

Allocations of textile quotas

I AM grateful for the comments contained in the letter from "A Manufacturer" which appeared in the S.C.M. Post of February 14. I can assure him that his views, along with other views which have been put to the department, will be considered in the current review of the textile export control system.

As the review is still in progress, any comments from the department at this stage might prejudice the final result.

On the specific question of final quota allocation for the European Economic Community in 1976, your readers might be interested to know that the last batch of letters offering quota to companies who had shipped against their 1975 allocations was despatched on Saturday February 14. I should perhaps explain here why the department wasn't in a position to offer the final quota earlier.

One of the principles adopted in the allocation of quota for the EEC for 1976 was that only companies who have utilised 50 per cent or more of their 1975 allocations will receive quota for 1976.

This means that before calculation work can actually start the department has to verify and confirm that textiles covered by licences issued in 1975 had in fact been exported and this can only be done through the checking of cargo manifests.

On this occasion, the last set of manifests was only submitted to the department on January 20. After the manifest checking process we discovered that there were over 1,100 textile export licences which had not been returned to the department through shipping

and airline companies together with the manifests nor had the exporters requested their cancellations.

There was also a large number of suspected short shipments (eg: 100 cartons declared on export licences but only 80 cartons appeared on the manifests) where exporters had not requested for amendment of licences.

All of these cases had to be followed up exhaustively before individual quota holder's performance in 1975 could be established. The work on calculation of individual companies' entitlements for 1976 was itself another monstrous exercise bearing in mind that the number of holdings calculated on a category/EEC Member State basis exceeds 15,000.

While more staff is needed by the department, it is our view that in this case additional help would not have resulted in the allocation being made earlier than February 14.

Elsewhere in his letter, "A Manufacturer" also said that companies receiving preliminary quota allocation were reluctant to part with their quota until they saw how much their final allocation would amount to.

As the department had already in Notice to Exporters, Series 2, No 1/76 dated January 10, 1976 announced the principles of final quota allocations for the EEC, quota holders should have no difficulty by reference to their performance in 1975 to work out their final quota entitlements for 1976.

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