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LIGHT INDUSTRY IN ŁÓDŹ AND MEMBERSHIP CONDITIONS IN THE EU

The textile and clothing sectors in the EU have over 177 thousands firms employing about 2,7 million people creating detailed investment alongside economical and social progressing. A feature characteristic of the light industry countries of the EU is high regional concentration. This creates liberal markets and abolishes imports as seen occurring around the start of January 2005, a consequence firms have came to face. Yet, the governments of these countries have the duty to develop terms that will protect the general guarantee for effective competition and subjective economy in an emerging environment.

The initialization of international trade and reveille of progress was achieved along side the idea that firms should be dissuaded from dishonest competition on worldly markets. There was also promotion of a system using merits. Where good marks and stabilization were conditional functions of companies and help them to overcome the issues of bringing in new entities to solve high-risk concerns.

On a way to improved progression of trade and creative economy (subject to competition in total scale), the necessity of making conditions pro-progressive for all market partners was underlined. A clear rule for obligating market partners was indispensable. Representatives of the sector postulate that elaborate rules[1] should be made more basic.

It consisted of two sided commercial agreements signed by the EU and was based on a system enabling consumers to identify the origin of the product (for example: "Made in Europe"). Also it contracted party control to promote coherence of rules and protection from breaking them.

Even more so indispensable: effective customs regulation to aid in the fight against dishonest and criminal import of textiles, footwear and apparel. Creating

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[1] Resolution of the European Parliament regarding future of textile industry and in increased clothing the UE.

a system awarding preference to light industry enterprises and formulating legal regulations favorable to the progress of modern technologies; promotes healthy competition on world markets and is associated with innovative, research, technology progress and quality promotion. Competition on world markets more and more are associate with innovates, researches, technology progress, quality and promotion.

These activities need strong bonds of production with science and business surroundings and activity of capital. Procedures were made with regards to acceptance by the UE. Programs secured the realization of financial means, brought support for textiles and clothing contractors in research, innovate, stimulate progress and promote products on international markets. Thus, since European products are mostly high quality. European textile and clothing industry dominate in the form of elaborate new products, for example technical textiles.

Traditional goods are in strong competition; free are now only the newest generation products with complicated technology.

These problems are especially urgent for firms in the countries, which just got to the Joint because of their lower competence on European markets and poor economy. European integrate have to adapt Polish textile industry to be functional in conditions of common market. Membership in WTO and association in EU extend access to world market over carry down tariffs and behind tariffs barriers in country export products. Simultaneously our market became strongly expose on goods competition from other countries. Lots of firms in this situation lost their ability to independently survive.

1. CHANGES IN LIGHT INDUSTRY AFTER 1990 IN THE POLISH ECONOMY

Polish light industry of multi-goods production stopped existing in scale before the year 1990. Big plants of cotton industries have undergone liquidation, woolen, silk and chemical fibers. Plants of knitting industries have decreased employment several times. It has followed in this sector simultaneously considerable increment slight factory. Change of legal conditionally and fiscal and enabled excess of labor force from plants of production this development going away multi-goods production.

In light industry after structural transformation basic reason conversions performing and reactivation of marketing was backward of this industry. Average technical index of intensity of process flow is in this industry over five times lower than in advanced countries. Technical equipment consumes permanently remains from many years at the level of 70–80%.[2] Qualitative changes follow slowly. Small private enterprises are value in state to cover on exchange of Engine Park (essential edition near 3 million USD). Though dynamics of edition was in light industry in Poland (Tab. 1) in last years superior highest than in industry in general, (except for the year 2003 when the situation was slightly different) there is for average achievement of level endowment far proficiently absorbing modern technology.

Table 1. Dynamics of investment edition in light and in general industry in Poland 1999 = 100%)

Years	Light industry	Industry in general
2000	153%	79%
2001	193%	136%
2002	118%	85%
2003	100%	111%
2004	124%	113%

Source: GUS.

Breakdown was additional reason of decay former countries Soviet Union light industry "eastern market"; main recipients of Polish dry goods, which accepted big amounts of products of average qualities. Insufficient pro-market orientation is source of inconvenience many Polish firms presently and lack of channel of effective distribution presents. Segment of market is able to identify interesting few firms and fit proper instruments for it. It did not force market on Polish businessmen such behavior so far, but progress carry presently it only, who is able to adapt experiences of competition creatively. Businessmen from countries of unions threatened cheap inflow, popular products, they have removed offer in direction of superior segment of market. They escape price war due to change of strategy, their proper mark-ups win, where purchasers pay for innovative, unique, curious pattern, good finish, advantageous conditions of supplies. Productive process is transmitted to thought over manner to areas available, it cheap labor force. Note concentrates on structure of mark of product and creation trend fashion.

Protection of mark is important question in development of textile industry, but those goes behind prevention imitation. Benefits related with property strong, known marks present big encouragement for dishonest competitors. So, taking of proper step is important for on owner trademark indemnifying right

[2] Ministry of Economy stand, Work and Social Politics, Poland 2003, Report about industry, competitiveness and innovative of Polish industry.

application and capability of forceful defense before dishonest competition. Create a good mark, which will carry progress on market is very hard and it requires huge financial edition. Foreign firms in spite of it equal as well as businessmen recognize more numerous nationals, that there is essential instrument of canvass of forceful market, constructions and keeping of position and international contest. Only 1/4 it is performed export of Polish light industry for under personal mark EU and it competes on homogeneous European market forcefully.

Textile industry (textile and clothing) in Poland was disposed on export[3] production. Productive potential existing, attractive geographic site, international co-operation, presence on western markets significant and advantageous premises of production of dry goods build on markets of east European countries prospect export reaction and in Poland clothing. Export of dry goods in last years and it presents third clothing, but in case of export for the EU in whole value of Polish export second position. Beyond largeness, quality and low cost of fabricating effect on attractiveness Polish industry textile model pro-export. Indeed incrimination of cost of work observe in last years in Poland (to level 3 USD/h), but it is lower camper with lots of European countries.

Table 2. Comparison of average labor costs in 1996–2000 (dol.'s/H US)

Countries	1996	1998	2000	1996 = 100
Belgium	25.00	21.70	19.55	78.20
FRG	21.94	21.48	18.10	82.50
Italy	16.65	15.81	14.71	88.30
France	16.45	14.16	13.85	84.20
Spain	9.21	8.49	8.32	90.30
Portugal	4.77	4.51	4.31	90.40
Switzerland	27.30	24.08	22.15	81.14
Norway	22.30	20.25	17.97	80.85
Turkey	2.02	2.48	2.69	133.17
POLAND	2.39	3.15	2.35	98.33
Czech Republic	2.21	2.05	1.97	89.14
Morocco	1.92	1.89	1.87	97.40
Slovakia	1.67	1.48	1.61	96.41
Average (for 15) UE	16.60	15.30	14.10	85.20

S o u r c e: As same as Table 1.

[3] Prof. Izabella Krucińska and prospects of development of textile industries in Poland in homogeneous European market.

Light industry has big chances of development in our country in view of simply available skilled stocks of employees among workers also equal, – technical staff engineering as well as scientific and research staff.

Textile industry should be treated in spite of survived crisis in view of place in our economy preemptively.

Table 3. Production of sold industry in current prices (in million PLN)

Industry in general	2000	2001	2002	2003	2004
Poland [a]	488800.8	500780.7	511337.4	564622.3	639086.3
Province of Łódź [b]	25418.3	27888.3	28356.4	28625.5	31128.8
Łódź [c]	7946.7	7988.4	7980.8	8774.5	8482.9
Light industry					
Poland	21720.0	21461.3	21839.6	21903.2	19252.9
Province of Łódź	4384.6	4323.3	4485.8	4454.1	4628.6
Łódź	2309.6	2195.7	2476.5	2608.6	2519.6

Source: [a] GUS; [b] „Rocznik Statystyczny Województwa Łódzkiego" 2003, 2004; [c] *Społeczna i ekonomiczna sytuacja w Łodzi w latach 2001–2004.*

It is still third Polish exporter and place occupies in creation of national income four. This industry employs about 240 thousand people, about 10% in Polish industry working. Cost one work place is relatively low in this sector of economy. Helping of sponsorship of investment of enterprise for economy is effective, but doesn't need lots of cost.

2. MEANING OF LIGHT INDUSTRY[4] IN ŁÓDŹ

Immediate development of textile industrial production has become motor of incrimination of Łódź in meaning of light industry 19-th century. Our city was identified with textile industry for over one and a half century.

In the year 1990 in light industry in Łódź about 60% all of employees were working there. It has been initiated from this year, lasting still, process of departing from monoculture of industry in direction, escalation of meaning of service trade, in particularly superior educational system.

[4] Data for light industry according to PDK includes textiles, production of clothing and fur products.

In Łódź in the year 2004 in REGON system incorporated 94.0 thousand economic subjects, it led productive activity in 14.1 thousand. It declared production in sector of light industry 6.8 thousand incorporated firms.[5]

Production of sold industry in Łódź enterprise considerably has grown in last decade. In the year 2004 the total was 8.5 billion zlotys and it was higher about 57.4% than ten years earlier. Production of sold productive firm presented in the year 1995 from sector of light industry was 29.7% (2.6 billion zlotys) production sold in general and it has grown in analyzed period about 64.2%.

Average employment[6] has gone down in industry in Łódź from the beginning of the year 1995 about 39.6% and it was in 2004 53.9%. In light industry average employment got lower in this time – 51.8% and got a level of 22.6 thousands people. Average employment in the last year in Łódź was 103.4 thousands people and from industry 52.1%, in light industry 21.7%.

Table 4. Average employment in industry (in thousands)

Industry in general	2000	2001	2002	2003	2004
Poland[a]	3134.4	2963.9	2887.9	2872.1	2399.0
Province of Łódź[b]	197.7	191.1	174.4	172.1	165.8
Łódź[c]	68.6	65.6	59.2	57.2	53.9
Light industry					
Poland	393.3	355.4	329.7	319.7	240.0
Province of Łódź	59.6	58.3	53.6	52.2	48.6
Łódź	30.7	28.3	25.6	24.2	22.6

S o u r c e: As same as Table 3.

During economic development and request for dry goods will be from overhead shelf incrimination society about superior standard, highly remake and luxury and on specialist products technical and medical. Łódź has at disposal proper scientific base for this kind of production and model,[7] skilled staff of planner, engineers and technical colleges and productive employees.

Largeness of consuming dry goods (Wrocławski 1999) it remains after alleviating basic requirements in certain dependence of degree of other alleviating

[5] Economic subjects registered in system Regon are declared in foothold of activity and there is declaration most often wide range.

[6] Analyzing data statistics concerning value production in industry in Łódź in the years 1995–2004, it should be remembered that statistics duty have enterprises employing more than 9 people, that means activity of considerable amount of small firms.

[7] In Łódź there is Department of Architecture of dry goods in Institute of Technology, Department in Academy of Beautiful Art Industrial.

requirement. It is possible to expect incrimination of their consuming during incrimination of welfare and develop societies stocks. They develop consuming of textile material in US, Germany highly at the level of near 20 on year on person kg, during when in Poland and many wealthiest European countries is about 4 times lower, gradual incrimination of need allows to set up in this area.

Fabricated production except requirement local needs, it finds outlet on European market. Łódź occupies strongest position along with region in Polish export of clothing and clothing additions (57% participation) and textile articles (8.2%). Export of traditional products of Łódź – clothing industry textile is featured higher than average dynamics of incrimination. It grew in last years 20% a year, in accordance with 10% Łódź incrimination of export in general (Wysokińska 2000). Among main recipients produced at we products, countries of European union predominate and communities of independent states.

First of all, necessity of personal creation means in case of trade mark product representing light industry integration European, development of channel of distribution on homogeneous European market and in third world countries, as well as incrimination of intensity of promotional activity. They will use this chance of enterprise, norms will grant which products and European standards and which will maintain competitiveness price expense.

For realization those purposes[8] essential is by our enterprises winning cooperants and foreign partners. Firms of easy industries identify request for article of mass consuming for they advantageous specialization taking into consideration assortment and in assortments in production high-tech of specialistic product sanitary medical mainly low and technical products. We own essential back scientifically in this area – investigative, which will facilitate taking up of production and proficient attendance of market.

Be on domain innovation guilty direct wanted making chance most effective development and utilization exist local trumps. Voting is by regional council of regional strategy of innovation of Łódź. Project of program of center process in its frame technology dry goods advanced activity, which gives hope on achievement of essential critical incentive mass on our field in desirable direction transformation of easy industry.[9]

It belongs to ascertain summing up, that restructured and has to maintain hitherto existing light industry chance to modern, among Łódź industry position significant, because:

– Forecasted is incrimination of consumption of its products, alloys of vital societies along with incrimination, dynamics of export of its product grows,

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[8] Strategy for light industry for years 2000–2005, accepted by Polish Republic Government in October 2000.

[9] Resolution NR XLI/612/2005 Regional Council in Łódź from the day 28th of April 2005 in case of acceptance "Regional Strategy of Innovation in province of Łódź RIS LORIS 2005–2013".

– European integration makes premises for production modern and winning of new market,

– Operations are lead in the midst of enterprises leaning they innovative.

Advantageous transforming of function of city leads decrease of rank of easy industry in favor of incrimination of meaning of sector of services "higher row".

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PRZEMYSŁ LEKKI W ŁODZI W WARUNKACH CZŁONKOSTWA W UNII EUROPEJSKIEJ

Sektor tekstylny i odzieżowy w Unii Europejskiej liczy ponad 177 tys. firm zatrudniających około 2,7 mln osób. Jego cechą charakterystyczną jest wysoka koncentracja regionalna, dlatego zliberalizowanie rynku i zniesienie barier importowych stają się szczególnie odczuwalne w regionach silnie skoncentrowanych na przemyśle lekkim we wszystkich krajach UE. Przewaga konkurencyjna sektora włókienniczego i odzieżowego UE polega obecnie na znaczeniu, jakie przywiązuje się do jakości, kreatywności, innowacyjności, technologii i produktów o dużej wartości dodanej. Ważne jest zabezpieczenie przed nieuczciwą konkurencją pochodzącą m.in. z krajów Azji oraz stworzenie warunków rozwoju i konkurencyjności dla wszystkich firm tekstylno-przemysłowych.

Istniejący potencjał produkcyjny, atrakcyjne położenie geograficzne, kooperacja z gospodarką UE, znacząca obecność na rynkach zachodnich i dobre perspektywy eksportu na rynki krajów wschodnioeuropejskich pozwalają Polsce zajmować drugie miejsce, po Włoszech, w produkcji tekstyliów i odzieży w Europie. W Polsce przemysł włókienniczy powinien być traktowany jako przemysł strategiczny. Produkcja sprzedana przemysłu lekkiego w Polsce wynosiła w 2000 r. 21,7 mld zł i stanowiła 4,4% produkcji sprzedanej przemysłu ogółem, natomiast w 2004 r. wynosiła 19,3 mld zł, stanowiąc 3% produkcji sprzedanej przemysłu ogółem. Przeciętne zatrudnienie w przemyśle lekkim wynosiło w 2000 r. 393,3 tys. osób, co stanowiło 13% zatrudnienia w przemyśle ogółem, natomiast w 2004 r. stanowiło 10% ogólnego zatrudnienia w przemyśle. Przemysł lekki zajmuje czwarte miejsce w tworzeniu dochodu narodowego i jest trzecim pracodawcą w całym przemyśle.

Łódź od ponad półtora wieku utożsamiana była z przemysłem włókienniczym. W 1990 r. w przemyśle tym pracowało ok. 60% wszystkich zatrudnionych w mieście. Od tego roku został

jednak zapoczątkowany trwający do dziś proces odchodzenia od monokultury przemysłu łódzkiego w kierunku zwiększania sfery usług, w tym szkolnictwa wyższego. Dokonujące się przemiany mają charakter długotrwały, ale już dostrzega się dominację sfery usług w obszarze gospodarczym miasta. Łódź wraz z regionem zajmuje nadal najsilniejszą pozycję w polskim eksporcie odzieży i dodatków odzieżowych (57%) oraz artykułów włókienniczych (8,2%). Wzrost dynamiki eksportu jego wyrobów w ostatnich latach wynosił 20% rocznie, wobec 10% wzrostu łódzkiego eksportu ogółem. Przewidywany jest również wzrost konsumpcji jego wyrobów do poziomu osiągniętego w krajach wysokorozwiniętych, czyli na poziomie ok. 20 kg na rok na osobę. Należy stwierdzić, że zrestrukturyzowany i unowocześniony przemysł lekki ma szansę zachować pozycję wśród łódzkiego przemysłu.