apparel and home goods industry the first quarter of 1968 shows a 5.1% improvement over the 1967 period. Imports during the same period increased by 11.1%.

Although the above figures are not strictly comparable, since the domestic figures are in the value of shipments and imports are in an equivalent square yard basis, they do roughly indicate that imports of textile mill products are doing relatively poorer than domestic shipments, but that apparel imports are increasing more quickly than domestic shipments of apparel. From all indications, however, figures for the remainder of 1968 should see a marked improvement of the domestic apparel industry's performance. Apparel industry's performance. Apparel industry performance usually lags somewhat behind its supplier, the textile industry.

Given this performance of the textile and apparel industries, despite increasing imports, there is simply no basis upon which the claim for special import protection could legitimately be made.

The textile industry has, in effect, admitted there has been no injury due to imports; and it could hardly claim an imminent threat of injury such as to justify escape clause action under the Trade Expansion Act of 1962. Rather, the textile and apparel industries have indulged themselves in expressions of vague apprehension about the long-range future growth of imports and the long-range impact of such imports on their industries. Although the domestic textile industry has made half-hearted attempts at projecting imports on the basis of past performance, such projections have been without real conviction; and during the hearings, a major witness for the industry, in effect, admitted that such projections are worthless.

The Tariff Commission did not directly engage in a forecast of the long-range future other than to note an expected increase in the consumption of fibers of about 10 billion pounds in 1970 compared with 8.7 billion pounds in 1967.

We believe that the truth of the matter is that it is impossible, and it would be foolhardy, to make any real projection of future share of imports and of domestic production in U.S. consumption.

There is, however, a general concensus that the consumption of textiles and apparel will increase markedly in the next decade. The factors accounting for this projected increase are (1) a growing population, (2) an increasingly favorable distribution of population by age group with increases in the younger family-forming age brackets, (3) a projected increase in per capita income, (4) a marked increase in families earning over $10,000 a year (21% in 1963 compared to 58% in 1976 as projected by the NPA) and a marked decrease in families earning under $4,000 (from 29% in 1963 to 12% in 1976 as projected by the NPA). There is also an increasing per capita consumption of textiles and apparel evident over the last five years which could continue with the growth of descretionary disposable income and increased promotional activities on the part of fiber producers and manufacturers. The immeasurable factors of style, fashion, and changes in the style of living will probably also enhance the sales of textile and apparel items.

Textile World in a study of the long-range consumption of textiles and apparel predicted a 4% yearly gain in physical production over the next 10 years and predicted that the Textile World Index would hit 220 in 1976 compared with 152 in 1966.

Also of immeasurable importance in calculating the future performance of the industry is the increasing and substantial rate of capital investment in the industry of the last five years, increased expenditures for research and development and the substantial modernization and improvement of plant and machinery.

We believe that the best answer to the question of future impact is that over the last seven years the textile industry has been well able to withstand import competition. In the face of rising imports the industry has performed remarkably with most indices registering performance superior to that of the economy as a whole. The industry has become immeasurably strengthened.

We believe that a serious question remains as to whether imports in important sectors will be able to continue to compete with domestic production. This is not our judgment alone. Goodbody & Co. in an industrial survey of the textile industry this year states:

"Apparently, the industry has learned to live with such problems as growing imports and rising wages. The emergence of large integrated mills, staffed with professional managements, has greatly strengthened the textile industry's financial position and enhanced the investment attractiveness of the group."

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