

While on an overall basis wool textile imports have now taken in excess of one-fifth of the U.S. market, in some areas the penetration has progressed much further. In the case of worsted cloth, for example, imports have grown to the point where they now exceed 50 percent of U.S. production, and one of every two regular weight men's suits produced in this country is made of imported cloth. One women's knit sweater is imported for each one made in the United States.

I shall not belabor the severe dislocation which these imports have brought about in our industry, nor the disruption they continue to cause in the U.S. market.

We look to the future, not to the past; and given enactment of your bill, Mr. Chairman, the future holds promise for us.

In the years ahead there is reasonable prospect for expansion of the U.S. market for wool textiles. Population is growing, research on the wool fiber and in wool manufacturing is increasing, and promotion of wool to the consuming public is not only increasing but becoming more effective.

The question confronting this committee and the Congress is, purely and simply, whether the wool manufacturers and woolgrowers of the United States are to be permitted to share equitably in this growth or become mere residual suppliers of the U.S. market.

If the ratio of imports to domestic consumption of wool textiles continues to grow at the rate of the last 10 years, by 1975 it will have reached 31 percent. In other words, whereas these imports now supply over a fifth of the U.S. market, they would in 1975, given no action, supply nearly one-third of this market.

The chart appended to my statement shows that despite periodic "leveling off" periods usually related to cyclical downturns in consumer demand for wool textiles, the trend of import penetration is inexorably upward.

Absent enactment or your corrective legislation, Mr. Chairman, there is every reason to expect that this upward trend will continue, despite the fact that we in the United States are the most efficient producers of wool textiles in the world. Advances in technology, in managerial expertise, and the like are the monopoly of no country and let me assure you that those of us remaining in the U.S. wool textile industry have long since learned that to survive we must stay abreast and, in fact, ahead of every advance, made anywhere, in machinery and technique.

Mr. Dent has cited to you the prevailing textile wage levels in the principal exporting nations. We do not pay our employees at these wage rates; we could not under the Fair Labor Standards Act, and we would not want to do so. It is worth noting that wages in U.S. wool textile mills will increase this year by an average of about 6 percent. This increase alone is more than a third of the average wages paid in Japan, and exceeds wages—total wages this is—paid in South Korea which, starting from zero in 1964, is now the third largest foreign supplier of worsted cloth to the U.S. market.

The unmatched efficiency of the U.S. industry does not offset this wage differential, nor is there reasonable prospect in the foreseeable future of any technological or economic development that would substantially lessen this differential.