

## Textile exports

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The federal government is expected to formally announce a five-year policy for the

textile sector in the coming days. Reports suggest an ambitious export target of about \$20 billion, while the industry would be facilitated by providing electricity, gas, water, and other necessary inputs at favourable rates or



with reduced tariffs. Textile mill owners have welcomed the proposed policy and claim that it will put the economy back on track. This remains to be seen, not because of any major weakness in the government's plans, but because mill owners and operators have often failed to do their part to keep up with foreign competition. Indeed, the recent increase in textile orders from abroad has more to do with President Trump's trade war with China than anything else. With Trump and his economic policies being shown the door in another seven weeks, there is a high likelihood that US-China trade ties will normalise again in several areas, including textiles.

The All Pakistan Textile Mills Association celebrated the policy by saying it would double exports and create five million new jobs in the next five years. But at the

same time, they continue to ask for even more tax breaks and even exemptions from workplace safety audits. While we are all for helping a vital industry remain competitive, it should not be at the cost of encouraging other sectors to develop.

Textiles may have been our past and even our present, but it need not be our future. Failure to innovate has often been cited as a weakness in the sector, and we have not seen any significant steps to address that. Indeed, even the industry group's announcement points to the failure to innovate. The eye-catching number of new jobs promised will not be forthcoming if international best practices such as automation are adopted. As international competitors use literal well-oiled machines to turn their operations into well-oiled machines, our industrialists continue to think short term and rely on government handouts and cheap labour. Unfortunately, in the long term, this lack of foresight will doom the industry.

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