Chapter II
CHAPTER II
PROFILE OF THE STUDY AREA AND ORIGIN AND GROWTH OF TIRUPPUR KNITWEAR UNITS

In this chapter an attempt has been made to describe the existing profile of Coimbatore District in terms of its area, population, urbanisation, level of literacy, climatic conditions, infrastructure facilities, industrial growth, major occupation and employment, to serve as a base for the study. Also a brief profile of Tiruppur town and the nature of human resource practices in textile industry are given below. Further, this section deals with the origin and growth of the study area.

COIMBATORE DISTRICT

The Coimbatore district is situated on the banks of the river Noyyal. The city of Coimbatore existed even prior to the 2nd century AD as a small tribal village capital called Kongunadu until it was brought under Chola control in the 2nd or 3rd century by Karikalan, the first of the early Cholas. The other great rulers of the city were the Rasthrakutas, Chalukya, Pandyas, Hoysalas, and the Vijayanagara kings.

According to ancient manuscripts, Coimbatore’s history can be traced to the rural tribal Chief Kovan who where the earliest settlers and the founders of “Kovanpatti” a part of Kongunadu. Years later, the surrounding forests were cleared and a new village was called “Kovanputhur”, which over the years came to be known as “Coimbatore”.

Area, Population and Languages Spoken

The spread up area of the city is 254 square kms. Coimbatore is the third largest, city in Tamilnadu, with a population of more than cosmopolitan population of 15 lakhs. The population of the District is 46,71,856 people. As many as six languages, including English, Malayalam and Hindi are widely spoken, though Tamil and Telugu are the main languages.

Urbanisation

The diversified and inter-linked pattern of industrialisation is spatially well spread and has resulted in a high level of urbanisation. For instance, the increase in the urban population since the beginning of 20th century to the early 1990s was over four times higher than the rate of increase in the state as a whole. The average urban population of Coimbatore district is 53 per square kilometer, which is much higher than the state average of 34 per square kilometer as a whole.

Literacy Rate

Literacy rate of the city is 73 percent. The city is also known for its educational institutions. Coimbatore Agricultural University is renowned, as one of the best colleges of its kind in South Asia. In spite of its industrial and technological growth, traditions and age old customs are still held in high esteem. With three universities and over 65 colleges and polytechnics, besides a number of research institutions, Coimbatore is an important centre of learning.

Climatic Condition

The City is 411 meters above the sea level, that is, altitude. It enjoys a mild winter and moderate summer with a moderate climate of a maximum of 34.7°C and a minimum of 21.1°C. In winter its climate is of a maximum of 32.2°C and a minimum of 19.2°C. During rainy season the annual rainfall registered is 61.22 cms. The climate is comfortable round the year, so it is called poor man's Ooty.

Infrastructure facilities

With industrialisation, the infrastructure has developed in par with modern technologies. The length of surfaced roads per square kilometer is 0.44 km in Coimbatore district, the figure is 0.38 km for the state. Over 92 percent of the district's villages have water supply compared to 84 percent for the state.

Coimbatore district scores over the state an average in terms of several economic parameters. The motor vehicles on road per lakh of population are double that of the state average. Literacy is higher by 4 percent in the case of men and it is 10 percent higher for women. The number of hospital beds per lakh of population is
83 percent against the state average of 78 percent. The per capita bank advances or loans in Coimbatore district is double that of the state average, which is a primary reason for the rapid and widespread growth of small units.

**Industrial growth**

The story of Coimbatore’s industrial growth is the stuff of legends. Gounders, essentially a farming community, were the early settlers here. The Kambavar Naidus, occupied a fertile land who came to Kongunadu after they were enlivened out by invaders from what is now Andhra Pradesh, the dry, rainfall-deficient land. By means of sheer hard work and enterprise, members of the Naidu community developed an effective, well-irrigated system to use the meagre water available, sowed cotton in the largely black-soil region and made the land pay. Little did they realise that they were also sowing the needs of the region’s industrialisation.

When the Britishers came, they saw an opportunity. They sent cotton to feed the textile mills in England. With the demand for cotton increasing, the Coimbatore farmers took cotton in a big way and prospered.

The first major step towards the industrialisation of the area was taken in 1888 by the British who, wanting to use the abundant supply of cotton, set up the Coimbatore spinning and weaving mills. Members of the enterprising Naidu Community followed the path and set up a number of spinning and weaving mills, the first of which was the Kaleeswara mills, set up in 1907. The transformation of dry land farms to industrialist was complete.

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22. Profile of Coimbatore, Coimbatore Getit Yellow Pages and Corporate Pages, 2004-'05
EXHIBIT SHOWING THE LOCATION OF
COIMBATORE DISTRICT IN TAMILNADU

LOCATION OF
COIMBATORE Dist.
IN TAMIL NADU

COIMBATORE
DISTRICT
EXHIBIT SHOWING THE LOCATION OF TIRUPPUR IN COIMBATORE DISTRICT

LOCATION OF TIRUPUR IN COIMBATORE DISTRICT

TI

RUPUR

NILGIRIS DISTRICT

KARAMADAI

ANNUR

AVINASHI

KSI P.LAYAM

S.S.KULAM

SULUK

TERUPPUR

THONDAMUTHUR

PALLADAM

PONGALUR

MADUKKARAI

SUL

TANPET

KINAKHUKADAVU

GUDIMAN

POLLACHI(N)

GALAM

POLLACHI(S)

ANAMALAI

UDUALALPET

VALPARAI

KERALA STATE

ERODE DISTRICT

DINDIGUL DISTRICT
Coimbatore – a centre of trade for fabrics

Members of the Naidu community converted into opportunities the precious situation arising out of the First and Second world wars and the Great depression. For instance, during the First World War, when the demand for cotton rose owing to increased demand from the military and the fall in supplies from Europe, the Naidus of Coimbatore and nearby Tiruppur stepped in to fill the gap by starting cotton textile mills.

After 1922, when the Bombay textile industry went into an extended decline, Coimbatore displayed its resilience by channeling its supplies to Madras (now Chennai) and by expanding local mills. The enterprising cotton farmers thus got drawn into the market, sold at the right time and place and rarely left the business to merchants. There was no looking back after this, and soon the region had many spinning and weaving mills of various sizes. This, in turn, gave the regions economy a high level of market orientation.

One advantage of Coimbatore is its location. Coimbatore is an important centre of trade because it is well connected with trade routes and it was easy to reach the major towns to develop trade. The good road network was enhanced by the arrival of the railways. By 1930, four line of railway communication converged at Coimbatore, uniting finally at Palakkad, and radiating again to the north, the south, and the west. The well-developed transportation infrastructure intensified the market orientation of the agrarian economy as farming became expensive, farmers started focussing their attention towards industries, initially agriculture-related, and developed them in an impressive manner.

In the early 1920’s the Lakshmi Mills group, one of the pioneering business families of Coimbatore, started its manufacture in ploughs and other farm equipment which was the basis for the emergence of the engineering industry in the region. These industries collapsed during the great depression of the 1930’s but by the process of rationalisation, Tiruppur diversified into upstream activities such as ginning and spinning thereby substaining the demand for cotton in the face of a contraction of exports.
This was followed by a textile boom in the 1930s (22 mills were set up in that decade) as the members of the Naidu and Gounder communities made full use of the tariff policies that encouraged new mills. Again in 1950's there was a growth of related activities such as dyeing, bleaching, printing and so on. The medium and small manufacturing sectors grew, providing job opportunities to a larger sector. There was a method of expansion and diversification of textile industries.

The structural deficiencies of the bloated textile industry brought about frequent crisis. But Coimbatore is diversified to other industrial and commercial activities such as manufacturing electric motors and pumps and setting up foundries, machine shops, repair shops and so on. This in turn provided the basis for the development of light industries.

While Coimbatore was in a boom of growth and development, several poor monsoons between 1971 and 1981 sent pivotal textile industry into a decline. At this time, the Tamilnadu Agricultural University was set up under the Indian Council of Agricultural Research. Because of the over-exploitation of ground water through the use of pumps, the well irrigated system also faced a crisis. The crisis, the general recessionary conditions in the economy and competition from synthetic mills in other parts of the country hit hard the Coimbatore’s textile industry, which touched a low in the 1970s. However, this was offset by the boom in the hosiery industry, largely due to the export incentives offered to it.

Most of today’s entrepreneurs recall with pride their initial association with one of these groups, especially the PSG group, whose high-quality education facilities ensured the presence of pool of talent. In the 1990s, there was a slow-down of the industry, primarily because of the crash in the textiles sector. This happened owing to a combination of factors such as frequent failure of the cotton crop, faulty production estimates, restrictive and frequently changing export policies and the fall in international demand primarily due to the South-East Asian financial crisis that led to the accumulation of huge quantities of yarn. While crisis are not new to the textile sector, this time the crisis was a prolonged and severe one. This led to the closure or downsizing of activities in several industries directly linked to cotton textiles,
including those that produced components and spares for the major textile equipment manufactures. While several mills were closed down, several others cut down on production. The activities of power looms, hosiery units and mills fell by over 40 percent.

Local people blame government policies for the problems. For a region that has industrialised and developed largely on its own, there is a general feeling of distrust vis-à-vis the government. The local industrialists are happy that the "Government Culture" has not invaded the region.

There are now signs of a recovery from the general recessionary trend of the mid-1990's that extended over five years and the longest in recent times. The industrial sector in Coimbatore has yet again displayed its grit and enterprise, emerging stronger in the process. While all along Coimbatore's industrial diversification has been linked to textiles, the recent trend has been to move away from this unpredictable sector.

However, the prolonged recession has had its impact, and the situation was further compounded by the 1998 serious bomb blasts in Coimbatore. People from the neighbouring states, particularly Kerala, have kept away, leading to a fall in trading. Thus number of schemes were introduced including "Chezhumaiyana Kovai" and "Sangamam" which aimed at building communal harmony and making Coimbatore an even consumer-friendly place.

**Major Occupation**

The city is known for its entrepreneurship of its residents. Coimbatore is the third largest city in Tamilnadu, with a population of more than 15 lakhs. There are more than 30,000 tiny, small, medium and large industries and textile mills.

In spite of its prominence as bustling industrial city, Coimbatore still remains one of the most pollution free cities in India. Covering an area of 254 square kilometers, the city has some of the biggest names in Indian Industry. The major industries include textiles, textile machinery, automobile spares, motors, electronics, steel and aluminum foundries. Tiruppur, a neighbouring town has caused a niche for itself in the garments market. Agriculture however remains the major occupation.
The rich fertile soil and tropical climate is excellent for the growth of millet, paddy, cotton, tea, oil seeds and tobacco.

**Employment and labour population**

With more than 2,000 registered engineering and garment factories employing more than two lakh workers, Coimbatore district has 477 small units per lakh population compared to the state of Tamilnadu on an average of 229 small units. In terms of the number of people employed in the organised sector too, the district is a way ahead—against the state average of over 4,000 persons per lakh of population, the figure for Coimbatore is 6000. Hence unemployment is relatively rare in Coimbatore, in fact, the region attracts labour from the neighbouring states of Kerala and Karnataka. The productivity of a Coimbatore worker is 15 percent higher than the state average of 12 percent. According to the managements of several industries, cordial labour management relations prevail in most of the units.

**Tourist and entertainment**

The temples bear witness to the religiousness and love of art and architecture of the people. There are also a number of places of tourist interest around Coimbatore. Ootacamund otherwise called as Ooty is one of the most popular tourist spots in India.

The above description of the profile clearly reveals the socio-economic conditions that is much suited for the knitted cloth and forms the base for the further study of the origin and growth of knitwear industries in Tiruppur town.

**Profile of knitwear industry**

The word hosiery (knitwear) is probably derived from the French word Bonnet Eric “Hose”, Hosiery of knitting principles stretch back to pre-historic times. However, the cotton hosiery industry made its first appearances in India in 1893 in Calcutta and after the world war more cotton, woolen, synthetic hosiery units came into existences in Bengal, Ludhiana, Mumbai, Kerala and also in Madras province. But till

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1924. Tiruppur was not known for its knitting factories. The first banian factory in Tiruppur was started in 1925. With the advent of electricity in Tiruppur in 1931 more knitting and weaving factories came into existences. Initially, all the knitting machines were imported from Germany, Japan and New York. By 1942 there were 34 hosiery factories in Tiruppur.

For over 30 years, until early 60's, the hosiery industry in Tiruppur was producing mainly grey and bleached banians. It was in the late 60s that the industry slowly diversified towards manufacture of other inner garment. The strength of hosiery industry in Tiruppur in 1961 was 200 units. In the 70’s, export of small quantities of banians and other inner garments were made from Tirupur. Early in the 80’s export of knitwear, mainly basic T-Shirts were made in small quantities. Export of other items of knitwear gained momentum from 1985 onwards. In the late ‘80s, knitwear industry diversified very quickly and took up manufacture and export of other outer garments viz., Cardigan, Jersey, Ladies blouses, Dresses and Skirts, Trousers, Nightwear, Sportswear etc. With the commendable interest shown by the entrepreneurs and with the support from the Government in the form of higher investment limit allowed for ancillary industry undertaking including hosiery industry to avail the facilities earmarked for Small Scale Industrial units and liberalized industry policy, the hosiery industry in Tiruppur transformed itself into the knitwear capital of India in less than three decades. Today the annual export earnings of Tiruppur is around Rs. 3017 crores. The share of Tiruppur in the annual value of knitwear exports from India is around 36 percent 24.

PROFILE OF THE STUDY AREA

Tiruppur, the prominent knitwear manufacturing centre of India, is located in the cotton rich Coimbatore-Erode belt as a distance of 448 km to the south west of

Chennai, the capital of the state of Tamilnadu, Coimbatore. Coimbatore is the traditional textile town and the district headquarters is at a distance of 50km, northeast of Tiruppur.

Tiruppur was a characteristic small agricultural town in the eighteenth and nineteenth centuries. In 1800 C.D, Lord Wellesly, then the Governor-General of India Company to make a journey through Southern India with a view to make inquiries into the economic conditions of the people. Dr. Francis Buchanan visited Tiruppur in October 1800. In those days, according to Dr. Buchanan, the town had 300 houses and a weekly market. The paddy cultivation of only one crop, irrigated by water partly from the nearby reservoir and partly from the canals linked to Noyyai river was possible in a year. More than one third of the land cultivated was out of cultivation owing to want of ‘repairs’. Dr. Buchanan found that the poorest fields were set aside for pasture. Tiruppur continued to be agriculture oriented for a long time, However as years passed by, the income from agriculture was declining further. In the late nineteenth Century cotton trading emerged in a small level, taking advantage of the cotton oriented business activity in the near by town of Coimbatore. Cotton trading activities grew over the period and in the first quarter of twentieth century, Tiruppur was called the ‘Kathar Lancashire’ of India.

Location

The major Geographical features of this region are the Western Ghats on the near west and the river Noyyal originating from the Veliangiri Hills flowing through the Tiruppur town from West to East. The Geographical extension of Tiruppur has widened the boundaries of Tiruppur considerably in the last 40 years. In the year 1971, the total Geographical area of Tiruppur town was only 31.92 square kms, but by 1981 it had increased to 43.52 square kms. Similarly the Tiruppur urban agglomeration area which was 54.86 square kms in 1961 had spread to 90.98 square kilometers in 1981.

The National highway NH-47 connecting Salem and Kanyakumari passess through the town of Avinashi located at a distance of 12 kilometers to the north of
Tiruppur. The nearest international airport is located at Peelamedu (Coimbatore), 48 kilometers from the town. Tirupur railway station is part of the Chennai- Cochin- Trivandrum broad gauge railway line and is 56 kilometers away from Erode, an important trading centre.

**Demographic features**

The population growth rate in Tiruppur City was moderate till 1921. The population growth rate actually declined between 1911 and 1921 due to a severe epidemic attack in 1917-1918. Thereafter population growth rate had witnessed a sharp rise. The decadal population growth rate was more than 50 percent between 1931-1961 (Table 9). The main reason is the in migration of people from villages of Coimbatore district and other districts of Tamilnadu, towards Tiruppur mainly for unskilled work in the knitting, dyeing and bleaching industries.

**Table 9**

Table showing the Population growth in Tiruppur city and Agglomeration 1881-2001

<table>
<thead>
<tr>
<th>Year</th>
<th>Town</th>
<th>Urban Agglomeration</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Area (sq.kms)</td>
<td>Population</td>
</tr>
<tr>
<td>1881</td>
<td>-</td>
<td>3681</td>
</tr>
<tr>
<td>1891</td>
<td>-</td>
<td>5235</td>
</tr>
<tr>
<td>1901</td>
<td>-</td>
<td>6056</td>
</tr>
<tr>
<td>1911</td>
<td>-</td>
<td>9429</td>
</tr>
<tr>
<td>1921</td>
<td>-</td>
<td>10851</td>
</tr>
<tr>
<td>1931</td>
<td>-</td>
<td>18059</td>
</tr>
<tr>
<td>1941</td>
<td>-</td>
<td>33099</td>
</tr>
<tr>
<td>1951</td>
<td>-</td>
<td>52479</td>
</tr>
<tr>
<td>1961</td>
<td>27.20</td>
<td>79773</td>
</tr>
<tr>
<td>1971</td>
<td>31.32</td>
<td>113302</td>
</tr>
<tr>
<td>1981</td>
<td>43.52</td>
<td>165223</td>
</tr>
<tr>
<td>1991</td>
<td>43.52</td>
<td>235661</td>
</tr>
<tr>
<td>2001</td>
<td>43.52</td>
<td>351501</td>
</tr>
</tbody>
</table>


In the year 1971, the total population of Tiruppur agglomeration area was 1,51,127 of which 63,820 were migrants of whom about 80 percent were from
Coimbatore District, 13 percent from other district of Tamilnadu and the remaining 7 percent from other states of India (Table 9). It is to be noted that between 1971 and 1991 the immigration from other Districts of the state has increased considerably but the immigrants from Coimbatore District had declined.

### Table 10

<table>
<thead>
<tr>
<th>Year</th>
<th>1971</th>
<th>Percentage</th>
<th>1991</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Migrant</td>
<td>63820</td>
<td>100</td>
<td>123195</td>
<td>100</td>
</tr>
<tr>
<td>From Coimbatore District</td>
<td>50575</td>
<td>79.25</td>
<td>62337</td>
<td>50.6</td>
</tr>
<tr>
<td>From other Districts of the State</td>
<td>8485</td>
<td>13.29</td>
<td>50798</td>
<td>41.23</td>
</tr>
<tr>
<td>From other States</td>
<td>4710</td>
<td>7.38</td>
<td>9360</td>
<td>7.6</td>
</tr>
<tr>
<td>From outside India</td>
<td>50</td>
<td>0.08</td>
<td>700</td>
<td>0.57</td>
</tr>
</tbody>
</table>


### Occupation

Tiruppur being an agrarian town till the first quarter of the twentieth century, agriculture the primary sector provided major employment. This trend had changed during the second quarter of the twentieth century. Since 1930’s there has been a shift towards the secondary and tertiary sector, while 55 percent of the work force in the city was engaged in the secondary sector activities, the comparable figure was 65 percent in 1991.

A similar trend was also noted with reference to the Tiruppur agglomeration as well. Both primary sector and tertiary sector experienced decline in the total workforce during the period with the decline in the primary sector perceptible. It indicates that the economy of the city and agglomeration area had transformed into an increasing rate of non agricultural activities. The shift in occupational pattern from agriculture to manufacturing is reflected in the land use pattern. According to statistics, while 78.52 percent of the land in Tiruppur town was used for agriculture in 1971, the figure dropped to 39.05 percent in 1981 and further to 35.40 percent in 1991.
Main and marginal workers

The details of Census of India 2001, reveals that 47.3 percent of the population in the Tiruppur urban agglomeration is employed, of them men account for 76 percent and women accounting for the remaining 24 percent. While the employed men account for 36 percent of the total population, the employed women are 11.3 percent of the total population, Among the men workers, 98 percent are main workers and only the remaining are marginal workers. The marginal workers among women workers are 5 percent. The total marginal workes in the work force are a mere 2.3 percent only.

Table 11
Table showing the main and marginal workers in Tiruppur Urban Agglomoration for the year – 2001

<table>
<thead>
<tr>
<th>Category</th>
<th>Population</th>
<th>Workers</th>
<th>Total</th>
<th>Non-workers</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Main</td>
<td>Marginal</td>
<td></td>
</tr>
<tr>
<td>Men</td>
<td>282872</td>
<td>192135</td>
<td>2896</td>
<td>19503</td>
</tr>
<tr>
<td></td>
<td>(52)</td>
<td>76.5</td>
<td>(48.7)</td>
<td>(76)</td>
</tr>
<tr>
<td>Women</td>
<td>259915</td>
<td>58897</td>
<td>3045</td>
<td>61942</td>
</tr>
<tr>
<td></td>
<td>(48)</td>
<td>23.5</td>
<td>(51.3)</td>
<td>(24)</td>
</tr>
<tr>
<td>Total</td>
<td>572787</td>
<td>251032</td>
<td>5941</td>
<td>25973</td>
</tr>
<tr>
<td></td>
<td>(100)</td>
<td>(100)</td>
<td>(100)</td>
<td>(100)</td>
</tr>
</tbody>
</table>

Source: Census of India 2001, Procisional population totals, paper-3, Tamilnadu, pp.188.
Note: Firtgure in parenthesis ae percentage of total.

Population Density

The rapid industrial growth has attracted as alread mentioned, a large population from near by regions to Tirppur as well as from far off places. This has as resulted in comparatively high population density in Tiruppur. The high density regions are generally concentrated in the main Tiruppur City, were the population density is over 15,000per square kms. The low-density regions are distributed in the outskirtes urban agglomeration. Another feature is the large number of slums with more than 35,000 slum dwellers distributed in various part of the town. A majority of these settlements are concentrated in the southern part of the town.
Administration

Tiruppur which was a small panchayat till the first decade twentieth century. It became a municipality in 1917 with 16 councilors and comprised Thennampalayam in the south, Karuvampalayam in the west and Vallipalayam in the north. In the year 1934, the Government appointed an officer to look after the municipal management. At present Tiruppur municipality has 52 councilors. The administration of Tiruppur municipality is governed by the rules laid under the “Tamilnadu District Municipal Act 1994”. The Municipal Council is headed by the Chairman, elected by the people. The Government of Tamilnadu has appointed a Commissioner who functions as the Chief Executive Officer. There term of elected council and chairman is 5 years. The Tiruppur municipality has consistently maintained a revenue surplus in recent years. The revenue income of the municipality crossed the rupees 10 crore level in 1995. The revenue for the financial year 2003-03 was Rs. 11,38,36,383. Considering the size of population (3,51,501 according to 1991 census) this is elatively high. The average personal tax for the year 2002-03 is Rs. 475. It is also to be noted that the Tiruppur municipality’s property is valued at Rs. 45,18,38,431 (2002-03 municiapl data).

Tiruppur town has 45,250 houses and five parks. The town also has 228.9 kms of roads within the present limits covering 27.20 Sq.kms. The Government of Tamilnadu, recognizing the growing importance of the town, is contemplating on upgrading Tiruppur into a Corporation by adding the nearby town panchayats of Nallur, Velampalayam and the village panchyats of Mannarai, Thorripalayam and Andipalayam.

Industrial development

Tiruppur at the beginning of the twentieth century had a few ginning mills which processed the cotton cultivated in the nearby areas. Trading in ginned cotton was one of the main business activities of Tiruppur. Most of the processed cotton went to Coimbatore, the prominent textile centre of Tamilnadu. The cotton hosiery manufacturing introduced in 1925 became popular and a few knitting units were started between 1925 and 1930. The electrification of Tiruppur, which began the year 1936 gave impetus to the industrialization of Tiruppur. The availability of cheap labour, transportation and the favourable climate encouraged the growth of the
textile industry in Tiruppur. Besides, the increase in the number of knitting industries textile mills consisting of ginning, spinning and cloth manufacturing activities were also started in the 1940s. The Second World War which widened the prospects of the textile sector of India also provided the opportunities for the growth of Tiruppur textile industry. The need for bleaching and dyeing hosiery cloth paved the way for the starting of a few dyeing and bleaching units during that period. Few printing and label making units cater to the needs of the hosiery industry also came up in 1940’s.

In the next decade (1951-1961) the knitting units increased substantially in number. The spinning and weaving mills also increased. These mills manufactured the yarn required by the knitting units and thus satisfied much of the needs of both the hosiery and woven cloth producing units. Production of both woven and hosiery cloth increased in volume.

The hosiery industry prior to 1970 consisted mostly units of composite nature combining knitting and stitching activities, many units also had facilities of bleaching and calendaring and printing as well. The labour problems in the 1960s led to the emergence of numerous units exclusively meant for a particular stage of knitted garment production. Tiruppur has been transformed into an industrial cluster comprising of diversified units that are engaged in specialized activities relating to the knitted garment production. The multifold increase in the knitwear exports of the knitwear garments since the early 1980’s accelerated the growth of knitwear industry. The limited requirements of technical knowledge in the hosiery related units absorbed a large number of wokers, including a sizable migrant labour. Numerous types of activities are associated with the ever expanding specialization in knitting units continued to create new employment opportunities. Consequently the wages also increased. The hike in wages weaned away labour from the ginning mills. The textile policy of the Government of India, which favoured the power loom sector, arrested the expansion of spinning and weaving industries in Tiruppur. A few large size non-knitting textile mills were closed owing to many problems.
### Table 12

**Table Showing the Industrial Growth in Tiruppur City – 1911 – 1991**

<table>
<thead>
<tr>
<th>Year/Type of industry</th>
<th>1911</th>
<th>1921</th>
<th>1931</th>
<th>1941</th>
<th>1951</th>
<th>1961</th>
<th>1971</th>
<th>1981</th>
<th>1991</th>
</tr>
</thead>
<tbody>
<tr>
<td>Knitting units</td>
<td>--</td>
<td>--</td>
<td>5</td>
<td>22</td>
<td>35</td>
<td>250</td>
<td>415</td>
<td>1300</td>
<td>2800</td>
</tr>
<tr>
<td>Ginning &amp; Textile units</td>
<td>1</td>
<td>3</td>
<td>4</td>
<td>10</td>
<td>12</td>
<td>30</td>
<td>38</td>
<td>44</td>
<td>77</td>
</tr>
<tr>
<td>Dyeing and bleaching units</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>2</td>
<td>15</td>
<td>42</td>
<td>67</td>
<td>68</td>
<td>450</td>
</tr>
<tr>
<td>Printing units</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>2</td>
<td>8</td>
<td>15</td>
<td>20</td>
<td>22</td>
<td>125</td>
</tr>
<tr>
<td>Label looms</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>1</td>
<td>4</td>
<td>6</td>
<td>9</td>
<td>100</td>
</tr>
<tr>
<td>Hard-board making</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>2</td>
<td>9</td>
<td>18</td>
<td>48</td>
<td>48</td>
<td>253</td>
</tr>
<tr>
<td>Calendaring</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>4</td>
<td>12</td>
<td>23</td>
<td>41</td>
<td>95</td>
</tr>
<tr>
<td>Total</td>
<td>1</td>
<td>3</td>
<td>9</td>
<td>36</td>
<td>72</td>
<td>362</td>
<td>587</td>
<td>1532</td>
<td>3900</td>
</tr>
</tbody>
</table>

Source: Municipal office, Tiruppur.

The present industrial structure depicts numerous tiny units engaged mostly in some job related to the principal knitting sector and registered factories of different sizes. The total number of registered factories at the beginning of January 2002 was 2689 including 2588 belonging to the textile sector, showing the predominance of that sector.

### Table 13

**Table showing the Registered Factories in knitwear and Related Textile Industries, Tiruppur**

<table>
<thead>
<tr>
<th>Government of India Factory Classification no</th>
<th>Type</th>
<th>No. of Units</th>
</tr>
</thead>
<tbody>
<tr>
<td>01405</td>
<td>Ginning, pressing and Balling of cotton</td>
<td>38</td>
</tr>
<tr>
<td>17121</td>
<td>Processing, Dyeing and Printing etc</td>
<td>363</td>
</tr>
<tr>
<td>17111</td>
<td>Spinning of Cotton</td>
<td>16</td>
</tr>
<tr>
<td>18101</td>
<td>Garmenting and Accessories</td>
<td>554</td>
</tr>
<tr>
<td>17301</td>
<td>Knitting</td>
<td>1617</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>2588</td>
</tr>
</tbody>
</table>

Source: From the official records of the Inspector of Factories, Tiruppur.
Among the textile oriented units, knitting units comprise the single largest single category. Next comes the garment and accessories category with 554 units engaged in stitching, packing and other jobs for both the domestic and foreign markets; most of the export units belong to this type. The third largest group of units belong to the bleaching and dyeing units and the printing units, are 363 in numbers. While there are 16 cotton spinning units, the number of cotton ginning, pressing and bailing units are 38. The available classification is compared with the details of the past exhibits a clear decline in the industries in textile sector other than those belonging to the knitwear sector.

**Water requirements**

Tiruppur, with an average annual rainfall of 550mm has been dependent long on water supplied from outside its limits. The details from the municipal office revealed that per head daily water supply during 2002-03 was 88 litres against the requirement of 110 litres. Besides the fast growing population, the water intensive industrial units such as bleaching and dyeing create a mounting pressure on demand for water. The requirements of water for the industrial use is estimated to be more than 100 million litres per day, presently met either through ground water abstraction or through water supplied by private truck operators. It is said that about 400-500 tankers are employed to cater to the industrial demand with each tanker making multiple trips every day. Water is abstracted from underground wells and natural reservoirs in the neighbouring villages and transported over a distance of 20 to 30 kms. This mode has been gradually increasing in the last few years. It is estimated that tankers meet 85 percent of the water requirement of the industries.

The unregulated abstraction of ground water has led to depletion of ground water resource in the region to alarming levels. The inadequate availability of water as well as poor quality of available water has been a stumbling block on the industrial growth.

**Environment**

The increasing number of water consuming industries in the Noyyal river basin has created serious environmental problems. The total volume of a effluent
discharged from the bleaching and dyeing units was about 16 million litres per day. The effluents are discharged into the Noyyal river which has become arid and the Orathupalayam dam has become a tank for these effluents. The ground water has affected the productivity of the cultivable lands and consequently their value has declined in the recent years. Thus the contamination of underground water and pollution of surface waterbody, the Noyyal river due to discharge of toxic chemical effluents have raised a serious problem for the regulatory agencies to control the pollution level.

All polluting textile units were asked to install effluent treatment plants so as to meet the tolerance limits for treated effluents specified by Tamilnadu pollution control Board. In the year 1997, this led to the closure of 650 units for non-compliance. Following this, many bleaching units conducted Individual Effluence treatment Plant (IEP). Nearly 350 dyeing and bleaching units have promoted 8 common effluent treatment plants with total out lay of Rs. 30 crores. However these plants which are capable of handling the physio-chemical treatment of the effluents are not equipped to remove the dissolved solids in the effluents as required by the Tamilnadu Pollution Control Board. New developments have been taken place to solve the problem. The Tamilnadu pollution control board issued directions to ten Common Effluent Treatment Plants (CETPs) in 2002 to install Multiple Effect Evaporator (MEE) facility in their units, it has also asked them to go in for Reverse Osmosis facility, individually or as a common arrangement. Eight units submitted proposals for compliance. Tamilnadu pollution control board subsequently issued direction to 34 more units including 19 connected to Common Effluent Treatment Plants (CETPs) to setup Multiple Effect Evaporator (MEE) systems. It is said that to treat one lakh litres of effluent per day the cost of setting up a Reverse Osmosis and Multiple Effect Evaporator (MEE) would be nearly Rs. 1,50,000. Hence the Common Effluent Treatment Plants (CETPs) are contemparing the installation of common Reverse Osmosis (RO) and Multiple Effect Evaporator (MEE) facilities. The absence of underground sewage is another major environmental problem. Tiruppur has about 17 kms of open drainage. The municipality had spent Rs. 1,83,43,000 in 2002-03 to improve the drainage in the town.
Meeting the water demand

Though the Noyyal river runs through the Tiruppur, the water in the river is inadequate and also much polluted. As many as 31 irrigation Anicuts (minor dams) built across the Noyyal river above Tiruppur have not only curtailed water supply but also contaminated the available water. The water problem existed even in 1930’s and attempts to provide adequate water supply failed to meet the demand of the growing population. The ‘Koilvelly Water Supply Scheme’ initiated in 1920’s provided only 3,40,950 litres of water per day but this was inadequate and did not even fulfill one third of the water demand of the Tiruppur.

In 1949, the Government sanctioned investigation for a water supply scheme connected to the ‘Bhavani River’ to serve Tiruppur and several other villages. In 1962 the first Bhavani water scheme was started with the expectation that the population of the town would be around 1,25,000 in 1991, but the size of the population reached this level in the year 1962 itself. The foundation stone for the second scheme at a cost of Rs. 20,34,000 was laid in December 1983 to bring water to Tiruppur from a distance of 54 kms from the Metupalayam – Bhavani river. The plan was to provide 110 litres of water per head for an expected population of 2,25,000 in 1960.

The third water supply scheme to bring water from the point of confluence of Bhavani with the Cauvery, jointly financed by the industries in the Tiruppur and the Government has been finalised and was launched in June 2003. The scheme is expected to be completed with a period of three years. The New Tiruppur Area Development Corporation Limited (NTADCL) has been entrusted with the construction and operation of the water supply system which is to benefit Tiruppur and also wayside villages. This is India’s first private integrated water and sewerage project promoted by Tamilnadu Corporation for Industrial Infrastructure Development Limited (TACID), Tiruppur Exporters Association (TEA) and IL & FS (A Mauritius based equity fund consortium). According the Sameer Vyas, the managing director of New Tiruppur Area Development Corporation Limited (NTADCL) it is a very unique private public partnership model. Once completed residence of the town will get 24 hours water supply against the sparse situation today. Thus, keen will make the dyeing and bleaching industry in export oriented Tiruppur globally competitive.
The whole project, jointly undertaken by Tamilnadu Government and private sector is estimated to cross Rs. 10170 millions. The expenditure is to be met by extended debt from 16 banks and financial institutions and equity mobilization. The equity component of Rs. 3220 million will be met by IDBI, SIDBI and other institutions; Tiruppur Exporters Association has already contributed Rs. 1000 million towards the equity. Bechtel of USA for technical mapping and L&T for construction have been contracted. The industrial units now pay approximately Rs. 75 to 80 per kilolitre of water which has to be transported from a distance of about 60 kilometers. The New Tiruppur Area Development Corporation Limited (NTADCL) would make water available at Rs. 45 per kilolitre. It is stated that the water cost of the industries which are now spending over Rs. 950 to 1050 million per year will be considerable reduced in future. It is stated that the household will pay Rs. 5 per kilolitre and way side villages will get supply at Rs. 3.5 per kilolitre. As industries need not tap the ground water the quality of it would improve.

**EXPORT GROWTH AND DEVELOPMENT**

The growth of garment industry production for exports began in Tiruppur in the early 1970s but it remained very small. The first export consignment was shipped abroad in 1974 under support from the National Small Industries Corporation. It was actually in the 1980s that the export market began to expand and Tiruppur started emerging as a major exporter of cotton knit wear contributing roughly 47 percent of the country's cotton knit wear exports by the mid 1990s. A decade later, Tiruppur's share in direct exports at all India level was to be 42 percent which when included with its 41 percent indirect exports, according to United Nations Industrial Development Organisation estimations would make the share move up to

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almost 80 percent of the all India level. From mid-1990s, Tiruppur showed a sustained growth and its percentage share in all India garment exports improved both in terms of quality and value. Its share also improved vis-à-vis other big export centres such as Delhi and Mumbai.

The spatial growth of the city of Tiruppur has been very haphazard till late 1980’s. Garment units were established anywhere and everywhere without much planning and infrastructural development. A steep increase in the number of exporters which according to estimates had reached nearly 4000 units in the year 2000, also led to intense competition among exporters. Intra firm disputes were common and the Tiruppur Exporters Association (TEA) played a key role in resolving them^27. Tiruppur continues to be a busy, dusty, crowded town where streets and by-lanes are littered with textile material waste.

Tiruppur today is a cluster of knitwear exporters with a highly fragmented and dispersed production. This structure has a significant impact on labour relations and processes. In India, following liberalisation, the development of industrial clusters is becoming a favoured model of production organisation as a strategy to boost exports and competitiveness at global level. Competitiveness in the pre-liberalisation frame work had been achieved through protection and generic assistance to industry groups based on size. Tiruppur enjoyed this protection through assistance programs to small scale industries and the reservation of readymade garments for the small-scale sector.

There are different types of units operating in Tiruppur, large to medium scale registered enterprises, small unregistered enterprises, including a large number of subcontracting units producing for other exporters and the local market. Job work units are also covering activities such as embroidery, printing, compacting and processing, button hole making and button stitching, and calendaring and shrinking. The production capacity of registered units range between 500 to 3000

pieces a day and that of unregistered units from 10 to 1000 pieces a day. Units produce T-Shirts, children's wear, undergarments, vests, briefs, nightwear and sportswear.

The major exporters at the centre of the Tiruppur cluster are:-

(i) The cotton knit wear garment exporters who may either be manufacturer, exporters or direct exporters.

(ii) Merchant exporters who do not own production facilities but have access to the product market through a regular group of sub contractors, job workers and ancillary units.

(iii) Sub -contractors who do not have access to product markets and they come under the unregistered category.

(iv) Job workers again who have no access to product markets and they undertake only one particular task in production.

According to the top field estimates, out of the 4000 total estimated units, direct exporters own 20 percent of the units, 40 percent are subcontracting units and ancillary, job work units form another 20 percent and others contribute to 20 percent. Roughly 50 to 60 percent of the operations take place in the small units spatially dispersed in all directions in the town.

CLASSIFICATION OF TIRUPPUR KNITWEAR UNIT
Many workers in the Tiruppur region are migrant workers from the rural areas of Tamilnadu, where there is not enough employment and wages are extremely low. In most cases, the whole family moves to Tiruppur to find employment in the garment sector. As the income of the head of the family is not sufficient to live on, women and often children have to work too.

Of the 164 women surveyed, 32 percent were married, 67 percent had families of up to six people. Tiruppur women work in the garment industry to cope with Tiruppur’s fast rising cost of living. The survey found that garment workers are not granted statutory benefits and that women suffer from gross gender inequality of wages. The women workers are mostly employed in packing and checking sections and they are paid less than the men workers who work in machines.

The regular working day is ten hours, six days a week, plus three hours' overtime. At peak times (September to December) workers often have to work late in the night and they finish the work at 1.30 a.m. Working at home is becoming increasingly popular as employers realise that it is a cheaper option, there is no labour disputes and there is no need to find space to accommodate workers, who can be paid less and are not entitled to any benefits.

According to the Minimum wages act, minimum wages in the garment industry vary according to both region and category of worker, the basic wages per month is:-

- Category 1 - Master cutter- Rs. 2,250
- Category 2 - Cutter - Rs. 2,050
- Category 3 - tailors, packers and ironers - Rs. 1,950
- Category 4 - lower grade tailors, packers and ironers - Rs. 1,900
- Category 5 - thread cutter - Rs. 1,850

In addition to the basic wage, workers are supposed to receive a Dearness Allowance of Rs. 1,000. Minimum wage rates are revised once in every five years. For the past four years, wages have stayed the same whilst inflation has been approximately 10 percent a year. On an average, women workers are placed under the category of 3 or 4 as tailors, packers and ironers.
Trade unionists say that their priority is to obtain the minimum wage implemented and they "cannot dream of demanding a living wage". When trade unions press for the minimum wage, employers say they cannot afford it. They close down the workplace, dismiss all the workers, move somewhere else and start again with a new set of workers.

Most women workers are married, a few younger ones live with their parents. Some husbands are earning similar amounts, others are not getting a regular wage. Almost all families have children and many have dependent elderly parents. Whilst minimum wage rates, if they were paid, would be adequate to meet the costs of food, the real costs of education, health care, housing and care of elderly relatives have not been taken into account.

Although there is a contributory Employees' State Insurance scheme entitling workers and their families to free health care, many women in the informal sector are not on the official payroll and so are not covered. In any case, medicines are often not available in Employees' State Insurance clinics and some hospitals have been closed down. Many workers are forced into using private health care which can be extremely costly. Similarly, education in Government run schools is free, but the quality is so poor that even informal sector workers will try to send their children to Government aided private schools.

Minimum wage rates are far from a living age. There is no possibility for savings or taking insurance, no possibility of entertainment or holidays. Many workers who are not even paid minimum wage rates are living on the edge, and an illness, repairs to their home or a marriage, forces them into a debt they can never get out of.

From the foregoing section in the profile of the study area, it seems that Tiruppur town in Coimbatore District with its different types of units operating as large to medium scale registered enterprises and unregistered enterprises provides
employment to nearly more than seventy five percent of the labour force available in Tiruppur town.  

HUMAN RESOURCE DEVELOPMENT IN TEXTILE INDUSTRY

The organised sector of the textile industry was set up by entrepreneurs with a background of trade. In the last two or three decades, only a handful of textile mills have managed to professionalise their management. Introduction of modern technology requires more professional managers with up-to-date knowledge on latest technology. In the context of the fast developing technologies and increasing use of electronics in machinery, short-term structured training programmes for various managerial levels need to be devised and conducted by “textile-specific” engineering institutes. Textile technologists working in production, quality control or even marketing areas will also need to acquire specialised managerial skills, for which the textile technology courses will have to introduce appropriate behavioural science and management courses to produce well groomed technocrat-managers. More and more seminars and orientation programmes would require to be organised to the users and to develop the capabilities of the supervisors and managers. To provide the right kind of education, the textile institutes have also to have the latest equipments which the existing institutes are lacking.

Traditionally, the textile industry has been viewed as a low skill industry. As such, the industry managed to get along without any centralised training organisation for well over a century. It is only the last two decades that institutions for training labour in the textile industry have come up. By and large, textile labour has been acquiring skills on the job without the benefit of systematic training programmes.

However, in the competitive scenario, the lack of proper training, work culture and quality consciousness can not be ignored. As a matter of fact, the Industrial Training Institute’s ought to design courses for the entire gamut of textile and apparel

manufacturing activities including Ready Made Garments (RMG) and made-ups. It is essential to organise part-time courses for persons already in job and who cannot be released for full time training for knowledge upgradation along with technology upgradation.

HUMAN RESOURCE DEVELOPMENT

According to estimates the textile industry provides employment to more than 35 million individuals, thus providing indirect employment to more millions. Human capital formation for the textile industry development is the most critical area of intervention, in order to achieve high degree of value addition. The focus has to be laid on structured training programmes to ensure a consistent supply of well adequately manpower. In this context, Human Resource Development assumes new significance with inescapable competition facing Indian textile products both in the international and domestic markets. The organisations need to address the professional manpower needs of the industry, as well as at the cutting edge level of workers and shop-floor supervisors. Institutions will be encouraged to network and synergistically co-operate amongst themselves.

Success or failure of an organization depends on the effective coordination of the resources such as money, material, machinery and men. Among these, the role and operation of men is the most complex. Human Resource Development is phenomenal for the manufacturing and service industry. Human Resource Development deals with up gradation of skills for labours and executives, planning and allocation of work, monitoring and assessment of performance. One of the most important tasks is upgrading the skills and knowledge of the human resource from time to time along with the development of technology and trade. This up gradation is done through training programmes workshop and seminars. Collectively, Human Resource Development activities result in increased productivity, reduced cost and wastage, right sizing of labour and staff at the organization, organizational stability and flexibility to adapt further changes. Human Resource Development is the integrated use of training and development, career development, and organization development to improve individual effectiveness.

The textile industry has been quite slow in adopting Human Resource practices. It is only with the escalating competition that the need for development of
human resources is felt. Even as Human Resource Development is imperative for both organized and unorganized sectors, it is taken up mostly by the mill sector. Labour and management were the beneficiaries of training programmes conducted during the past decade by South Indian Textile Research Association and South Indian Mills Association. Recently, few garment units have also taken up such programmes for their workers. Until 1985, no scientific system was followed and human resource development was the neglected area in textile.

Emerging Trends

Whatever strategy is adopted with respect to technology and marketing, skill development should be an immediate concern because of the long gestation period for investments in human resources. The emerging trend points towards a shift from the mass production of standard products, using narrowly-skilled workers, towards more specialized products using a broadly skilled workforce on a universally accepted multi-purpose machines. Skills and know-how not only have to be improved, but are also required in areas which transact through a traditional industrial framework, because managerial and marketing expertise are increasing in importance. Hence, in establishing training programmes, both the short and long-term skill requirements of the textiles or garments sectors have to be considered.

As producers are not likely to invest in today's high risk proposition business environment, Government will have to assume the role of initiator, coordinator, and cost-sharing partner of Research and Development (R&D) and training schemes. This is of crucial importance in the development of the relevant skills and know-how. At the same time, the experience of many countries shows that the business community should take an interest and participate in the design and execution of human resource development measures. The changing forms of organization and international market conditions require a new range of non-technical skills. Coping with these developments need investing in human resource development.

On-the-job training and special upgrading courses are essential and can compensate for the lack of formal education, but only up to the level of one line production supervisor. Production posts above that level and managerial posts are filled by direct recruitment. If labours are to make a greater contribution to growth in the textile sector in the future, then their access to education and specialized
technical and non-technical training must be improved. The increasing importance of non-technical skills could be to the advantage, since the textile industry characteristically contains a large number of jobs.

HUMAN RESOURCE IMPLICATIONS

New technologies and processes in the textile industry have increased productivity but had been the cause of redundancy and eventual retrenchment for a lot of workers. This condition is happening not only in developing countries like India but in industrialized countries, who were able to increase productivity through developments in technology.

Current developments in economic globalization have dramatically changed the nature of work such that different types of working arrangements had started to be introduced in the workplace. As competition becomes more heated up because of globalization, companies must apply cost cutting measures in order to survive. Of the four elements of production (materials, machines, manpower and time) it is always manpower and time to produce (which is also related to manpower) which has to be sacrificed since the cost of materials and machines are production inputs which are non-negotiable.

With the advent of World Trade Organisation, new buzzwords were introduced into the consciousness of workers which includes competitive advantage, multi-skilling, productivity measures and others which has great implications on the Industrial Relations or Human Resources practices in the workplace. The impact of globalization on working conditions, employment practices such as subcontracting, part-time and casual labour, retrenchment and social security would depend on the bargaining power of the workers and the state of the labour market as well as the legal framework within which the labour operates.

Since the early 80's flexible working arrangements are already being resorted to whenever there is a need for additional manpower to fill up certain gaps in the production line. When the hired workers become regular employees after serving the mandatory six months probationary period, now retention becomes the exception rather than the rule. Systematically, management was trying to avoid the employee to demand for compensation and benefits. Since strikes and lockouts are the most
potent action of unions to bring management to the negotiating table these were largely resorted to in the mid-80’s resulting to closure of a great number of garment manufacturing firms. With a no-in or no-out rule during strikes, a lot of companies were forced to cancel orders with their principals resulting to losses. Some companies, however, learned to evade this eventuality and divided their facilities into small pockets of production units such that if there is a strike in one site they still have other workers in other sites to do the job. It is true that labour flexibility in the garment industry was aggravated by the World Trade Organisation rapid changes in Industrial Relations or Human Resource in the industry.

ISSUES IN HUMAN RESOURCE

The textile industry, even as it continues to remain the second largest employer in the Indian economy, has however, not remained an employment generator. The employment scenario in the textile industry is fairly dismal, with almost all companies in the organized sector having put a freeze on employment, and some also offering Voluntary Retirement Scheme. A number of mills in the organized sector are closing, as also garment manufacturing units (which were supposed to be major employment providers) and no new investments are taking place. In the unorganized sector too, power loom and processing units are facing hardships, and large capacities have come down, throwing workers out of jobs.

With employment remaining stagnant, skilled manpower too could be in short supply, in the long term. Training, which was once a very important aspect of any textile company, till some years back, today seems to have taken a backseat. According to experts, a number of textile technology institutes provide training at the supervisory level, but not to workers and operators. Even fresh supervisors need to undergo a lot of training at the plant level, to optimize efficiency levels. Even as the organized mill sector does realize the importance of training, there is almost a complete lack of Human Resource Development system in certain segments of the industry, power looms, small, independent process houses, small garment manufacturing units, and the co-operative sector.
As against this, the organized mill sector has changed its approach to training, even as it feels that training has become even more important today than ever before. Multi-skilling is catching on in every business now, and succession planning is no longer relevant, due to decentralization of authority, and responsibility. But that does not mean that training has taken a backseat. In fact, training is today even more important, only the approach has changed. There has been a paradigm shift in the approach of the industry to training today.

According to sources, earlier technical training was very important and every mill made their new recruits go through training session. But the need for that has come down, as workers are seasoned, modernization on a large scale has not taken place in the industry to make such technical training important, but refresher training does take place from time to time. Training today is a process approach, and is graded as on roll. Training now focuses on motivational and attitudinal aspects. With employment in the industry falling, and workers losing jobs, demotivation can set in very easily. Motivating the existing workforce is very important, and training plays an important role in this. Similarly, just about every textile manufacturer is attempting to move up the value chain, and workers' attitudes have to undergo a change, for which training is essential.

Besides this, a number of players in the textile industry, from various segments – mills, garmenters, dyes and chemicals – have began adopting quality, environment, social accountability, and other such standards, most of which address work and labour related issues, among others. This has resulted in upgrading of training modules.

The single biggest issue confronting the sector is seen to be labour laws that place restrictions on hiring and firing. Laws compelling companies with more than 100 workers to obtain Government approval before reducing their workforce have spawned numerous small units, quite unlike the large facilities in China, Sri Lanka and Bangladesh that are able to exploit economies of scale, as also become major bottlenecks. Apparel parks have been proposed to overcome some of these problems, but these have been mostly slow to take off towards Globalization of our economy.