A marked and accelerated pattern of growth was demonstrated by both the textile and apparel industries commencing in 1961 and continuing uninterrupted through 1966. The industry in 1966, although rapidly adding capacity, was operating at 98% of capacity (well over the industry's preferred rate of 96%) in order to meet very high levels of consumer demand as well as the added requirements for the Viet Nam war. The credit squeeze and the resulting downturn in the economy generally in 1967 reversed the trend and for the first time in six years indicators for the economy as a whole and for the textile and apparel industries showed a downward movement. Commencing with the middle part of 1967, however, the industries involved reversed this movement and today have recovered, and in most instances, measured by most indicators, have surpassed previous peaks in 1966.

During this period imports also grew. However, by and large this growth was commensurate with the growth in the domestic industries and reflected the increased demand for textile and apparel products. Imports reached a height in 1966, in order to supply the high demand of that year, but fell off sharply in 1967 with declines greater than those for shipments of the domestic industries. Along with the recovery in the domestic industries in the last part of 1967 and first months of 1968 imports have also resumed their growth but this has been a growth comparable to that of the domestic industries.

The Tariff Commission Report thoroughly documented the pattern of growth in both the textile mill products and apparel products industries and compared the performance of imports. Tables 1 through 10 appended to our statement briefly summarize the facts and bring up to date some of the figures.

The Index of Industrial Production for the textile mill products industry (Table 1) shows a growth of 35 points, from 107.1 to 142.2, for the years 1961–1967. The Index remained almost constant from 1966 to 1967, slipping by only 0.3 of a point. During 1967 the Index fell to a monthly low of 136.6 but has shown a rapid recovery since June. By October the Index was above the average for 1966 and in April 1968 (the latest available month) the Index stood at 147.5, almost 10 points above the April 1967 Index, and 5 points above the 1966 and 1967 averages.

The Index of Industrial Production for Apparel Products (also shown in Table 1) shows a similar pattern. The Index grew by over 35 points from 1961 to 1967. 1967 was approximately two points below the 1966 average. For apparel the Index also reached its low point in June of 1967 with substantial recovery since. The Index for March 1968 (the latest available) of 148.1 stood 4.5 points above the March 1967 Index. All indicators from the trade press and particularly the performance of the textile mill products industry, the supplier of the apparel industry, indicate that April and subsequent months will show an even more dramatic upturn.

Measured by sales an dprofits these industries have also shown dramatic growth. Sales for the textile industry grew by 39.4% from 1961 to 1967 (13.4 billion dollars to 18.7 billion dollars) and sales for the apparel industry grew by 46.9% for the same years (12.4 billion dollars to 18.2 billion dollars). Profits for the textile grew by 66.7% for the time period covered and those for the apparel industry by 119.3%. There were slight decreases in 1967 from the boom year of 1966. Sales for 1967, however, were substantially above sales in 1965 for both industries. Profits for the textile industry in 1967 were slightly below 1965 levels but for the apparel industry in 1967 substantially above 1965 levels.

Table 7 shows a 14.5% increase in shipments of the domestic textile industry for the first quarter of 1968 over the first quarter of 1967 and Table 8 shows a 5% growth in shipments of the apparel and related goods industry for the first quarter of 1968 over 1967. This presages substantial growth in both sales and profits in 1968, levels which should be above 1966. On the basis of the first quarter figures textile sales should jump to approximately 21 billion dollars in 1968 compared to 18.7 billion dollars in 1967 and 19.5 billion in 1966. This prediction is not ours alone. The E. F. Hutton & Co., Inc. in a comprehensive analysis of the textile industry states:

"With both unit volume and dollar sales running well ahead of last year and forward order positions being built up steadily in most areas, an industry-wide sales gain of at least 12% now seems likely. This would place full year dollar volume at or near the $21 billion mark."

Textile World in its May 1968 issue notes that its exclusive Index of Textile Manufacturing Activity for March was fifteen points over a year ago and that textile mills are operating "at or close to their preferred rate of 96% of capacity."