

PRGMEA Press Release

(Karachi, May 30, 2012) Mr. Shehzad Salim, Central Chairman, Pakistan Readymade Garments Manufacturers & Exporters Association (PRGMEA) has said that Ministry of Textile Industry has requested a budgetary allocation of Rs. 42 billion for the next fiscal year 2012-13 from the Finance Ministry. Even if this amount is sanctioned, Rs. 28 billion will go towards payment of outstanding claims of the exporters against various schemes (DLTL, R&D, etc.) leaving only Rs. 14 billion for the development and up-gradation work of the textile sector.

Mr. Salim added that in the last budget, the Textile Ministry had asked approximately Rs. 30-35 billion, out of which only Rs. 7.5 billion were allocated and only Rs. 6 billion were paid, the balance amount has lapsed.

Mr. Salim pointed out that relief to the textile sector means relief to the people of Pakistan as the textile sector employs 38% of Pakistan's total labor force or 16.5 million people. Out of this, the garment industry employs around 6 million people. If relief is provided to this sector, it will result in more job creation for the poor unskilled workers.

Mr. Salim dispelled the impression that money allocated for the textile sector goes into the pockets of industrialists, instead it will directly benefit the workers employed in the sector. Keeping the factories going is of prime importance as this results in continued employment. In this regards, he explained that Ministry of Textile Industry has chalked out several development programs for the sector which will result in up-gradation and modernization of textile machinery, which will help create new jobs. Also, several programs for vocational and technical training have been envisaged, due to which unskilled workers will become skilled workers and earn more for their families.

Mr. Shehzad Salim expressed hope that the Honorable Finance Minister, Dr. Abdul Hafeez Shaikh will provide the required funds to the textile sector as it directly benefits the lower income section of the economy.