from 1968 to 1988, textile mill output will increase at an average of about four percent per year. But by 2048–2068, textile mill production is projected to rise at an average rate of 2.8% per year."

Standard & Poor's Industry Surveys on "Textiles and Apparel," dated December 7, 1967, estimated that, "Over the next few years, annual growth may be in the area of four to five percent, with apparel markets growing at a slightly higher rate, home furnishings at from six to seven percent, and industrial markets from three ot four percent. . . Confidence in future markets is indicated by manufacturers of synthetic fibers, with a leading producer projecting industry shipments in 1972 some 43% greater than 1966.

"The ability of the industry to capitalize on the larger potential market was materially strengthened in recent years through the development of more professional marketing techniques, greater emphasis on product development (creating an obsolescence factor), and expansion of advertising outlays."

Goodbody & Company, a major brokerage firm, concluded in April 1968 that, "The industry has learned to live with such problems as growing imports and rising wages. The emergence of large integrated mills staffed with professional management has greatly strengthened the textile industry's financial position and enhanced the investment attractiveness of the group. . .

"The outlook is for some increase in imports this year, especially synthetics. However, we believe that the U.S. textile industry's ability to meet competition through quality, service, new technology, and highly efficient facilities will go far to stem the inroads made by imports."

JAPANESE TEXTILES

Some misconceptions

The United States has been Japan's major textile export market since the ends of World War II, just as Japan has been America's largest overseas cash customer for agricultural and industrial goods.

But there are a number of significant current general misconceptions regarding Japanese textiles shipped to this country that ought to be corrected. Some of the principal ones, though rather obvious, need to be mentioned in the context of these hearings.

(1) Almost all of Japan's textile exports are sent to the United States.

(2) Almost all of Japan's textile exports have increased every year.

(3) Japan manages to fill every group and category of cotton textiles that it is authorized to ship to this country every year under its bilateral agreement.

(4) Japan should not concentrate on certain textile exports to the United States, but should diversify its textile exports more.

(5) Japan can export any textile item it desires for successful sale in the United States.

(6) Japanese textile imports have a tremendously direct and adverse impact on the American textile industry.

United States share

Of the $1.697 billion in textile exported by Japan to all countries in 1966, only $420 million, or 24.8%, was destined to the United States.

Of the $1.642 billion in textiles exported to all the nations by Japan, only $374 million, or 22%, was shipped to this country last year.

While Japan depends upon its textile exports to the United States to serve as a major earner of dollars with which it can continue to purchase large quantities of American goods, Japan is trying to develop and expand export outlets to other countries because its leaders well understand the danger in relying on one or a few nations for its export trade.

Exports decline

Just as total textile imports from all sources decreased in 1967 from their 1966 record high, so Japanese textile exports to the United States in 1967 were considerably lower than in 1966.

According to the Institute of Textile Trade Research and Statistics, Japan's textile exports to this country were reduced from $419,959,000 in 1966 to $373,612,000 in 1967, a loss of $46,347,000. (See table on page 54)

Of the 19 export categories listed, only two (rayon fabrics and wool cloth) showed an increase in quantities over the previous year. All 17 of the other categories showed decreases.