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Textile Industrial Added Value Grow 13.3% in First Two Months

DATE: 2010-03-24

According to State Bureau of Statistics, the statistics worthy enterprises reported 20.7% growth in their industrial added value in Jan. and Feb. this year, 16.9 points higher than same period last year, and 2.2 points higher than last Dec.

Divided by sectors, 38 industries remains the positive growth, except one. Of which, textile industry grew 13.3%; chemical industry grew 25.1%; non-metallic minerals industry grew 23.2%; general equipment industry grew 22.3%; transportation equipment industry grew 43.7%; electronic machinery industry grew 18.9%; communication and computer industry grew 26.4%; power industry grew 17.2%, metallic smelting industry grew 20.9%.

From those data, we could see Chinese industry remains its recovering trend which starting from last late half year. Nevertheless, we need to know that the industrial added-value growth rate in last Jan. and Feb. was only 3.8%. It was the lowest point in last year. The quick growth now is based on the low tempo.

Source: CTEI News

Credit Evaluation for Textile & Clothing Enterprise Kick-off

DATE: 2010-03-24

On March 15th, China National Textile & Apparel Council held a press conference to announce the kick-off of credit evaluation program for textile & clothing enterprises. The building of credit system in textile and clothing industry, and the evaluation program connects to the benefits of enterprise and related parties. Participation into this program will help enterprise construct its own credit management system and build a good image in the market. It is also helps create the business opportunities and financial conditions, as well as a convenient way for administrative department to supervise the enterprises.

CNTAC will implement the credit evaluation program in their member enterprises. The primary principles include objective, voluntary, open and transparent. It is a long term program. The

interested enterprise could apply for evaluation from now on. The results will release to the public twice a year.

The evaluation methods and technical index are based on related regulations and rules, and formulated by CNTAC Enterprise Credit Evaluation Committee. The committee members come from officials in CNTAC and its subsidiary associations, experts from college and institutes, as well as professionals in management, law and credit fields. The standing body of this committee is CNTAC Credit Office, who is responsible for the specific work.

Source: CTEI News

2010 CHIC, Intertextile & Yarn Expo to Unveil in Beijing

DATE: 2010-03-24

Three trade fairs, China International Clothing and Accessories Fair (CHIC), Intertextile Beijing Apparel Fabrics, and Yarn Expo Spring, with big influence in textile and apparel industry, are going to unveil in Beijing at the end of March. In the post-crisis era, the companies are extending their domestic market share, maintaining their international market share, exploring emerging market and cultivating new growth points. Three trade fairs taking place in the same place and same time will start a good situation for this industry. With the help of Invigorating Plan for Textile Industry from the State Council, this industry is recovering, which reflected in the fair scale and exhibitor number.

The 18th China International Clothing and Accessories Fair (CHIC2010) from March 28 to 31 will be held at the new China International Exhibition Center (New CIEC). The fair is co-organized by China National Garment Association, China World Trade Center Co., Ltd and The Sub-council Of Textile Industry CCPIT. More than 900 brands from 771 exhibitors and 23 countries and regions, (467 domestic exhibitors, 304 from overseas), will be exhibited during the fair. The grand gala of China's garment industry, CHIC2010 will include eight exhibition halls with a total area of 100,000 sq.m. About 20 types of garments will be displayed in 10 sections, including men's wear, women's wear, casual wear, kid's wear, leather and fur, down wear, accessories, creation design and fashion.

Intertextile Beijing Apparel Fabrics is to be held next month from 30 March to April 1st 2010 at the China International Exhibition Centre, Beijing. The fair is co-organized by China Textile Information Center, Messe Frankfurt and The Sub-council Of Textile Industry CCPIT. It is one of the most significant industry trade events in northern China, attracting nearly 1,114 exhibitors from 17 countries and regions (868 domestic exhibitors and 246 from overseas). The fair has also maintained growth in scale and has reached 50,000 sqm of exhibition space this year. Several new features introduced this year will improve overall fair layout and assist visitors maximise their sourcing time. Apart from the wide variety of apparel fabrics and textile related suppliers confirmed to participate at the fair, a comprehensive Design & Trend seminar programme will be held on 30 March 2010 in Room 201. Simultaneous mandarin Chinese and English interpretations will be provided for those seminars.

Yarn Expo Spring from March 31 to April 2 will be held at China International Trade Center in Beijing. The fair is co-organized by China Textile Information Center, Messe Frankfurt, China Cotton Textile Association, China Wool Textile Association, China Chemical Fibre Association, China Hemp & Flax Textile Association, and The Sub-council Of Textile Industry CCPIT. The show features nearly 99 exhibitors from 5 countries and regions. The increased participation on the exhibitor side supports the show concept and timing, and proves Yarn Expo is considered a valuable platform for fibre and yarn suppliers to promote their products in China. Visitors will find a variety of textile related products and be able to source a wide range of fibres and yarn including compact combed cotton yarns and twisted yarns, chemical fibres, speciality fibres, functional fibres, eco-friendly fibres,

Source: China Textile Network Company

blended yarns and fibres plus much more. Another key feature is the chance to get up-to-date information on the latest trend in China in the “2011/2012 Fabrics China- Yarn Trends” seminar.

Source: CTEI News

CHIC 2010: Activities - Bringing Wisdom to the New Future

DATE: 2010-03-23

Presenting the pioneering products and service, CHIC is not merely a fair but a comprehensive event, integrating forum, award, trend release, seminars, etc. The fair each year invites franchisers, dealers and distributors around China, Asia, and even the world, and organizes various kinds of distinctive activities. At CHIC, the participants can not only have their business targets achieved but also acquire considerable information on market, management, business mode and other aspects.

To play a major role in the global apparel industry, CHIC has much more to offer. However, progression from the current state of development to a higher international standard is entirely in the hands of CHIC itself. CHIC is in its growing stage in China and it has great potential.

CHIC 2010 Activities	
Exhibition Timetable:	
March 28-30	Opening Hours 09:30-17:30
March 31	Opening Hours 09:30-15:00
Banquet:	
China Cashmere Night	17:00 March 28 Venue: 2nd Floor Banquet Room, Crowne Plaza International Airport Beijing
JACK 2009 China National Garment Association Award	20:00 March 28 Venue: 21 Century Theater, Beijing
Brain Storm:	
China Garment Commercial Forum-2010 Joint Annual Meeting of China Garment Distributors & Retailers and China Garment Distributors Fortune Forum	10:30-17:30 March 28 09:30-17:30 March 29-30 Venue: Conference Room W101, New CIEC
CHIC2010 China Garment Buyers Forum	13:30-17:30 March 28 Venue: Conference Room W103, New CIEC
RUYI 2010 China Fashion Forum Theme: Searching for the Direction of Fashion Brands Development	
	March 29-30 Venue: China World Hotel
How to Enter Russia's Market for Chinese Garment Brands Seminar	14:00-17:00 March 28 Venue: Conference Room W103, South Registration Hall, New CIEC
Show:	
2011 Spring/Summer Fashion Trends	March 28-31, Image Display Venue: South, East and West Registration Halls, New CIEC
	10:30 March 28, Fashion Show Venue: Fashion Show Hall, New CIEC
China Top 10 Kids' Wear Fashion Release	March 28-31, Image Display Venue: E4, New CIEC, Beijing

Source: China Textile Network Company

	16:30-17:00 March 30, Award Ceremony and Fashion Show Venue: Fashion Show Hall, New CIEC, Beijing
Fashion Release in the new China International Exhibition Center	March 28 12:30-13:00 HIGH FASHION DAY - High Fashion (CHINA) 2010 Autumn/Winter Ready-To-Wear 14:30-15:00 Haining Vogue Wind - 2010 MODEKUU Fur Fashion Show 16:30-17:00 SAMSARA OF CLASSIC•NEW DANDY - ALT Fall Fashion Collection of 2010
	March 29 10:30~11:00 Andr Kim Show 12:30~13:00 Korean Brands Show (I) 14:30~15:00 IN ROMA-2010/11 Autumn/Winter High-Quality Men's Wear Press Show 16:30~17:00 CHIC2010 Fashion from Overseas
	March 30 10:30~11:00 Korean Brands Show (II) 12:30~13:00 Korean Brands Show (III) 14:30~15:00 AMICI & RAG MART F/W Fashion Show
Mark fairwhale 2010 Autumn/Winter Women Ready-To-Wear	19:30~20:30 March 28 Venue: Beijing Exhibition Center
Design Release of China Fashion League	18:30-20:00 March 29 Venue: No.1 Television Hall, Beijing Broadcasting Tower Hotel
Press Conference:	Venue: Conference Room W105, South Registration Hall, New CIEC
	March 28 11:00-12:00 Youngor Brand Strategy Press Conference 13:00-14:00 "Fashion A Time of Creativity Power" Press Conference 14:30-15:30 News Conference of Zhili - China Famous Town of Kids' Wear and Brand Cashmere Clothing
	March 29 09:40-10:40 City of Casual Wear - Shishi Press Conference 11:10-12:10 North America and E.U Apparel Market Trend Presentation of Texworld USA APP HTFSE and CTAF (PARIS) 13:00-14:30 Garment Industry Promotion Meeting of Xunxian County in Henan's Hebi City 15:00-16:00 2nd West China (Yinchuan) Clothing & Accessories Arts Festival 3rd China Ningxia International Cashmere Expo 16:30-17:30 WGSN Seminar:Global Fashion Trends Forecast-10/11 F/W & Future
	March 30 11:10-12:10 Mode Shanghai Press Conference 15:00-16:00 Dadida- Read It, Wear It" News Conference 16:30-17:30 How to Enter China's Market for Foreign Brands Seminar

The above schedule is updated up to March 16, 2010. The name and content of the activities is subject to the final version published by the organizer.

Source: CTEI / TA Weekly News

Source: China Textile Network Company

Chinese Premier: trade and currency wars harmful

DATE: 2010-03-23

BEIJING - Chinese Premier Wen Jiabao on Monday urged all countries and companies not to start trade and currency wars, which would be harmful to the recovery of world economy.

"We are happy that the world economy shows good signs of recovery, however, some factors make us feel that the recovery will not be so smooth," Wen told some 60 delegates at the two-day China Development Forum 2010.

He mentioned some of the factors, such as the high unemployment in some big economies, unstable prices of bulk products and inflation.

He added "all responsible countries and business people should refrain from starting trade and currency wars. That won't help us cope with difficulties, but just curb cooperation."

Chairman of the Morgan Stanley Asia Stephen Roach expressed that most delegates were worried about the emerging trade disputes and protectionism, in his question to the premier. Wen said those who thought trade protectionism would help their economy recover, would find those measures counter-productive.

He stressed that China was not pursuing a trade surplus and wanted to enlarge the country's imports.

"To keep a balance of international payments is the goal we are working towards," Wen said. He reiterated that China will change the way its external economy develops, and work hard to expand domestic demand.

The forum runs from Sunday to Monday and its theme is "China and the World Economy: Growth, Restructuring and Cooperation".

Source: China Daily via CNTEX

Consumption of Textile & Garment Grew Fast in Jan. & Feb.

DATE: 2010-03-22

According to the latest data from State Statistics Bureau on March 11th, the total retail sales of consumer goods accumulated to 2505.2 billion yuan in Jan. and Feb. Of which, the sales of textile and garment valued 110.5 billion yuan, up 23.3% year over year. The growth rate is 5.4 points faster than the general rate of consumer goods. The major drive factor for the consumption of textile and garment was Spring festival. For Feb. alone, the total retail sales of consumer goods was 1233.4 billion yuan, up 22.1%. Of which, the sales of textile and garment were 55.3 billion yuan, up 58.4%. The growth rate is 36.3 points faster than the general rate of consumer goods.

On the other hand, the price of clothes went down 0.9% in Jan. & Feb. comparing to same period last year. While the general consumer price index grew 2.1%. For Feb., the clothes price went down 1.3%, comparing to the positive CPI growth as 2.7%.

Other data news, the ex-factory price of clothes grew 1.8% in Jan. and Feb., while the ex-factory price indices of industrial products was 4.9%. For Feb., the ex-factory price of clothes grew 2.6%, while the ex-factory price indices of industrial products was 5.4%. The prices of raw material for chemical industry grew 4.8% in Jan. and Feb. The general price index of raw material was 9.1%.

Source: China Textile Network Company

The raw material cost pressure of clothes was smaller than other products. That is why the price growth of ex-factory price of clothes was as low as other products.

Source: CTEI News

Economic rebalance biggest challenge for China

DATE: 2010-03-22

China's biggest economic challenge is the need to rebalance the economy in order to achieve sustainable long-term growth, says Haruhiko Kuroda, president of Asian Development Bank (ADB).

"Rebalancing the economy is not only a key challenge for the whole world, but also the biggest challenge for China," said Kuroda in an interview with Xinhua on Sunday.

Kuroda, who is in Beijing to participate in the China Development Forum 2010, said China should speed up its economic restructuring and increase personal consumption to rebalance its economy.

"Sustaining long-term growth in China will require substantial economic restructuring," Kuroda said.

He said over-reliance on investment, exports, and industrial development in China had created imbalances and structural constraints.

Kuroda said to increase consumption, China should further develop services, which would play a major role in improving production efficiency, and promoting technical progress and innovation.

"While manufacturing will remain a key sector in China in the coming years, the service industry has the potential to become an important source of growth," he said.

China should pay more attention to the development of tourism, transportation, financial services, energy and clean technologies.

To bridge the income gap and regional disparities, China should invest more in rural areas by improving infrastructure, education and health care facilities.

He said he believed that as the biggest contributor to the global economic recovery, China would continue to contribute to the global growth in coming years with its growth model refocused to a sustainable mode.

Source: Xinhua via CNTEX

Migrants cash in on labor shortage

DATE: 2010-03-12



A recruiter from a furniture factory seeks experienced workers at a job fair held in Xuchang, Henan province, shortly after the Spring Festival holiday. Migrants are being paid 10 to 20 percent more than before thanks to a shortage of qualified workers.

As a labor shortage grips China, companies must pay up or risk shutting down. Qiu Quanlin in Guangdong and Gao Changxin in Shanghai report.

In business, when demand far outweighs supply, it is always good news for the sellers - a fact that has not been lost on migrant workers amid the country's labor shortage.

When the financial crisis hit manufacturers in South and East China last year, it was the workforce that felt it most, with factories resorting to mass lay-offs and pay cuts just to stay afloat. Now, orders are starting to flood back in and employers are once again desperate for hands.

Following a sharp drop in the number of migrant laborers returning to the Pearl River and Yangtze River deltas after Spring Festival, however, competition for staff has become intense. Experts say companies are being forced to raise salaries and offer extra benefits as workers look to cash in on a sellers' market.

"Migrant workers are a lot more fussy than before," said He Suwei, chairman of Hangzhou Weibang Airflow Spinning Co in Zhejiang province. "They don't just talk money; they talk about working environments, holidays and other fringe benefits we have not even heard of before. Workers have more say than us now because they have a wider choice."

The textile factory, which lies on the outskirts of the provincial capital, Hangzhou, employs about 100 workers and has been doing roaring trade in the last several months as the nation continues to recover from the global economic meltdown.

He Suwei wants to recruit about 10 more people to meet the increased workload, but he is not alone. Many neighboring factories have also posted advertisements to entice staff with attractive benefits.

"We have no choice but to match all offers. Offering bigger salaries is a trend we must follow, otherwise we face huge losses due to late deliveries," said He.

Workers at the factory will each receive an extra 150 yuan (\$20) in their March wage packet, pushing their salaries up to about 2,000 yuan a month - 40 percent higher than before the onset of the global recession, said He. The boss has also thrown in free lodging and lunch subsidies to sweeten the deal.

At nearby Hangzhou Maria Textile Co, a company with a 20-year history and more than 200 staff, owner Cao Yakun said about 10 percent of his employees - mostly skilled workers - did not return after the Lunar New Year holidays last month.

"I had no choice but to raise the salaries of my less experienced workers from 750 yuan a month to 960 yuan," said Cao. "Also, to make sure the workers who did return stayed, I boosted my skilled workers' pay by 10 to 15 percent."

A poll of more than 300 companies impacted by the labor shortage showed almost 90 percent had increased wages to either keep or attract staff, said the Beijing-based Taihe Consulting Company. About 75 percent had opted to lower their criteria for new recruits, and 27 percent enhanced training for workers, the poll showed.

Cao complained that the increase in labor costs, coupled with a spike in prices for raw materials, is seriously eating into his company's profits. But these conditions are much better than the alternative: having to shut down production.

"We have had to suspend two of our processing lines because we cannot find people to work on them," said a manager surnamed Huang at Quanyi Shoe Machinery Co Ltd in Lishui town, close to the city of Foshan, one of the Pearl River Delta's largest industrial hubs in Guangdong province.

The factory restarted operation in late February but only 70 percent of its staff returned to work. "Not only have we lost our existing workforce, we're also struggling like many factories in Foshan and neighboring cities to attract new workers," said Huang.

Liu Yonghao, one of China's richest men and a member of the Chinese People's Political Consultative Conference, welcomed the labor shortage because it puts migrant workers in a stronger bargaining position, as well as forces companies to be less discriminatory when recruiting. "The labor shortage is a very good thing. Migrant workers are being paid 10 to 20 percent more than before, while those aged 30 and older are finding it easier to get jobs," said Liu, chairman of New Hope Group, an agribusiness enterprise based in Sichuan province. "Employers are now less picky about the sex of new workers. Also, some companies used to only recruit workers from certain provinces. They dare not do that now."

Factory boss He in Hangzhou, who said about 80 percent of his staff come from Sichuan and Anhui provinces, explained that many business were now looking to hire workers aged 30 to 40 because "they are usually more matured and stable".

At a State-run labor market in Shanghai's Minhang district, many of the jobseekers scanning the screens for the latest vacancies - mostly in construction and security - said they were looking for a job with a "little bit extra".

"A job is really easy to get now so I want higher pay," said Yu Mao, 28, a migrant laborer from Hubei province who has worked in the metropolis - part of the Yangtze River Delta - since 2003. "I'm looking for about 2,000 yuan a month."

In both the Pearl River and Yangtze River deltas, where cheap migrant labor has fueled rapid economic development over the last three decades, recruitment firms say they have a real job on their hands.

More than 400,000 positions were up for grabs across Zhejiang in the first week after Spring Festival, up 19 percent over the same period last year, showed human resources statistics released by the provincial government. However, the number of registered jobseekers was just 106,800, representing a fall of almost 30 percent.

At a job fair last week in the city of Zhanjiang, usually a major source of labor in southwest Guangdong, more than 250 companies from Dongguan, Zhuhai and Zhongshan sent representatives to fill about 39,000 jobs. Less than half of the 10,000 applicants they managed to attract were hired, sources with the provincial labor authority told China Daily.

Guangdong alone is short of about 900,000 workers, according to Liu Zhigeng, Party chief of Dongguan, who explained that his city needs almost 200,000 more hands. Those most in need are

clothes manufacturers, printing and packaging firms, the service industry, and transport companies, said labor officials.

"Recruiting is always hard after Spring Festival but this year it is even worse," said Tang Jianjun, human resource director for Shanghai Yuzunzijue Entertainment, which runs a chain of nightclubs. "Companies in the service industry, like ours, are the hardest hit by labor shortages because most migrant workers think working as a waiter or attendant is menial. Once they have choice, they won't choose us."

Bosses at Shanghai Yihsin Industry, a laptop manufacturer under Huan Hsin Holdings, said they plan to add 1,000 assembly line workers to its staff this month but are reluctant to raise salaries above the minimum wage of 980 yuan set by the municipal authority.



Private factory owners use boards boasting attractive salaries and extra benefits to recruit workers at a job market in the suburbs of Guangzhou, capital of Guangdong province. The province is short 200,000 workers, say officials.

"Manufacturers have a very low profit margin. If we raise their pay we face a situation where we will have no profit at all," said human resource director Sun Yiduo. "Shanghai has the highest minimum wage on the Chinese mainland, so it is easier to hire here than elsewhere. Recruiting for our factories in Qingdao (Shandong province), where the minimum is 760 yuan a month, has been so much harder."

The labor shortage is the result of many factors, say analysts, but one of the biggest is the sudden rush in overseas and domestic orders being received by factories.

Dongguan recorded exports worth almost \$5 billion in January, an increase of 34 percent over the same month last year, as trade continued to return to post-financial crisis levels, according to a spokesman for the foreign economic and trade department. However, by the end of last month, less than half of the three million migrant workers who left Guangdong and headed home for Spring Festival had returned, said Zhang Xiang, a publicity official with the provincial labor authority.

"Many companies restarted operations earlier than expected after the Lunar New Year as they secured more orders," said Zhang. "They had to cut employees during the global financial crisis, now they need even more to sustain growth." Firms began hiring temporary workers during the second half of last year when business started to bounce back, but now they need a long-term employment strategy, he said.

The success of the nation's 4-trillion-yuan stimulus package in creating more job opportunities outside of the nation's industrial and economic centers has also contributed to the shortage, argue experts.

A poll of migrant laborers by the Ministry of Human Resources and Social Security this year found that 62 percent planned to return to the jobs in Pearl River and Yangtze River deltas after the Lunar New Year festivities, reported Xinhua News Agency. However, 30 percent could not guarantee they would go back.



Migrant workers work the machines at a busy shoe factory in Jinjiang, Fujian province. Only 90 percent of the factory's workforce returned after the Spring Festival holidays.



A teacher demonstrates electric welding at Taihe Vocational Training Center in Jinzhou, Liaoning province, where short-term training courses are being held for laid-off workers.

Because of the high costs of living in the big cities, most workers are prepared to accept lower salaries for jobs closer to their families.

Xiao Zhiheng, vice-governor of Guangdong, said many farmers in the western, northern and eastern parts of the province have chosen to work for companies that have opened bases close to their hometowns as part of an industrial transfer plan introduced in 2008.

The rapid development of other regions, such as the Beibu Bay, off the coasts of the Guangxi Zhuang autonomous region and Hainan Island, and Bohai Bay in Liaoning province, has also helped divert laborers, said Zhang Yi, a researcher with the population and economic research institute of the Chinese Academy of Social Science.

"Massive construction projects in inner regions, which are traditional sources of labor, are now attracting laborers themselves. So it is no surprise companies in the Pearl River Delta have found it hard to find staff," he said.

Authorities in Shanghai and Guangdong have both adopted measures to help migrant workers and factories, including providing professional skills training, and officials said they are confident laborers will start to flood back into the deltas. However, experts are not so confident and suggest that the lay-offs and pay cuts rolled out at the height of the financial crisis last year may put some people off from venturing away from home.

"Both governments and companies need to change their attitude towards the migrant workforce," said Zhang Yi. "They need respect, and need stable and guaranteed lives. If the enterprises expect to always have laborers at their disposal, this kind of shortage will always be a headache."

Xu Guangjian, vice-president of the school of public management at Renmin University of China, added: "Although the supply of migrant workers is still abundant nationwide, an aging population coupled with a reduction in new labor in the long term means the bonus of China's large population - cheap labor - will not be an inexhaustible resource forever."

To ease their reliance on cheap labor, enterprises in the deltas are being urged to improve their use of technology.

"Sooner or later, labor is no longer going to be cheap in China and manufacturing companies will start to move elsewhere, just like what happened in Japan and South Korea," said business leader Liu Yonghao. "Companies have to upgrade their technologies and produce goods with more added value. Governments also must work with companies to solve migrant workers' problems with housing, medical insurance and education. This will help them to feel safer when working in cities."

Hangzhou textile boss Cao said he is already planning to buy new machinery to help improve efficiency and reduce the reliance on workers.

"If it helps to push forward industrial upgrading, the labor shortage may be a good thing for companies, too," added Dongguan Party chief Liu Zhigeng.

Source: China Daily via CNTEX