

# GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

COT/26/Add.4

4 November 1964

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Original: English

## LONG-TERM ARRANGEMENT REGARDING INTERNATIONAL TRADE IN COTTON TEXTILES

### Restraint Request made by the United States under Article 3

#### Addendum

#### Completed Restraint Action

The following communication has been received by the Executive Secretary from the United States Mission for notification to the Cotton Textiles Committee.

Acting under Article 3 of the Long-Term Arrangement in Cotton Textiles, the United States Government on 18 September 1964, by aide memoire, set the level of restraint on exports from Pakistan of printcloth in categories 18, 19 and part of 26 jointly at 4,300,000 square yards for the twelve-month period beginning 31 March 1964.

Consultations on the level of exports from Pakistan in these categories were requested by the United States Government in an aide memoire dated 31 March 1964, and reported to the Cotton Textiles Committee in COT/26.

The following description of the disrupted state of the domestic market for printcloth was made available to the Government of Pakistan in justification of the restraint request:

United States imports of category 19 fabric have been rising rapidly in recent years, a trend which is still continuing. In the first Long-Term Arrangement year, imports amounted to 10.4 million square yards compared to 4.2 million square yards in the Short-Term Arrangement year and 2.4 million square yards during United States Fiscal Year 1962. Total category 19 imports had risen to 13.4 million square yards in the twelve-month period ending 31 March 1964 and rose further to a level of 14.1 million square yards for the twelve months ending 31 May 1964.

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Total imports into the United States of category 18 printcloth, a fabric differing from category 19 cloth only in its yarn count (80 x 80 type), have risen from 3.2 million square yards in calendar year 1963 to 5.5 million square yards in the twelve months ended 31 March 1964, an increase of 72 per cent. Imports in recent periods compared with total category 18 imports of 333,000 square yards in United States Fiscal Year 1961, 231,600 square yards in Fiscal Year 1962, 630,800 square yards in the Short-Term Arrangement year, and 1.9 million square yards in the first year of the Long-Term Arrangement.

United States production of plain printcloth has declined by 329 million square yards since 1958. The number of production workers employed in the American broadwoven fabrics industry, which produces printcloth, stood at 218,400 in December 1963. This compares with 251,600 in 1958 - a pattern of steadily declining employment.

The United States has noted with concern the rapid and substantial build-up of exports from Pakistan to the United States in the printcloth categories. Pakistan is now a major supplier to the United States of this type of cloth. Imports from Pakistan of 5.1 million square yards in 1963 compared with total imports from all sources of 27.5 million square yards. The price of printcloth imported from Pakistan averages 10 per cent below the price of the comparable products of American manufacture.

In the interest of international equity, the United States has now restrained imports of goods in these categories from Pakistan.