

GENERAL AGREEMENT ON TARIFFS AND TRADE

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Textiles Committee

DRAFT REPORT OF THE TECHNICAL SUB-GROUP ON TEXTILE DOCUMENTATION

In accordance with the task assigned it by the Textiles Committee at its meeting 26-28 March (COM.TEX/2), the Technical Sub-Group on Documentation met on 30 April-1 May, 5 June, and 22 and 24 July to discuss what statistical and other data should be provided by participating governments to enable the Textiles Committee to carry out the functions prescribed by the Arrangement on International Trade in Textiles, Article 10, paragraph 2.

After a general discussion concerning the type of documentation required, the Sub-Group examined what statistics national authorities were in general collecting in the field of textiles and clothing, and what further statistics could be produced if necessary. Since comprehensive information on the data available could not be obtained in Geneva, the secretariat sent to all participating countries a Questionnaire Concerning the Statistics Available on Textiles and Clothing (COM.TEX/W/10). Replies from 17 countries were received before the meeting of 22 and 24 July and were summarized in document COM.TEX/W/11 and Addendum. Several delegations whose governments have so far not responded to the Questionnaire, indicated in broad lines what statistics could be reported.

The Sub-Group considered that the statistics which could be provided by the countries which responded to the Questionnaire were in general adequate. It noted, however, that a number of participating countries had not yet answered the Questionnaire.

The Technical Sub-Group has recognized the need for statistical reporting to the Textiles Committee to be on a routine basis, in other words to consist, to the maximum extent possible, of data regularly collected and processed by national statistical offices. It has further recognized the need for the scheme of statistical reporting to be, on the one hand, kept to a minimum of data relevant and indispensable to the tasks of the Textiles Committee yet, on the other hand, to be open to change and development as circumstances may require. In general, the Technical Sub-Group has considered the tasks of statistical and other documentation for the Textiles Committee in the form of a programme to be developed and perfected over time in the direction of ensuring better international compatibility of textile statistics. It recognized that the programme would inevitably require a special effort, and [many] delegations indicated their willingness to supply the statistics enumerated below, on the understanding that a similar effort would be undertaken by all countries participating in the Arrangement.

Trade statistics

The Technical Sub-Group considers the nomenclature provided by SITC/Rev.2 to be a suitable basis for regular statistical reporting on trade in textiles and apparel. This nomenclature makes a distinction by fibre possible even in the division of apparel, where difficulties in this respect existed before the revision. Since this nomenclature is going to be adopted by all members of the United Nations, reporting to the GATT secretariat on this basis will imply no extra work for national statistical services.

A problem exists, however, in that most countries will not be able to implement this nomenclature before 1976, although several countries will be able to report on this basis already as from 1975. At present, import and export

statistics are available in most countries quarterly, by origin and destination, at the 5-digit level of the SITC/Rev.1. The Sub-Group considers that, in the interim, this should be a suitable basis for regular statistical reporting. Because this nomenclature has been in force for a period of years, and because the Textiles Committee will be mainly concerned with trade developments over time, it should not pose a major difficulty for the reporting countries to submit on this basis statistical information for several years past, say, going back to 1970, 1971 or 1972. The problem referred to above consists in preserving a degree of statistical comparability over time after most countries will have implemented SITC/Rev.2 with its numerous new distinctions of products by fibres. The best way of overcoming this difficulty would be for countries to submit two sets of statistics, according to both versions of the SITC, for the year in which the transition from one to the other will be effected.

Some countries do not report trade according to SITC/Rev.1 but on the basis of national classifications which, however, without great difficulty can be correlated to the SITC/Rev.1 at the 4 or 5-digit level. These countries have indicated their readiness to assist the secretariat by providing a concordance by which their national nomenclatures can be converted to SITC/Rev.1 as well as such further information that may be required, and is available, for perfecting the comparability of data.

For statistical convenience, and without any implications as to the interpretation of the product coverage of the Arrangement Regarding International Trade in Textiles, the Technical Sub-Group recommends that all participating countries report

statistics on their trade in all textiles and clothing.¹ These statistics should be supplied on magnetic tape, quarterly, as from 1972, in the 5-digit detail of SITC/Rev.1 or Rev.2, or its equivalents in terms of BTN or national classifications, by origin and destination.

Production statistics

The majority of participating countries surveyed by the Questionnaire can supply output (or manufacturers' sales) statistics for representative product groups listed in the Questionnaire and accounting, in practically all cases for the bulk of national textiles and clothing production. The Technical Sub-Group consequently considers the product list contained in the Questionnaire to be a suitable basis for the reporting on production statistics.

At present, several countries may not be able to report in the full detail of this product list, due to difficulties in distinguishing products of various processing techniques (e.g. woven/knitted apparel, woollen/worsted yarns and fabrics, etc.). The Technical Sub-Group considers it important to retain such detail where it can be supplied while countries who cannot could merge such product groups for the time being. With respect to carpets, the Group recommends to include all machine-made carpets (in the breakdown of the BTN 4-digit).

¹i.e. all products in BTN Section XI, i.e., SITC/Rev.1, division 26 (excluding Sub-Group 262.5), division 65 (excluding Groups 651.8, 653.7, 657.8) and Sub-Groups 841.1 to 841.5.

In considering the periodicity of this reporting, the technical sub-group has noted that quarterly as well as annual data are available in most countries, and that definitive annual data are in most cases available only with a delay of 12 or more months. If only annual data were reported, therefore, the annual reports of the Textiles Committee would, in most cases, be based on the state of production two years ago. The Group therefore recommends that reporting on production be made both quarterly and annually, the quarterly data to keep the Textiles Committee informed on recent production developments, the definitive annual data to provide more precise information on production trends over time.

Industry Statistics

The Technical Sub-Group has also considered several statistics illustrating the more general state of the textile and apparel industry. It recommends the collection and reporting of the following data separately for the textile and for the apparel industry:

- value added by manufacturing (annually);
- investment in the two industries, distinguishing the outlay for plant and for machinery (annually);
- total employment, production workers and average hours worked (on a quarterly basis).

The question of reporting fibre consumption was also raised. Since the consumption data were collected by establishments which often produce a large variety of goods, such statistics could not be related to individual products. The group therefore concluded that it would be desirable for fibre consumption data to be collected annually for the textile industry as a whole.

Recommendations

In sum, the Technical Sub-Group on Textile Documentation recommends to the Textiles Committee that it invite member governments to report to the Secretariat:

- (i) Statistics on foreign trade in all textiles and clothing, on magnetic tape, in the 5-digit detail of SITC Rev.2, as soon as possible, and of SITC Rev.1 in the meantime, or in equivalents of these nomenclatures in terms of BTN or national classifications, by origin and destination, quarterly, as from 1972;
- (ii) Production statistics for the representative product groups listed in Annex 1, both quarterly and annually; and
- (iii) Separately for the textile and apparel industry, data on value-added by manufacturing (annually); investment, distinguishing the outlay for plant and for machinery (annually); total employment, production workers, and average hours worked (quarterly); and for the textile and apparel industries combined, data on the total consumption of the main fibres (annually).