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TARIFFS AND TRADE**

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DEMAND, PRODUCTION AND TRADE IN
TEXTILES AND CLOTHING 1973 TO 1979

Report by the Secretariat

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blank space

not available

-

nil or negligible

- (referring to net trade)

import surplus

c.i.f.

cost, insurance, freight

f.o.b.

freight on board

Introductory Remarks

1. The purpose of this report is to review the main developments in demand, production and trade in textiles and clothing in the member countries of the MFA, between 1973 and 1979. It also contains a brief summary of developments in employment and productivity.

2. It should be noted at the outset, that much of the available statistical information of relevance to this report suffers from serious shortcomings. These pertain both to the country and product coverage of the data as well as to the methodology employed.

3. This problem is most acute in relation to quantum measurement. The bulk of available data is expressed in terms of current (dollar) values. Where it is of interest to determine the underlying real changes over a certain period, it is necessary to deflate these values by the amount of inflation. Thus, it is necessary to have an adequate index of price movements. In the case of consumer expenditure on clothing, this information is generally available, even if not always completely reliable. Having deflated consumer expenditure in current values by these price indices, any remaining growth in the figures will in principle result not only from changes in the aggregate physical quantity but also from changes in quality and/or shifts from lower to higher priced items. However, the reliability of these deflated figures is crucially linked to that of the price indices.²

4. In the case of trade, the price information needed for deflating current values is less generally available than that for consumer expenditure. Nevertheless, the secretariat has attempted, for developed countries as a whole, to deflate recorded trade values with the help of such partial price data. It can present these results, however, only with an emphatic warning that they are indicative, at best, of orders of magnitude, and could be seriously misleading in matters of detail. Following accepted practice, these deflated current values are referred to as "volume"; as in the case of real consumer expenditure, they reflect not only the change in the aggregate quantity of physical units, which in itself is not very meaningful, but also the upgrading of the products traded. The more detailed examination of trade flows in this report has had to be based on data in current values.³

¹See prefaces to the statistical appendices (COM.TEX/W/76, 77 and 78).

²For a discussion of the statistical problems of quantum measurement in this area see the explanatory notes at the end of this report.

³Trade data in quantities are available for a number of textile products (in particular yarns and fabrics) and some clothing articles. (See COM.TEX/W/76, Tables 21-30 and COM.TEX/W/78).

I. DEMAND

Developed countries

5. The main categories of demand in the textiles and clothing sector are as follows: (i) final consumer expenditure on clothing, which absorbs the bulk of clothing output; (ii) consumer expenditure on made-up textile products, consisting mainly of products for home furnishing (such as carpets, linen, curtains); (iii) intermediate demand for textile products used as inputs in the production of clothing and made-up textile products; and, (iv) intermediate demand for textiles used as inputs in other industries (e.g. in the production of tyres, sport and travel goods). Data on demand for made-up textiles and those used for technical purposes being available only for a few products, the analysis of developments in demand has been confined to consumer expenditure on clothing.

6. In the developed countries, consumer expenditure on clothing in real terms has grown at a slow rate overall, averaging roughly 2 per cent per year between 1973 and 1979. As can be seen in Table 1, there were, however, considerable differences among the individual countries and areas, a faster-than-average growth in consumption being recorded in North America and Japan, whereas in Europe, and especially in the EC, the rise was significantly lower.

7. The slow growth of real consumer expenditure on clothing in the developed countries can be attributed to the combined impact of three factors: (i) the slow growth of population, which between 1973 and 1979 did not exceed 0.8 per cent on average per year (as compared with 1.2 per cent per year in the preceding decade); (ii) the slowing down in total consumer expenditure per head to 2 per cent on average per year, half the rate in the preceding decade; and, (iii) the fact that consumer expenditure on clothing tended in most countries to lag behind total consumer expenditure.

8. Consumer expenditure on clothing refers to spending at the retail stage and includes, apart from the basic value of the clothing items produced by the domestic (or foreign) industry, the value of various services, such as transport, warehousing, wholesale and retail trade. Although no quantitative assessment can be made, it would appear that, as in the case of other types of consumer expenditures (foodstuffs and beverages, for instance) these services have accounted for a growing share of consumer expenditure on clothing.

9. The growth of demand in developed market economies has been largely determined by growth in per capita incomes. It is thus important to examine the impact of this on the pattern of expenditure on clothing. It has been estimated for the Federal Republic of Germany,

¹The relation between textiles used as inputs in the clothing industries, and the production of clothing is discussed below under the section dealing with production.

TABLE 1. - TOTAL CONSUMER EXPENDITURE (T) AND EXPENDITURE
ON CLOTHING^a (C) IN SELECTED COUNTRIES

(Annual average percentage rate of change in volume)

		1973-79	1974	1975	1976	1977	1978	1979
EC	T	2.6	1.1	1.6	3.8	2.1	3.7	3.5
	C	1.1	0.5	0.2	1.4	0.7	1.7	(1.9)
United States	T	3.1	-0.9	1.8	5.9	4.9	4.5	2.6
	C	4.0	-0.8	3.6	4.5	4.4	7.3	5.2
Canada ^b	T	4.4	5.4	5.0	6.3	2.7	2.8	
	C	7.6	16.4	7.1	7.6	2.4	5.2	
Japan ^b	T	3.8	0.8	4.2	4.5	3.8	5.5	
	C	2.3	-1.4	5.4	8.5	-1.4	0.6	
Austria	T	2.9	2.8	3.0	4.6	6.2	-3.4	4.7
	C	2.2	-0.9	2.4	2.8	2.7	-1.5	8.2
Finland ^b	T	1.2	2.3	3.1	0.9	-1.4	1.2	
	C	4.8	4.4	6.0	5.5	4.1	4.2	
Norway	T	3.0	4.3	5.0	6.4	4.7	-2.5	0.7
	C	1.4	-1.3	6.2	6.1	6.3	-4.8	-3.1
Sweden ^b	T	1.9	3.9	3.0	4.0	-0.8	-0.7	
	C	4.8	10.7	2.8	6.9	2.9	1.3	
Switzerland ^b	T	0.4	-0.5	-2.9	1.0	3.1	2.2	
	C	-3.7	-6.0	-11.3	-3.3	1.5	1.5	
Greece ^b	T	4.5	0.7	5.7	5.6	5.1	5.5	
	C	3.3	-3.7	8.2	7.4	1.5	3.5	
Spain ^c	T	3.5	5.2	2.4	4.6	1.9	1.6	
	C	2.2	2.6	-0.3	5.6	1.0		
Israel	T	5.1	7.6	0.6	3.9	4.2	8.6	6.1
	C	6.1	9.6	2.5	8.5	2.7	17.7	-3.3
Korea ^b	T	8.1	6.8	6.1	7.1	10.2	10.3	
	C	6.0	5.4	4.5	9.3	4.3	9.8	
Singapore ^c	T	6.2	5.8	3.2	7.1	8.7		
	C	3.6	0.8	-1.4	9.5	6.0		

^aIncluding footwear.^b1973-78.^c1973-77.Sources: OECD, National Accounts of OECD Countries; national statistics.

for instance, that spending on higher qualities (associated with a growth in incomes) represented about one-half of the rise in consumer expenditure on clothing in lower-income households and about three-quarters in higher-income households.

10. It would appear from the limited data available, that consumption of made-up textiles for household furnishings and the usage of textiles for technical purposes have grown even more slowly than consumer expenditure on clothing.

Developing countries

11. Trends in the consumption of textiles and clothing are even more difficult to assess in the developing than in the developed countries. Not only are the data on consumer expenditure on clothing more fragmented, but consumer expenditure on textiles (for which, as shown above, even in the developed countries there is less information available) is in many developing countries more important than that on clothing. Nevertheless, from what information is available it appears that real consumption of textiles and clothing expanded significantly faster in the developing countries as a group than in the developed areas between 1973 and 1979.

12. The main factor underlying this trend has been a growth of population in the developing countries of nearly 2 1/2 per cent on average per year, three times faster than in the developed areas. In addition, real consumption per head of textiles and clothing in the developing countries has also been increasing, though at a slower rate than total consumer expenditure per head (similar to the experience of the developed countries). The growth in consumption per head was more rapid in those developing countries which experienced a faster rise in per capita incomes. In the Republic of Korea, for instance it can be inferred from the data in Table 1 that consumer expenditure per head on clothing increased in real terms by 3 per cent on average per year between 1973 and 1979; this is close to the estimated growth of consumption per head of textiles and clothing in Brazil for the 1970s.² In the case of India, however, per capita (apparent) consumption of cloth, while showing marked year-to-year fluctuations, is estimated to have risen between 1973 and 1978 by the equivalent of about 1 per cent per year.³

¹ See IFO Schnelldienst, 12 June 1980, "Textilindustrie im strukturellen Wandel", p. 22

² See International Textile Manufacturers Federation, International Textile Manufacturing, vol. 2 1979, p. 79.

³ See International Textile Manufacturers Federation, op.cit., p. 28.

II. PRODUCTION

Developed countries

13. The slow growth of consumption of textiles and clothing taken together in the developed countries between 1973 and 1979 was accompanied by a stagnation in their combined production and by a relatively marked increase in net imports (discussed below in the section on foreign trade). However, developments were different in the textile sector from those in clothing.

14. While there were significant fluctuations throughout the period, recorded production¹ of clothing in the developed countries showed on average a slight rise between 1973 and 1979 equivalent to about 1 per cent per year. (See Table 2.) Production of textiles, however, declined between 1973 and 1979, by the equivalent of about 1/2 per cent per year. This discrepancy requires explanation. It cannot reflect developments in foreign trade in textiles, because throughout the period developed countries remained net exporters of textile products, their net exports having even increased somewhat between 1973 and 1979.² The main factor seems to have been the continuation of a long-term downward trend in the ratio of inputs of textiles to production in the clothing industry, reflecting, *inter alia*, technological change and shifts in the quality and composition of production in the clothing sector.

15. Production of both clothing and textiles has shown wide fluctuations from year to year. Again for developed countries as a whole, production of clothing, after having declined by 2 per cent in 1974 and by 5 1/2 per cent in 1975 recovered strongly, to grow by 11 per cent in 1976. A slight further increase in the production of clothing in 1977 was followed by a marginal decline in 1978 and a marginal rise in 1979. Production of textiles, though declining more markedly than that of clothing in 1974 and 1975, recovered less strongly in 1976. After a further decline in 1977, production of textiles stagnated in 1978 but recovered in 1979. These wide fluctuations in production can only partly be explained by cyclical movements in overall demand. They also reflect the variations in demand for end-use products referred to above and movements in stocks. Cyclical fluctuations in stocks have, in particular, been traditionally quite important, especially in the textile sector, though once again the lack of data precludes an assessment of their impact.

¹ It should be noted that, to the extent to which the growth of production in the unrecorded sectors (small-scale production and production units not legally registered) has diverged from recorded production, bias will be introduced into the indices used in this section.

² It is true, obviously, that the marked increase of developed countries' net imports of clothing, to the extent to which it affected their production of clothing, indirectly also influenced their total requirements for textiles as inputs in the clothing sector.

TABLE 2. - WORLD PRODUCTION OF TEXTILES AND CLOTHING BY AREA, 1973-1979
(Annual average percentage rate of change in volume)

	1973-79	1974	1975	1976	1977	1978	1979
<u>TEXTILES</u>							
<u>World</u>	<u>2½</u>	<u>-1½</u>	<u>-1</u>	<u>7</u>	<u>½</u>	<u>2</u>	<u>4</u>
<u>Developed countries</u>	<u>-½</u>	<u>-5½</u>	<u>-7</u>	<u>9</u>	<u>-2</u>	<u>-</u>	<u>4</u>
EC	-½	-4	-8½	10	-3	-2	5½
United States	-	-7	-7½	9½	-	2	5
Canada	1½	-2	-4	1	2	9½	3½
Japan	-½	-12	-5½	8½	-2	1	2
Other developed Europe	-1	-1	-10½	6½	-1½	-3	3½
<u>Developing countries</u>	<u>3½</u>	<u>1½</u>	<u>3</u>	<u>5</u>	<u>1½</u>	<u>4</u>	<u>5</u>
<u>Eastern trading area</u>	<u>4½</u>	<u>5</u>	<u>6</u>	<u>4½</u>	<u>3½</u>	<u>3½</u>	<u>3½</u>
<u>CLOTHING</u>							
<u>World^a</u>	<u>2½</u>	<u>1½</u>	<u>-1</u>	<u>8</u>	<u>2½</u>	<u>1½</u>	<u>2</u>
<u>Developed countries^a</u>	<u>1</u>	<u>-2</u>	<u>-5½</u>	<u>11</u>	<u>2</u>	<u>-½</u>	<u>½</u>
EC	-	-4	-1	5½	-2	-4	5½
United States	2	-3	-5	16½	6½	-	-2½
Canada	3	-	1	5	-5	15	4½
Japan	-2	-11	-6½	6	-	1	-1
Other developed Europe	-1½	-2½	-3½	5½	-3½	-6	1½
<u>Developing countries^a</u>	<u>4</u>	<u>6</u>	<u>8</u>	<u>3½</u>	<u>½</u>	<u>3</u>	<u>3</u>
<u>Eastern trading area^a</u>	<u>5</u>	<u>5½</u>	<u>6½</u>	<u>5½</u>	<u>4</u>	<u>3½</u>	<u>3½</u>

^aIncluding leather and footwear.

Sources: UN, Monthly Bulletin of Statistics; OECD, Indicators of Industrial Activity; national statistics.

16. The movements in production for developed countries as a whole conceal wide divergences among the main producers, as can be seen in Table 2. For the period 1973-1979, production of clothing increased in North America (where the increase in consumption was more pronounced than in other developed countries) stagnated in the EC and declined in the other Western European countries (as a group) and in Japan. Production of textiles declined in Western Europe and Japan and stagnated in the United States. Year-to-year variations were also very pronounced in each producing area and country. For instance, in the EC, production of both clothing and textiles recovered in 1976 and again in 1979, in each case following two years of decline. A similar development occurred in the other Western European countries (as a group), though the decline of clothing production in 1977 and 1978 was more pronounced, and the 1979 recovery less marked, than in the EC. In the United States, following the two recession years 1974 and 1975, there was also a marked recovery in 1976 for both textiles and clothing. In 1977, production of clothing continued to rise, while that of textiles stagnated, whereas in 1978 and 1979 production of textiles increased, while that of clothing stagnated (in 1978) or declined (in 1979). In Japan, following a strong decline of production in both textiles and clothing in 1974-75, and a marked recovery in 1976, production in both sectors has shown less variation, around a generally stagnating trend.

17. The slow growth, stagnation or decline of production in the developed countries was accompanied by a marked fall in employment. As can be seen in Table 3, between 1973 and 1979 employment declined by $4\frac{1}{2}$ per cent per year on average in the EC for both textiles and clothing; the decline was more pronounced between 1973 and 1976 than between 1976 and 1979. In the other Western European countries employment declined by an average of 5 per cent per year in the textiles industry and by 4 per cent in clothing. The rate of decline was again more pronounced in the first half of the period under consideration. In the United States, between 1973 and 1979 employment decreased by an average of 2 per cent per year for both textiles and for clothing, most of the decline taking place in 1974 and 1975. After having partly recovered in 1976, employment in both sectors declined slightly further in the subsequent three years. In Japan, the decline in employment in textiles averaged nearly 6 per cent per year between 1973 and 1979, whereas in clothing, after having increased between 1973 and 1976-77, employment declined in the last two years to a level close to that of 1973.

18. A precise assessment of productivity gains in the textiles and clothing industry cannot be carried out on the basis of the data available. Nevertheless, changes in labour productivity can be derived from the relationship between production and employment. On the basis of this implied indicator, it appears that labour productivity in developed countries generally increased markedly throughout the period under review. In the EC, implied labour productivity increased annually by $4\frac{1}{2}$ per cent in both the textiles and clothing sectors. In the other Western European countries, the implied productivity gains amounted to $4\frac{1}{2}$ per cent per year for textiles and 3 per cent for clothing. In the United States, labour productivity rose by $2\frac{1}{2}$ per cent per year for

TABLE 3. - EMPLOYMENT AND IMPLIED PRODUCTIVITY IN TEXTILES AND CLOTHING
IN DEVELOPED COUNTRIES, 1973-1979

(Annual average percentage rate of change)

		1973-79	1974	1975	1976	1977	1978	1979
TEXTILES								
EC	Employment	-4½	-5	-7½	-3½	-2½	-5	-2½
	Implied Productivity	4	1	-1	14	-1	2½	8
United States	Employment	-2	-5	-10½	7	-	-	-1
	Implied Productivity	2½	-	5	1	-	2	6½
Canada	Employment	-4½ ^a	-1	-6	-4½	-5½		
	Implied Productivity	3½ ^a	-1	2	6	7½		
Japan	Employment	-6	-8	-5½	-3½	-9½	1½	-9
	Implied Productivity	4½	-4	-1	12½	8½	-	12
Other developed Europe	Employment	-5	-4	-9½	-4½	-2½	-6	-2½
	Implied Productivity	4½	2	1	9	5½	4	5
CLOTHING								
EC	Employment	-4	-6	-4½	-4½	-3½	-5	-
	Implied Productivity ^b	4½	1	3	11½	3½	1½	6½
United States	Employment	-2	-5	-8½	6	-1	-	-1
	Implied Productivity	4	4	4	7½	8	-	1
Canada	Employment	-2½ ^a	-2	-2	2	-7		
	Implied Productivity	2½ ^a	2	3	3	3		
Japan	Employment	-	1	5	1	-	-3	-5
	Implied Productivity	-2	-12	-11½	5	-	5	3½
Other developed Europe	Employment	-4	-3	-4	-5½	-4½	-5	-1
	Implied Productivity	3	-1	2	10	4½	-1	2½

^a1973-1977

^bexcluding France

Note: The employment data refer in general to the number of wage earners and salaried employees. The implied productivity data have been derived from production and employment indices (adjusted where possible for variations in hours worked) which are not fully compatible in terms of definitions used and the degree of coverage obtained.

Source: GATT, Statistics on Textiles and Clothing, Part 1 (COM.TEX/W/76), Tables 1-3.

textiles and by 4 per cent for clothing. In Japan, there was an annual rise of 4 1/2 per cent in labour productivity in textiles, but a slight decline in clothing.

19. The strong rise in productivity should be seen in relation to changes in the level and composition of investment. The annual flow of investment, after having reached a peak in 1973 fell drastically in 1974 and 1975, and though recovering in subsequent years, can be estimated to have remained lower in 1979 than in 1973. However, the capital stock per employee continued to increase markedly during this period in most developed countries. Investment in recent years in the textiles and clothing industries appears to have been increasingly directed towards the rationalization of production units, more so than in other industries. In the Federal Republic of Germany, for instance, according to an inquiry concerning the principal motivations of investment, 52 per cent of the investment in the textile industry between 1975 and 1977 was motivated by the need for rationalization of production. In most cases the effect of such investment was to raise the level of automation, thus reducing labour costs.²

Developing countries

20. In the developing countries taken together, the growth of production, as in the case of consumption, was higher than in the developed areas. Annual production of textiles expanded in the developing countries by 3 1/2 per cent on average, the highest growth rates (of about 5 per cent) being recorded in 1976 and 1979 and the lowest (1 1/2 per cent) in 1974 and 1977. Production of clothing increased in the developing countries by 4 per cent per year on average between 1973 and 1979, the growth rates being lower in 1977, 1978 and 1979 than in the first three years of the period.

III. FOREIGN TRADE

1. Value

21. Foreign trade in textiles and clothing of the member countries of the MFA³, while showing considerable year-to-year fluctuations, has on average grown quite rapidly in dollar value in the period under review. In each year of the period, except 1976, more than one-half of the increase in the value of trade reflected domestic inflation and the depreciation of the dollar.

¹ In manufacturing as a whole, during the same period, 40 per cent of the total investment was motivated by rationalization. See IFO Schnelldienst, op.cit., p. 26.

² See IFO Schnelldienst, op.cit., p. 27.

³ In this report, total value of trade in textiles and clothing of the member countries of the MFA excludes intra-EC trade. The MFA countries accounted for about three-quarters of world trade in textiles and clothing (again excluding intra-EC trade).

TABLE 4. - AREA DISTRIBUTION OF DEVELOPED MEMBER COUNTRIES'
TRADE IN TEXTILES AND CLOTHING, 1973-1979

	<u>TEXTILES</u>					<u>CLOTHING</u>				
	1973	1976	1977	1978	1979	1973	1976	1977	1978	1979
<u>IMPORTS</u> (billion dollars)										
Total	<u>7.48</u>	<u>9.25</u>	<u>10.03</u>	<u>12.17</u>	<u>15.60</u>	<u>6.07</u>	<u>10.84</u>	<u>12.08</u>	<u>14.84</u>	<u>18.48</u>
(percentage shares)										
Developed area	60	56	56	55	54	31	24	25	24	24
Developing area	35	38	38	39	40	64	71	69	70	69
Members	20	23	23	23	24	47	54	51	51	50
Non-members	15	15	15	16	16	17	17	18	19	20
Eastern trading area	6	6	6	6	6	6	5	5	5	6
Members	2	2	2	2	2	4	3	3	3	3
Non-members	4	4	4	4	4	2	2	2	2	3
<u>EXPORTS</u> (billion dollars)										
Total	<u>9.71</u>	<u>12.34</u>	<u>13.65</u>	<u>15.30</u>	<u>18.03</u>	<u>2.72</u>	<u>3.92</u>	<u>4.77</u>	<u>5.50</u>	<u>6.59</u>
(percentage shares)										
Developed area	53	49	48	50	51	73	69	68	69	71
Developing area	39	41	43	43	41	22	25	27	26	26
Members	19	16	16	17	17	9	8	8	8	8
Non-members	20	25	27	26	24	13	17	19	18	18
Eastern trading area	7	8	8	8	8	5	5	4	4	3
Members	4	3	3	4	3	2	2	1	1	1
Non-members	3	5	5	4	5	3	3	3	3	2

Source: GATT, Statistics on Textiles and Clothing, Part 1 (COM.TEX/W/76) Tables 7-10.

22. The area pattern of the developed member countries' combined imports of textiles and clothing is shown in Table 4.¹ The share of imports coming from developed countries (that is from intra-trade excluding that within the EC) declined from 60 per cent in 1973 to 54 per cent in 1979 for textiles and from 31 to 24 per cent for clothing. The proportion of imports of both textiles and clothing coming from the developing member countries, which had risen markedly between 1973 and 1976, tended to level off between 1976 and 1979 (at slightly less than one-quarter for textiles and around one-half for clothing). The share of imports coming from developing non-member countries increased during the period under review for both textiles and clothing (to 16 and 20 per cent, respectively).

23. As regards the area distribution of developed countries' exports, the share taken by developed countries declined slightly for both textiles and clothing between 1973 and 1979 (to 51 and 71 per cent, respectively).

24. The movements in the net trade of the developed countries with the developing and the Eastern trading area are shown in Table 5. In trade with developing member countries, the export surplus in textiles of \$0.3 billion in 1973 shifted to an import surplus of \$0.2 billion in 1976, which grew further to \$0.6 billion in 1979. In clothing trade, the deficit with this group of countries increased almost fourfold, to \$8.6 billion, in 1979. In trade with developing non-member countries, the export surplus in textiles doubled, to \$1.8 billion in 1979, whereas in the case of trade in clothing, the import surplus expanded nearly fourfold, to \$2.4 billion. In trade with the Eastern trading area, there was also a sharp rise in the import surplus of clothing, from less than \$0.2 billion in 1973 to nearly \$1 billion in 1979.

25. An indication of the area distribution of the developing member countries' trade is shown in Table 6. For textiles, the share of total exports going to developed areas declined from 56 per cent in 1973 to less than one-half in 1978, while the proportion going to the developing countries increased from 34 to 41 per cent. In the case of clothing, the developed countries' share in total exports remained preponderant, though declining slightly, from 88 per cent in 1973 to 86 per cent in 1978. On the import side, developed countries' share in the developing member countries' total imports of textiles declined from 58 per cent in 1973 to less than half in 1978; the proportion accounted for by developing countries rose from 30 to 36 per cent.

Trade of the main importers and exporters³

26. Developments in the level and area distribution of imports, exports and trade balances have varied greatly among the individual areas and countries, as can be seen in Appendix Tables 1-8.

¹All discussion of developed countries' trade in this section refers to members of the MFA.

²Comprising 14 developing member countries only.

³For details on the trade of countries not shown in this report, see COM.TEX/W/76 and 78.

TABLE 5. - NET TRADE OF THE DEVELOPED MEMBER COUNTRIES
BY AREA, 1973-1979

(billion dollars)

	1973	1976	1977	1978	1979
<u>TEXTILES</u>					
Total	2.22	3.09	3.62	3.13	2.43
Developing area	1.14	1.59	2.05	1.76	1.23
Members	0.28	-0.18	-0.13	-0.20	-0.60
Non-members	0.86	1.77	2.18	1.96	1.83
Eastern trading area	0.27	0.46	0.56	0.42	0.38
Members	0.19	0.21	0.23	0.29	0.28
Non-members	0.08	0.25	0.33	0.13	0.10
<u>CLOTHING</u>					
Total	-3.35	-6.93	-7.31	-9.34	-11.89
Developing area	-3.28	-6.68	-7.05	-8.90	-11.05
Members	-2.62	-5.51	-5.82	-7.10	-8.61
Non-members	-0.66	-1.17	-1.23	-1.80	-2.44
Eastern trading area	-0.19	-0.36	-0.45	-0.61	-0.99
Members	-0.17	-0.31	-0.37	-0.46	-0.59
Non-members	-0.02	-0.05	-0.08	-0.15	-0.40
<u>TEXTILES AND CLOTHING</u>					
Total	-1.13	-3.84	-3.69	-6.21	-9.46
Developing area	-2.14	-5.09	-5.00	-7.14	-9.82
Members	-2.34	-5.69	-5.95	-7.30	-9.21
Non-members	0.20	0.60	0.95	0.16	-0.61
Eastern trading area	0.08	0.10	0.11	-0.19	-0.61
Members	0.02	-0.10	-0.14	-0.17	-0.31
Non-members	0.06	0.20	0.25	-0.02	-0.30

Source: GATT, Statistics on Textiles and Clothing, Part I
(COM.TEX/W/76) Table 17.

TABLE 6. - AREA DISTRIBUTION OF SELECTED DEVELOPING MEMBER COUNTRIES'^a
TRADE IN TEXTILES AND CLOTHING, 1973-1978

	Textiles				Clothing			
	1973	1976	1977	1978	1973	1976	1977	1978
<u>Exports</u> (billion dollars)								
Total	<u>2.21</u>	<u>3.11</u>	<u>3.44</u>	<u>4.33</u>	<u>2.55</u>	<u>5.23</u>	<u>5.48</u>	<u>6.49</u>
(percentage shares)								
Developed area	56	54	47	49	88	88	86	86
Developing area	34	35	40	41	7	9	11	11
Members	22	19	19	22	1	2	2	3
Non-members	12	17	21	19	6	7	9	8
Eastern trading area	10	11	12	10	5	4	3	3
<u>Imports</u> (billion dollars)								
Total	<u>2.38</u>	<u>3.06</u>	<u>3.21</u>	<u>3.83</u>	<u>0.20</u>	<u>0.28</u>	<u>0.36</u>	<u>0.45</u>
(percentage shares)								
Developed area	58	51	53	49	37	36	36	37
Developing area	30	37	34	36	21	34	30	32
Members	18	18	18	20	14	25	23	25
Non-members	12	19	16	16	7	9	7	7
Eastern trading area	13	13	12	15	42	31	34	31

^aComprising Argentina, Brazil, Egypt, Hong Kong, Indonesia, Israel, Korea, Pakistan, Philippines, Singapore, Thailand, Trinidad and Tobago, Turkey, Yugoslavia.

Source: GATT, Statistics on Textiles and Clothing, Part 1 (COM.TEX/W/76) Tables 11-14.

27. In the EC (see Appendix Table 1)¹ the share of imports from developed countries in total imports remained largely unchanged (at about 37-39 per cent) for textiles, and declined slightly, to 13 per cent in 1979, for clothing. In the case of textiles, the proportion of imports from developing member countries, after having risen from 25 per cent in 1973 to 31 per cent in 1976, fell back to 29 per cent in 1979 for textiles. Similarly, for clothing, the share of imports coming from developing member countries, after having risen from 56 per cent in 1973 to 59 per cent in 1976, fell to 53 per cent in 1979. The share of developing non-members in imports of textiles declined from 28 per cent in 1973 to 24 per cent in 1976 and recovered only slightly (to 25 per cent) in 1979, whereas their share in imports of clothing rose throughout the period (from 18 per cent in 1973 to 25 per cent in 1979). On the export side, the proportion accounted for by developed areas declined from 52 per cent in 1973 to 48 per cent in 1979 for textiles and remained virtually unchanged (69 per cent in both years) for clothing. The proportion of exports going to developing member countries remained much the same for both textiles (11-13 per cent) and clothing (6-7 per cent), while that going to developing non-member countries was higher in 1979 (29 per cent for textiles and 22 per cent for clothing) than in 1973 (23 and 17 per cent, respectively). Net exports of textiles declined from nearly \$2 billion in 1973 to \$0.55 billion in 1979. This decline was due partly to the reduction, from \$1.4 billion in 1973 to \$1 billion in 1979, in the export surplus with developed countries and partly to the increase in the import surplus with developing member countries, from \$0.1 to \$1.2 billion. In the case of clothing, the EC import surplus expanded five-fold to \$4.2 billion in 1979, sharp increases in the import surpluses with developing member countries (to \$4 billion in 1979), with developing non-member countries (to \$1.1 billion) and with the Eastern trading area (to \$0.6 billion) being only partly compensated for by a substantial rise in the export surplus with developed countries (which reached \$1.6 billion in 1979).

28. In the United States, (see Appendix Table 2) the share of developed countries in total imports declined between 1973 and 1979 from 67 to 52 per cent in the case of textiles, and from 27 to 12 per cent in the case of clothing. During the same period, the share accounted for by developing member countries rose from 25 to 35 per cent for textiles and from 53 to 64 per cent for clothing. The share of imports represented by non-member countries rose from 7 to 9 per cent for textiles and remained stable, at around one-fifth, for clothing. On the export side, for textiles the share of developed countries declined from 70 per cent in 1973 to 64 per cent in 1979, whereas for clothing it increased (from 31 to 44 per cent). The share taken by both developing member and non-member countries increased between 1973 and 1979 (to 18 and 16 per cent, respectively) for textiles, but it declined (to 31 and 24 per cent) for clothing. The net imports of clothing rose from \$1.7 billion in 1973 to \$4.4 billion in 1979. The largest part of this

¹As already noted, trade of the EC excludes intra-trade.

increase stemmed from the growing import surplus in trade with developing member countries, which reached \$3 billion in 1979 (as compared with less than \$1 billion in 1973), and with developing non-member countries which amounted to \$0.9 billion in 1979 (three times more than in 1973). For textiles a small import surplus (of \$0.08 billion) in 1973 shifted to an export surplus of \$1.2 billion in 1979, the bulk of which was in trade with developed countries.

29. In Canada (see Appendix Table 3) the bulk of imports of textiles came from developed countries, the combined share of which declined from 84 per cent in 1973 to 82 per cent in 1979. For clothing, however, the proportion of imports coming from developed countries declined significantly throughout the period, falling from 44 to 28 per cent, while the proportion accounted for by developing member countries rose from 33 to 42 per cent, and that of developing non-member countries rose from 16 to 19 per cent. Net imports of textiles nearly doubled to reach \$1.1 billion in 1979, mainly due to the growing import surplus with developed countries and net imports of clothing nearly trebled, to \$0.6 billion, in this case reflecting mainly the growing import surplus with developing countries (both members and non-members).

30. In Japan (see Appendix Table 4) the share of developed countries in total imports declined for textiles (from 44 to 39 per cent) but increased for clothing (from 17 to 23 per cent) between 1973 and 1979. With regard to textiles, the shares of developing member and non-member countries, after having declined between 1973 and 1976, recovered in the subsequent years and were in 1979 (at 38 and 10 per cent, respectively) slightly higher than in 1973. For clothing, however, the 1979 import share of both the developing member and non-member countries was lower than in 1973 (at 49 and 17 per cent, respectively). The share of imports from the Eastern trading area increased throughout the period, reaching 14 per cent for textiles and 11 per cent for clothing in 1979. On the export side, the share of developed countries declined for both textiles (to 24 per cent) and clothing (to 67 per cent) in 1979. The share of textile exports going to developing member countries declined from 40 per cent in 1973 to 32 per cent in 1976, recovering only partly (to 38 per cent) in 1979, while that of developing non-member countries, after having risen from 25 per cent in 1973 to 34 per cent in 1976, fell back to 30 per cent in 1979. The net export surplus in textiles, after having increased from \$1.3 billion in 1973 to \$3 billion in 1977, contracted to \$2.4 billion in 1979. The import surplus in clothing rose six-fold to \$1.2 billion in 1979, due partly to the growing import surplus with developing member countries, which reached \$0.7 billion in 1979, and partly to the shift, from an export, to an import surplus in trade with developed countries.

31. The area distribution and net trade of the other developed member countries¹, taken together, is shown in Appendix Table 5. The bulk of their trade for both textiles and clothing is with developed countries

¹ Austria, Finland, Sweden and Switzerland.

and there were only relatively minor shifts in its distribution by area. Their net import surplus increased for textiles from \$0.4 billion in 1973 to \$0.6 billion in 1979 and for clothing from \$0.5 to \$1.5 billion, largely on account of the growing import surpluses with developed countries.

32. In Brazil (see Appendix Table 6) the share of exports of textiles going to developed areas declined from 69 per cent in 1973 to 61 per cent in 1979. Net exports of textiles rose from \$150 million in 1973 to \$520 million in 1979, net exports to developed areas having risen from \$90 million to \$310 million.

33. In Hong Kong (see Appendix Table 7) most exports of clothing continued to go to developed areas (around 90 per cent). In the case of textiles, however, the proportion of total exports going to developed countries declined from 69 to 55 per cent between 1973 and 1979, whereas the share of developing areas rose from 31 to 38 per cent and that of the Eastern trading area, from 1 to 7 per cent. The proportion of textile imports coming from developed countries also declined, from 42 to 34 per cent, while the developing countries' share rose from 36 to 42 per cent and that of the Eastern trading area from 21 to 24 per cent. The export surplus in clothing almost trebled, to \$3.4 billion in 1979, essentially due to growth in the export surplus with developed countries. There was also a trebling in the import surplus in textiles (to \$1.5 billion), reflecting the growing import surplus with the developing countries, the Eastern trading area and developed countries.

34. In the Republic of Korea (see Appendix Table 8) the share of developed countries in total exports of clothing remained predominant, though declining from 96 to 91 per cent. For textiles, the share of developed areas in total exports declined more sharply, from 63 to 47 per cent, whereas that of the developing areas rose from 36 to 52 per cent. With regard to imports, there was also a decline (from 92 to 87 per cent) in the proportion accounted for by developed countries. The rise in net exports of clothing, from \$0.7 billion in 1973 to \$2.4 billion in 1979, was due essentially to trade with developed countries, while in the case of textiles, the growing export surplus (from \$0.1 billion to \$1 billion) was shared by developing and developed areas.

35. Per capita imports of textiles and clothing into developed countries in current values are shown in Table 7. The growth in current dollar value is obviously largely determined by the high rates of inflation and by the depreciation of the US dollar. In the United States, per capita imports of textiles and clothing (taken together) from developing countries rose from \$9 to \$23 from 1973 to 1979 and in Canada from \$11 to \$24. In the EC, they increased during the same period from \$12 to \$40, in Austria from \$8 to \$26, in Finland from \$10 to \$21, in Sweden from \$26 to \$60 and in Switzerland from \$20 to \$49. In Japan, imports per head of textiles and clothing from developing countries rose from \$8 in 1973 to \$15 in 1979.

TABLE 7 - PER CAPUT IMPORTS OF TEXTILES AND CLOTHING INTO THE
DEVELOPED MEMBERS OF THE ARRANGEMENT BY AREAS OF ORIGIN
(dollars per caput)

	Textiles			Clothing			Textiles & Clothing		
	1973	1976	1979	1973	1976	1979	1973	1976	1979
EC									
Total	10.3	15.7	29.1	8.6	17.2	31.0	18.9	32.9	60.1
Developed area	4.0	5.9	11.3	1.3	2.1	4.2	5.3	7.9	15.5
Developing area	5.5	8.7	15.7	6.4	13.6	24.1	11.9	22.3	39.8
Eastern trading area	0.8	1.2	2.0	1.0	1.5	2.6	1.8	2.7	4.6
United States									
Total	6.2	6.7	8.3	9.4	15.1	23.4	15.6	21.8	31.7
Developed area	4.2	3.6	4.3	2.5	2.4	2.8	6.7	6.0	7.1
Developing area	2.0	2.9	3.7	6.8	12.5	19.7	8.8	15.4	23.4
Eastern trading area	0.1	0.2	0.3	0.0	0.2	0.9	0.1	0.4	1.2
Canada									
Total	34.9	44.2	56.2	14.2	29.9	28.5	49.1	74.1	84.7
Developed area	29.2	36.6	46.1	6.2	9.3	8.0	35.4	45.9	54.1
Developing area	3.9	5.5	6.9	7.0	18.6	17.5	10.9	24.1	24.4
Eastern trading area	1.8	2.2	3.2	1.0	2.0	3.0	2.8	4.2	6.2
Japan									
Total	9.7	5.0	12.9	5.0	6.3	13.3	14.7	11.3	26.2
Developed area	4.3	2.5	5.0	0.9	1.1	3.1	5.2	3.6	8.1
Developing area	4.5	2.0	6.2	3.7	4.8	8.8	8.2	6.8	15.0
Eastern trading area	0.8	0.5	1.8	0.4	0.4	1.4	1.2	0.9	3.2
Austria									
Total	62.4	81.8	132.9	23.6	49.4	97.5	86.0	131.2	230.4
Developed area	56.3	71.7	117.2	19.5	39.3	82.4	75.8	111.0	199.6
Developing area	4.2	7.4	11.9	3.8	9.4	14.0	8.0	16.8	25.8
Eastern trading area	1.9	2.8	3.8	0.3	0.7	1.1	2.2	3.5	4.9
Finland									
Total	55.0	70.5	110.2	11.2	16.6	30.4	66.2	87.1	140.6
Developed area	45.8	60.5	92.9	7.3	10.5	17.4	53.1	71.0	110.3
Developing area	6.5	6.5	11.3	3.7	5.5	9.5	10.2	12.0	20.8
Eastern trading area	2.7	3.5	6.1	0.3	0.6	3.5	3.0	4.1	9.6
Sweden									
Total	60.6	83.9	104.2	45.5	84.7	126.3	106.1	168.6	230.5
Developed area	48.0	65.5	81.0	28.2	50.4	81.4	76.2	115.9	162.4
Developing area	10.0	15.0	18.1	16.4	32.7	42.3	26.4	47.7	60.4
Eastern trading area	2.6	3.3	5.1	0.8	1.7	2.6	3.4	5.0	7.7
Switzerland									
Total	78.1	82.4	154.0	67.0	91.1	174.2	145.1	173.5	328.2
Developed area	65.4	69.8	131.8	56.6	69.0	140.9	122.0	138.8	272.7
Developing area	10.2	10.4	19.5	9.4	20.7	29.7	19.6	31.1	49.2
Eastern trading area	2.6	2.2	2.8	1.0	1.4	3.6	3.6	3.6	6.4

2. Volume

36. Given the limited availability of data on prices, it has only been possible to make estimates of movements in the volume of aggregate trade (that is, aggregate trade valued at constant prices) for developed countries as a whole.¹ The trade of these countries has been characterized by strong year-to-year variations, which can be explained, inter alia, by (i) the cyclical variations in demand for end-uses, in demand for stocks and in production; (ii) the relatively minor importance of trade in relation to either consumption or production, so that changes in the latter lead to larger than proportional fluctuations in trade; and (iii) the timing and impact of the MFA on the actions of textile exporters and importers.

37. The volume of imports of textiles and clothing into the developed countries as a whole, after some increase in 1974 and a decline in the recession year 1975, recovered strongly in 1976. In 1977, the volume of imports levelled off, before increasing again in 1978 and 1979. Between 1973 and 1976 the volume of total imports into the developed countries rose by 8 per cent on average per year and, between 1976 and 1979, by an average of about 7 per cent. The volume growth of exports of textiles and clothing from the developed countries was slower than that of their imports, slowing down from a yearly average of 5 per cent between 1973 and 1976 to an average of 3 per cent per year between 1976 and 1979.

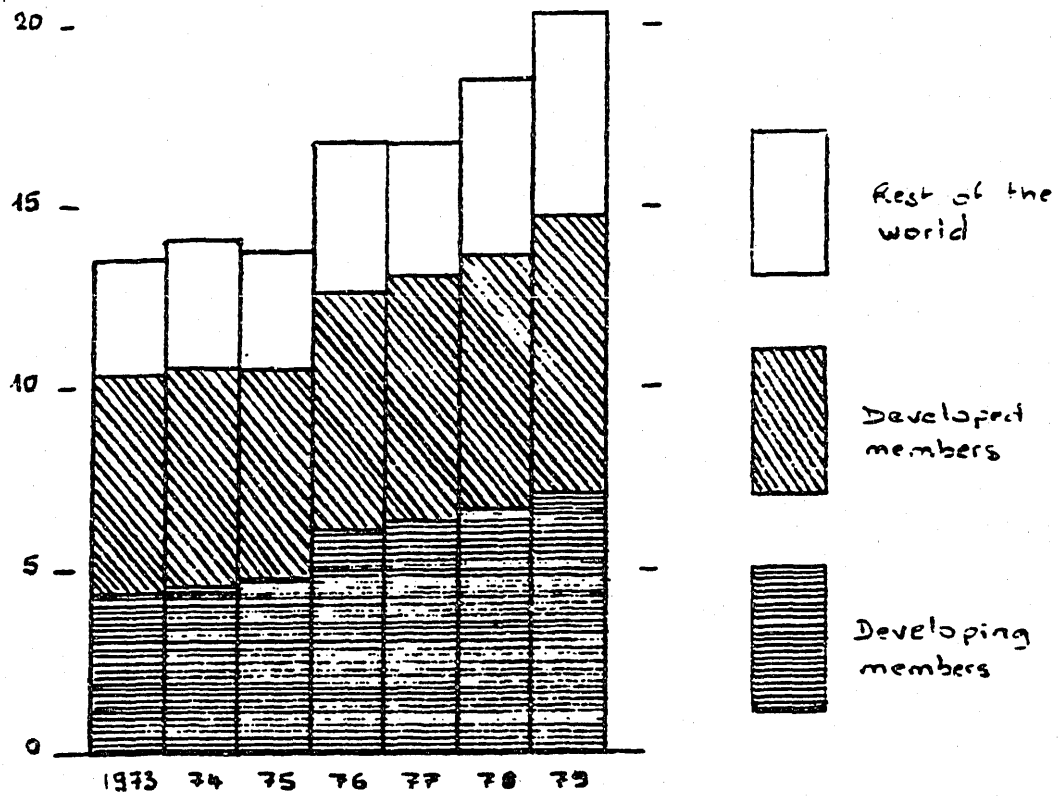
38. As regards the origin of developed countries' imports, developments were quite different in the two sub-periods. Between 1973 and 1976, the volume of imports coming from the developing member countries can be estimated to have risen by about 12 per cent on average per year, considerably faster than imports from other origins. Between 1976 and 1979, however, the growth in the volume of imports from the developing member countries slowed down to an average of roughly 6 per cent per year, which was slower than the growth of imports from other sources, as can be seen in Chart I.

39. It should be noted that, at this level of aggregation, the estimated growth in the volume of textiles and clothing imported by the developed countries was greater than would be indicated by simply aggregating the physical quantities (tonnages, square yards). This can be explained by the upgrading of imports from lower- to higher-priced items, which an aggregate volume index should properly take account of.² It reflects an endeavour on the part of suppliers to meet shifts in demand towards

¹Even at this level, the price data used for deflating the value of trade is less than satisfactory. See the Explanatory Notes.

²It should be clear that, unless there has been no variation whatsoever in the quality/product mix of imports, an unweighted index of physical quantities tells us very little about developments in real terms. This is not to say that the physical quantities have no meaning at a very disaggregated level.

CHART I. - IMPORTS OF TEXTILES AND CLOTHING INTO
DEVELOPED MEMBERS OF THE MFA BY MAIN ORIGINS
(Billion \$ at 1973 prices)



higher quality products, as well as to maximize their gains from restricted quantitative quotas.

40. For developed countries as a whole, trade in volume generally increased faster than production for both textiles and clothing during the period under review. This was most pronounced in the case of clothing. The ratio of clothing imports to the gross value of production is estimated to have almost doubled between 1973 and 1979, when it approached one-fifth. At the same time, the ratio of clothing exports to production increased from 5 to 7 per cent. In the case of textiles, for which developed countries have remained net exporters throughout the period, the ratio of exports to production rose from 9 to 11 per cent and that of imports to production, from 7 to 9 per cent. These average ratios between trade and production for the textiles and clothing industries obviously conceal wide discrepancies between individual products in each industry.

¹An attempt was made to relate production to trade for selected textile products (see COM.TEX/W/77). Comparability could not, however, be fully achieved.

Explanatory Notes

Production indices are those published in national statistical publications or in the UN, Monthly Bulletin of Statistics and OECD, Indicators of Industrial Activity. Employment data are from members' responses to the textiles questionnaires issued under the Textiles Committee's statistical reporting scheme.

Trade data are from the United Nations trade data tapes. The product categories are defined as far as possible in terms of the Standard International Trade Classification Revised¹ (SITC Rev.1). The aggregates for textiles and clothing exclude in principle products other than those of cotton, wool and man-made fibres to the extent they can be identified in the SITC Revision 1. The definitions adopted here should in no case be considered as an expression of an opinion by the secretariat with regard to the products covered by the Arrangement.

Values are expressed in US dollars. Exports are valued f.o.b., imports are valued c.i.f. with the exception of Canada and the United States for which imports are valued f.o.b. Data for the European Communities exclude intra-community trade.

The trade values (in terms of US dollars) are the only relatively reliable and comparable statistics on exports and imports in textiles and clothing. Statistical data in this form are obviously insufficient for a thorough analysis of trade developments between different countries and groups of countries. This insufficiency is due to the inflation which proceeded throughout the 1970s at a very high rate in almost all trading countries and which caused export price variations which were highly differentiated not only between different product categories and sub-categories, but also between different exporting countries.

The statistical difficulties encountered in trying to progress from trade values to trade volumes can be described as follows:

First, the aggregation of quantities reported in national trade statistics appears unsatisfactory as soon as the composition of the category, or the quality of the products included therein varies in time. Since variations of this kind are frequent in trade in textiles, no comprehensive assessment can be established on the tonnage or surface basis alone.

Second, genuine quantum indices are generally not calculated in foreign trade. The available indices are usually derived from current values and price or unit value indices. The price indices are usually based on a sample of commodities. If the sample is representative for the trade flow, these series provide the best basis for the assessment of volume changes. In practice, however, only a small number of countries collect export and import prices and, moreover, none of those calculates price indices by destination or origin. For the assessment of the trade performance under the Arrangement an area breakdown is required.

¹United Nations, Statistical Papers, Series M, No. 34.

Third, the majority of the members of the Arrangement publishing indices compile unit value indices for total exports and total imports of textiles or clothing. Only a few of them calculate, in addition, the detail by areas of origin or destination. The absence of the area breakdown in the export or import indices represent a serious weakness since, for textiles and for clothing, the composition and the quality of products traded varies according to the origin (or the destination). It appears, for instance, that the quality of clothing articles traded among developed countries is in general higher than that originating in developing countries; also the recent price increases in the former trade flows appear to be on average higher than those in the latter flows.

Fourth, the method of calculation of the unit value indices usually applied by national statistical offices does not make it possible to clearly distinguish between changes in price, quality or product mix. Since both the composition and the quality of textiles and clothing articles entering international trade underwent considerable change during the period under review, the use of unit value data in the calculation of volume indices does no doubt introduce a bias in the results.

Country groupings are essentially those adopted in earlier studies and are as follows:

Developed countries

Canada, United States
European Communities - Belgium-Luxembourg, Denmark, France,
the Federal Republic of Germany, Ireland, Italy, the Netherlands,
the United Kingdom
Austria, Finland, Iceland, Norway, Sweden, Switzerland
Japan
Australia, New Zealand, South Africa.

Developing countries

Countries and territories in Latin America, South and East Asia, the Middle East, Africa, Oceania and Southern Europe (including Romania) not included in other areas.

Eastern trading area

Albania, Bulgaria, Czechoslovakia, the Democratic Republic of Germany, Hungary, Poland, the Soviet Union, China, Mongolia, North Korea and Viet-Nam.

The member countries of the Arrangement have been grouped as follows:

Developed members

EC, United States, Japan, Canada, Austria, Finland, Sweden, Switzerland.

Developing members

Turkey, Yugoslavia, Romania
Egypt, Israel, Ghana
Bangladesh, India, Pakistan, Sri Lanka, Hong Kong, Korea, Macao,
Singapore, Malaysia, Thailand, Indonesia, Philippines
Argentina, Bolivia, Brazil, Colombia, Peru, Uruguay, Mexico,
Dominican Republic, El Salvador, Guatemala, Haiti, Jamaica,
Trinidad and Tobago.

Eastern trading area members

Czechoslovakia, Hungary, Poland.

The classification of countries into the above-mentioned groups and the designations employed do not imply the expression of an opinion of the secretariat concerning either the status of any country or territory or the delimitation of its frontiers.

More detailed explanatory notes to the data given are to be found in statistical appendices Parts 1 to 3 (COM.TEX/W/76, 77 and 78).

APPENDIX TABLE 1 - EUROPEAN COMMUNITIES
AREA DISTRIBUTION OF TRADE IN TEXTILES AND CLOTHING, 1973-1979

	<u>TEXTILES</u>					<u>CLOTHING</u>				
	1973	1976	1977	1978	1979	1973	1976	1977	1978	1979
<u>IMPORTS</u>	(billion dollars)									
Total	<u>2.63</u>	<u>4.06</u>	<u>4.60</u>	<u>5.59</u>	<u>7.58</u>	<u>2.21</u>	<u>4.46</u>	<u>5.00</u>	<u>5.96</u>	<u>8.08</u>
	(percentage shares)									
Developed area	39	37	37	38	39	15	12	13	13	13
Developing area	54	55	56	55	54	74	79	78	78	78
Members	25	31	31	28	29	56	59	56	54	53
Non-members	28	24	25	27	25	18	20	22	24	25
Eastern trading area	8	7	7	7	7	11	9	9	9	8
<u>EXPORTS</u>	(billion dollars)									
Total	<u>4.62</u>	<u>5.36</u>	<u>6.09</u>	<u>6.95</u>	<u>8.13</u>	<u>1.46</u>	<u>2.10</u>	<u>2.72</u>	<u>3.19</u>	<u>3.88</u>
	(percentage shares)									
Developed area	52	45	44	46	48	69	68	66	68	69
Developing area	35	39	42	42	41	24	28	31	29	29
Members	13	11	11	12	12	7	6	6	6	6
Non-members	23	28	32	31	29	17	22	25	23	22
Eastern trading area	11	12	11	11	11	6	4	3	3	3
<u>NET TRADE</u>	(billion dollars)									
Total	<u>1.99</u>	<u>1.30</u>	<u>1.49</u>	<u>1.36</u>	<u>0.55</u>	<u>-0.76</u>	<u>-2.36</u>	<u>-2.29</u>	<u>-2.78</u>	<u>-4.20</u>
Developed area	1.37	0.92	1.01	1.10	0.95	0.69	0.89	1.15	1.37	1.58
Developing area	0.23	-0.15	0.02	-0.12	-0.77	-1.29	-2.94	-3.07	-3.69	-5.15
Members	-0.08	-0.69	-0.76	-0.77	-1.20	-1.14	-2.52	-2.63	-2.99	-4.03
Non-members	0.31	0.53	0.78	0.65	0.42	-0.15	-0.41	-0.44	-0.70	-1.12
Eastern trading area	0.29	0.37	0.33	0.36	0.39	-0.15	-0.31	-0.37	-0.44	-0.58

Source: GATT, Statistics on Textiles and Clothing, Part 1 (COM.TEX/W/76), Tables 15-17.

APPENDIX TABLE 2 - UNITED STATES
AREA DISTRIBUTION OF TRADE IN TEXTILES AND CLOTHING, 1973-1979

	<u>TEXTILES</u>					<u>CLOTHING</u>				
	1973	1976	1977	1978	1979	1973	1976	1977	1978	1979
<u>IMPORTS</u> (billion dollars)										
Total	<u>1.31</u>	<u>1.44</u>	<u>1.56</u>	<u>1.83</u>	<u>1.82</u>	<u>1.97</u>	<u>3.26</u>	<u>3.70</u>	<u>4.91</u>	<u>5.16</u>
(percentage shares)										
Developed area	67	54	57	57	52	27	16	16	15	12
Developing area	31	43	40	39	44	73	83	82	83	84
Members	25	34	32	31	35	53	63	62	63	64
Non-members	7	9	8	8	9	20	19	20	20	20
Eastern trading area	1	4	3	4	4	-	1	2	2	4
<u>EXPORTS</u> (billion dollars)										
Total	<u>1.23</u>	<u>1.92</u>	<u>1.90</u>	<u>2.15</u>	<u>3.07</u>	<u>0.25</u>	<u>0.46</u>	<u>0.55</u>	<u>0.56</u>	<u>0.79</u>
(percentage shares)										
Developed area	70	69	66	64	64	31	34	38	35	44
Developing area	29	30	33	35	34	68	65	62	64	55
Members	16	15	15	18	18	43	39	35	36	31
Non-members	13	15	17	17	16	25	27	28	29	24
Eastern trading area	1	1	1	-	2	-	-	-	1	-
<u>NET TRADE</u> (billion dollars)										
Total	<u>-0.08</u>	<u>0.48</u>	<u>0.34</u>	<u>0.32</u>	<u>1.24</u>	<u>-1.72</u>	<u>-2.80</u>	<u>-3.15</u>	<u>-4.35</u>	<u>-4.38</u>
Developed area	-0.02	0.55	0.37	0.35	1.03	-0.45	-0.37	-0.40	-0.54	-0.27
Developing area	-0.05	-0.04	-	0.04	0.23	-1.26	-2.39	-2.69	-3.70	-3.91
Members	-0.12	-0.20	-0.21	-0.19	-0.08	-0.93	-1.89	-2.11	-2.90	-3.06
Non-members	-0.07	0.16	0.21	0.22	0.32	-0.33	-0.51	-0.57	-0.80	-0.85
Eastern trading area	-0.01	-0.03	-0.03	-0.06	-0.02	-0.01	-0.04	-0.07	-0.11	-0.20

Source: GATT, Statistics on Textiles and Clothing, Part 1 (COM.TEX/W/76), Tables 15-17.

APPENDIX TABLE 3 - CANADA
AREA DISTRIBUTION OF TRADE IN TEXTILES AND CLOTHING, 1973-1979

	<u>TEXTILES</u>					<u>CLOTHING</u>				
	1973	1976	1977	1978	1979	1973	1976	1977	1978	1979
<u>IMPORTS</u> (billion dollars)										
Total	<u>0.77</u>	<u>1.02</u>	<u>0.99</u>	<u>1.05</u>	<u>1.33</u>	<u>0.31</u>	<u>0.69</u>	<u>0.57</u>	<u>0.55</u>	<u>0.68</u>
(percentage shares)										
Developed area	84	83	84	82	82	44	31	34	30	28
Developing area	11	12	12	13	12	50	62	59	64	61
Members	9	9	9	9	9	33	46	42	43	42
Non-members	3	3	3	4	3	16	16	17	21	19
Eastern trading area	5	5	4	5	6	7	7	6	6	10
<u>EXPORTS</u> (billion dollars)										
Total	<u>0.15</u>	<u>0.14</u>	<u>0.14</u>	<u>0.15</u>	<u>0.21</u>	<u>0.09</u>	<u>0.06</u>	<u>0.06</u>	<u>0.05</u>	<u>0.07</u>
(percentage shares)										
Developed area	82	79	78	78	79	95	89	90	91	89
Developing area	17	21	22	21	20	5	11	9	8	10
Members	9	10	10	10	8	1	2	3	1	2
Non-members	8	11	12	11	11	4	9	6	7	8
Eastern trading area	-	-	-	2	1	-	1	1	-	1
<u>NET TRADE</u> (billion dollars)										
Total	<u>-0.62</u>	<u>-0.88</u>	<u>-0.85</u>	<u>-0.90</u>	<u>-1.12</u>	<u>-0.22</u>	<u>-0.63</u>	<u>-0.51</u>	<u>-0.49</u>	<u>-0.61</u>
Developed area	-0.52	-0.73	-0.72	-0.74	-0.93	-0.05	-0.16	-0.15	-0.11	-0.13
Developing area	-0.06	-0.10	-0.09	-0.10	-0.12	-0.15	-0.42	-0.33	-0.35	-0.41
Members	-0.05	-0.08	-0.08	-0.08	-0.10	-0.10	-0.31	-0.24	-0.24	-0.28
Non-members	-0.01	-0.02	-0.01	-0.02	-0.02	-0.05	-0.11	-0.09	-0.11	-0.13
Eastern trading area	-0.04	-0.05	-0.04	-0.05	-0.07	-0.02	-0.05	-0.04	-0.04	-0.07

Source: GATT, Statistics on Textiles and Clothing, Part 1 (COM.TEX/W/76), Tables 15-17.

APPENDIX TABLE 4 - JAPAN
AREA DISTRIBUTION OF TRADE IN TEXTILES AND CLOTHING, 1973-1979

	<u>TEXTILES</u>					<u>CLOTHING</u>				
	1973	1976	1977	1978	1979	1973	1976	1977	1978	1979
<u>IMPORTS</u> (billion dollars)										
Total	<u>1.05</u>	<u>0.57</u>	<u>0.58</u>	<u>1.06</u>	<u>1.50</u>	<u>0.55</u>	<u>0.71</u>	<u>0.77</u>	<u>1.06</u>	<u>1.54</u>
(percentage shares)										
Developed area	44	50	51	38	39	17	18	22	22	23
Developing area	47	39	39	50	48	74	76	71	70	66
Members	37	32	31	39	38	54	60	57	55	49
Non-members	9	7	8	10	10	21	16	14	15	17
Eastern trading area	9	11	11	12	14	8	6	7	8	11
<u>EXPORTS</u> (billion dollars)										
Total	<u>2.39</u>	<u>3.22</u>	<u>3.60</u>	<u>3.72</u>	<u>3.88</u>	<u>0.35</u>	<u>0.40</u>	<u>0.44</u>	<u>0.46</u>	<u>0.33</u>
(percentage shares)										
Developed area	29	27	26	27	24	80	70	68	73	67
Developing area	65	66	64	66	68	16	22	23	21	28
Members	40	32	32	36	38	4	6	6	7	9
Non-members	25	34	32	30	30	12	17	17	14	19
Eastern trading area	6	8	10	8	8	4	8	9	6	5
<u>NET TRADE</u> (billion dollars)										
Total	<u>1.34</u>	<u>2.65</u>	<u>3.02</u>	<u>2.66</u>	<u>2.38</u>	<u>-0.20</u>	<u>-0.32</u>	<u>-0.33</u>	<u>-0.60</u>	<u>-1.21</u>
Developed area	0.23	0.58	0.65	0.60	0.35	0.18	0.15	0.13	0.10	-0.14
Developing area	1.06	1.89	2.09	1.91	1.94	-0.35	-0.46	-0.44	-0.65	-0.93
Members	0.55	0.85	0.99	0.90	0.90	-0.28	-0.40	-0.41	-0.55	-0.73
Non-members	0.50	1.04	1.10	1.01	1.03	-0.07	-0.05	-0.03	-0.10	-0.19
Eastern trading area	0.05	0.18	0.29	0.15	0.09	-0.03	-0.01	-0.02	-0.05	-0.15

Source: GATT, Statistics on Textiles and Clothing, Part 1 (COM.TEX/W/76), Tables 15-17.

APPENDIX TABLE 5 - OTHER DEVELOPED MEMBERS^a
AREA DISTRIBUTION OF TRADE IN TEXTILES AND CLOTHING, 1973-1979

	<u>TEXTILES</u>					<u>CLOTHING</u>				
	1973	1976	1977	1978	1979	1973	1976	1977	1978	1979
<u>IMPORTS</u> (billion dollars)										
Total	<u>1.72</u>	<u>2.16</u>	<u>2.31</u>	<u>2.64</u>	<u>3.36</u>	<u>1.03</u>	<u>1.72</u>	<u>2.05</u>	<u>2.36</u>	<u>3.03</u>
(percentage shares)										
Developed area	84	84	84	85	84	75	69	71	74	75
Developing area	12	13	12	11	12	23	29	27	23	23
Members	4	6	6	6	6	16	22	21	18	17
Non-members	8	7	6	6	6	8	6	6	5	6
Eastern trading area	4	4	4	4	4	2	2	2	2	2
<u>EXPORTS</u> (billion dollars)										
Total	<u>1.31</u>	<u>1.70</u>	<u>1.92</u>	<u>2.33</u>	<u>2.75</u>	<u>0.58</u>	<u>0.90</u>	<u>1.02</u>	<u>1.24</u>	<u>1.52</u>
(percentage shares)										
Developed area	84	80	79	81	82	90	89	90	91	93
Developing area	13	16	16	15	14	3	2	2	2	2
Members	4	4	4	4	3	1	1	1	1	1
Non-members	9	12	12	11	11	2	2	2	2	1
Eastern trading area	3	5	5	5	4	7	9	8	7	5
<u>NET TRADE</u> (billion dollars)										
Total	<u>-0.41</u>	<u>-0.46</u>	<u>-0.39</u>	<u>-0.32</u>	<u>-0.61</u>	<u>-0.45</u>	<u>-0.82</u>	<u>-1.03</u>	<u>-1.12</u>	<u>-1.50</u>
Developed area	-0.35	-0.45	-0.43	-0.37	-0.57	-0.25	-0.40	-0.54	-0.63	-0.85
Developing area	-0.03	-0.01	0.03	0.04	-0.04	-0.22	-0.48	-0.53	-0.52	-0.66
Members	-0.02	-0.07	-0.06	-0.07	-0.13	-0.16	-0.38	-0.43	-0.43	-0.51
Non-members	-0.02	0.06	0.09	0.11	0.09	-0.07	-0.10	-0.10	-0.10	-0.16
Eastern trading area	-0.03	-	0.01	0.02	-0.01	0.02	0.05	0.03	0.03	0.01

^a comprising Austria, Finland, Sweden and Switzerland.

Source: GATT, Statistics on Textiles and Clothing, Part 1 (COM.TEX/W/76), Tables 15-17.

APPENDIX TABLE 6 - BRAZIL
AREA DISTRIBUTION OF TRADE IN TEXTILES AND CLOTHING, 1973-1979

	<u>TEXTILES</u>					<u>CLOTHING</u>				
	1973	1976	1977	1978	1979	1973	1976	1977	1978	1979
<u>EXPORTS</u>										
	(billion dollars)									
Total	<u>0.22</u>	<u>0.27</u>	<u>0.38</u>	<u>0.42</u>	<u>0.59</u>	<u>0.08</u>	<u>0.08</u>	<u>0.08</u>	<u>0.10</u>	<u>0.09</u>
	(percentage shares)									
Developed area	69	69	65	63	61	59	66	61	57	62
Developing area	22	21	24	30	31	41	33	38	42	37
Eastern trading area	9	10	11	7	7	-	1	2	1	1
<u>IMPORTS</u>										
	(billion dollars)									
Total	<u>0.07</u>	<u>0.07</u>	<u>0.07</u>	<u>0.08</u>	<u>0.07</u>	<u>0.01</u>	<u>0.01</u>	<u>0.01</u>	<u>0.01</u>	<u>0.01</u>
	(percentage shares)									
Developed area	84	81	81	83	72	62	83	89	81	87
Developing area	15	19	19	17	28	38	17	11	19	13
Eastern trading area	1	-	-	-	-	-	-	-	-	-
<u>NET TRADE</u>										
	(billion dollars)									
Total	<u>0.15</u>	<u>0.20</u>	<u>0.31</u>	<u>0.34</u>	<u>0.52</u>	<u>0.07</u>	<u>0.07</u>	<u>0.07</u>	<u>0.09</u>	<u>0.08</u>
Developed area	0.09	0.13	0.19	0.20	0.31	0.04	0.04	0.04	0.05	0.05
Developing area	0.04	0.04	0.08	0.11	0.17	0.03	0.03	0.03	0.04	0.03
Eastern trading area	0.02	0.03	0.04	0.03	0.04	-	-	-	-	-

Source: GATT, Statistics on Textiles and Clothing, Part 1 (COM.TEX/W/76), Tables 18-20.

APPENDIX TABLE 7 - HONG KONG
AREA DISTRIBUTION OF TRADE IN TEXTILES AND CLOTHING, 1973-1979

	<u>TEXTILES</u>					<u>CLOTHING</u>				
	1973	1976	1977	1978	1979	1973	1976	1977	1978	1979
<u>EXPORTS</u> (billion dollars)										
Total	<u>0.45</u>	<u>0.61</u>	<u>0.56</u>	<u>0.58</u>	<u>0.77</u>	<u>1.33</u>	<u>2.73</u>	<u>2.78</u>	<u>3.13</u>	<u>3.70</u>
(percentage shares)										
Developed area	69	68	58	59	55	92	90	89	90	91
Developing area	31	30	36	37	38	7	9	10	10	8
Eastern trading area	1	2	6	5	7	-	1	1	-	1
<u>IMPORTS</u> (billion dollars)										
Total	<u>0.96</u>	<u>1.37</u>	<u>1.38</u>	<u>1.75</u>	<u>2.25</u>	<u>0.11</u>	<u>0.13</u>	<u>0.19</u>	<u>0.25</u>	<u>0.34</u>
(percentage shares)										
Developed area	42	37	41	37	34	26	34	36	37	33
Developing area	36	45	40	41	42	13	18	15	17	15
Eastern trading area	21	18	19	22	24	61	47	50	46	53
<u>NET TRADE</u> (billion dollars)										
Total	<u>-0.50</u>	<u>-0.76</u>	<u>-0.82</u>	<u>-1.17</u>	<u>-1.49</u>	<u>1.22</u>	<u>2.60</u>	<u>2.60</u>	<u>2.88</u>	<u>3.36</u>
Developed area	-0.10	-0.10	-0.24	-0.31	-0.35	1.20	2.42	2.42	2.72	3.25
Developing area	-0.20	-0.43	-0.36	-0.50	-0.65	0.08	0.23	0.26	0.26	0.25
Eastern trading area	-0.20	-0.23	-0.22	-0.36	-0.49	-0.06	-0.05	-0.08	-0.10	-0.15

Source: GATT, Statistics on Textiles and Clothing, Part 1 (COM.TEX/W/76),
Tables 18-2C.

APPENDIX TABLE 8 - KOREA
AREA DISTRIBUTION OF TRADE IN TEXTILES AND CLOTHING, 1973-1979

	<u>TEXTILES</u>					<u>CLOTHING</u>				
	1973	1976	1977	1978	1979	1973	1976	1977	1978	1979
(billion dollars)										
<u>EXPORTS</u>										
Total	<u>0.36</u>	<u>0.69</u>	<u>0.85</u>	<u>1.25</u>	<u>1.51</u>	<u>0.71</u>	<u>1.63</u>	<u>1.76</u>	<u>2.17</u>	<u>2.40</u>
(percentage shares)										
Developed area	63	43	42	45	47	96	94	91	91	91
Developing area	36	56	57	55	52	4	6	9	8	8
Eastern trading area	-	1	1	-	-	-	-	-	-	-
(billion dollars)										
<u>IMPORTS</u>										
Total	<u>0.29</u>	<u>0.32</u>	<u>0.34</u>	<u>0.39</u>	<u>0.43</u>	<u>0.01</u>	<u>0.01</u>	<u>0.01</u>	<u>0.01</u>	<u>0.02</u>
(percentage shares)										
Developed area	92	92	93	90	87	99	99	98	99	97
Developing area	8	7	7	10	12	1	1	2	1	2
Eastern trading area	-	-	-	-	1	-	-	-	-	-
(billion dollars)										
<u>NET TRADE</u>										
Total	<u>0.07</u>	<u>0.37</u>	<u>0.51</u>	<u>0.86</u>	<u>1.09</u>	<u>0.70</u>	<u>1.62</u>	<u>1.75</u>	<u>2.15</u>	<u>2.38</u>
Developed area	-0.04	-	0.04	0.21	0.34	0.68	1.52	1.60	1.97	2.18
Developing area	0.11	0.36	0.47	0.64	0.74	0.03	0.10	0.15	0.18	0.20
Eastern trading area	-	0.01	0.01	-	-	-	-	-	-	-

Source: GATT, Statistics on Textiles and Clothing, Part 1 (COM.TEX/W/76), Tables 18-20.