

In 1966 Mexico exported to the United States 18.5 million pounds of cotton yarn with Brazil shipping 17.2 million pounds.

To keep pace with technological developments, and the need for modernization and improvement of plant equipment, an estimated \$1,180 million was spent by the industry for new plant and equipment in 1966, a figure that was almost double the industry's net earnings.

These expenditures are necessary if the industry is to meet competition of foreign imports in the domestic market. And required levels of such spending may continue to rise.

According to a statement released by the American Textile Manufacturers Institute in March of 1968, completely comparable data on cotton, wool and manmade fiber textile imports are available only since January 1964. Looking at the January 1968 data against comparable figures for January 1964, according to the report, we see that total imports for the month rose from 143 to 291 million square yards.

Wool textile imports jumped from 8 to 12 million—an increase of 50 percent. Cotton textile imports shot up from 110 to 160 million square yards, an increase of 45 percent. Manmade fiber textile imports rocketed up from 25 to 119 million square yards—376 percent.

In the face of this fantastically increasing import competition, the report continues, an increasing number of textile companies are already importing yarn and grey cloth. Many of their competitor companies are vigorously investigating these possibilities.

Some of the industry's apparel customers are already moving overseas and others warn they may be forced to do likewise.

The American textile industry nationwide has plants in 42 States, employing 950,000 people on a payroll of \$4.5 billion. The apparel industry employs 1.4 million people in every State at more than \$5 billion annually. Manmade fiber producing involves some 90,000 employees who are paid almost \$650 million.

Thousands of other Americans in allied industries supplying or serving the textile industry also are affected by the impact of textile imports.

It is obvious that these two major industries, steel and steel products, as well as textiles, which are of vital importance in our national economy must seek relief through protective measures in view of the continuing flood of foreign imports against which they must compete at an obvious production cost disadvantage of such magnitude.

Another factor which enters into the tariff consideration is the nontariff barrier—the extent to which foreign countries are charging fees in addition to straight duty charges which, in fact, provide effective protective barriers from imports.

These nontariff barriers in the past have not received adequate consideration when tariff agreements have been entered into by the United States.

As an example, welded carbon pipe may be imported into the United States from Belgium, France, or West Germany for a duty charge of \$12.50. To export the same product from the United States to Belgium results in charges of \$30.53; to France charges of \$57.32; and to West Germany charges of \$30.07.

As another example, carbon plates can be imported into the United States from these three countries for a duty charge of \$8. To export this product results in charges per \$100 of product of \$14.25 to Belgium; \$42.07 to France; and \$21.08 to West Germany.