For cotton textiles, the 1965 overall depth of cut averaged 20.8%. The depth of cut varies, however, by individual groups. For yarns, the average weighted cut was 27.2%; for fabrics 24.7%; for apparel 16.3%; for made-up goods 24.7%; and for miscellaneous textiles 33.4%.

For manmade fiber textiles, the 1965 overall depth of cut averaged 14.8%. The deepest cuts were in yarn (37.3%), miscellaneous articles (30.4%), and made-up goods (28.3%). In the more sensitive areas of fabrics and apparel, the depth of cuts averaged 18.2% and 5.7% respectively.

For wool textiles, excluding carpets and rugs, the 1965 overall depth of cut average 1.8%. Wool fabrics and apparel, which comprised nearly 90% of the trade, each had an average cut of 1.4%, reflecting the exceptions made for all sensitive items in this wool and worsted area. Yarns and tops were also subject to a low average reduction of 2.7%. Made-up goods were reduced by 38.3% and miscellaneous wool products by 34.6%, although these latter products represented less than one percent of the 1965 trade in foreign textiles to the United States.

A quick recapitulation of the number of items affected by the Kennedy Round and the number of such affected items which were reduced the full 50% authorized by the Trade Expansion Act of 1962 is presented on a category basis.

All 17 manmade fiber items listed in the Tariff Schedules of the United States (TSUS) were reduced the maximum 50%.

Tariffs on the two TSUS wool top items were not affected.

Tariffs on the five TSUS cotton yarn items were not changed; 14 of the 16 manmade fiber yarn TSUS items were reduced, 13 for the full 50% cuts; and only one of the three wool yarn TSUS items was cut, and that for 50%.

Tariffs on 53 of the 63 TSUS cotton fabric items were modified, with nine being cut the full 50%; 35 of the 40 TSUS manmade fiber fabric items were also changed, with 19 being reduced the full 50%; and 30 of the 39 TSUS wool cloth items were reduced, 11 for the maximum 50%.

Tariffs on 47 of the 51 TSUS cotton apparel items were changed, two for the full 50%; 16 of the 28 TSUS manmade fiber apparel items were affected, seven by the 50% maximum authorized; and 16 of the 43 TSUS wool piece goods items were cut, three the full 50%.

Tariffs on 66 of the 68 TSUS cotton made-up goods items were reduced, but only six for the full 50%; 23 of the 24 TSUS manmade fiber made-up goods items were reduced, with 13 being given the 50% reduction; and 38 of the 43 TSUS wool made-up goods items, with 22 being authorized the full 50% cut.

Finally, 35 of the 38 TSUS cotton miscellaneous goods items were changed, with 12 for the 50% reduction; 21 of the 24 TSUS manmade fiber miscellaneous textile items were reduced, 18 for the full 50%; and all 21 of the TSUS wool miscellaneous textile items were altered, 15 for the maximum 50% authorized.

These reductions in the American rates of duty on textiles are to be made, we understand, in five stages over a five-year period, which began this January 1 (1968).

To learn whether these Kennedy Round cuts might increase the opportunities for the Japanese to export textiles to the United States, we contacted the several Japanese textile associations directly.

It was their unanimous judgment that these rate reductions were not sufficiently substantial and significant in terms of the textiles they can ship to this country.

They noted that in cotton textiles, where the majority of reductions were made, the Long-Term International Cotton Textile Arrangement (LTA) strictly limits their export capabilities. And, for wool and manmade fiber, as well as silk, textiles, many other factors besides the tariff structure account for their capacity to sell in the American market.

In spite of the Japanese view, however, after a re-examination of the modifications achieved in the Kennedy Round for Schedules 3 and 7 of the Tariff Schedules of the United States (TSUS) reminded us that the duties on many textile items remain excessively high, we urge that additional reductions be made in textile tariffs.

No cut, for instance, was made on cotton velveteens, so the present 25% ad valorem duty remains in force. As far as we know, only one American company weaves this particular fabric, which because of its labor-intense nature is more suited economically to be woven in countries where labor costs are much lower than in the United States. Moreover, product quotas are imposed on this cloth so that not more than a certain quantity of imported velveteens may be entered each year regardless of the tariff rate.