They further note: "With shipments running at more than a 20 billion dollar rate (seasonally-adjusted) plant activity promises to stay strong."

We believe 1968 will be the most profitable year yet enjoyed by the textile and apparel industries.

Employment has also grown substantially over the years since 1961 as shown on Table 3. From 1961 to 1967 the textile mill products industry added 59,000 employees and the apparel industry added 176,000 employees. As the Tariff Commission points out, there are even labor shortages in some areas of the textile industry. Employment also decreased slightly during the slack of 1967 from the highs of 1966, but, as shown on Table 3, employment figures for April 1968 indicate a complete recovery. For the textile mill products industry, employment in April 1968 of 971,000 employees compares to 945,000 for April of 1967. 1,405,000 workers in the apparel industry in April of 1968 compares with 1,390,000 in April of 1967.

Another measurement of the growth of the domestic industry is by fiber consumption shown in Table 4. In the five years from 1963 to 1967, total fiber consumption by United States mills jumped from 7.2 billion pounds to 9.0 billion pounds, an increase of about 25%. The table is also interesting in that it shows that almost all of the growth took place in manmade fibers which increased from 2.8 billion pounds in 1963 to 4.2 billion pounds in 1967.

A comparison of imports on the basis of mill consumption and domestic consumption of fibers is shown in Table 5. This is a rather crude measurement, which would require considerable refinement, but it nonetheless indicates the general relationship of imports to domestic consumption. This relationship is illustrated on the attached graph.

The domestic industries have also emphasized the percentage growth in imports. These representations are put in better perspective by an examination of Table 5, noting especially the magnitudes involved. It is true that imports had a higher percentage growth than mill consumption or domestic consumption but imports start from a considerably lower basis. Thus, the increase in imports of 41.6% between 1963 and 1967 represents only an absolute increase in quantity of 204.9 *million* pounds, whereas the increase in domestic mill consumption of 24% represents an increase of 1.7 *billion* pounds.

The table also shows that whereas mill consumption remained practically unchanged for 1966 and 1967 (a decrease of 0.3%) imports dropped by 9.6%. An examination of the magnitudes involved (Table 5) puts these percentage figures in perspective as well.

A more meaningful measure of imports to apparent consumption is contained on Table 6 based upon the Tariff Commission Report. Overall measures such as those in Table 5 distort impact. Breaking the ratios into yarn, fabric and wearing apparel, modest levels of import penetration are revealed with moderate increases in the years since 1962.

Although the ratios for 1967 cannot yet be computed because of the unavailability of the underlying data, the general trends of imports and domestic production would indicate that they are not greatly changed from 1966 levels, with probably a lower ratio for fabric and a slightly higher ratio for apparel. Some rough indication may be obtained from an examination of Tables 7 through 10. Table 7 shows that shipments of the domestic textile industry decreased by 2% from 1966 to 1967. Imports of textile products (yarns and fabrics) shown on Table 19 decreased by 18.3% from 1966 to 1967. This would indicate a lower ratio of imports to domestic consumption for fabrics and probably for yarns as well although separate figures for yarns are not available on the domestic side.

First quarter figures show shipments for the domestic textile industry increased by 14.5% in 1968 over 1967 (Table 7). Textile imports for the same period increased 11% (as shown on Table 9). However, fabric imports dropped by 11.7% and yarn imports increased by 54.3%.

Thus, overall shipments for the domestic industry in the first quarter of 1968 are growing faster over 1967 levels than imports with the indications of substantially better performance for the domestic industry in the fabric sector.

It is interesting to note that the increase in imports was due almost entirely to cotton yarn imports covered by the LTA. This is undoubtedly due to the shortage of cotton in the United States.

For the apparel and home goods industry, production in 1967 was practically the same as in 1966 (see Table 8). In imports, however, there was a 7.7% increase for roughly the same items, with a 12.9% increase in apparel imports and a decline of 4.9% made-up and miscellaneous goods (Table 10). For the domestic