

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

COT/W/30

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Special Distribution

COTTON TEXTILES COMMITTEE

Application for Accession by the Republic of Korea to the Long-Term Arrangement

Attached are statistical data regarding the cotton textiles industry in Korea and information on quantitative restrictions on imports of cotton textiles which will be of interest to the members of the Cotton Textiles Committee when considering the application by Korea for accession to the Long-Term Arrangement; the application has been circulated as COT/41.

This information has been transmitted to the Executive Secretary by the permanent delegation of the Republic of Korea.

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Table I/Tableau I

TRENDS IN PRODUCTION OF COTTON YARN AND CLOTH/
EVOLUTION DE LA PRODUCTION DE FILES ET DE TOILE DE COTON

Units/Unités: 1,000 lbs.
1,000 yds.

Year/ Année	1 Cotton Yarn/ Filés de coton (lbs.)	2 Grey Cotton Cloth/Toile de coton écrue	3 Finished Cotton Cloth/Toile de coton finie	Total (2 + 3)	Remarks/ Observations
1950	24,821	41,152	22,707	63,859	
1955	58,980	85,436	35,524	120,960	
1959	106,856	134,606	97,054	231,660	
1960	108,475	124,108	100,196	224,304	
1961	97,442	97,885	102,852	200,737	
1962	115,749	96,946	133,857	230,803	
1963	137,934	109,726	141,948	251,674	

Table II/Tableau II

TRENDS IN CONSUMPTION OF COTTON YARN AND CLOTH/
EVOLUTION DE LA CONSOMMATION DE FILÉS ET DE TOILE DE COTON

Units/Unités: 1,000 lbs.
1,000 yds.

<u>Year/ Année</u>	<u>Cotton Yarn/ Filés de coton (lbs.)</u>	<u>Cotton Cloth/ Toile de coton (yds.)</u>
1950	18,721	70,928
1955	66,801	145,879
1959	104,353	219,929
1960	104,463	209,861
1961	97,035	187,797
1962	113,615	221,196
1963	129,869	222,524

Table III/Tableau III

TRENDS IN IMPORTS AND EXPORTS OF COTTON YARN AND CLOTH/
EVOLUTION DES IMPORTATIONS ET DES EXPORTATIONS DE FILÉS ET
DE TOILE DE COTON

Year/ Année	Cotton Yarn (lb)/ Filés de coton (lb)		Cotton Cloth (yd)/ Toile de coton (y.l)		Major Exporting Country/Principaux pays destinataires
	Imports/ Importations	Exports/ Exportations	Imports/ Importations	Exports/ Exportations	
1950	93,200	-	198,000	-	-
1955	1,177,600	-	21,612,000	-	-
1959	-	-	-	9,470,000	USA/Etats-Unis
1960	-	-	-	13,758,200	USA/Etats-Unis
1961	-	-	-	4,349,200	USA/Etats-Unis
1962	-	-	-	9,953,600	USA/Etats-Unis
1963	-	110,400	-	127,035,800	USA, UK, Hong Kong, Germany (Fed.Rep.)/ Etats-Unis, Royaume- Uni, Hong-kong, Allemagne (Rép. féd.)

Table IV/Tableau IV

NUMBER OF COTTON SPINDLES AND COTTON LOOMS IN PLACE/
NOMBRE DES BROCHES ET DES METIERS EN PLACE POUR LE COTON

<u>Year/ Année</u>	<u>Spindles/ Broches</u>	<u>Looms/ Métiers</u>
1950	219,946	6,976
1955	370,632	6,742
1959	476,632	18,111
1960	474,848	17,745
1961	492,576	17,861
1962	543,720	15,353
1963	590,680	16,757

Table V/Tableau V

OUT-PUT OF COTTON TEXTILE INDUSTRY/
PRODUCTION DE L'INDUSTRIE DES TEXTILES DE COTON

Unit: 1 million Won/Unité: 1 million de Huan

<u>Year/</u> <u>Année</u>	<u>Current market prices/</u> <u>Prix courants du marché</u>	<u>Constant prices (as of 1955)/</u> <u>Prix constants (base: 1955)</u>
1955	8,504	8,504
1959	16,520	14,061
1960	18,673	13,692
1961	19,912	12,668
1962	28,375	14,877
1963**	33,211	15,608

** The statistics for 1963 are temporarily estimated./Les statistiques de 1963 constituent pour l'instant des estimations.

Table VI/Tableau VI

IMPORTANCE OF COTTON TEXTILES INDUSTRY TO GNP/
IMPORTANCE DE L'INDUSTRIE DES TEXTILES DE COTON DANS LE PNB

Value added by current market prices/
Valeur ajoutée au prix courant du marché

Unit: 1 million Won/Unité 1 million de Huan

Year/ Année	GNP/ PNB (A)	Manufacturing industry/Industrie manufacturière (B)	Cotton textile industry/Industrie des textiles de coton (C)	B/A (%)	C/A (%)	C/B (%)
1955	95,020	10,350	2,052	10.8	2.1	19.8
1959	185,450	23,430	4,201	12.6	2.2	17.9
1960	210,710	26,710	5,390	12.6	2.5	20.1
1961	241,410	30,070	5,224	12.4	2.1	17.3
1962	281,480	36,460	5,126	12.9	2.1	16.8
1963	366,040	44,830	7,966	12.2	2.1	17.7

Table VII/Tableau VII

EMPLOYMENT/EMPLOI

Year/ Année	Manufacturing Industry (A)/ Industrie manufacturière (A)	Cotton Textile Industry (B)/ Industrie du coton (B)	B/A %
1958	260,427	86,615	33.2
1960	275,254	81,649	29.6
1961	296,585	85,459	28.8
1962	304,565	94,132	30.9
1963	306,613	92,068	30.1

Table VIII/Tableau VIIIIMPORTS OF COTTON TEXTILES BY ITEMS AND ORIGIN/
IMPORTATIONS DE TEXTILES DE COTON, PAR ARTICLE ET PAR ORIGINE

Unit: \$1.00/Unité: \$1,00

1962

Item/Origin Article/Origine	Japan/Japon
Cotton Yarn/Filés de coton	12,000
Poplin/Popeline	106,752
Corduroy/Velours côtelé	513,462
Flannel/Flanelle	5,248
Total	637,462

1963

Item/Origin Article/Origine	Japan/ Japon	Hong Kong/ Hong-kong	Rep. of China (Taiwan)/ Rép. de Chine (Taiwan)
Brothcloth/Ttoile	112,000		
Cotton Yarn/Filés de coton	87,400		
Poplin/Popeline	95,200		
Flannel/Flanelle	569,000		
Corduroy/Velours côtelé	1,173,000		
Twill/Croisés	424,900		20,000
Sweeting/Ttoile à drap			45,500
Sateen/Satin	152,400	45,500	
Velveteen/Velventines	32,300		
Total	2,646,900	45,500	65,500

QUANTITATIVE RESTRICTIONS ON IMPORTS OF COTTON
TEXTILES AND ITS REASONS

I. In 1945, Korea's demand for clothing was substantially met with governmental and civilian aids from the United States, which included cotton textiles and other apparel goods. Until 1950 when the Korean War broke out, Korea continued to belong to the group of countries whose demand for cotton supply had basically depended upon foreign imports.

During the Korean War and post-war period, the volume of imports of cotton textile goods was sharply expanded. At that time, such imports were generally covered by the financial assistance of the United Nations Civil Assistance Command (UNCAC). In the meantime, most of domestic mills were under reconstruction and rehabilitation, and they started to produce sufficient cotton materials, in quantity and quality, to meet domestic demand.

II. The measures taken by the Government since 1954 are as follows:

- (a) In December 1954 cotton fabrics constructed with above 30 counts of yarns were permitted to be imported only with export earnings;
- (b) In June 1956 imports of cotton yarn below 40 counts were restricted;
- (c) In June 1956 cotton yarn imports were totally prohibited by law, while fabrics were permitted to be imported up to 1 million yards; and
- (d) since December 1956 imports of both cotton yarn and cloth have been totally prohibited by law.

III. Import policies as stated above on cotton textiles have been mainly based upon the following reasons:

- (a) raw cotton supplies have been rather smooth due to the aids of the United States under its support programmes and, particularly after 1956, under its Public Law 480;
- (b) the Government has been compelled to take the restrictive measures on importation of cotton textiles in order to improve its balance of payments.