

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

L/4172
14 April 1975

Limited Distribution

Original: English

NEW ZEALAND - ARTICLE XIX NOTIFICATION

Action in Respect of Woven Polyester Fabrics

j The following communication dated 3 April 1975 has been received from the Permanent Mission of New Zealand.

The New Zealand Government wishes to advise the CONTRACTING PARTIES that it has decided to impose import licensing control on the following fabric items:

ex 51.04.069) Woven polyester fabrics, other than tyre cord fabrics and such
ex 56.07.069) fabrics when declared by a manufacturer for use by him in making neckties.

ex 60.01.028)
ex 60.01.029) Warp knitted curtain fabric and warp knitted dress net, other than
ex 60.01.049) quilted.
ex 60.01.059)

Imports will be admitted from 1 April 1975 to a level of 60 per cent in volume terms of 1973/74 imports. Additional licences will be issued to end-user manufacturers where needed.

This action has been taken in the light of a report by the Emergency Protection Authority showing that increased imports of fabrics woven from textured polyester yarn, and of warp knitted curtain fabric and warp knitted dress net, have reached such a volume that the level of orders to New Zealand knitters has fallen to a low level. This has resulted in a considerable downturn in production and reduced employment in the industry. The Authority also found that production for the 1975 season is expected to be less than half that for the 1972 season, and less than 60 per cent of that for the 1974 season.

./.

In the 1973-74 trade year, imports, by volume, of the items now subject to licensing continued to increase rapidly. The following table shows imports for the last three years of the items in question:

	1971/72	1972/73 <u>'000 sq. yds.</u>	1973/74
ex 51.04.069	10,848	14,215	19,919
ex 56.07.069	10,559	12,477	20,077
		<u>'000 lb.</u>	
ex 60.01.028	121	375	622
ex 60.01.039	3	2	3
ex 60.01.049	96	125	120
ex 60.01.059	325	646	1,039

It is the intention that the temporary import restriction be examined and reported upon within twelve months in terms of New Zealand legislative requirements. The New Zealand Government has also initiated a major study of the textile industry aimed at assembling the information necessary for it to arrive at a decision about the long-term future of the industry.

The New Zealand Government is ready to enter into Article XIX consultations with any contracting party having a substantial interest in the export to New Zealand of the items notified above.