

# GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

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Textiles Committee  
Sub-Committee on Adjustment

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## INFORMATION RECEIVED BY THE TECHNICAL SUB-GROUP IN RESPONSE TO GATT/AIR/UNNUMBERED A AND B

### FINLAND

#### Additional Information

#### A. Incentives of a general character

Textile, clothing and leather industries have benefited in 1981 from Government grants, interest subsidies, etc.:

	Million Fmk	As % of industry total
Export promoting	16	5
Regional policy	43	9
Research and development	1	2
Total	60	7

The year 1981 is very typical and also well describes the structure and quantity of Government measures even in the 1970s. The impact of the benefits in recent years can be described as follows:

Benefits for export promoting, 16 million Fmk, is 0.3 per cent of the exports of these branches. About 550 textile and clothing enterprises have benefited from this financing in recent years.

Benefits granted by regional policy aspects, 43 million Fmk, is 0.4 per cent of the gross value of production in these branches. Annually about 150 enterprises have benefited from this financing and it has helped to create about 1,000-2,000 new jobs annually in textiles and clothing sectors. About half of the regional financing goes to investments in new plants.

In addition to financing of export promoting, regional policy, research and development, there are no more Government measures for these purposes. Government measures to deal with problems arising from closure of plants concern only problems of labour adaptation. Measures like retraining courses, unemployment grants and early retirements have been used. There are no Government measures to encourage business to move to more viable lines of production or to other sectors of the economy.

	<u>1960</u>	<u>1970</u>	<u>1975</u>	<u>1980</u>	<u>1982</u>
<b>B. <u>Number of establishments</u></b>					
321 Textile industry	343	329	298	307	286
322 Clothing industry	450	468	438	437	461
Total	793	797	736	744	747
<b>C. <u>Labour force, 1,000 persons</u></b>					
321 Textile industry	35	30	28	25	21
322 Clothing industry	23	32	36	34	32
Total	58	62	64	59	53
<b>D. <u>Value added, as % of total industry</u></b>					
321 Textile industry	5.5	4.1	3.5	2.9	2.5
322 Clothing industry	3.5	3.4	3.4	3.1	3.3
Total	9.0	7.5	6.9	6.0	5.8
<b>E. <u>Exports, as % of total exports</u></b>					
321 Textile industry	0.5	2.1	1.8	1.5	1.4
322 Clothing industry	0.2	3.7	6.2	5.0	4.8
Total	0.7	5.8	8.0	6.5	6.2
<b>F. <u>Exports, as % of gross value of production</u></b>					
321 Textile industry	3	15	16	33	36
322 Clothing industry	0	39	58	66	62
Total	2	25	35	50	51
<b>G. <u>Imports, as % of domestic consumption</u></b>					
321 Textile industry	20	41	36	52	54
322 Clothing industry	1	23	26	31	30
Total	14	36	34	46	46
<b>H. <u>Labour force in developing areas, % of total</u></b>					
321 Textile industry	12	14	19	23	24
322 Clothing industry	22	32	39	46	48
Total	16	23	30	36	38
<b>I. <u>Productivity, increase %/annum</u></b>	<u>1970-</u>	<u>1975-</u>	<u>1970-</u>		
	<u>1975</u>	<u>1980</u>	<u>1980</u>	<u>1981</u>	<u>1982</u>
Textiles	5.3	3.1	4.2	6.5	8.2
Clothing	1.6	4.1	2.9	10.7	2.5
Total manufacturing	1.6	3.5	2.5	9.8	4.6

Volume indices 1975 = 100

	<u>1970</u>	<u>1975</u>	<u>1976</u>	<u>1977</u>	<u>1978</u>	<u>1979</u>	<u>1980</u>	<u>1981</u>	<u>1982</u>	<u>1983</u>
<u>J. Production</u>										<u>I-IX</u>
321 Textile industry	82	100	96	92	90	100	101	95	96	90
322 Clothing industry	82	100	102	99	99	109	111	121	120	109
Total	82	100	99	96	95	105	106	108	108	100
<u>K. Labour</u>										
321 Textile industry	106	100	93	87	81	83	90	79	74	
322 Clothing industry	89	100	97	93	91	95	95	93	90	
Total	96	100	95	90	86	90	92	87	83	
<u>L. Exports</u>										
321 Textile industry	90	100	91	95	94	107	123	125	129	
322 Clothing industry	48	100	98	101	106	120	136	150	122	
Total	58	100	96	99	103	117	133	146	129	
<u>M. Imports</u>										
Textiles and clothes for consumption	73	100	107	115	101	137	171	183	193	
<u>N. Fixed investments</u>										
32 Total	110	100	76	62	94	97	115	117	123	