Mr. Chairman, the textile import picture for 1968 reflects the accelerated trend in imports. Textile exports to the United States during the first quarter of 1968 were a record 780.7 million square yards. This was the highest first quarter import level on record. The first quarter total for 1968 was 77.8 million square yards, or 12–12 percent higher than the first quarter of 1967. All major categories—cotton, wool, and manmade fibers—were substantially higher the first quarter of his year than they were the first quarter of 1967.

There are those in the United States who labor under the erroneous impression that the textile industry is amassing tremendous profits. Those who are familiar with the fiscal condition of the industry know that this is not a fact. During the period 1961 through 1966, for instance, the comparable rate of return for the producers of textile mill products was below that of all manufacturing.

In July–September 1967, for example, the net profit of the textile industry was 5.3 percent, or about one-third lower than that of all manufacturing corporations which was 7.8 percent.

There is a school of thought in the Nation that the textile industry is expendable and that our textile plants could be converted to other types of employment. Those who advance these radical ideas are also ignorant of the facts concerning textile manufacturing.

They fail to realize that the physical resources of the textile industry more nearly than any other industry are so peculiar to the industry that it would be nearly impossible to shift plant and management to other industrial uses. Extensive studies of the feasibility of converting mills to nontextile production have in nearly every case provided a uniformly negative answer.

In order to survive, textile mills must have their production facilities and distribution so highly engineered and balanced that even to convert to another line of textile manufacturing would result in a substantial restructuring of plants and tremendous additional investment.

These facts are not peculiar to the United States. They apply to textile operations in nearly every other country of the world. It has been said that no industry operates more uniformly as to manufacturing methods and distribution than does the textile industry.

Mr. Chairman, I feel that in the consideration of our international trade relations we should also give serious thought to the impact that textile imports are having upon the domestic production and sale of cotton at home and abroad.

Ten years ago textile imports represented approximately 200,000 bales of cotton. In 1966 textile imports comprised more than 1 million bales of cotton. This tremendous increase in imported cotton in the form of textile products takes on an ominous meaning when we realize that the six nations which furnish 84 percent of cotton yard imports to the United States buy almost no U.S. cotton.

In the fiscal year ending July 31, 1967, these six countries purchased only 3,858 bales of U.S. cotton, or less than 0.1 percent of total U.S. exports of 4,668,847 bales. Those who are interested in promoting an expanded market abroad for U.S. cotton would do well to heed this dangerous trend.

The ease with which overseas nations can sell their textile products in the United States has tremendously accelerated the construction