U.K. Exports to the U.S.A.

RUBBER FOOTWEAR

Type	January/June 1965		January/June 1966	
	Pairs	British pounds	Pairs	British pounds
Wellingtons	60,575	35,229	13,083	5,464
Other protective	10,113	12,924	34,715	37,888
Total protective	70,688	48,153	47,798	43,352
Industrial	7,484	5,423	4,592	3,943
Total rubber footwear	78,172	53,576	52,390	47,295

These figures show that since the new Act has been in force, Rubber Footwear imports have dropped by 33% in volume and 11.7% by value.

Taking specific products which fall within the category Protective Footwear, the new duty structure has resulted in an increase in the amount of duty payable on articles of Rubber Footwear e.g.:

(i) A U.K. manufactured Rubber Yachting boot formerly attracted duty at 12% of the F.O.B. price based on C.A.V.—now attracts duty of 41% of the F.O.B. price.

(ii) On U.K. manufactured All Rubber Golf Shoes (category Protective Footwear) the duty has risen from .56 cents per pair to $1.68 per pair.

The overall effect of the new Tariff Structure has been twofold, inasmuch as it has tended to increase the amount of duty charged on items of rubber footwear and consequently to reduce the volume and value of imports.

The rise in the duty rate would seem to be contrary to the spirit of the G.A.T.T. agreements as it increases tariff barriers rather than leading to their reduction and eventually abolition.

6. Possible economic effects of concession on Rubber Soled Footwear with Fabric Uppers TSUS 700.60

Imports of rubber soled footwear with fabric uppers into the United States from the U.K. for the six years 1960 to 1966 are given below:

RUBBER-SOLED FOOTWEAR WITH FABRIC UPPERS

	Pairs	British pounds
1960	109,773	46,337
1961	195,872	62,762
1962	401,568	101,319
1963	371,793	80,404
1964	311,405	83,394
1965	173,318	58,437

From the information we have from our members, the drop in imports for 1965 was due to the uncertainty in the minds of American buyers as to the likely effects of changes in the duty structure and their consequent reluctance to commit themselves to importing U.K. produced rubber-soled footwear with fabric uppers.

We consider that if a concesssion is granted by the Tariff Commission resulting in the abolition of the A.S.P. as a basis for valuation, the effect would be detrimental to imports of U.K. produced rubber footwear with rubber soles if the effect of such a concession was to operate in the same manner as the 1965 revision to the duty on rubber footwear under US. 700.60.

As we have shown above, in that case the rate of duty tended to rise and the volume of imports dropped. We feel that should the Tariff structure for Item 700.60 be alerted in a like manner, duty on rubber soled footwear with fabric uppers would increase and imports drop by volume and value.