

Textile sector suffering due to inefficiencies

By A Reporter

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ISLAMABAD, Feb 11: The National Assembly Standing Committee on Commerce on Thursday observed that the textile industry was suffering losses due to its inefficiencies and not because of the World Trade Organisation (WTO) regime.

The committee, which met here on Thursday in the Parliament House, expressed dissatisfaction over the performance and preparations of the textile sector to meet WTO challenges.

The committee members noted that not enough had been invested in the infrastructure and the development of human resources by the managements of the textile units.

Chairman of the committee Khurram Dastgir Khan raised the issue that textile sector was suffering because Pakistan entered the WTO.

"These concerns have been forwarded to the committee from the textile sector for discussion," Mr Khan said and added that the textile industry players were of the view that Pakistan had not gained anything from the WTO.

He informed the committee that major textile players said that Pakistan was losing its share in the international markets after entering the WTO regime.

However, the members said that the textile industry was prone to subsidies and that was one area where they had started to suffer losses.

"They must learn to stand without subsidies," said Kashmala Tariq.

While Secretary Commerce Zafar Mehmood said that the textile industry did not upgrade itself as per the requirements of the time.

"This is the reason for growth of textile industry in

China, India and Bangladesh," Mr Mehmood said and added the local industry was not even operating on economies of scale.

The meeting was informed that between 1947-2001 around 55 per cent investment had been made in spinning sector followed by 35 per cent in fabrics and rest was in value addition.

"The average spinning units in China have 200,000 spindles, whereas it was around 12,000 in Pakistan," he added.

The committee members also said that the textile sector was wilfully trying to evade the government's move to register the all operating units in the sector.

The meeting was informed by the secretary commerce that the WTO was only a mode of international trading and it would be a mandatory requirement to be a WTO member for external trade in future.

"Many countries who are not WTO members like Saudi Arabia and Iran are trying hard to obtain WTO membership," Mr Mehmood said.

Meanwhile Kashmala Tariq criticised the commerce minister for lack of competence and knowledge over the current WTO issues.

"Our negotiators are not doing what is required for the country and for the region," Kashmala said, adding it has been on the credit of Pakistan to lead the third world over issues like liberalisation of trade in goods (NAMA) in the previous government."

She said the current leadership has failed to meet the expectations of industry and even the bureaucracy in recent WTO ministerial meeting.

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