

series measuring changes in the real volume of production, such as the deflated wholesale values of apparel (knit and woven) production (presented in Annex R) which records an advance of 29.0 percent, or an average annual rate of growth of 2.3 percent between 1956 and 1967.

Substantially all of the output of domestic industry is for domestic consumption. Thus, in 1967, when exports of apparel (knit and woven) amounted to \$114.7 million (Annex S) exports represented only 0.8 percent of the domestic output.^{15/}

Prior to 1950, imports of apparel (knit and woven) to the United States, except for a few items, were insignificant. Thereafter, however, first at a relatively slow tempo, and then at an accelerated though variable pace, imports of apparel (knit and woven) began to exhibit a remarkable rate of growth. This, in turn, led to numerous dislocations and market disruption in the industry already beset by excessive competition and instability.

Several indicators can be used to measure the degree to which apparel (knit and woven) imports have grown. The first of these are the data provided in the foreign trade reports of the Bureau of the Census which contain values of imports for consumption or general imports in market values in foreign

^{15/} Beginning with 1965, shipments of U. S. made clothing and footwear donated for relief and charity began to be combined with other exports classified under Standard Industrial Trade Classification (S.I.T.C.) group 841. Previously, data for such clothing was not combined with other clothing exports. As a result the official statistics show an abnormal rise in exports between 1964 and 1965 as a result of the anomaly created by the change in the publication rules.