

Trade and Declining Worker Rights In Nigeria's Textile Industry: 1997-2006

Teresa Mwuese Nmadu, Reader, Department of Management Sciences, University of Jos, Nigeria

Abstract

Although performance of the textile industry in Nigeria would have been dismal due to many internal factors among them poor infrastructure, industry watchers observe that since Nigeria joined the WTO her fortunes took a turn for the worse with attendant job losses and worsening economic outlook. No country can exist without trade, Nigeria inclusive, but with the dismal performance of the textile sector, employers could no longer guarantee jobs for workers; depended on used obsolete equipment that lowered safety and health of workers ;increased management clamping hard on unions who now perceive globalisation and world economic integration as a second colonialisation experience. All of these impacted on trade figures for Nigeria in the period of the study.

This paper examines the trade dynamics from 1997 to 2006 and details the workers' rights that have declined over the years among them right to gainful employment and rights to safety and health all covered by article 29. The study discovered that social change fuelled trade and Nigeria's joining of the WTO was a coincidence. The paper recommends among other things, the reinventing of the mission and vision of the textile industry along global markets demand, for really, there are no more domestic or foreign markets, just markets: global markets with global dynamics for global players.

Introduction

This study focuses in particular on textile firms in Kaduna, North Central Nigeria, not only because all the nine textile firms there finally closed down operations in 2007, but also because this was where the first textile firm in Nigeria (Kaduna Textile Mills) was established in 1956. Was the closure of the factories due to trade? Or could other reasons be adduced for their closure? What happened to all the workers that were employed in those factories? What happened to their rights?

A Brief On Nigeria's Textile Industry

Nigeria's textile industry is significant in many ways. For one, it was the single largest employer of labour after the government for a significant part of the history of the country, (RMRDC 2002). Therefore, anything that affected this industry touched the nerve of the country. According to Fiakpa, Lucky; Ajao, Adewole; Oji, George. and Onyeekamuo, Charles. on " The problem with the Textile Industry", *ThisDay* February 3, 2008) industry watchers have it that in the early 1980s, textile operators numbered 250 providing direct employment to about 350,000 persons outside millions of indirect jobs and employments. These operators kept declining along with the workforce (1995: 100,000, 2004: 50,000) and was down to 26 by the end of 2007 with only 30,000 workers (Intercontinental Bank Plc. 2004 and Fiakpa, Lucky; Ajao, Adewole; Oji, George and Onyeekamuo, Charles. on " The problem with the Textile Industry", *ThisDay* February 3, 2008) .

Second, this industry, like the oil industry, is a mono product industry that catered to a unique African need - the African Print (locally called Ankara). To the best of our knowledge this product is not known elsewhere outside Africa. The industry had no spin-off into garments manufacture like textile industries in other countries such as Mauritius, and South Africa. (Omoh Gabriel and Aictor Ahiuma-Young in their article on Textiles :Not tapping into the \$31bn US Booming Garment Market (*Vanguard*, April 14, 2008). The industry was not diversified, although in its original concept it was to be vertically integrated so as to be fed by local raw

materials and thereby providing linkages to other segments of the economy. This was aimed at ultimately promoting trade and development on many fronts.

The ownership structure of textile firms is a unique feature of the local textile industry in Nigeria. Although there had never been restrictions in ownership of textile firms, major players were foreign investors and government rather than private indigenous investors (Mbendi 2000). Foreign investments were held mainly by Chinese and Indian investors and a smaller representation by Europe, the U.S, Japan and Syria. Following privatisation, most of government equity holdings in textile firms were divested to private hands and new major players are international groups, like the Chai Chi Ming and Churchgate groups. The Raw Materials Research and Development Council (RMRDC) notes that whereas the Textile, Wearing Apparel and Leather Industry is one of the oldest, most labour and capital intensive in Nigeria, it operates with old and obsolete machinery and equipment, and alludes to the fact that the industry operated with the same equipment it had since the 1960's (RMRDC 2003). Investors did not add reasonable fresh investment into the sector thus private foreign investment in textile progressed meagrely from N3.3 billion in 1997 to N16.7billion in 2006 (CBN 2006) A significant part of this amount was used for the procurement of spare parts. The industry also had limited access to long term funds required for modernization or upgrade of machinery to modern status.

Causes Of Declining Performance In The Nigerian Textile Industry

Although performance in the manufacturing sector in Nigeria had been on a general decline, for the textile industry the decline was more pronounced because of the nature of the industry which is labour intensive, the vertical integration anticipate at its conception and its heavy dependence on infrastructure. We therefore examine the causes of declining performance: first on the basis of machines and equipment, then inputs and the competitive environment within and outside Nigeria.

The RMRDC, (RMRDC 1996) has it on record that 30% of raw materials and all machinery such Spinnerets, Mixing and blending machine, Opening and cleaning machine, Carding machine, Comber machine, Draw frame machine, Speedframe machine, Ringframe, etc, as used by textile firms were imported into Nigeria. In addition, spare parts of these machines or equipment were not produced locally in spite of the fact that the technology in use was not advanced. This was primarily because the lack of standardization in the designs and types of machinery imported made the unit cost of producing these components locally much higher than the cost of importing them. Necessarily therefore, the acquisition, maintenance and replacement of machinery was foreign exchange dependant. Since independence in 1960 to date, Nigeria has had a history of unstable and sometimes inconsistent macroeconomic policies which impacted adversely on foreign exchange control, value of the Naira (local currency) and inefficient import processes including port inefficiencies. Ultimately all these led to increased cost of production and very often textile firms could not pass the additional cost to the consumers if their products were to remain competitive in the market. It is therefore not surprising that most companies had obsolete machines in use because replacement costs were prohibitive. Olofin (2002) had observed that in many developed countries where Nigeria's foreign investors who own 90% of the companies come from, machinery are more automated than labour powered, which has implications on competitiveness. Such machinery may have limitations in Nigeria's environment where utilities-

power, water, and communication are very unreliable. Operating with obsolete equipment led to less productiveness and therefore higher cost of the final product, a principal reason for non competitiveness of local products.

Supply of inputs was unreliable and costly. With the epileptic performance of the Nigerian refineries, low power fuel (black oil), the fuel used by many Nigerian manufacturing companies to generate their own power is unavailable or too costly. (Fiakpa, L; Ajao, A.; Ojo, G; and Onyeekamuo, C. on “ The problem with the Textile Industry”, *ThisDay* February 3' 2008). Costs of inputs increased so astronomically that capacity utilization was affected and consequently job losses occurred in many textile companies. By the end of 2007 all textile firms in Kaduna had closed down and their employees all turned out of employment. A gathering of stakeholders of the textile industry in 2002 by RMRDC attributed the low capacity utilization in textile industry to the lack of a conducive operating environment caused by:

1. exchange rate instability
2. increased smuggling activities
3. importation of used clothing
4. infrastructure inadequacies and deficiencies
5. sharp and inconsistent rise in production costs
6. high custom tariffs on raw materials
7. increases in taxes and levies by various tiers of government
8. influx of foreign textiles, fabrics and garments
9. high cost of funds and
10. unstable government policies among others

A UNIDO Industrial Development Report (UNIDO 2005) further validates this position as Nigeria lags behind most African countries in industrial performance. For the period under consideration, Nigeria's performance in quantum production in textiles, whether cotton textiles, synthetic fibres or garments, systematically declined each year. Table 1 shows that even on the African continent, Nigeria's industrial performance was dismal and considering that the textile industry is the second largest contributor manufacturing this is significant. It is of interest to note that manufacturing share of total exports was a mere .2% . Table 2 underscored the importance of capacity utilization to production of textiles and textile articles as a foundation for trade. The figures suffered a decline all except for 2005 and 2006, whose figures do not agree with other economic indicators. These figures look out of place in years in which textile factories were closing. Of course as local production slumped, so did exports but imports rose significantly over the same period. The statistical analyses corroborate the above assertions.

Table 1: Six indicators of industrial performance (1990-2002)

	Man Value Added (MVA) (1995 U.S.\$)		Man Exports per capita (U.S.\$)		Share of Man (GDP)(%)		Share of Man in total exports (%)		Share of med/high tech production in MVA(%)		Share of med/high tech products in man exports (%)	
	1990	2002	1990	2002	1990	2002	1990	2002	1990	2002	1990	2002
Ghana	35.4	39.2	15.2	25.6	9.8	9.4	-	50.5	26.0	27.2	10.1	6.1
Mauritius	563.8	901.8	1129.5	1323.9	19.8	19.8	97.8	97.6	13.4	13.7	6.2	4.6
Nigeria	15.5	13.0	1.0	0.5	5.5	4.8	1.2	0.2	25.5	36.7	24.5	58.1
S/Africa	788.7	753.7	267.7	336.7	21.5	18.5	25.7	65.3	46.4	51.0	28.8	47.2
Togo	36.1	38.9	14.1	16.0	9.9	12.3	18.1	37.8	10.8	17.1	6.3	12.9

Source: UNIDO 2005

Table 2: Major Indicators of Declining Performance in Nigeria's Textile Industry (1997-2007)

Year	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Capacity Utilization{ %	50.0	33.4	20,2	21.4	31.8	35.5	34.6	30*	48*	56*
Output (Cotton textiles)	10,822,031	10,665,731	10,390,434	10,626,065	24,912	25,119	24,830	24,953	24,967	-

Forum on Public Policy

Output (Synthetic fibres)	3,370,593	3,363,098	3,336,098	3,356,627	512,353	509,975	509,696	511,008	510,560	-
Garments (dozens)	300,141	290,596	274,589	288,442	26,164	26,164	26,164	26,164	26,164	-
Exports (Textiles) Millions	1,540.5	876.0	1,259.4	1,100.8	3,293.8	16,497.3	1,338.2	1,000.1	690.3	2,439.0*
Imports (Textiles) Millions	5,517.0	5,646.3	4,897.7	7,518.0	28,480.3	16,454.0	24,201.0	27,775.7	24,674.0	16,433.9*

Source: NBS Annual Abstract Statistics 2006, Central Bank of Nigeria (CBN) 2000, 2006 Statistical Bulletin

* CBN figures are estimates and subject to verification after surveys

Correlations

[DataSet1] C:\Program Files\SPSS\SPSS\TradeData.sav

Correlations

		Imports(T)	Prodtn(T)
Imports(T)	Pearson Correlation	1	-.917**
	Sig. (2-tailed)		.000
	N	11	11
Prodtn(T)	Pearson Correlation	-.917**	1
	Sig. (2-tailed)	.000	
	N	11	11

** . Correlation is significant at the 0.01 level (2-tailed).

Regression

[DataSet1] C:\Program Files\SPSS\SPSS\TradeData.sav

Variables Entered/Removed

Model	Variables Entered	Variables Removed	Method
1	ManC/ U/rates(T) ^a	.	Enter

a. All requested variables entered.

b. Dependent Variable: Prodtn(T)

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.354 ^a	.125	.028	5368655.67

a. Predictors: (Constant), ManC/U/rates(T)

ANOVA^b

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	3.7E+013	1	3.710E+013	1.287	.286 ^a
	Residual	2.6E+014	9	2.882E+013		
	Total	3.0E+014	10			

a. Predictors: (Constant), ManC/U/rates(T)

b. Dependent Variable: Prodn(T)

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1E+007	5798603		1.910	.088
	ManC/U/rates(T)	-163875	144438.0	-.354	-1.135	.286

a. Dependent Variable: Prodn(T)

When Nigerian Union leaders in the textile industry talk passionately about Nigeria being a dumping ground for foreign goods, they may have good reasons ((Fiakpa, L; Ajao, A.; Ojo, G; and Onyeekamuo, C. on “ The problem with the Textile Industry”, *ThisDay* February 3rd 2008)). The WTO observed that due to illegal levies at Nigerian ports which substantially increase the cost of importation by up to 45%, a large share of Nigeria’s external trade takes place informally through ports in neighbouring countries, Republic of Benin for example, and then is brought into Nigeria through its porous borders as smuggled items (WTO 1998). Unionists wonder how textile industries can remain unaffected when places like “china town” a known haven for smuggled textiles can exist in Lagos unchallenged. They allege that many of these products are counterfeit and only recently Nigeria’s Minister of Commerce, Aliyu Modibo expressed concern over the faking of Nigerian textiles by Chinese companies. Therefore, the competition challenge local textile industry is losing is to foreign imports, (legal and illegal) through formal and informal trade. Statistical analyses show an inverse relationship between increase in imports of textiles and textile articles and decrease in average manufacturing capacity in the textile industry. This is also supported by a strong correlation between declining exports in textiles and textile articles and declining quantum of local production of textile products over a ten year period since Nigeria joined the WTO.

Working Conditions In Textile Industries

Most textile industries in the world operate similar working conditions. The homogeneity of working conditions led Wick (2005) to write a guide to codes of international labour practices for the textile and garment industry. In typical textile industries most employees are production workers. While some do handwork, most of them operate machines

(American Textile Manufacturers Institute 2004). Besides numerous kinds of production workers, the textile industry also employs specially trained artists, professionals and technical workers. Since the bulk of the industry workers operate machines, their work conditions deserve more attention. Industry sources (Illinois Work-Net 2004) believe the following are characteristic conditions in typical textile industries:

1. Physical work conditions mean most operators always work indoors and this means exposure to hazardous equipment, cuts or minor burns, (Van Emburgh 1926) sounds and noise levels that are distracting/uncomfortable, and possibly contaminants. This is why training in use of safety/protective measures is required by law in many countries. While newer mills have been improved to minimize health and safety hazards such as provision of temperature and humidity controls, older ones which are prevalent in Nigeria had inadequate lighting and poor ventilation.
2. Since most production workers work with machines, the level of social interaction among workers is low creating a dependency on supervisors for information. This creates a gap that trade unions had to fill by creating an outlet for social, economic or political activism. Sadly workers had to allow the speed of the machinery to set the work pace.
3. At the height of peak performance in the history of Nigeria's textile industry, Fiakpa, Lucky; Ajao, Adewole; Oji, George; and Onyeekamuo, Charles. on "The problem with the Textile Industry", *ThisDay* February 3, 2008) say the firms operated 24 hours a day with three daily shifts. These meant workers worked night and weekend shifts, severely affecting travel or leisure plans.
4. Although in other countries, earnings and benefits in textile industries are fair, in Nigeria, wages in the manufacturing sector are way behind those of the financial institutions and mining and quarrying. Where factories closed, workers were owed terminal benefits in some cases for up to five years. As at the time of writing of this paper, former workers of Kaduna Textile Mills Ltd (KTL) who at time of closure in 2002 numbered 20,000 are still being owed terminal benefits (AIT News 2008)

Workers Rights In The Textile Industry

The fundamental concern of trade unions has been the struggle to secure the right of workers to form and join independent trade unions to bargain collectively with their employers. The ILO Declaration on Fundamental Principles and Rights at Work is infused with Core Labour Standards (1998) whose principal goal is to cover values vital to social and economic lives of workers. The Declaration is one out of the many efforts of the ILO to establish and strengthen the observance of international labour standards within an international economic framework. The rights of workers include:

1. Freedom of association and the right to collective bargaining (ILO convention 87 and 98)
2. Elimination of forced/compulsory labour (ILO convention 25 and 105)
3. Abolition of child labour (ILO convention 138 and 182)

4. Elimination of discrimination in the workplace- employment and occupation, and equal pay for work of equal value (ILO convention)

Labour standards cover those conditions applied to the way workers are treated such as: use of child labour and forced labour, right to organize trade unions and strikes, minimum wage, health and safety conditions and working hours. Declining fortunes in the textile industries have led to compromising of workers rights in four major areas:

1. Safety of workers while at work. Obsolete equipment is a condition that breeds hazardous work(there are no reports of industrial accidents in the National Bureau for Statistics(NBS 2006), in part because of the absence of a health and safety commission as in other countries whose business it is to receive reports of industrial accidents).
2. Training in safety and general education of workers suffered. Human resource experts worry that when organizations want to introduce costs saving measures, the first item that is attacked in budgets is training, especially training that is not production related.
3. Living wage of workers. Generally in Nigeria living wage is not paid in many sectors of the economy, textile industry inclusive. In Andrae and Beckman's (1999) study on "Union Power in the Nigerian Textile Industry", the study documents union struggles to earn minimum wages from their employers, but due to threat of closure and loss of jobs unions agreed to wage freezes or increased production without a corresponding increase in workforce. Invariably employers were not paying workers their due. The authors credit the unions, (especially the NUTGTWN at Kaduna Textile Mills (KTL) in 1991-1992) for negotiating terms of temporary retrenchment/closure of the factories, or reduced hours of work/pay at the point of closures of factories.
4. Discrimination in the workplace between expatriate/foreign workers and non expatriate/ Nigerian workers. This was due largely to the fact that owners of these firms were foreigners who preferred to bring in technical staff from their home countries under the guise of meeting the government's yearning for transfer of technology.

Nigeria's Trade Position after Joining WTO

Nigeria like many other developing countries considers trade as the main engine of its development strategies, because of the implicit belief that trade can create jobs, expand markets, raise incomes, facilitate competition and disseminate knowledge (WTO 2005). Nigeria's current trade policy according to WTO Trade Policy Review 2005 has the following thrust:

1. enhancement of competitiveness of domestic industries
2. stimulating local value added and providing a diversified export base
3. through gradual liberalization of trade regime create an environment conducive to increased capital inflows, transfers and adoption of appropriate technologies
4. pursue liberalization of the trade regime in a very measured manner so that domestic costs of adjustments do not outweigh the benefits
5. pursue reforms aimed at re-orientating attitudes and practices towards modern ways of doing business

In a study on “Import Prohibition as a Trade Policy Instrument- the Nigerian Experience”, Oyejide et al (2007) observe that Nigeria’s trade policy has evolved through different regimes: from tariffs in the 1970s to quantitative import restrictions, import prohibition and import licensing. They observed that by 1986 for example 40% of agricultural and industrial products were covered by various tariffs and import prohibitions. Even after Nigeria became a member of the WTO, the authors observed that there have been “official bans on textile importations” even if enforcement was another problem. When Nigeria joined the WTO it had a planned programme of elimination of tariffs that expired only in 2005 (WTO 2005), so in spite of joining the WTO, Nigeria’s policy was not as liberal as was expected. This is important against the backdrop of the fact that there is significant correlation between imports of textiles and local production of textiles at 0.01 levels (2-tailed) using the statistics in table 2. The Pearson correlation was -.917. This allows us to make a few inferences thus: that trade in textiles increased significantly over the period Nigeria joined the WTO in favour of imports rather than local textile production.. As imports of textiles improved local production decreased significantly over the period. This has resulted in very little manufactured value added over the period of study compared to smaller countries like Mauritius or South Africa (see table 1). Domestic industries have not been as competitive and capital inflows have not been too low to inject new a lease of life into the textile industries In fact by 2007 all nine firms in Kaduna had closed down and no new investors have been recorded in the last ten years.

Trade And Social Change Challenges For Nigeria

Globalisation has proved a complex and multi-faceted process for workers around the world, so are the strategies workers must adopt to face its challenges. One of the least mentioned causes of declining local production of textiles but increasing levels of imports of textiles or smuggled clothing (used and new) is the social change taking place among consumers of textiles and textile articles. The new information communication technology (Internet and satellite TV transmissions) allows the world to copy lifestyles from one part of the world to another. Of course since the US is Nigeria’s largest trading partner little wonder that many youths and the young at heart constituting 53% of Nigeria’s over 140.000,000 people take their lifestyle cues from the US. Given declining purchasing power, there is a ready market for smuggled used clothing rather than local textiles made at greater cost which are not even ready to wear at point of purchase. This is collaborated by Hansen (2000) in her book “Salaula: The World of Secondhand Clothing and Zambia” which studied how different social, cultural and economic factors affect young people’s possibilities to acquire the kind of skills required to become social adults in their time. Clark and Palmer* also allude to old clothes giving young people new look as a global business where clothes are passed between social and economic groups. Nigeria therefore needed a response like what other countries do; produce clothing articles that reflect the social change taking place.

Impact of Trade Challenges On Workers’ Rights

As social change fuelled trade, all local textile industries just like in Kaduna became less competitive and finally closed down. It is safe to come to some conclusions:

1. In principle there was freedom of association and the right to collective bargaining. However, this right was eroded by the prevalence of job insecurity in the Nigerian textile industry. Unions have struggled to hold on in hopes of securing jobs of their members, but always they have lost. Rather than negotiate terms and conditions of employment unions struggled to negotiate terms of disengagement of workers. (Andrae and Beckman 1999). According to Fanimu, Dele; Sanyaolu, A; and Akhaine, S. 2007. "UNTIL Closure: Fresh Assault on Human Capital", The Guardian. October 7, 2007, while total job losses in the textile industry as a whole over the period under consideration was over 120,000, in Kaduna alone the final closure of textile firms and corresponding job losses was as follows: Kaduna Textiles Ltd - 2,436; Arewa Textiles Plc - 2,815; UNTL – 4,000; Supertex (subsidiary of UNTL) -1,514; Unitex (subsidiary of UNTL) - 901; Finetex - 795; Nortex Ltd - 1,325.
2. Union size shrunk considerably too. If might is considered strength, then unions suffered a big blow particularly in the period of the study. The National Union of Textile, Garments and Tailoring Workers of Nigeria (NUTGTWN) shrunk from 75,300 members in 1980 to about 20,000 in 1992 (Andrae and Beckman 1999). Operational zones of the Union declined from 16 to 8 according to Omoh Gabriel and Aictor Ahiuma-Young in their article on Textiles not tapping into the \$31bn US Booming Garment Market (*Vanguard*, April 14, 2008). The ability of unions to collectively bargain so as to influence conditions of work, secure gains for its members or stave off redundancies was irreparably impaired. In the textile industries in Kaduna, a union member had said in bad times companies reduced labour and workers were obliged to man more machines, while the external economic environment always caused financial losses, retrenchment, closures and under-utilised capacity
3. A fallout of the attrition in union membership was the attendant decline in the financial base of the unions. With fewer members whose pays were low and irregular, unions were financially emasculated making it more onerous for them to safeguard workers rights.
4. Pay in the textile industry was below comparable figures in other sectors of the economy such as the financial institutions and quarrying and mining (NBS - 2006). By 1990 the Andrae and Beckman study revealed that wages as a proportion of production cost had dropped to 5-6% in the textile industry, implying that pay was on a steady decline.
5. Workers worked under undesirable work conditions due to non-competitiveness of the industry. The RMRDC (2003) indicated that no new equipment came into the country since the 1960s when these factories were established and this was validated by total fixed assets book value of textile industries which had moved only marginally from N18.1billion in 1997 to N165billion in 2006 (NBS 2006). This explains why in spite of the N70 billion intervention fund promised and announced by the Federal Government of Nigeria it did not make any difference, factories still closed. When industries are non-competitive they undertake many costs saving measures to just meet the minimum requirements of the law and nothing more. Invariably workers' welfare, health and safety are compromised in the process. This also tends to cool union relations between management and

workers. In Northern Textile Mills and Chellco Ltd for example, management (government and Indian) kept unions at arms length successfully during most of their existence

Conclusion

This paper has given a brief background on the textile industry where trade occasioned by globalisation but coinciding with Nigeria's joining the WTO has caused a serious decline in workers rights. One of the benefits and challenges of globalisation is social change resulting in choice of what people wear. Because Nigeria's textile industry's major product is the African Print with no outlets for garment manufacture, when affected by economic conditions and lack of fresh investment, what resulted was closures in textile factories. In Kaduna, North Central Nigeria all the textile factories closed resulting in job losses, shrinking unions, poor pay and hazardous conditions. The answers to declining workers' rights do not lie in the factories that have died but rather in those that are alive, and where pockets of national unions still exist.

Recommendations

We make the following recommendations assuming that in the first place supporting basic infrastructure, an enabling environment will be provided by the government. An enabling environment all manufacturing firms in Nigeria need is reliable infrastructure, so that companies do not incur extra costs of doing business in Nigeria such as generating one's own power. The response mechanisms by companies to the notorious inefficiency in public electricity supply include: private provisioning; factor substitution i.e. adjustment of machinery from electronic to mechanical/manual Just improving upon public electricity supply will substantially reduce the cost of finished goods and help companies be more competitive regionally and globally.

1. Attracting fresh private investment into the industry. As earlier said with an enabling environment fresh private investment can be attracted into the textile industry. Unions have partnered with international federations for sustenance of governance issues (Schmidt 2008), one other thing unions can do is partner with foreign investors to buy parts of a company through the privatisation efforts. Recently the Petroleum and Gas Senior Staff Association of Nigeria (PENGASSAN) partnered with African Petroleum (AP) an oil company to bid for purchase of controlling shares in Texaco Oils Nigeria. This kind of partnership will help unions inject fresh investment into needed sectors and make them key players in the industry.
2. Diversifying product base. The textile factories still alive must diversify their product base and preferably go into garment making. Textile industry in other countries feed the garment making industry. So present textile firms can start subsidiary firms that can grow over the years to come. This can then boost export promotion.
3. Mainstreaming trade into export. In a national workshop on "Nigeria's Imperative in the New World Trade Order" in 2003, participants made this recommendation which bears repeating: all stakeholders must mainstream trade into Nigeria's economic development and poverty reduction. This means we must re-envision industry in such a way that there is synergy between production and technology

- and in turn integrate Nigeria with the global trading system where our products compete as though there are no boundaries. For really, as Pelosky and Stanley agree that “there’s no purely domestic industry anymore”.
4. Promoting an export culture thus growing domestic and export demand for local textiles. Although Nigeria is the destination market for most trading partners such as China, U.S and Holland for the textiles, ultimately to improve our share of the market on the world scale Nigeria must export, whether to the sub region or the further parts of the world. All global players operate in international markets. China is said to be aiming to increase her foreign trade volume by outpacing world average by 4% annually to remain above 10% in fifteen years (Trade Determinants, 2007). Many experts also say Nigeria must start growth targeting, whether in exports or overall trade. Export promotion will be linked to other things like tourism promotion to promote local products to international status the way Chinese, Japanese and Italian cuisine have become international.

References

- Andrae Gunilla and Bjorn Beckman. 1999. *Union Power in the Nigerian Textile Industry: Labour Regime and Adjustment*. Business and Economics
- American Textile Manufacturers Institute. 2004,
- Central Bank of Nigeria. 2000. *Statistical Bulletin*. Retrieved from www.cenbank.org
- Central Bank of Nigeria. 2006. *Statistical Bulletin*. Retrieved from www.cenbank.org
- Hansen, Karen T. 2000. *Salaula: The World of Secondhand Clothing and Zambia*. University of Chicago Press.
- Illinois WorkNet Center. 2004. Retrieved from [www. My Illinois workNet.org](http://www.MyIllinoisworkNet.org)
- ILO. 1998. ILO Conventions 87 and 98. Retrieved from www.icftu.org
- Intercontinental Bank Plc. 2004. Review of the Nigerian Textile Industry
- National Bureau for Statistics (2006) *Annual Abstract Statistics*
- Mbendi . 2000. An Mbendi Industry (Sector) Profile for Nigeria: Textiles and Clothing. Retrieved from www.mbendi.co.za
- Olofin, S 2002. “Trade and Competitiveness of African Economies in the 21st Century”, *African Development Review*, Vol 14. No.2. P298-321
- Oyejide Aemola, A. Ogunkola and A. Bankole. 2000. Import Prohibition as a Trade Policy Instrument: The Nigeria Experience. *Managing the Challenges of WTO Participation*. University of Ibadan
- Pelosky Jay and Stanley Morgan. 2002. CIBC Markets
- RMRDC. 1996. “Nigeria’s Textile Industry” retrieved from www.rmrhc.gov.ng/MTF96
- RMRDC. 2002. “Strategies for Harnessing the Potentials of Textile, Wearing Apparel, Carpet, Leather and Leather Products in Industries in Nigeria”, Report of Two Seminars organized by RMRDC and Manufacturers Association of Nigeria(MAN), Lagos & Kaduna, July and August.
- Schmidt, Verena. 2008. *Trade Unions response to Globalisation*. Geneva: ILO
- The World Factbook. 2004. *Nigeria*. Retrieved from www.travlang.com
- Wick Ingeborg . 2005. *Workers’ tool or PR ploy? A guide to codes of international labour practice*. 4th revised edition. Friedrich Ebert Stiftung.
- UNIDO. 2005. *UNIDO Industrial Development Report*.
- Van Emburgh, G.H. 1926. “Safety in the Textile Industry”. *Annals of the American Academy of Political and Social Science Vol 123*. Retrieved from www.jstor.org
- World Trade Organization. 1998. “Trade Policy Reviews”- Nigeria 1998, retrieved from www.wto.org
- World Trade Organization . 2005. “Trade Policy Reviews”- Nigeria 2005, retrieved from www.wto.org

Published by the Forum on Public Policy

Copyright © The Forum on Public Policy. All Rights Reserved. 2008.