

UNITED STATES TARIFF COMMISSION

WOMEN'S DRESS SHOES:
U.S. SHOE CORP.
CINCINNATI, OHIO

Report to the President
on Worker Investigation No. TEA-W-146
Under Section 301(c)(2) of the Trade Expansion Act of 1962



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Note.--The whole of the Commission's report to the President may not be made public since it contains certain information the publication of which would result in the disclosure of the operation of an individual firm. This published report is the same as the report to the President, except that the above-mentioned information has been omitted. Such omissions are indicated by asterisks.

REPORT TO THE PRESIDENT

U.S. Tariff Commission,
August 18, 1972.

To the President:

In accordance with section 301(f)(1) of the Trade Expansion Act of 1962 (TEA) (76 Stat. 885), the U.S. Tariff Commission herein reports the results of an investigation made, under section 301(c)(2) of that act, relating to women's dress shoes.

On June 19, 1972, the Commission received a petition filed by the Independent Shoe Workers Union of Cincinnati, Ohio, on behalf of the workers formerly employed by the U.S. Shoe Corp. at its plant located at 1658 Herald Avenue, Cincinnati, Ohio, for a determination of eligibility to apply for adjustment assistance under the said act. Accordingly, on June 20, 1972, the Commission instituted the investigation (TEA-W-146) to determine whether, as a result in major part of concessions granted under trade agreements, articles like or directly competitive with footwear for women and misses (of the type provided for in item 700.45 of the Tariff Schedules of the United States (TSUS)) produced by the aforementioned firm are being imported into the United States in such increased quantities as to cause, or threaten to cause, the unemployment or underemployment of a significant number or proportion of the workers of the firm, or an appropriate subdivision thereof.

Public notice of the investigation was published in the Federal Register on June 23, 1972 (37 F.R. 12429). No public hearing was requested, and none was held.

The information in this report was obtained principally from the petitioner, from officials of the U.S. Shoe Corp., and from the Commission's files.

Finding of the Commission

On the basis of its investigation, the Commission 1/ finds unanimously that articles like or directly competitive with footwear for women and misses (of the type provided for in item 700.45 of the Tariff Schedules of the United States) produced by the United States Shoe Corp., Cincinnati, Ohio, are not, as a result in major part of concessions granted under trade agreements, being imported into the United States in such increased quantities as to cause, or threaten to cause, unemployment or underemployment of a significant number or proportion of the workers of such firm.

1/ Commissioner Ablondi did not participate in the decision.

Views of Chairman Bedell, Vice Chairman Parker,
and Commissioner Meore

This investigation relates to a petition for the determination of eligibility to apply for adjustment assistance for the former workers of the U.S. Shoe Corp. plant in Cincinnati, Ohio. In order to arrive at an affirmative determination in this investigation, each of the following criteria must be satisfied:

- (1) Imports of articles like or directly competitive with those produced by the petitioning workers must be increasing;
- (2) The increased imports must be a result in major part of concessions granted under trade agreements;
- (3) The workers concerned must be unemployed or underemployed, or threatened therewith; and
- (4) The increased imports resulting in major part from trade-agreement concessions must be the major factor causing or threatening to cause the unemployment or underemployment.

We have made a negative determination in this investigation because we believe that criterion (4) has not been satisfied.

The Cincinnati plant, where the petitioning workers were formerly employed, produced women's leather dress shoes which carried the Selby brand label. The Selby line of shoes, which are currently being manufactured by five other U.S. Shoe Corp. plants, have traditionally had leather uppers and soles and have been constructed by the cement process; they retailed in 1971 for about \$20 to \$29 a pair. The Selby line, which is not intended to compete with other styles of women's dress shoes marketed by U.S. Shoe, are designed for the more

mature woman. The other lines of women's dress shoes are fashionably designed by the company primarily for the younger woman, and are more moderately priced. Most of the other lines manufactured by the company have leather uppers, but Selby is the only line with leather soles.

U.S. Shoe's production of the Selby line of women's dress shoes increased considerably in recent years. The combined output of the line at the plants of U.S. Shoe (in terms of quantity) was * * * * * larger in fiscal year (ended October 31) 1970 than in fiscal year 1967; production declined * * * * * in fiscal year 1971 (the last year that the Cincinnati plant was in operation), but was larger in that year than in any other recent fiscal year except 1970. In terms of value, annual sales of the Selby line increased from \$8 million to \$16 million during the period 1967-71. Meanwhile, the production experience of the individual plants producing the Selby line differed greatly. During the recent period of extensive growth in output of the line (fiscal years 1967-70), production of Selby shoes at the Cincinnati plant was about stable (first increasing and then decreasing by about 10 percent), but manufacture of the line at other plants of the company more than doubled. In fiscal 1971 the Corporation absorbed the moderate decline in aggregate production of the Selby line at the Cincinnati plant, and even expanded production of the line slightly at other plants engaged in its manufacture. According to an official of the U.S. Shoe Corp., the age and size of the Cincinnati plant were factors in the decision to reduce

and then to cease the production of the Selby line there; the plant was one of the oldest (it was constructed about 85 years ago) and smallest of the U.S. Shoe's facilities.

As indicated above, production of the Selby line has risen in recent years, although the aggregate domestic output of women's dress shoes has declined. In recent years, the U.S. Shoe Corp. has imported shoes for marketing under the Selby label; such imports have provided only a very small part of the total sales.

Information available to the Commission, moreover, indicates that there has been no significant shift by customers of U.S. Shoe to substitute imported shoes for Selby Shoes. In fact, certain buyers of the Selby line indicated to the Commission a preference by customers for this domestic shoe because it has a reputation for being a better fitting shoe.

On the basis of the evidence available to the Commission, it appears that the closing of the Cincinnati plant was largely unrelated to import competition. Consequently, we have concluded that imports were not the major factor causing the unemployment of the petitioning workers.

Views of Commissioners Leonard and Young

Our determination in the instant case is negative because the increase in imports of women's and misses' footwear like or directly competitive with that produced by the United States Shoe Corporation, Cincinnati, Ohio, is not the result in major part of concessions granted under trade agreements. Our reasoning in support of this determination is set forth in the statement of our views in earlier Commission investigations under the Trade Expansion Act. 1/

1/ Commissioner Leonard's views are given in Nonrubber Footwear: Report to the President on Investigation No. TEA-I-18 . . . , TC Publication 359, January 1971, pp. 31-47, and Commissioner Young's views are given in Women's Dress and Casual Shoes: Duchess Footwear Corp., . . . , Report to the President on Firm Investigation No. TEA-F-39 and Worker Investigation No. TEA-W-139 . . . , TC Publication 491, June 1972, pp. 11-25.

INFORMATION OBTAINED IN THE INVESTIGATION

Description of Articles Under Investigation

The U.S. Shoe Corp. plant at Cincinnati, Ohio, which ceased production in September 1971, produced women's leather dress shoes made by the cement process. These shoes, carrying the Selby brand name, retailed for about \$20 to \$29 a pair.

The principal features of women's shoes that determine the activities for which a particular pair is suitable--and thus the trade designations such as "dress," "casual," and "slippers"--are the cut of the uppers, the style and height of the heels, the material used for the uppers, the kind of ornamentation, and the material and construction of the sole. In general or commercial usage, however, these descriptive terms for footwear may have various meanings. Some of them are specifically defined for tariff purposes in the headnotes (including the statistical headnotes) to part 1A of schedule 7 of the TSUS. 1/

1/ For further discussion of these descriptive terms plus additional information in regard to nonrubber footwear (e.g., factors affecting U.S. consumption and marketing channels), see U.S. Tariff Commission, Nonrubber Footwear: Report to the President on Investigation No. TEA-I-18 . . ., TC Publication 359, 1971.

In terms of U.S. retail sales, so-called dress shoes (a term not defined in the TSUS) are more important than any other type of footwear for women and misses. The term "dress shoes," originally limited only to shoes worn on formal occasions, is now used to describe footwear of the types generally worn for street wear and for business and social activities. Women's shoes intended for formal wear, which are also regarded here as dress shoes, are now frequently referred to as evening shoes, slippers, or sandals. Generally the term "dress shoes" does not refer to footwear especially made for athletic, occupational, and leisure activities.

For many years the principal type of dress shoe worn by women in the United States was the classic pump--a closed-toe, closed-back, slip-on shoe without fasteners, with lightweight soles, and with heels of 2 inches or higher. Depending upon fashion changes, dress shoes may be open- or closed-heel shoes with straps, laces, or tongues over the instep and may include high-heeled sandals with open toes, open heels, and uppers of narrow strips of leather or other material.

Women's lower heeled footwear for casual wear, not considered dress shoes, includes low-heeled sandals, wedge-heeled shoes, loafers, desert boots, moccasins, and sneakers.

The range of styles in and quality of footwear increased greatly during the 1960's as a result of new materials, technological developments in production, and new fashions in wearing apparel. Simultaneously, consumer interest in this wide variety of footwear (as well as in clothing) also increased, reflecting the changing age structure of the

population, increasing per capita income, and a growth in time for leisure activities. Following these developments the distinction between dress and casual shoes and attire diminished.

The materials used for the uppers of dress shoes are usually finer (i.e., less sturdy), and the soles lighter in weight, than those of footwear intended for athletic and certain occupational and leisure uses. Uppers may be of calf, kid, or reptile leathers; of silk, rayon, linen, or metallic fabrics such as peau de soie, satin, brocade, or velvet; or of supported vinyls or other plastics. Soles are of leather or plastics.

For several decades the principal method of attaching the outsole to women's shoes has been the cement process (the method used by U.S. Shoe Corp.), whereby the outsole (or midsole, if any) is affixed to the upper by an adhesive without sewing. An estimated 80 percent of total U.S. output of women's shoes in recent years (and probably an even higher percentage of the domestic output of dress shoes) has been made by the cement process. This process permits narrow edges on the outsole to give a trim appearance and produces a lighter and more flexible shoe than other processes except the turn or turned process. In the turn process, which is currently used in very minor degree in the United States to produce dress shoes, 1/ the footwear is initially lasted inside out and then turned right side out for the finishing operations.

1/ The turn process has been used in the United States in recent years principally to produce footwear of the types reported in official U.S. production statistics as slippers for housewear (SIC product code 3142). Slippers are also produced by the cement process.

The great bulk of the imported women's casual and dress shoes are entered under TSUS items 700.20, 700.43, 700.45, and 700.55. As explained briefly in the following paragraphs, the footwear classifiable under these four TSUS items varies with respect to materials, method of construction, price line, and/or style.

Imports entered under TSUS item 700.43, which provides for certain leather footwear having a foreign (export) value of not over \$2.50 a pair, as well as those entered under TSUS item 700.45, which includes imports valued over \$2.50 a pair (comparable in price to the shoes produced at the Cincinnati plant), consists predominantly of women's footwear in a wide range of styles, types, and prices. In terms of quantity, about half the combined imports under these two items in recent years have consisted of women's sandals having a retail selling price of about \$3 to \$9 a pair. The remainder probably consisted predominantly of women's cement-process dress shoes of moderate prices (i.e., in the retail-price range of \$8 to \$20 a pair) but also included sturdy types with vulcanized or injection-molded soles, lightweight slippers suitable principally for housewear, and expensive high-fashion types. Imported women's leather footwear made by the turn process and dutiable under TSUS item 700.20 does not differ significantly in appearance from the leather dress shoes entered under items 700.43 and 700.45.

Imports of women's footwear with supported vinyl uppers that are entered under TSUS item 700.55 began in the 1950's; in recent years they have consisted predominantly of two groups: (1) street shoes of sturdy construction, produced in a single width for each particular length and for sale mostly at \$3 to \$6 a pair at self-service counters in variety stores, discount stores, and department-store basements and (2) folding slippers and sandals, usually selling at retail for less than \$2 a pair. It is believed that before 1970 only a negligible portion of the annual imports of women's dress shoes and boots admitted under item 700.55 retailed at more than \$10 a pair. However, imports of more expensive types of footwear with vinyl uppers began to enter in quantity about 1970, and it is estimated that, in 1971, imports of such footwear retailing at more than \$10 a pair (mostly just over that price) totaled about 5 to 10 million pairs.

U.S. Tariff Treatment

In the Tariff Act of 1930, women's leather footwear of the type produced at U.S. Shoe was originally dutiable under paragraph 1530(e) at 20 percent ad valorem. Such footwear is provided for in the TSUS, which became effective on August 31, 1963, in items 700.43 and 700.45. The rate of duty was reduced for the first time effective January 1, 1968, pursuant to concessions granted during the Kennedy Round of trade negotiations. The current rate for item 700.43 is 15 percent, and that for item 700.45 is 10 percent. Prior to the Kennedy Round, the rate of duty on turn or turned shoes (now TSUS item 700.20) was first reduced, pursuant to section 336 of the Tariff Act of 1930, from 20 percent ad valorem to 10 percent, effective January 1, 1932. The 10-percent rate, which was bound against increase in a concession

granted to Switzerland, effective February 15, 1936, was reduced to 5 percent in a concession, effective May 30, 1950, granted under the General Agreement on Tariffs and Trade (GATT). The current rate for item 700.20 is 2.5 percent.

Supported vinyl was not used for uppers until the late 1940's or early 1950's. Prior to the effective date of the TSUS, imports of women's supported vinyl-upper footwear, which were small, were classifiable under various provisions of the Tariff Act. Under that act such footwear was classified principally--

(1) By similitude, at the rate of 20 percent ad valorem applicable to leather footwear provided for in paragraph 1530(e). 1/

(2) Under paragraph 1537(b) as articles in chief value of rubber, at the trade-agreement rate of 12.5 percent ad valorem, where the soles were of india rubber and constituted the chief value of the footwear in question.

(3) Under paragraph 1539(b) at the reduced rate of 21¢ per pound plus 17 percent ad valorem in instances in which the footwear was in chief value of a product having a synthetic resin as the chief binding agent.

In the TSUS a rate of 12.5 percent ad valorem was established for item 700.55 as the trade-agreement rate to replace the wide range of rates previously applicable to the various types of footwear provided for in this item. The current rate on footwear with supported vinyl uppers is 6 percent ad valorem.

Table 1 in the appendix shows the reductions in rates of duty resulting from trade-agreement concessions granted under the GATT for footwear of the types now dutiable under items 700.20, 700.43, 700.45,

1/ The principal kinds of footwear with supported vinyl uppers now being imported (i.e., those with soles of vinyl or other plastics) would have been dutiable by virtue of the similitude provision at a rate of 20 percent ad valorem.

and 700.55. Tables 2 through 5 show estimated U.S. imports of women's shoes admitted under the TSUS items mentioned above and the applicable rates of duty. Table 6 shows the amount of duty collected, based on specified values, on women's footwear entered under items 700.43, 700.45, and 700.55 on the effective dates of the Tariff Act of 1930, the TSUS, and the Kennedy Round of trade concessions.

U.S. Consumption, Production, and Imports

During the period 1965-71, apparent annual U.S. consumption of all women's shoes (including dress and casual) rose from an estimated 386 million pairs to 418 million pairs, while annual U.S. production of such footwear declined from 319 million pairs to 238 million pairs. As annual imports almost tripled during this period, their share of the market increased from 17 percent to 43 percent, as shown in the following table.

Nonrubber footwear for women: U.S. production, imports for consumption, and apparent consumption, 1965-71

Year	Production <u>1/</u>	Im-ports <u>2/</u>	Apparent consumption <u>3/</u>	Ratio of imports to consumption
	<u>Million</u> <u>pairs</u>	<u>Million</u> <u>pairs</u>	<u>Million</u> <u>pairs</u>	<u>Percent</u>
1965-----	319	67	386	17
1966-----	323	70	393	18
1967-----	290	96	386	25
1968-----	322	133	455	29
1969-----	271	139	410	34
1970-----	260	165	425	39
1971-----	238	180	418	43

1/ Production represents the output of women's and misses' footwear as reported by the U.S. Bureau of the Census, plus shipments to the U.S. mainland from Puerto Rico.

2/ Partly estimated from the official statistics for footwear of the kinds described in pt. 1A of schedule 7 of the TSUS except imports described in items 700.32, 700.51, 700.52, 700.53, and 700.60 and except zoris (very inexpensive thonged sandals of rubber or plastics), dutiable under item 700.55. Includes imports of misses' footwear, which have been negligible compared with those of women's.

3/ Computed from U.S. production plus imports without an allowance for exports, which in 1971 amounted to about 1 million pairs.

Source: Compiled from official statistics of the U.S. Department of Commerce, except as noted.

Data on U.S. consumption of women's dress shoes are not reported in official statistics. It is estimated, however, that during 1965-71 apparent annual U.S. consumption (production plus imports) of such shoes followed an irregular trend, rising from about 204 million pairs in 1965 to about 231 million in 1968 but declining to 199 million in 1971. Estimated domestic production of women's dress shoes during this period reached a peak of about 210 million pairs in 1968 and then declined to 156 million pairs in 1971. Imports rose from an estimated 4 million pairs in 1965 to 43 million pairs in 1971. Of the estimated imports in 1971, about 2 million pairs (entered under TSUS item 700.20) had an average dutiable value of about \$6 a pair, about 5 million pairs (entered under item 700.43) had an average dutiable value of about \$2 a pair, and an estimated 28 million pairs (entered under item 700.45) had an average value of about \$5 a pair. The share of apparent annual U.S. consumption of women's dress shoes supplied by imports increased from 2 percent in 1965 to 22 percent in 1971, as shown in the following table.

Dress shoes for women: U.S. production, imports for consumption,
and apparent consumption, 1965-71

Year	Production <u>1/</u>	Im- ports <u>2/</u>	Apparent consump- tion <u>3/</u>	Ratio of imports to consumption
	<u>Million pairs</u>	<u>Million pairs</u>	<u>Million pairs</u>	<u>Percent</u>
1965-----	200	4	204	2
1966-----	206	7	213	3
1967-----	188	11	199	6
1968-----	210	21	231	9
1969-----	177	28	205	14
1970-----	165	36	201	18
1971-----	156	43	199	22

1/ Dress shoes are believed to account for about 2/3 of the total annual output of nonrubber footwear for women and misses.

2/ Data represent estimated imports of leather dress shoes entered under TSUS items 700.20, 700.43, 700.45, and 700.55.

3/ Data represent estimated production plus estimated imports without an allowance for exports, which in 1971 amounted to less than 1 million pairs.

Source: Estimates of the U.S. Tariff Commission based on official statistics of the U.S. Department of Commerce.

The variation in annual consumption of women's dress shoes in recent years is explained by several factors, but it is attributable largely to changes in the mode of dressing. In recent years the use of loafers, sandals, clogs, desert boots, and other boots has increased, both in absolute amounts and relative to dress shoes.

U.S. imports of women's footwear entered under TSUS items 700.20, 700.43, 700.45, and 700.55, shown in table 2 in the appendix, in the aggregate accounted for 92 percent of the 1971 imports of nonrubber footwear for women in the table on page A-8. Italy and Spain have been the principal suppliers of women's leather shoes (items 700.20, 700.43, and 700.45). Japan and the Republic of China have been the

U.S. and Foreign Wage Rates

The table on the following page shows the published average hourly earnings and the estimated compensation per hour received by shoe workers in six countries in 1964 and 1970. It should be noted, however, that there are several difficulties involved in comparing these data accurately. First, the definition for "shoe industry" varies among nations; in only two countries--Italy and the United States--are shoes specifically broken out from more encompassing industry classifications. This definitional problem makes it difficult to isolate the "shoe industry" in each country. Second, as footnote 1 to the table indicates, published hourly earnings in the various nations differ in composition. Third, total compensation for workers includes varying factors in the six countries (two examples of the differences in content are explained in footnotes 4 and 6 to the table).

In comparing the average hourly earnings in these countries and in the United States, it is evident that in 1970 a shoe worker in Taiwan could be hired for 14 hours for the same wage paid to a shoe worker in the United States for only 1 hour. For Spain the rate is 5 hours to 1 in the United States; for Japan, almost 3-1/2 hours to 1; for Italy, 2-1/2 hours to 1. In a very rough sense, this indicates that shoe workers in the United States must be 14 times as productive as shoe workers in Taiwan in order to fully offset the lower hourly labor costs in Taiwan; they must be five times as productive as Spanish shoe workers, and so on.

Hourly earnings of production workers and estimated total compensation per hour worked by them in specified industries related to footwear in 6 countries, 1964 and 1970

(In U.S. dollars)

Country	Industry	Published average hourly earnings 1/		Estimated compensation per hour worked 2/	
		1964	1970	1964	1970
Brazil	Clothing and shoes	3/ \$0.23	4/ \$0.28	5/	5/ \$1.19
Italy	Shoes	.42	.65	5/	.88
Japan	leather products	.37	.78	5/	.57
Spain	Shoes, leather, and clothing	.23	.38	6/ \$0.34	.21
Taiwan	Leather and leather products	.12	.17	7/ .14	2.96
United States	Footwear, excluding rubber	1.77	2.43	5/	

1/ Published earnings do not represent the same items of labor compensation in each country because of differences in the treatment of various supplementary benefits. Earnings generally refer to gross cash payments to wage workers before deductions for taxes and social security, and include overtime pay, shift differentials, regular bonuses and premiums, and cost-of-living adjustments. Holiday, vacation, and sick leave pay, bonuses not paid regularly each pay period, and other supplementary benefits are included by some countries and excluded by others. The earnings data are per paid hour for some countries and per hour worked for other countries.

2/ Compensation refers to all payments made by employers directly to their workers before deductions of any kind, plus employer contributions to legally required insurance programs and private welfare plans for the benefit of employees. The figures on additional compensation per hour worked as a percent of published earnings are the best estimates currently available to the Bureau of Labor Statistics. The estimates are based primarily on labor cost or labor compensation surveys adjusted to the listed years on the basis of other available data. All countries do not publish data for every year:

3/ Average for 1966.

4/ Average for 1969; monthly earnings of 211.60 cruzeiros converted to an hourly basis by assuming 195 hours of work per month.

5/ Not available.

6/ Only compensation factor included in this figure is employer social security payments, which range from 40 to 50 percent of payroll.

7/ The published earnings data are computed per hour worked and include overtime pay, regular premiums, and bonuses; family allowances; the market value of payments in kind; and wages paid to persons absent from work. Also included in this figure is a bonus of 2 months' pay usually paid at the time of the Chinese New Year.

Source: U.S. Bureau of Labor Statistics, from the following: Brazil--Yearbook of Labour Statistics 1971, International Labour Office, Geneva; Italy--Social Statistics (various issues), Statistical Office of the European Communities, Luxembourg and Brussels; Japan--Year Book of Labor Statistics (various issues), Ministry of Labor, Tokyo; Spain--Monthly Bulletin of Statistics (various issues), National Institute of Statistics, Madrid; and Taiwan--Report of Taiwan Labor Statistics 1971, Department of Reconstruction, Provincial Government of Taiwan.

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STATISTICAL APPENDIX

Table 1.--U.S. rates of duty applicable to footwear of the types provided for in specified TSUS items, July 1, 1934, and GATT concessions to Jan. 1, 1972

TSUS item No.	Abbreviated description	Rate of duty	
		July 1, 1934 <u>1/</u>	GATT concessions <u>2/</u>
			Rate
		Percent ad ad val.	Percent ad val. or cents per pair
700.15	Leather footwear: Moccasins-----	20	10% : Jan. 1, 1948.
700.20	Turn or turned-----	10 <u>3/</u>	5% : May 30, 1950-Dec. 31, 1967. 4% : Jan. 1, 1968-Dec. 31, 1969. 3% : Jan. 1, 1970-Dec. 31, 1971. 2.5% : Jan. 1, 1972.
700.25	Welt, valued per pair-- Not over \$2-----	20	19% : June 30, 1956-June 29, 1957. 18% : June 30, 1957-June 29, 1958. 17% : June 30, 1958.
<u>4/</u> 700.26	Over \$2 but not over \$5-----	20	40¢ : Jan. 1, 1948-June 29, 1956. 38¢ : June 30, 1956-June 29, 1957. 36¢ : June 30, 1957-June 29, 1958. 34¢ : June 30, 1958-Dec. 31, 1967. 30¢ : Jan. 1-Dec. 31, 1968. 27¢ : Jan. 1-Dec. 31, 1969. 23¢ : Jan. 1-Dec. 31, 1970. 20¢ : Jan. 1-Dec. 31, 1971. 17¢ : Jan. 1, 1972.
<u>4/</u> 700.27	Over \$5 but not over \$6.80-----	20	40¢ : Jan. 1, 1948-June 29, 1956. 38¢ : June 30, 1956-June 29, 1957. 36¢ : June 30, 1957-June 29, 1958. 34¢ : June 30, 1958-Dec. 31, 1967. 6% but not more than 34¢ : Jan. 1, 1968-Dec. 31, 1969. 5.5% but not more than 34¢ : Jan. 1-Dec. 31, 1970. 5% : Jan. 1, 1971.
<u>4/</u> 700.29	Over \$6.80 (except ski boots)-----	20	40¢ but not less than 5% : Jan. 1, 1948-June 29, 1956. 38¢ but not less than 5% : June 30, 1956-June 29, 1957. 36¢ but not less than 5% : June 30, 1957-June 29, 1958. 5% : June 30, 1958.
700.32	Slippers-----	20	10% : Jan. 1, 1948-Dec. 31, 1967. 9% : Jan. 1-Dec. 31, 1968. 8% : Jan. 1-Dec. 31, 1969. 7% : Jan. 1-Dec. 31, 1970. 6% : Jan. 1-Dec. 31, 1971. 5% : Jan. 1, 1972.
700.35	"Other" footwear (including cement process): For men, youths, and boys-----	20	10% : June 6, 1951-Dec. 31, 1967. 9.5% : Jan. 1-Dec. 31, 1968. 9% : Jan. 1, 1969-Dec. 31, 1970. 8.5% : Jan. 1, 1971.
700.43	For women and misses: Valued not over \$2.50 per pair----	20	19% : Jan. 1-Dec. 31, 1968. 18% : Jan. 1-Dec. 31, 1969. 17% : Jan. 1-Dec. 31, 1970. 16% : Jan. 1-Dec. 31, 1971. 15% : Jan. 1, 1972.

See footnotes at end of table.

Table 1.--U.S. rates of duty applicable to footwear of the types provided for in specified TSUS items, July 1, 1934, and GATT concessions to Jan. 1, 1972--Continued

TSUS item No.	Abbreviated description	Rate of duty	
		July 1, 1934 ^{1/}	GATT concessions ^{2/}
		Percent ad val.	Rate Effective dates
	Leather footwear--Continued		Percent ad val. or cents per pair
	"Other" footwear (including cement process)--Continued		
	For women and misses--Continued		
700.45	Valued over \$2.50 per pair-----	20	18% : Jan. 1-Dec. 31, 1968. 16% : Jan. 1-Dec. 31, 1969. 14% : Jan. 1-Dec. 31, 1970. 12% : Jan. 1-Dec. 31, 1971. 10% : Jan. 1, 1972.
700.55	Footwear having uppers of supported vinyl.	<u>5/</u>	12.5% ^{6/} : Aug. 31, 1963-Dec. 31, 1967. 11% : Jan. 1-Dec. 31, 1968. 10% : Jan. 1-Dec. 31, 1969. 8.5% : Jan. 1-Dec. 31, 1970. 7% : Jan. 1-Dec. 31, 1971. 6% : Jan. 1, 1972.
700.60	Other footwear with uppers of fabrics and soles of rubber or plastics.	35 ^{7/}	20% ^{7/} : Sept. 10, 1955.
	Footwear with uppers of fibers:		
	With soles of leather, valued per pair--		
<u>8/</u> 700.66	Not over \$2.50-----	35	20% : Apr. 21, 1948-Dec. 31, 1967. 19% : Jan. 1-Dec. 31, 1968. 18% : Jan. 1-Dec. 31, 1969. 17% : Jan. 1-Dec. 31, 1970. 16% : Jan. 1-Dec. 31, 1971. 15% : Jan. 1, 1972.
<u>8/</u> 700.68	Over \$2.50-----	35	20% : Apr. 21, 1948-Dec. 31, 1967. 18% : Jan. 1-Dec. 31, 1968. 16% : Jan. 1-Dec. 31, 1969. 14% : Jan. 1-Dec. 31, 1970. 12% : Jan. 1-Dec. 31, 1971. 10% : Jan. 1, 1972.
	With soles of other material:		
700.70	With uppers of vegetable fibers-----	35	17.5% : Jan. 1, 1950-June 29, 1956. 16.5% : June 30, 1956-June 29, 1957. 15.5% : June 30, 1957-June 29, 1958. 15% : June 30, 1958-Dec. 31, 1967. 13% : Jan. 1-Dec. 31, 1968. 12% : Jan. 1-Dec. 31, 1969. 10% : Jan. 1-Dec. 31, 1970. 9% : Jan. 1-Dec. 31, 1971. 7.5% : Jan. 1, 1972.
700.75	With soles and uppers of wool felt.	35	17.5% : June 6, 1951-June 30, 1962. 15.5% : July 1, 1962-June 30, 1963. 14% : July 1, 1963-Dec. 31, 1967. 12.5% : Jan. 1-Dec. 31, 1968. 11% : Jan. 1-Dec. 31, 1969. 9.5% : Jan. 1-Dec. 31, 1970. 8% : Jan. 1-Dec. 31, 1971. 7% : Jan. 1, 1972.

See footnotes at end of table.

Table 1.--U.S. rates of duty applicable to footwear of the types provided for in specified TSUS items, July 1, 1934, and GATT concessions to Jan. 1, 1972--Continued

TSUS item No.	Abbreviated description	Rate of duty	
		July 1, 1934 ^{1/}	GATT concessions ^{2/}
			Rate
		Percent ad val.	Percent ad val. or cents per pair
700.80	Footwear with uppers of fibers--Con. With soles of other material--Con. Other-----	35	25% : Sept. 10, 1955-Dec. 31, 1967. 22% : Jan. 1-Dec. 31, 1968. 20% : Jan. 1-Dec. 31, 1969. 17% : Jan. 1-Dec. 31, 1970. 15% : Jan. 1-Dec. 31, 1971. 12.5% : Jan. 1, 1972.

^{1/} Except as noted, the rate on July 1, 1934, was the same as the original rate in the Tariff Act of 1930, effective June 18, 1930.

^{2/} For concessions granted in the Kennedy Round, effective Jan. 1, 1968, the table shows staged rates scheduled to become effective up to and including Jan. 1, 1972.

^{3/} Effective Jan. 1, 1932, the statutory rate of 20 percent ad valorem was reduced to 10 percent ad valorem, pursuant to sec. 336 of the Tariff Act of 1930.

^{4/} New item effective Jan. 1, 1968.

^{5/} Supported vinyl was not used for shoe uppers until the late 1940's or early 1950's. When footwear with supported vinyl uppers (with soles other than india rubber) was imported during the 1950's and early 1960's, it was generally dutiable, by virtue of the similitude provisions of par. 1559, at the rate provided for "similar" leather footwear in par. 1530(e), principally 20 percent ad valorem. The column 2 rate for item 700.55 is 35 percent.

^{6/} The trade-agreement rate established in the TSUS, effective Aug. 31, 1963, under authority of the Tariff Classification Act of 1962 (Public Law 87-456) to replace the wide range of rates previously applicable to the various types of footwear provided for in this item.

^{7/} Effective Mar. 3, 1933, the basis for assessing the ad valorem rate of duty was changed from foreign (export) value to the "American selling price" of the "like or similar" domestic product (T.D. 46158).

^{8/} Effective Jan. 1, 1968, new items 700.66 and 700.68 replaced item 700.65.

Note.--Pursuant to Presidential Proclamation No. 4074, effective from Aug. 16 to Dec. 19, 1971, the rates of duty on most imported products were increased by the temporary imposition of an additional duty of 10 percent ad valorem or less, as provided for in new subpt. C to pt. 2 of the appendix to the TSUS.

Table 2.--Footwear for women and misses: U.S. rates of duty and imports for consumption, by specified TSUS items, 1965-71

Year	Footwear of leather										
	Total ^{1/}	Moccasins (700.15) ^{2/}		Turn or turned (700.20)		"Other" leather footwear					
		Tariff rate		Tariff rate		700.43		700.45		700.43 : 700.45	
		Million pairs	Percent ad val.	Million pairs	Percent ad val.	Million pairs	Percent ad val.	Percent ad val.	Million pairs	Million pairs	Million pairs
1965-----	23	10	0.5	5	1	3/ 20			3/ 21		
1966-----	30	10	1.0	5	1	3/ 20			3/ 28		
1967-----	40	10	1.4	5	1	3/ 20			3/ 38		
1968-----	57	10	.6	4	2	19	18		34	20	
1969-----	59	10	.6	4	2	18	16		29	27	
1970-----	75	10	.5	3	2	17	14		37	35	
1971-----	79	10	.4	3	2	16	12		33	44	
	Footwear with uppers of supported: vinyl (700.55)		Canvas footwear (sneakers) (700.60) ^{4/}						Total, all nonrubber footwear ^{6/}		
	Tariff rate		Tariff rate ^{5/}		Quantity		Quantity		Million pairs		
	Percent ad val.		Percent ad val.		Million pairs		Million pairs		Million pairs		
1965-----	12.5		20		30		8		67		
1966-----	12.5		20		33		8		70		
1967-----	12.5		20		50		11		96		
1968-----	11		20		69		10		133		
1969-----	10		20		71		7		139		
1970-----	8.5		20		77		6		165		
1971-----	7		20		87		9		180		

^{1/} Represents about 95 percent of the total footwear of leather imported for women and misses.

^{2/} Estimated by the U.S. Tariff Commission.

^{3/} In TSUS item 700.40 before Jan. 1, 1968.

^{4/} Data shown are for footwear entered under TSUSA item 700.6015.

^{5/} Effective Mar. 3, 1933; the basis for assessing the ad valorem rate of duty was changed from foreign (export) value to the "American selling price" of the "like or similar" domestic product (T.D. 46158).

^{6/} As described in pt. 1A of schedule 7 of the TSUS, excluding footwear in items 700.51, 700.52, 700.53, 700.60, and zoris in item 700.55.

Source: Compiled from official statistics of the U.S. Department of Commerce, except as noted.

Table 3.--Leather footwear for women and misses made by the turn or turned process (item 700.20): U.S. rates of duty and imports for consumption, 1939, 1946, and 1955-71

Year	Rate of duty	Quantity
	<u>Percent</u> <u>ad val.</u>	<u>1,000</u> <u>pairs</u>
1939-----	<u>1</u> / 10	5
1946-----	10	4
1955-----	<u>2</u> / 5	10
1956-----	5	97
1957-----	5	209
1958-----	5	434
1959-----	5	402
1960-----	5	664
1961-----	5	882
1962-----	5	1,067
1963-----	5	916
1964-----	5	864
1965-----	5	1,053
1966-----	5	1,106
1967-----	5	1,361
1968-----	4	1,905
1969-----	4	2,459
1970-----	3	2,398
1971-----	3	1,604

1/ Effective Jan. 1, 1932, the statutory rate of 20 percent ad valorem was reduced to 10 percent pursuant to sec. 336 of the Tariff Act of 1930.

2/ GATT concession, effective May 30, 1950.

Source: Compiled from official statistics of the U.S. Department of Commerce.

Table 4.--Nonrubber footwear for women: U.S. production, imports for consumption, and apparent consumption, 1965-71

Year	Production <u>1/</u>	Imports <u>2/</u>	Apparent consumption <u>3/</u>	Ratio of imports to consumption
	Million pairs	Million pairs	Million pairs	Percent
Dress:				
1965-----	200	4	204	2
1966-----	206	7	213	3
1967-----	188	11	199	6
1968-----	210	21	231	9
1969-----	177	28	205	14
1970-----	165	36	201	18
1971-----	156	43	199	22
Other:				
1965-----	119	63	182	35
1966-----	117	63	180	35
1967-----	102	85	187	45
1968-----	112	112	224	50
1969-----	94	111	205	49
1970-----	95	129	224	58
1971-----	82	137	219	63
Total:				
1965-----	319	67	386	17
1966-----	323	70	393	18
1967-----	290	96	386	25
1968-----	322	133	455	29
1969-----	271	139	410	34
1970-----	260	165	425	39
1971-----	238	180	418	43

1/ Total production represents the output of women's and misses' footwear as reported by the U.S. Bureau of Census, plus shipments to the U.S. mainland from Puerto Rico; production of "dress" and "other" shoes is estimated by the Tariff Commission staff.

2/ Partly estimated from the official statistics for footwear of the kinds described in pt. 1A of schedule 7 of the TSUS except imports described in items 700.32, 700.51, 700.52, 700.53, and 700.60 and except zoris (very inexpensive thonged sandals of rubber or plastics), dutiable under item 700.55. Includes imports of misses' footwear, which have been negligible compared with those of women's.

3/ Production plus imports without an allowance for exports, which in 1971 amounted to about 1 million pairs.

Source: Compiled from official statistics of the U.S. Department of Commerce, except as noted.

Table 5.--Canvas footwear: U.S. production, imports for consumption, and apparent consumption, 1966-71

Period	Production <u>1/</u>	Im-ports <u>2/</u>	Apparent consumption <u>3/</u>	Ratio of imports to consumption
1966-----	173	22	195	11
1967-----	168	29	197	15
1968-----	170	30	200	15
1969-----	156	25	181	14
1970-----	151	23	174	13
1971-----	173	33	206	16

1/ Includes shipments to the U.S. mainland from Puerto Rico.

2/ Estimated by the Tariff Commission on the basis of official statistics of the U.S. Department of Commerce.

3/ Production plus imports; exports of canvas shoes have been negligible.

Source: Compiled from official statistics of the U.S. Department of Commerce, except as noted.

Table 6.--U.S. rates of duty applicable to women's footwear entered under certain TSUS items and duty collected based on specified values, June 18, 1930, Aug. 31, 1963, and GATT concessions

Effective date	Item 700.43			Item 700.45			Item 700.55 1/			
	Rate of duty	Duty collected based on value of	Rate of duty	Duty collected based on value of	Rate of duty	Duty collected based on value of	Rate of duty	Duty collected based on value of		
	Percent ad val.	\$2.25 a pair	Percent ad val.	\$3.00 a pair	\$4.00 a pair	\$5.00 a pair	\$6.00 a pair	\$2.00 a pair	\$2.50 a pair	\$3.00 a pair
June 18, 1930	20	\$0.45	20	\$0.60	\$0.80	\$1.00	\$1.20	\$0.70	\$0.88	\$1.05
Aug. 31, 1963	20	.45	20	.60	.80	1.00	1.20	.25	.31	.36
Jan. 1, 1968	19	.43	18	.54	.72	.90	1.08	.22	.28	.33
Jan. 1, 1969	18	.41	16	.48	.64	.80	.96	.20	.25	.30
Jan. 1, 1970	17	.38	14	.42	.56	.70	.84	.17	.21	.26
Jan. 1, 1971	16	.36	12	.36	.48	.60	.72	.14	.18	.21
Jan. 1, 1972	15	.34	10	.30	.40	.50	.60	.12	.15	.18

Certain footwear having uppers of vinyl (or supported vinyl) are dutiable under item 700.55. During the period before the TSUS became effective (Aug. 31, 1963), such footwear (with soles other than India rubber) was generally dutiable by virtue of the similitude provisions of Section 1559 of the Tariff Act of 1930, at a rate provided for similar leather footwear in par. 1503(e), principally 20 percent. The column 2 rate established in the TSUS is 35 percent.



