

As illustrated in this chart, the proportion of total imports of man-made fiber accounted for by secondary products (semifinished and finished textile manufactures) has risen sharply during the observed period from an amount which was equal to approximately 20 percent of the total during the base period (average 1958-60) to an amount equal to 41 percent of the total during 1967. This dramatic increase in imports of manmade fiber in the form of secondary products represents an overall increase during the 1958-67 period in excess of 400 percent. The increase in imports of manmade fibers in the form of primary products approximated 90 percent during the period. Preliminary data recently released for the first quarter of 1960 show a 42-percent increase in total imports of manmade fiber textiles when compared to the first quarter of 1967. (App. table 2.)

In 1967, these imports of manmade fiber, in both primary and secondary forms, reached a level equal to 9 percent of producer shipments of manmade fibers, and 8.8 percent of the domestic consumption of manmade fibers. During the first quarter of 1968, imports of manmade fibers in both primary and secondary form reached the alarming levels of 10.6 percent of producer shipments, and 10 percent of domestic consumption. (App. tables 4 and 5.)

These ratios of import supply to shipments and domestic consumption are considerably above those penetration ratios which precipitated direct control of cotton textiles through the long-term cotton textile arrangement. Conversely, there is as yet no positive control of imports of manmade fiber either through international agreement or otherwise.

As in the case of cotton textiles, the rising imports of manmade fiber textiles have been accompanied by a relative decline in the once dynamic export sector. Our balance of trade for manmade fiber textile articles, on a quantity basis, during the past decade is illustrated in the following chart.

You will see from that chart where the shift over occurred between 1965 and 1966.

A striking fact, so characteristic of the worsening competitive status of the U.S. textile industry in manmade fibers as well as other fiber sectors, stands out clearly in this chart. Rapidly rising imports and a comparatively slow growth in exports have combined to eliminate a once extremely favorable balance of trade. In 1967, the result of these trends was a trade deficit in excess of 26 million pounds. (App. table 6.)

In view of the interdependent multifiber nature of our present day textile industry complex, it is appropriate and instructive, when considering the foreign trade developments which have an impact upon the manmade fiber sector of the textile industry, to examine the total foreign trade data embracing all textile materials.¹

¹ The term "textile materials" encompasses natural fibers, as well as manmade fibers, and the textile products made from natural or manmade fiber and blends thereof.