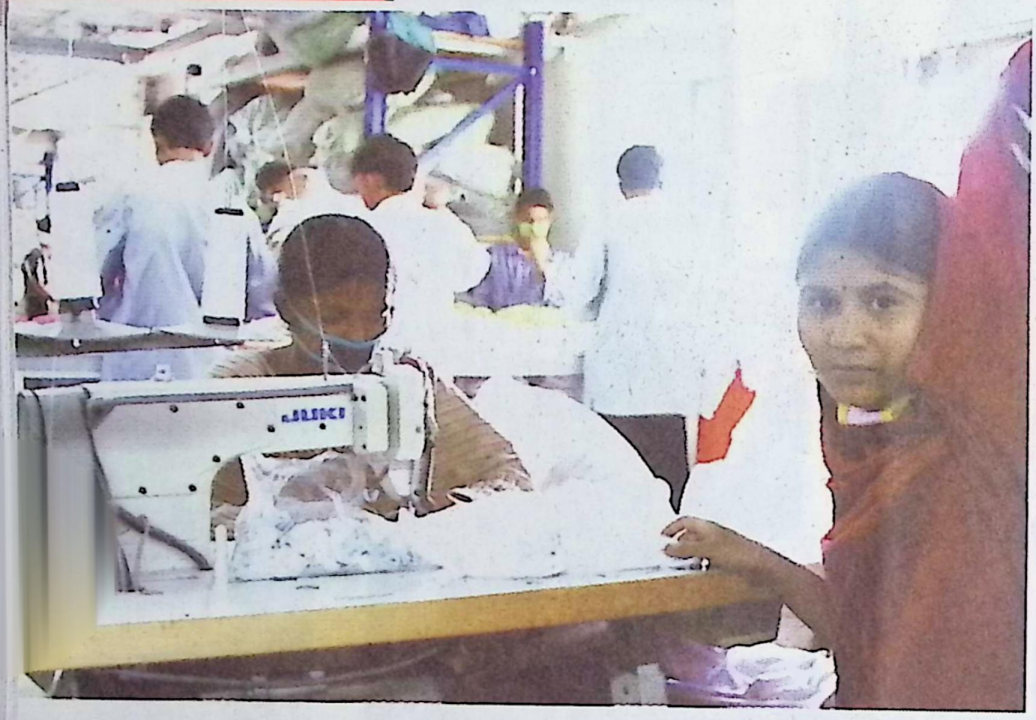
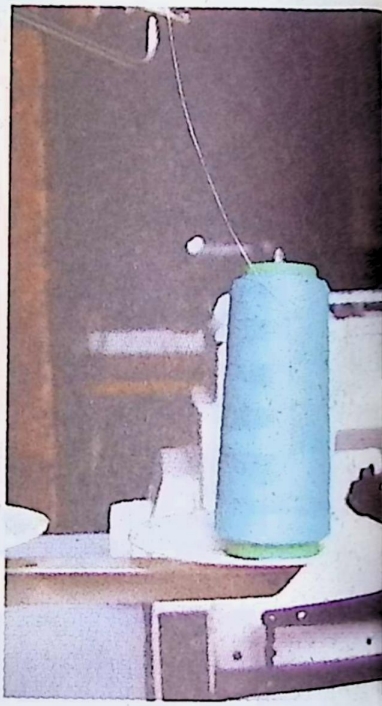




Other problems that afflict the sector include repeated labour trouble, and a lack of efficiency, which currently stands at less than 50%.

not change and are simply looking for a handout are those most likely to be left behind by this recession. This, in a way, is a wake up call that the garments sector needs to answer; it must restructure itself and change or suffer the consequences.

Even then, not everyone sees this as an opportunity for change, Abdus Salam Murshedy, President, BGMEA says, "without government help our industry will suffer unbelievable damage. Just look at our main competitors, India, Pakistan, China, Vietnam and Cambodia they are all getting cash subsidies and huge government support and that is how and why they have been able to control their garments sector. They are going through exactly what we are going through, the only difference is they have got genuine governmental support and we have nothing." Aside from government support India, Pakistan, Vietnam and Cambodia have also all experienced major currency devaluation in the past year, 30.91%, 27.62%, 10.21% and 5.78% respectively, in comparison to 0.61 in Bangladesh, thus making their exports cheaper than ours. This could push more buyers away from Bangladesh to their countries as they will be tempted to move to countries where the government supports the garments industry and where devaluation has made their imports cheaper.

The problems are compounded by the fact that orders are down from every single retailer in the US and Europe with the exception of Walmart. The Utilization Declaration (UD) for the month of January was down 4.98% and in February they were down a whopping 17.58%, while the figures for March have not been pub-

