It is because, Mr. Chairman, the U.S. textile industry operates in the United States where the average hourly textile wage is now $2.14; it will reach $2.27 an hour within a month based on wage increase announcements already made in the past 2 weeks. The figure for Japan is 36 cents; Hong Kong, 25 cents; Pakistan, 14 cents; India, 13 cents; Taiwan and South Korea, 8 cents.

It is because certain foreign governments subsidize their textile exports to this market.

It is because the GATT protocol apparently is interpreted differently in Brussels than in Washington, with respect to what can be done in the area of quota controls on imports from low-wage countries.

It is because in valuing textile imports for customs purposes the United States uses free on board wholesale prices in the exporting country; while in valuing textile imports from the United States, those same countries use the higher cost, insurance, and freight valuations.

It is because the U.S. trade negotiators snap to attention whenever another GATT member whispers the word "retaliation", but have no stomach for exercising our rights of retaliation.

We contend that the proponents of free trade in the United States have practiced one-sided idealism while forcing many American industries to compete on the basis of unfair trade.

THE U.S. TEXTILE INDUSTRY IS EFFICIENT

The U.S. industry is not suffering from import competition because of inefficiency or obsolescence. Quite the contrary. No textile industry in the world is spending so much on reequipment, modernization, and research. No industry has offered the consumer such an array of new products at noninflationary price levels. But the new technology is known and available worldwide. Last fall at Basel, Switzerland's International Textile Machinery Exposition, there were 881 exhibitors of whom only 48 were American companies.

New American textile developments quickly become available to overseas competitors because if the U.S. patent holder fails to license the new technology for use abroad, the foreign government will license it for him.

With no offsetting, long-range productivity advantages, the U.S. textile industry is naturally vulnerable to the competition of modern production facilities located in cheaper labor areas of the world. Differentials in wages are so sharp they in most instances more than offset any short-range productivity advantages which certain portions of the U.S. industry may have.

THE IMPORT BURDEN IS INDUSTRYWIDE

The United States consumes more textile imports by far than any other country. Excepting for very lenient import controls on cotton textile, and quite modest tariff rates which were reduced again last January 1 as a result of the Kennedy round, we maintain no impediment to textile imports.

U.S. imports of cotton textiles—including yarn, fabrics, made-up goods, and apparel—doubled over the last 6 years despite the existence