

# GENERAL AGREEMENT ON

RESTRICTED

COM.TEX/54/Add.2

6 July 1988

## TARIFFS AND TRADE

Special Distribution

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Textiles Committee

Sub-Committee on Adjustment

INFORMATION RECEIVED BY THE TECHNICAL SUB-GROUP  
IN RESPONSE TO THE QUESTIONNAIRES SET OUT IN DOCUMENT  
COM.TEX/W/193, DATED 16 MARCH 1987

Addendum

1. The first compilation of submissions by participating countries to the Sub-Committee on Adjustment, containing twenty-five reports, was issued in COM.TEX/54 dated 13 November 1987. In this document it was explained that submissions from other participating countries, received subsequently by the Secretariat, would be similarly issued at a later date.
2. In addition, the submissions received from two countries between 6 November 1987 and 9 March 1988 were reproduced in document COM.TEX/54/Add.1 dated 18 March 1988.
3. Between 18 March 1988 and 23 June 1988, submissions were provided by Poland, Romania and Uruguay. These submissions have been reproduced in this document in their entirety as follows:

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POLAND

Value of Poland's Trade in  
Textiles and Clothing in 1983 and 1984  
(in billion zlotys)<sup>1</sup>

Exports

	1983	1984	(of which to non-E. European countries in 1984)
Cotton yarn	2.2	2.3	-
Cotton and cotton-like fabrics	5.7	7.4	2.9
Wool fabrics	2.1	3.1	1.9
Knitwear	7.6	9.5	3.8
Clothing	17.0	21.3	10.2
Total textiles	10.0	12.8	18.8
Total knitwear and clothing	24.6	30.8	
Total above	34.6	43.6	

	1983	1984	(of which to non-E. European countries in 1984)
Cotton yarn	3.7	3.7	3.3
Cotton and cotton-like fabrics	6.0	8.5	6.1
Wool fabrics	1.2	1.2	0.6
Knitwear	4.5	5.1	3.2
Clothing	4.6	5.3	3.3
Total textiles	13.1	15.5	18.9
Total knitwear and clothing	9.1	10.4	
Total above	22.2	25.9	

Source: Statistical Yearbook of Poland - 1984, 1985, 1986.

<sup>1</sup> Average exchange rate: in 1983 - 1 US\$ = zl. 91.617  
in 1984 - 1 US\$ = zl. 113.715

Value of Poland's Trade in  
Textiles and Clothing in 1985 and 1986  
(in billion zlotys)<sup>1</sup>

Exports

	1985	1986	(of which to non-E. European countries in 1986)
Cotton yarn	2.8	3.2	-
Cotton and cotton-like fabrics	10.1	10.9	0.8
Wool fabrics	6.2	11.5	5.1
Knitwear	13.3	17.1	8.0
Clothing	29.1	40.9	22.2
Total textiles	19.1	25.5	5.9
Total knitwear and clothing	42.4	58.0	30.2
Total above	61.5	83.6	36.1

	1985	1986	(of which to non-E. European countries in 1986)
Cotton yarn	5.9	5.1	3.6
Cotton and cotton-like fabrics	12.9	16.4	6.2
Wool fabrics	1.5	1.7	0.9
Knitwear	9.1	20.2	8.4
Clothing	7.9	13.5	6.2
Total textiles	20.3	23.2	10.7
Total knitwear and clothing	17.0	33.7	14.6
Total above	37.3	56.9	25.3

Source: Statistical Yearbook of Poland - 1984, 1985, 1986.

<sup>1</sup> Average exchange rate: in 1985 - 1 US\$ = z1. 147.179  
in 1986 - 1 US\$ = z1. 175.227

Poland's Exports and Imports of Textiles

Exports	1978	1980	1981	1982	1983	1984	1985	1986
Cotton yarn and cotton-like yarn (tons)	7,208	6,970	7,100	8,123	8,269	8,128	8,043	8,160
Cotton and cotton-like fabric ('000 metres)	104.6	92.2	85.7	63.9	70.0	78.5	71.6	83.7
Wool and wool-like fabric ('000 metres)	16.8	19.4	16.0	14.7	7.8	9.5	14.2	23.0
Wool yarn and wool-like yarn (tons)	-	-	-	-	-	-	-	-

Source: Statistical Yearbook of Poland - 1984, 1985, 1986.

Imports	1978	1980	1981	1982	1983	1984	1985	1986
Cotton yarn and cotton-like yarn (tons)	10,787	9,859	4,532	3,149	14,807	10,139	14,221	9,641
Cotton and cotton-like fabric ('000 metres)	61.1	89.1	48.1	11.1	102.4	118.0	108.8	123.4
Wool and wool-like fabric ('000 metres)	1.6	3.4	2.9	1.6	4.7	5.6	6.1	5.1
Wool yarn and wool-like yarn (tons)	8.7	10.2	6.5	3.9	7.8	6.2	7.4	4.7

Source: Statistical Yearbook of Poland - 1984, 1985, 1986.

POLAND

ISIC	Unit	1973	1978	1979	1980	1981	1982	1983	1984	1985	1986
PRODUCTION 2/ 3/ 4/ 5/ 6/											
Textiles	# Zlotys	105.70	151.20	189.90	189.00	165.40	346.60	352.50	377.00	399.60	525.70
Spinning, weaving		73.70	94.50	121.60	120.00	103.40	228.50	231.30	252.50	271.40	349.30
Clothing		48.70	703.00	847.00	88.00	82.70	153.10	160.30	173.50	183.30	267.80
Total manufactures		1,284.00	1,959.00	2,458.80	2,450.30	2,183.50	5,717.60	6,078.70	6,379.40	6,562.70	8,578.80
EXPORTS											
Textiles (SITC 65)	M \$	NA	NA	NA	NA	NA	NA	291.00	298.00	277.00	312.00
Clothing (SITC 84)		NA	NA	NA	NA	NA	NA	189.00	123.00	142.00	228.00
Total Manufactures		NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
IMPORTS											
Textiles (SITC 65)	M \$	NA	NA	NA	NA	NA	NA	219.00	219.00	238.00	283.00
Clothing (SITC 84)		NA	NA	NA	NA	NA	NA	267.00	268.00	283.00	332.00
Total Manufactures		NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
EMPLOYMENT 3/											
1) Number of employees											
Textiles	'000	471.00	463.00	452.00	440.00	431.00	378.00	357.00	352.00	352.00	349.00
Spinning, weaving		321.00	289.00	279.00	279.00	271.00	235.00	219.00	213.00	211.00	206.00
Knitting		194.00	208.00	202.00	214.00	215.00	201.00	200.00	200.00	200.00	202.00
Clothing		3,857.00	4,090.00	4,054.00	4,125.00	4,095.00	3,825.00	3,769.00	3,775.00	3,702.00	3,586.00
2) Number of workers 1/ 3/											
Textiles	'000	386.00	374.00	364.00	352.00	343.00	298.00	280.00	279.00	274.00	274.00
Spinning, weaving		263.00	234.00	224.00	222.00	215.00	184.00	170.00	165.00	164.00	161.00
Knitting		166.00	176.00	170.00	176.00	176.00	164.00	163.00	160.00	161.00	164.00
Clothing		2,945.00	3,061.00	3,021.00	3,049.00	3,004.00	2,776.00	2,766.00	2,679.00	2,643.00	2,531.00
Total manufactures		70.10	121.20	114.30	123.60	120.50	175.20	215.20	216.00	209.60	447.40
Spinning, weaving		40.90	69.30	67.90	73.10	69.00	110.30	127.10	129.30	121.00	294.40
Knitting		15.00	23.10	23.20	25.30	30.90	60.10	84.60	102.70	117.90	143.20
Clothing		504.50	940.40	963.30	1,009.60	894.70	2,120.00	2,563.90	3,077.00	3,630.20	4,495.90
Total manufactures											
INVESTMENT 3/											
1) Total											
Textiles	# Zlotys	12.22	8.93	7.01	5.70	4.32	7.25	9.14	16.23	15.96	32.19
Spinning, weaving		8.84	7.10	5.90	4.24	3.29	4.51	5.68	10.69	17.21	21.50
Knitting		1.45	1.43	1.23	1.26	1.12	2.36	3.55	4.99	4.07	7.67
Clothing		124.04	200.08	163.77	131.42	102.66	172.80	216.04	304.15	411.57	545.82
Total manufactures											
2) Machinery and equipment											
Textiles	# Zlotys	8.10	6.78	5.42	4.83	3.44	4.40	6.00	11.37	16.77	25.82
Spinning, weaving		5.88	5.60	4.37	3.66	2.68	2.96	3.91	7.99	12.85	15.81
Knitting		0.94	0.72	0.67	0.78	0.58	0.96	1.67	1.91	2.50	3.18
Clothing		45.98	121.80	100.33	82.51	69.63	81.50	96.35	132.03	183.83	292.33
Total manufactures											

See footnotes on next page

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ISIC	Unit	1973	1976	1979	1980	1981	1982	1983	1984	1985	1986
<b>NO. OF ESTABLISHMENTS 2/ 3/</b>											
Textiles	321	Number									
Spinning, weaving	3211		2,371.00	2,440.00	2,376.00	2,169.00	2,040.00	1,973.00	1,991.00	1,963.00	1,904.00
Knitting			529.00	523.00	419.00	411.00	391.00	383.00	377.00	374.00	362.00
Clothing	322		4,213.00	4,832.00	4,827.00	4,165.00	3,786.00	3,464.00	3,356.00	3,272.00	3,122.00
Total manufactures	3		39,411.00	39,311.00	35,365.00	32,279.00	32,073.00	31,689.00	30,736.00	30,197.00	29,608.00
<b>PRODUCTIVE CAPACITY</b>											
Textiles	321										
Spinning, weaving	3211										
Knitting											
Clothing	322										
Total manufactures	3										
<b>CAPACITY UTILIZATION</b>											
Textiles	321										
Spinning, weaving	3211										
Knitting											
Clothing	322										
Total manufactures	3										
<b>PRODUCTION</b>											
Textiles	321										
Spinning, weaving	3211										
Knitting											
Clothing	322										
Total manufactures	3										

1. Data compiled directly in the production process.  
 2. As of December of the year indicated (production: 1973 only; number of establishments: 1973-1986).  
 3. Textile industry only (1974-1986).  
 4. As of 1986 at prices of 1 January 1971, since 1979 at prices of 1 January 1978 (1981 only).  
 5. At prices of 1982 (applicable for years 1982-1985).  
 6. At prices of 1985 (1985 only).

ROMANIA

A. INFORMATION ON ADJUSTMENT MEASURES IN THE TEXTILES AND CLOTHING INDUSTRIES

1. Production

Growth of textiles and clothing production compared with total national industrial production

Index 1950 = 100	1970	1975	1980	1982	1983	1985	Average growth rate 1951/85 (%)
Total domestic industry	11 times	21 times	33 times	34 times	36 times	40 times	11.1
Textiles	655 times	12 times	19 times	21 times	21 times	22 times	9.3
Clothing	736	16	24	26	28	39	11.0

(See Annex I for production trends with respect to 1965 and 1986.)

In both the textiles and clothing industries, the production index rose steadily from 1970 to 1985. However, growth was less strong than in domestic industry as a whole, in which the mechanical engineering and chemical industries showed the highest growth.

2. Importance of the textiles and clothing industries in domestic industry

(per cent)

	1977	1980	1985	1986
Domestic industry - total	100.0	100.0	100.0	100.0
Textiles industry	8.1	8.2	6.9	6.8
Clothing industry	3.7	3.6	4.4	4.5

Over this nine-year period the importance of the textiles industry has declined, while that of the clothing industry has increased slightly. This is the result of a permanent concern to increase the value of finished products by a higher degree of processing of the raw materials incorporated.

3. Production of the main textiles and clothing products 1975-1985

(See Annex II.)

4. Production cost structure in the domestic industry as a whole and in the textiles and clothing industries in 1985

(per cent)

	Total	Raw materials	Fuels	Energy, water	Wages and salaries	Social security	Amortization	Other expenditures
Total domestic industry	100.0	63.7	5.9	3.1	14.0	2.0	5.0	6.3
Textiles industry	100.0	68.0	1.1	2.1	19.9	2.8	2.9	3.2
Clothing industry	100.0	70.9	0.3	0.3	22.4	3.1	0.9	2.1

5. Employment (thousands of persons)

	1975	1980	1981	1982	1983	1985
1. Average number of employees in industry, of which:						
2,802.1	3,329.2	...	3,329.8	3,445.0	3,583.7	
- textiles industry	317.1	386.5	402.3	336.8	342.2	411.8
- clothing industry	179.6	203.0	201.8	...	...	223.8
2. Average number of manual workers in industry, of which:						
2,556.4	3,030.2	...	2,997.0	3,040.2	3,171.7	
- textiles industry	296.8	361.4	...	311.6	315.4	379.3
- clothing industry	168.6	190.5	...	...	...	209.9



The share of the textiles and clothing industries in the total number of employees and manual workers in domestic industry remained more or less constant over the period in question.

5. Trends in productivity per person, in the textiles and clothing industries, compared with the national average

(a) 1980 = 100

	1981	1982	1983	1984	1985	Average annual growth rate
Total industry	102.4	103.7	106.7	116.3	120.7	3.8
of which:						
- textiles	106.3	109.5	113.8	113.2	117.2	3.2
- clothing	108.8	110.5	112.0	118.5	151.6	8.7

(b) 1965 = 100

	1975	1980	1985	1986	Average annual growth rate	1986 1985 = 100
Total industry	194	269	324	346	6.1	106.6
of which:						
- textiles	166	241	283	295	5.3	104.5
- clothing	190	252	382	409	6.9	106.9

The higher rise in productivity in the clothing industry stems from action taken for rationalization and for modernization of production processes.

6. Investment

(millions of lei)

	1981	1982	1983	1985
Total industry	105,490	101,545	111,684	119,121
of which:				
- textiles	3,497	2,440	2,107	1,593
- clothing	246	340	385	613

- Investment trends

(1980 = 100)

	1981	1982	1983	1984	1985
Total industry	94.2	85.2	89.9	99.9	97.1
Textiles	79.3	53.3	44.5	47.6	34.4
Clothing	86.3	114.4	126.9	143.4	205.9

B. FOREIGN TRADE(a) Exports by main product groups

	Units	1975	1980	1982	1983	1985
Man-made yarn and fibre	thousands of tons	28.4	29.6	29.6	...	58.7
Woven fabrics of wool and the like	thousands of m <sup>2</sup>	...	4,210.0	...	...	1,376.0
Woven fabrics of cotton and the like	thousands of m <sup>2</sup>	62.2	90.4	68.2	123.7	123.1
Woven fabrics of flax and hemp	thousands of m <sup>2</sup>	12.3	16.6	14.4	10.1	10.4
Clothing (including pvc)	millions of lei	...	...	5,011.6	5,948.9	6,912.6
Knitwear	millions of lei	...	...	2,632.2	2,838.3	3,201.5
Carpets	thousands of m <sup>2</sup>	2,025.2	2,464.6	3,669.1	2,364.4	2,147.8

(b) Imports by main product groups

	Units	1975	1980	1982	1985
Cotton fibre	thousands of tonnes	110.7	119.5	134.6	102.0
Wool	thousands of tonnes	2.1	3.1	2.8	3.3
Cellofibre	thousands of tonnes	19.7	20.4	...	10.4
Hemp (tow)	thousands of tonnes	9.1	10.0	8.3	5.8
Man-made fibres	thousands of tonnes	0.2	3.1	0.1	1.4
Woven fabrics of cotton and the like	thousands of m <sup>2</sup>	37,297	34,270	12,471	12,318
Woven fabrics of wool and the like	thousands of m <sup>2</sup>	4,842	2,703	2,055	1,265
Woven fabrics of silk (including artificial)	thousands of m <sup>2</sup>	3,706	1,948	735	-
Knitwear	millions of lei	...	...	116.8	189.7
Linen (bed linen, table linen and towels)	millions of lei	...	...	34.8	55.1

(See Annexes III and IV for exports and imports of textiles and clothing products by countries of destination and origin, respectively, in 1985.)

C. GOVERNMENT POLICIES AND MEASURES

In the consumer goods industries (including textiles and clothing), emphasis will be placed on the modernization and better organization of production, steady improvement of product quality, sounder use of raw materials, inputs and energy, and elaboration of new techniques in order to achieve material and financial savings and better quality products. The

proportion of products with a high degree of processing within total output should increase, so as to enhance the profitability both of production and of exports.

Measures to achieve greater productivity gains are also under consideration.

The principles of self-management and self-financing will be strengthened in order to increase the profitability of economic activities.

Priority objectives will be to improve the rhythm of production and widen product ranges in order to increase processing of raw materials available in the country and at the same time better adapt to demand in foreign markets.

ANNEX I

Industrial Product Trends

	<u>1975</u>	<u>1980</u>	<u>1985</u>	<u>1986</u>	Average annual growth rate 1966/1986	<u>1986</u> 1985 = 100
	1965 = 100					
Industry (total)						
of which:	322	507	616	664	9.4%	107.7
- Extractive industries	148	176	201	208	3.6%	103.5
- Processing industries	335	537	654	706	9.8%	107.9
- Textiles	301	500	579	618	9.1%	106.8
- Clothing	395	595	952	11 times	11.9%	110.7

## ANNEX II

## Production of the Main Textiles and Clothing Products, 1975-1986

	Unit	1975	1980	1982	1983	1985	1986
Caprolactam	Tons	27,346	33,952	46,074	48,384	44,325	49,578
Acrylonitrile	Tons	29,066	46,190	57,075	61,595	74,000	70,500
Chemical yarns & fibres	Tons	158,549	205,753	222,379	235,520	257,205	302,681
of which:							
- regenerated yarns & fibres	Tons	62,963	64,776	62,677	64,365	71,833	101,203
of which:							
- regenerated fibres	Tons	48,780	49,586	-	-	57,078	85,044
- synthetic yarns & fibres	Tons	95,586	140,977	159,702	171,155	185,372	201,478
of which:							
- synthetic fibres	Tons	70,549	102,216	-	-	132,956	143,870
Yarn of cotton & the like	Tons	145,000	183,000	187,000	171,000	170,000	181,000
Yarn of wool & the like	Tons	50,776	73,660	77,587	78,820	72,016	77,009
Yarn of wool, hemp & mixed	Tons	30,707	45,478	41,645	38,600	37,739	37,731
Woven fabrics	Millions of M <sup>2</sup>	866	1,154	1,153	1,108	1,201	1,260
of which:							
- woven fabrics of cotton & the like	Millions of M <sup>2</sup>	591	748	738	709	700	731
- woven fabrics of wool & the like	Millions of M <sup>2</sup>	96	128	142	144	131	140
- woven fabrics of silk & the like	Millions of M <sup>2</sup>	-	-	-	-	149	160
- woven fabrics of flax hemp & mixed	Millions of M <sup>2</sup>	-	-	-	-	149	
Knitting	Millions of units	186	296	336	339	279	285
of which:							
- of cotton & the like	Millions of units	116	174	209	211	169	174
- of wool & the like	Millions of peices	71	72	77	77	74	74
- of silk & the like	Millions of pieces	29	50	50	51	36	37
Stockings	Millions of pairs	187	235	240	237	244	260
Clothing	Millions of lei	28,617	34,442	35,240	37,244	47,007	55,300

ANNEX IIIExports of Textiles Products in 1985

<u>Description of products</u> (1)	<u>Unit</u> (2)	<u>1985</u> (3)
Exports of woven fabrics of cotton and the like, of which to:	m <sup>2</sup> ('000)	123,101
- Australia	"	2,869
- Austria	"	11,438
- Belgium	"	15,255
- Canada	"	9,174
- Denmark	"	217
- Switzerland	"	1,480
- France	"	21,669
- Federal Republic of Germany	"	15,211
- Ireland	"	318
- Italy	"	9,936
- New Zealand	"	224
- Great Britain	"	1,048
- United States	"	421
- Sweden	"	4,471
- Saudi Arabia	"	343
- Cyprus	"	498
- Bulgaria	"	869
- Cuba	"	1,475
- Greece	"	345
- Gabon	"	4,171
- Gambia	"	259
- Haiti	"	372
- Democratic People's Republic of Korea	"	453
- Singapore	"	285
- Sri Lanka	"	176
- Zaire	"	239
- Cameroon	"	187
- Hong Kong	"	8
- Central African Republic	"	778
- Jordan	"	4,244
- Iraq	"	4,440
- Costa Rica	"	78
- Kuwait	"	242
- Liberia	"	187
- Mali	"	759
- Yugoslavia	"	2,203
- Mauritania	"	1,390
- Panama	"	239
- Benin	"	236
- Poland	"	881
- Finland	"	1,549

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<u>Description of products</u> (1)	<u>Unit</u> (2)	<u>1985</u> (3)
Exports of woven fabrics ...	M <sup>2</sup> ('000)	
- Oman	"	65
- Syria	"	311
- German Democratic Republic	"	2,665
- Vietnam	"	28
Exports of woven fabrics of silk and the like, including man-made fibres of which to:	M <sup>2</sup> ('000)	5,833.0
- Great Britain	"	445
- Yugoslavia	"	119
- Jordan	"	539
- Kuwait	"	18
- Thailand	"	469
- Federal Republic of Germany	"	49
- Vietnam	"	41
- France	"	37
- Switzerland	"	153
- Italy	"	2,355
- Sweden	"	76
- Hungary	"	475
- Canada	"	754
- Cuba	"	54
- Iraq	"	249
Exports of carpets and the like of which to:	"	2,147.8
- Jordan	"	71.0
- Switzerland	"	73.4
- France	"	11.6
- Federal Republic of Germany	"	10.8
- Italy	"	120.7
- New Zealand	"	2.0
- Great Britain	"	11.5
- United States	"	156.4
- Soviet Union	"	1,686.0
- Yemen Arab Republic	"	2.0
- Austria	"	2.1
- Netherlands	"	0.3

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<u>Description of products</u> (1)	<u>Unit</u> (2)	<u>1985</u> (3)
Exports of coats and outer clothing of which to:	US\$ ('000)	488,620
- Austria	"	4,519
- Belgium	"	3,329
- Canada	"	12,673
- Denmark	"	1,666
- Switzerland	"	577
- Federal Republic of Germany	"	57,520
- Italy	"	57,776
- Bulgaria	"	261
- Cameroon	"	72
- Ireland	"	123
- Cuba	"	1,856
- Mongolia	"	3,492
- Greece	"	9
- Zaire	"	74
- Finland	"	61
- Norway	"	699
- Netherlands	"	12,383
- Great Britain	"	13,419
- United States	"	27,953
- Sweden	"	776
- Czechoslovakia	"	5,179
- German Democratic Republic	"	5,484
- Hungary	"	2,873
- Soviet Union	"	212,630
- Jordan	"	2,010
- Iraq	"	32,325
- Kuwait	"	1,288
- Lebanon	"	51
- Saudi Arabia	"	620
- Syria	"	8,364
- Arab Republic of Yemen	"	526
- Egypt	"	38
Exports of knitwear (excluding OPT) of which to:	"	225,126
- Australia	"	96
- Austria	"	6,363
- Belgium	"	3,453
- Canada	"	3,366
- Denmark	"	1,496
- Finland	"	269

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<u>Description of products</u> (1)	<u>Unit</u> (2)	<u>1985</u> (3)
Exports of knitwear ...	US\$ ('000)	
- France	"	10,291
- Federal Republic of Germany	"	21,998
- Switzerland	"	746
- Malaysia	"	8
- Italy	"	642
- Norway	"	1,388
- Netherlands	"	18,910
- Great Britain	"	9,206
- United States	"	25,917
- Sweden	"	2,524
- Czechoslovakia	"	8,471
- Mongolia	"	1,125
- Poland	"	374
- Hungary	"	2,598
- Soviet Union	"	94,034
- Jordan	"	29
- Kuwait	"	472
- Lebanon	"	28
- United Arab Emirates	"	33
- Bulgaria	"	956
- West Berlin	"	3,456
- Iraq	"	6,560
- Syria	"	56
- Egypt	"	100

ANNEX IV

Imports of Textiles Products in 1985

<u>Description of products</u>	<u>Unit</u>	<u>1985</u>
Woven fabrics of cotton and the like of which from:	M <sup>2</sup> ('000)	12,318
- Albania	"	480
- China	"	11,295
- Bulgaria	"	427
- Yugoslavia	"	24
- German Democratic Republic	"	112
Woven fabrics of wool and the like of which from:	"	1,265
- China	"	270
- Yugoslavia	"	824
Carpets and like products of which from:	"	307
- Great Britain	"	209.0
- Belgium	"	5.0
- Mongolia	"	93.0
Knitwear (including underwear)	Pieces ('000)	7,990
- Hungary	"	55.0
- Albania	"	186.0
- China	"	6,975.0
- Netherlands	"	365
- Liechtenstein	"	80
- Bulgaria	"	329
Table linen, bed linen, hand-towels of which from:	"	2,544
- Albania	"	77
- Belgium	"	182
- China	"	2,285
Yarn of artificial silk of which from:	Tons	2,144
- Yugoslavia	"	2
- Italy	"	294
- German Democratic Republic	"	216
- Austria	"	144
- Federal Republic of Germany	"	115
- USSR	"	1,233
- United States	"	35
- Great Britain	"	9
- Switzerland	"	11
- Israel	"	80
- Liechtenstein	"	5

## URUGUAY

### A. AUTONOMOUS ADJUSTMENT PROCESSES

The textiles industry in Uruguay faced a variety of changes in the 1980s; these were influenced by domestic and external factors. On the domestic side, the tariff policy pursued since the end of 1978 and the exchange-rate policy since late 1982 basically had a recessionary impact on the cotton and man-made fibre sectors aimed at the domestic market. Externally, protectionism heightened, especially with the proliferation of voluntary restraint agreements under the MFA. First Canada, then the EEC and finally the United States set quotas on the entry of woollen-fabric products.

In this context, and in a decade of profound and rapid technological change, the industry had to re-equip and update itself rapidly. During this period it has been one of the industrial branches with the highest investment (30-40 per cent imports of capital goods).

The industry directed towards the domestic market had the additional possibility of recovery through the parallel development of regional markets (basically Argentina and Brazil) which offered it the chance of an expanded market. Export industry, facing quantitative limits in the main markets, has turned to new markets and new products (scarves). Vertical integration is traditional in the industry, especially in wool, and the structure has not changed; the greatest change is the combed-wool capacity (manufacturing tops) which rose from 20 million to 35 million kgs, between 1980 and 1986 (fifth producer worldwide).

The relative importance of the domestic and external markets varies according to the sector. For cotton and man-made fibres, traditionally oriented towards the domestic market, these were stimulated by domestic policy and economic liberalization to become more competitive and turn first to the regional markets under bilateral agreements and more recently, in the case of some products, to developed-country markets. Nevertheless, exports account for only 20 per cent of total sales.

In the wool industry the situation is different: in the case of production of tops, almost 90 per cent of output is exported, and manufacturers of fabrics export 50 per cent of their production directly and 30 per cent through exports of clothing.

The Uruguayan textiles industry has adapted to changing international market conditions within an overall economic policy that includes free imports and the setting of exchange rates in a free financial market. There are no specific or sectoral policies, and adjustment processes are carried out within each enterprise according to its own conditioning factors.

## B. INCREASED ACCESS TO THE MARKETS

Access to international markets for Uruguayan textiles changed following the negotiation of the MFA IV Protocol of Extension.

The agreements with the European Economic Community, Canada and the United States were renegotiated in that framework. Under the terms for the renewal of those agreements, some existing quantitative restrictions were liberalized and others reduced, thus favouring the entry of the products concerned to those markets.

1. European Economic Community: up to 31 December 1986 the situation was as follows:

A voluntary restraint agreement existed for the entry of two products:

Category 46 - wool tops, voluntary restraint agreement (1983-1986) for three countries: limits for the year 1986: Italy - 6,312 tons, United Kingdom - 1,010 tons, and France - 2,143 tons.

Category 50 - woollen fabrics, voluntary restraint agreement (1983-1986) - initial global quota of 1,127 tons for 1983, distributed on a percentage basis among EEC member countries; for the year 1986 - 1,343 tons. This voluntary restraint agreement envisaged an annual growth rate of 6 per cent with 5 per cent flexibility.

On 1 January 1987 a new agreement came into force for four years (31 December 1990). The quantitative limits on access (for both categories) have been eliminated, together with quotas for woollen tops and fabrics, and the present level of access are to be maintained - if the voluntary restraint system should be reintroduced, the terms of the previous agreement will be respected, while the flexibility percentages would be increased as follows: Carry forward - 5 per cent, Carryover - 9 per cent and Swing - 11 per cent.

2. Canada - Voluntary restraint agreement for one product: combed-wool fabrics. Situation at 31 December 1986: the five-year voluntary restraint agreement for access of combed-wool fabrics to the Canadian market (1982-1986) expired.

1982 quota: 151,000 kgs

1986 quota: 169,950 kgs - annual growth rate of 3 per cent.

The agreement provided for flexibility of 5 per cent (carry forward) and 10 per cent (carryover), respectively. On 1 January 1987 a new five-year agreement came into force (31 December 1991). The level of restraint for 1987 was set at 192,553 kgs, with an annual growth rate of 6 per cent, and the flexibility of the previous agreement, namely 5 per cent (CF) and 10 per cent (CO), respectively. The special consideration under paragraph 14 of the MFA IV Protocol of Extension of 1986 in the statement made by Canada is to be observed.

3. United States - there are voluntary restraint agreements for the following six categories, one for fabrics and the five others for clothing (four wool and one cotton); 410, fabrics of combed/carded wool; 433 men's

and boys' woollen coats; 434, men's and boys, other coats; 435, women's, girls' and babies' woollen coats; 442, woollen skirts; 335, women's, girls' and babies' cotton coats.

Category 410 - combed and carded wool fabrics; the current agreement expires on 31 January 1989. It was negotiated for a period of five years (1 February 1984 - 31 January 1989) with a base quota of 1,700,000 square yards for the period 1984/1985, and a quota for the final year of 2,142,210 square yards - planned annual growth rate of 1 per cent.

The situation is as follows for the categories of outer clothing of wool and cotton:

Categories 433/434/435: for this year, the voluntary restraint agreement with the United States was renegotiated, to be in force from 1 July 1987 to 30 June 1991, with the following conditions:

Categories previous agreement	Base level new agreement	Base level	Growth rate
433	13.500 doc. (1.1.85 - 31.12.85)	15.250 doc.	1%
434	20.064 doc. 1.7.86 - 30.6.87)	23.000 doc.	1%
435	40.100 doc. (1.7.84 - 30.6.85)	43.000 doc.	1%
335	47.700 doc. (1.1.86 - 31.12.86) (1.1.87 - 31.12.87) 50.562 doc.	67.000 doc.	6%

Category 442: the voluntary restraint agreement in force since 1986 was due to expire on 30 June 1989; it was agreed to align it with the other clothing categories mentioned above, and it was extended for two more years to 30 June 1991, with a base level of 30,000 dozen for the year of the agreement ending 30 June 1990 and 1 per cent growth for the final period of the agreement. The present quota for Category 442 is 27,543 dozen (1 July 1987 - 30 June 1988).

Flexibility provided under the new agreement: swing, 7 per cent for wool categories and 6 per cent for cotton. The previous agreement in force until 30 June 1987 allowed 5 per cent for both fibres.

The percentages for: carryover - 11 per cent and carry forward - 7 per cent, were maintained with the condition that the use of both flexibilities simultaneously should not exceed the limit of 11 per cent.

URUGUAY

ISIC	Unit	1973	1978	1979	1980	1981	1982	1983	1984	1985	1986
<b>PRODUCTION</b>											
Textiles											
Spinning, weaving											
Clothing											
Total manufactures											
<b>IMPORTS</b>											
Textiles (SITC 65)	*'000 US\$										
Clothing (SITC 84)											
Textiles & Clothing											
Total Manufactures		NA	28,709	45,597	57,922	54,509	26,550	31,437	36,210	32,095	38,676
<b>EXPORTS</b>											
Textiles (SITC 65)	*'000 US\$	NA	18,223	19,312	28,348	29,041	36,387	41,897	45,726	36,925	47,447
Clothing (SITC 84)		NA	26,393	35,116	40,959	45,706	35,589	39,198	57,897	50,273	54,615
Total Manufactures											
<b>EMPLOYMENT</b>											
1) Number of employees											
Textiles	Number										
Spinning, weaving	321	NA	NA	17,117	18,989	19,443	14,712	13,274	15,578	16,515	na
Knitting	322										
Clothing	3	NA	NA	14,679	13,640	11,925	8,365	8,335	9,643	10,351	
Total manufactures											
2) Number of workers											
Textiles	Number										
Spinning, weaving	321	NA	NA	15,779	15,589	16,348	10,871	10,871	13,024	13,840	15,462
Knitting	322										
Clothing	3	NA	NA	14,716	11,936	10,440	7,335	7,335	8,570	9,111	10,715
Total manufactures											
<b>VALUE ADDED 5/</b>											
Textiles	M \$										
Spinning, weaving	321	NA	617	721	731	657	365	520	629		
Knitting	322										
Clothing	3	NA	1,492	1,004	990	883	575	691	810		
Total manufactures											
<b>EMPLOYMENT 5/</b>											
Textiles	*'000 US\$										
Spinning, weaving	321		5,500	8,032	17,476	1,769	230	2,376	739	5,331	9,939
Knitting	322										
Clothing	3		904				66			63	
Total manufactures											
<b>2) Machinery and equipment</b>											
Textiles	*'000 US\$										
Spinning, weaving	321										
Knitting	322										
Clothing	3										
Total manufactures											

## URUGUAY

	1973	1978	1979	1980	1981	1982	1983	1984	1985	1986
=====										
ISIC * Unit *	1973	1978	1979	1980	1981	1982	1983	1984	1985	1986
=====										
NUMBER OF ESTABLISHMENTS 6/ *										
Textiles	321 * Number									
Spinning, weaving	3211 *	523								
Knitting										
Clothing	322 *	987								
Total manufactures	3 *									
=====										
PRODUCTIVE CAPACITY										
Spinning	Wool * Tons						632			756
	Cotton* 7/						2,263			1,916
	MMF *						500			500
Spinning	Wool * '000						947			1,024
	Cotton & MMF #meters 8/ *						6,813			5,960
=====										
CAPACITY UTILIZATION										
Textiles	321 * %								66	77
Spinning, weaving	3211 *									
Knitting										
Clothing	322 *								39	35
Total manufactures	3 *									
=====										
PRODUCTIVITY 9/										
Textiles	321 * 1978=100									
Spinning, weaving	3211 *	89.10	102.10	106.23	113.60	111.04	116.94	103.80	102.79	108.95
Knitting										
Clothing	322 *	107.60	96.70	106.10	110.30	115.01	121.09	89.57	90.35	97.18
Total manufactures	3 *									
=====										
PROFITABILITY										
Textiles	321 *									
Spinning, weaving	3211 *									
Knitting										
Clothing	322 *									
Total manufactures	3 *									
=====										

1/ Space is provided for the inclusion of data in volume terms as well as in value terms.

2/ i.e. engaged directly in the production process.

3/ Source: Directorate General for Statistics and Censuses. Statistical Yearbook. See also following page for additional information.

4/ Employees and Workers.

5/ Source: Central Bank of Uruguay. Gross value added at constant prices (in million M\$, 1978-1986). Clothing includes footwear.

6/ Source: Directorate General for Statistics and Censuses. "1978 National Economic Census". No information on later years.

7/ Monthly average titre yarn, tons.

8/ Monthly linear metres.

9/ 1973 column shows year 1975; see also following page for additional information.

10/ See following page.



Footnotes (cont'd)

3/ Investments under the system of Projects Declared of National Interest. The system was established by the Industrial Development Law No. 14,178 of March 1974; its purpose is to promote industrial activities that serve the economic and social development plans, with a view to enhancing production efficiency; growth/diversification of exports with maximum value added; growth/location with a view to better use of raw materials/manpower; support for selected technological research programmes, etc.

9/ Productivity trends: given by indices defined as the quotient between the physical volume production index and the index of hours worked. Base year 1978=100. Clothing includes footwear up to and including 1983.

Source: Central Bank of Uruguay.

10/ Utilization of production capacity was determined by weighting averages for each sub-branch according to the number of workers on 31 December each year.

Sub-branches:

A. (1) Spinning and weaving, wool:

Sample : eight enterprises  
Representativity : 88 per cent  
Maximum production capacity expressed in linear metres of average width fabric, three shifts per day.

(2) Spinning and weaving, cotton and man-made fibres:

Sample: eight enterprises  
Representativity: 70 per cent  
Maximum production capacity expressed in linear metres of average width fabric, three shifts per day.

(3) Man-made fibres and spinning:

Sample: two enterprises  
Representativity: 100%  
Maximum production capacity expressed in kilos, three shifts per day.

B. Clothing

Year 1985 - includes manufacture of leather clothing.

Manufacture of outer clothing of woven textiles.

Sample: twenty enterprises  
Representativity: 50%  
Maximum production capacity expressed in machine man-hours, two shifts per day.

Year 1986

Sample: sixteen enterprises

Representativity: 44%

Maximum production capacity expressed in machine man-hours, two shifts per day.

Source: Ministry of Industry and Energy, National Centre for Technology and Industrial Productivity.