

GENERAL AGREEMENT ON TARIFFS AND TRADE

~~RESTRICTED~~

COM.TEX/W/13
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REVISED REPORT OF THE TECHNICAL SUB-GROUP ON TEXTILE DOCUMENTATION

1. 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.
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 the EEC and seventeen other countries accounting for more than three quarters of world trade were received before the meeting of 22 and 24 July and were summarized in document COM.TEX/W/11 and Agenda. Several delegations whose governments have as far not responded to the questionnaire, indicated in broad lines what statistics could be reported.
3. The Sub-Group considered that the statistics which could be provided by the countries which responded to the questionnaire would in general be adequate, provided the comparability of these statistics can be ensured.

4. 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, whether for internal purposes or for submission to other international organizations. 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 modification as needs and 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 comparability 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 commensurate effort would be undertaken by all countries participating in the arrangement. The European Communities and Spain were among those emphasizing the importance of reciprocity in this matter.

Trade statistics

5. The Technical Sub-Group considers the nomenclature provided by SITC/Rev.2 to be the optimum 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 likely to be adopted by all members of the

United Nations, reporting to the GATT secretariat on this basis should imply no extra work for national statistical services.

6. Most countries will not, however, 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 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 1972.

7. 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 in 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.

8. The Group noted that it had no competence whatsoever on the question of interpretation of the product coverage of the Arrangement and that in fact there had been no discussions on the scope of textiles and clothing in the context of Article 12 of the Arrangement; and it was clearly understood that the scope of statistical collection has no implication on the product coverage of the Arrangement. For statistical convenience, the Technical Sub-Group recommends

that all participating countries report statistics on the value and volume of their trade in cotton, wool and man-made fibre textiles and clothing within Section XI of BTN. As far as possible, these statistics should be applied on magnetic tape in quarterly intervals. They should be 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, as from 1972.

9. The Sub-Group discussed the problem of units in which trade volumes should be indicated, and of the conversion factors to be used in cases where different statistical authorities report in different units. It agreed that, to the extent possible, volumes of trade in fabrics, made-up articles and clothing should be reported in two units of measurement (e.g., surface and weight for fabrics, number of pieces and weight for clothing) but recognized that complete uniformity in this respect could not be achieved at present.

Production statistics

10. 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. The Sub-Group, however, noted that even if national statistical programmes adhered to a common international nomenclature, national definitions of production might differ, and for this reason, international comparisons must be made with the greatest care. The Sub-Group recommends, therefore, that in making their statistical submissions, national statistical authorities also specify the definitions and methods used in collecting production statistics.

11. 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). The Technical Sub-Group considers it important to retain such detail where it can be supplied while countries who cannot make the distinctions in question can merge such product groups for the time being.

12. 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 annually and, to the extent possible, quarterly; 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

13. 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, per week per worker (to the extent possible on a quarterly basis).

Recommendations

14. In sum, the Technical Sub-Group on Textile Documentation recommends to the Textiles Committee that it urge all parties to the Arrangement to report to the Secretariat:

- (i) Statistics on foreign trade in all textiles and clothing of cotton, wool and man-made fibre, 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, as far as possible 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 per week per worker (quarterly).

15. The Sub-Group understands that not all statistical services possess all the data in the required detail or periodicity. All parties to the Agreement should report to the full extent of their present ability and, bearing in mind the importance of reciprocity, should undertake all the effort needed to bring their reporting in line with that of the other countries. It recommends that the statistical reporting scheme be re-examined after two years of operation, with the view of assessing its adequacy and the progress made towards better comparability of the data submitted.