

the downturn in domestic apparel production was not paralleled by a downturn in shipments from abroad --- they continued to grow both in 1967 and early in 1968.

The import statistics tell only part of the story. In the atmosphere of cut-throat competition which pervades the apparel industry on both the manufacturing and retail levels, a relatively small volume of imports can be disruptive. Most apparel (knit and woven) is promoted and sold at retail in this country in terms of price appeal. When a retail outlet undersells his competitors on the basis of imports from low-wage countries, competing retailers demand equivalent price concessions from their domestic suppliers, and shop for them from manufacturer to manufacturer. When domestic manufacturers find that they are losing accounts to competition from abroad which they cannot possibly meet, they are under pressure to resort to undesirable practices, such as lowering the quality of their products, cutting wages and speeding-up their workers, particularly in nonunion factories, in order to meet this price competition. Some abandon manufacturing and become importers themselves, thereby closing down factories, eliminating jobs, and causing distress to their former employees and to the communities in which they had operated. This down-spiraling and self-destructive process tends to be accelerated with higher levels of apparel imports, and cut-backs in the employment level of the domestic apparel (knit and woven) industry and the closely related textile