

Abstract

This paper studies the employment intensity of output of Indian Textile Industry during the decade 1999-2000 to 2009-10. The analysis was done on the basis of secondary data from NSSO and CSO. The qualitative information about the industry was gathered through the primary survey. The study analysed the employment and output trend of the Indian textile industry and found that the industry has been facing a recession in terms of both employment and output. Though the average rates of growth from 1999-00 to 2009-10 are positive for both output and capital, the growth rate of employment is negative. The present research tries to make an attempt to identify the factors affecting the employment growth of this industry.

During the recession in 2008-09 employment growth in the textile industry has been affected more adversely than output and Capital. The sector was expected to boom after the abolition of Multi-fibre Agreement (MFA) in January 2005, but the expected results were not found, rather the employment in this sector slightly declined during the second half of the decade.

Region-wise various infrastructural, technological, human resource and procedural issues of the industry, identified during the primary survey, which has impact on the growth of the sector are discussed in the paper. To address these issues Government initiatives and their effectiveness are also studied.