

the measurement of imports recognizes that a specific weight of raw textile fiber can be utilized to produce a variable quantity of piece goods, made-up goods, or apparel, depending on the construction, specifications and fiber used. Neither measure, however, takes account of the fact that different items are made up of fibers of different quality and specification and of differing physical quantities of labor and capital input. In a domestic competitive market, such differences in the make-up of different products are approximated, at a given point of time, by their respective prices. This approach fails, however, when more than one country is involved. Even when two countries produce an identical product and when it is produced under identical conditions (with physical productivity of labor and capital per unit of output or per manhour the same), pricing of such goods in each of the countries would be made on a different basis and would reflect the economic conditions and standards prevailing in each. In the case of labor-intensive products, such as apparel, prices are prone to be set on a lower level in a country where wages are generally low than in a country where compensation standards are higher. Thus, a different yardstick is called for in order to provide a more meaningful measure of apparel imports compatible with data on domestic production and exports than one that solely reflects either the poundage of raw fiber or the equivalent yardage of