioneering role internationally. This is reinforced by the close cooperation with the German textile partnership.



### INDIA

#### Country launches Rs 477.2 million schemes for knitwear sector

Union Minister for Textiles Smriti Zubin Irani has launched a comprehensive program for the development of Indian knitting and knitwear sector under the PowerTex India scheme. The Rs477.2 million development scheme will be in operation till the end of March, 2020.

The total outlay for PowerTex India Scheme and the Knitwear Scheme is Rs4.87 billion. Of this, Rs4.39 billion is for power loom units for three years from April 1, 2017 to March 31, 2020 and Rs477.2 million for the knitwear scheme. Almost Rs1.7 billion was disbursed to the power loom sector till January 31, 2019.

Knitting is a major segment in the textile value chain, constituting 27% of the total fabric produced in India. Of the knitted fabric produced, 15% is exported. Some of the major knitwear clusters in India are Tripura, Ludhiana, Kanpur, and Kolkata, said the Textiles Minister.

The program for knitting and knitwear units, catering to domestic and exports markets, has eight components where the factories would get support to install machinery under group work shed scheme, buy yarn, go in for solar energy, have common facilities and create new service centres under public-private partnership mode.

Since the scheme is for knitting and knitwear units, stitching machinery can also be installed under the group work shed scheme, said K. Selvaraju, Secretary General, Southern India Mills' Association (SIMA).



**NIGERIA**

**ABP scheme targets 1 lakh cotton farmers in 2019**

The Central Bank of Nigeria's (CBN) Anchor Borrowers Programme (ABP) is targeting 100,000 cotton farmers this year, Hajiya A'isha Abubakar, Nigeria's Minister of State for industry, Trade and Investment, conveyed to a stakeholders' forum in Zaria in Kaduna state on good cotton seed production to enhance the cotton value chain in Niger state.

With a target yield of 1.5 tonnes per hectare, 300,000 tonnes of seed cotton will be processed by the ginning companies, while 114,000 tonnes of cotton lint will be available to the textile mills, the minister said.

The Institute for Agricultural Research (IAR) will play an important role in providing good quality seeds. The National Agricultural Extension, Research and Liaison Service (NAERLS) will train the cotton farmers to supplement the actualisation of the target.



**TURKEY**

**Textile sector is getting strong in global market**

Turkey is the seventh biggest cotton producer in the world. It has the biggest machinery park in the world. The biggest factory manufacturing quilt covers is in Turkey. The country is one of the top three towel suppliers in the world. The

share of Turkey in global textiles exports stands at 3%, at 4.5% in home and interior textiles and 1.5% in technical textiles.

The Turkish textile sector has a strong image in the global market. The sector stands out with its state-of-the-art technology, flexible production ability, capability of producing special products and high-quality workforce. It is the biggest textile manufacturer in Europe. It



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continues to make significant breakthroughs not only in design and fashion but also in technical textiles. In 2018 Turkey's textile exports increased 7% compared to the previous year. There are approximately a million people employed in textiles and readymade clothing sectors. This number reaches two million if sectors such as retail and merchandising are included. The Turkish textile sector has a very high potential especially in terms of value added production. The Turkish textile and readymade clothing sector as a whole has the highest foreign trade surplus. The sector ranks first in the country in terms of share in the gross domestic product and in terms of parameters such as domestic input use.



### USA

#### World cotton output to rise 6.8% in 2019-20: USDA

World cotton production is expected to rise 6.8% with yields rebounding in several countries and area also rising, according to the first projections for 2019-20 season released by the US department of agriculture (USDA). In the US, cotton production is expected at 22.5 million bales, based on higher planted area and sharply lower abandonment.

The outlook for China shows imports, consumption, and production projected up, while stocks are expected to fall for the fifth consecutive year. With the decline in China's stocks, stocks outside of China are projected to increase



significantly. As a result, the average A-Index and the season-average US farm price are expected to decline," the Foreign Agricultural Service of USDA said in its 'Cotton: World Markets and Trade' March 2019 report.

World trade is projected to expand, bring it near the record levels seen in 2011-12 and 2012-13. Much of the increase is expected in China as smaller sales from the State Reserve reduce available domestic supply, meaning that higher imports will be needed to close the gap, the report said.

Global consumption in 2019-20 is expected to continue growing, but at a rate slightly below its long-run average based on weaker global economic growth.

Meanwhile, for 2018-19 seasons, cotton production is forecast up slightly,

led by larger crops in Brazil and Pakistan more than offsetting lower production in Australia. Trade is projected down slightly on lower imports for Indonesia and lower exports for Brazil. Global use is virtually unchanged. The US forecast is unchanged. The US season-average farm price is lowered 2 cents to 70 cents/lbs.



### UZBEKISTAN

#### Uzbekistan & Turkey plan to launch textile trade centre

Uzbekistan and Turkey are planning to create a wholesale trade centre called Textilkent for textile products and knitted garments. The centre will be inspired by similar centres created in Turkey and Europe. Preliminary agreements were made on the establishment of this project during President Recep Tayyip Erdogan's visit to Uzbekistan.

A Turkish business delegation led by president Erdogan visited Uzbekistan. A forum that witnessed the participation of Turkish and Uzbek companies was held at the Uzexpo center. The Uztekstilprom association made a presentation for the delegation, informing them about its achievements and prospects and opportunities for international cooperation in the textile sector.

Negotiations were held between Turkish companies and various Uzbek firms, which can become their potential trade partners. Detailed information of the Uzbekistan textile industry was also



provided to the Turkish delegation to attract foreign investment. Joint ventures between the companies of the two nations for manufacturing finished textiles, hosiery, knitwear and sewing products, curtains and more could also be on the cards.

Trade between the two countries amounted to US\$ 1.5 billion in 2017. Uzbekistan exported textile products like cotton yarn, carpets, knitted fabrics and goods, sewing goods and more worth US\$ 109.5 million to Turkey in the same year.



## **VIETNAM**

### **South Vietnam turns into investment hub for South Korea**

South Vietnam has turned a major investment destination for South Korea in recent years, with statistics from the key southern economic region showing the latter has continually been among the top sources of foreign direct investment (FDI) capital there. The investment was mainly in industries like footwear, fibre, textile, electronics and machinery manufacturing.

In 2018, South Korea took the lead in investing in Dong Nai with about 40 projects worth over US\$ 234.2 million. It ranked second among foreign investors in Binh Duong with total registered capital of over US\$ 302 million.

The Binh Duong province administration recently licensed the Kyungbang Vietnam Co. Ltd to raise its investment capital by US\$ 40 million to boost production capacity to 9,000 tonnes of cotton fibres and 11,000 tonnes of blended fibres per year. With this, the firm's project now has a total capital of more than US\$ 219 million.

### **Country wants India to move forward in textile**

Vietnam wants cooperation from India in their advancement in textile sector. Since India has strength in textile technology and Vietnam is dependent on feed stock for its textile industry from many countries, they could mutually benefit by co-operation, says the Vietnam Chamber of Commerce and Industry (VCCI). On this, Vo Tan Thanh, Director of VCCI's HCM City chapter said that the garment and textile sector happened to be the country's second largest export earner last year after increasing by 17% to US\$ 27.5 billion.

The sector urgently needs to invest in technologies to produce its own raw materials so that it can benefit from the FTAs, especially the TPP. India, the second largest garment and textile producer in the world, has advanced technologies and equipment at competitive prices, offering Vietnamese firms a good choice. ♦

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