

countries (exclusive of custom duties, freight and insurance).

A tabulation of these data shows that apparel (knit and woven) imports in foreign valuation increased between 1956 and 1967 close to five-fold (see Annex T).

The value of imports expressed in foreign valuation in the official statistics of the United States does, however, understate the real impact of apparel (knit and woven) imports on the United States market. In the first instance, the data do not include freight and insurance charges required to bring the merchandise from the point of exportation in the foreign country to the point of entry in the United States. Nor do they include additional costs, such as buying commissions, custom duties, and importer or distributor margins.^{16/} The values reported in the Census tabulations are not comparable therefore to prices charged for imported goods at the same point of distribution at which domestically-produced articles enter trade. The true value of imported apparel (knit and woven) materially exceeds the figures extracted from the U. S. Bureau of the Census reports.

Another indicator of apparel import growth is provided by the data regularly compiled and published by the U. S. Department

^{16/}It is incorrect to compare the value of imports as reported by the Census with the corresponding value of domestic products except for balance-of-payment purposes. Even then data has to be adjusted, before it can be used, for other costs that are paid by domestic sources abroad in foreign currencies. To measure the degree of market penetration a different measure is required that would provide reasonable commensurability as between the goods originating abroad and those originating domestically.