

8. The data published by the Commission in various sections of its report are at variance with the published figures of the data-collecting departments and agencies of the Federal government, or by other research institutions, and cannot be substantiated.

9. In utilizing Census data, the Commission does not show any awareness of the duplication in the data that arises in the specific industries as a result of intra-industry transactions. Nor does it show any awareness of the effect of such duplication on the changes in the particular industry's unduplicated sales volume to others. Thus, it utilizes the combined figures on the dollar volume of apparel contractors and of their principals for whom contracting costs are a cost of doing business. As a result of the Commission's failure to eliminate this duplication, the data distort the sales performance of the different branches of the industry and the trends of business volume.

10. The Commission's Report often shows no awareness of the difference between data for an industry and data for the principal product of that industry. This misunderstanding leads to confusing statements and invalid explanations and conclusions.

11. In presenting and analyzing import data the Commission resorts to comparisons of product groupings which are not comparable from one time period to another, and fails to call attention to or take account of changes in import classifications which make its comparisons invalid.

12. The Commission relies on its own estimates of import penetration of textile and apparel products in terms of raw fiber weights. It fails to take account of the more sophisticated series maintained on the same basis by the Office of Textiles of the Department of Commerce which has been utilized by the United States Government in international negotiations.

13. The Commission ignores the impact of apparel imports on domestic fabric and yarn producers, and the impact of fabric imports on domestic yarn producers. It thus significantly underestimates the impact of textile and apparel imports.

14. The Commission recognizes that the overall measure of import penetration in fabrics is best measured in terms of square yards rather than by fabric weight. Yet it fails to pursue this principle in measuring import penetration for apparel. Thus, while comparisons of domestic production and of imports for a limited number of apparel products are made in terms of the number of items, the Commission fails to develop a comprehensive measure of overall apparel penetration in terms of physical units. Nor does the Commission use data presented in the course of its hearings which take account of the factors requiring the development of such a measure. The Commission's figures grossly understate the degree to which apparel imports have penetrated the United States market.

15. The Commission's discussion of non-tariff barriers employed by many foreign countries to curtail imports of textiles and apparel, particularly from developing countries, is meager and superficial. It ignores the strong pressures that these barriers create in developing countries and other exporting nations to concentrate their exports in the United States market.

16. The Commission's Report reveals a lack of understanding of the economics and operation of the apparel and textile industries and their problems. It totally ignores the special characteristics of these industries and of their labor force.

17. The Commission's Report emphasizes the increase in the number of larger firms in the apparel industry. It neglects the fact that this industry continues to be a mainstay of small business. As a result, the Commission loses sight of the negative impact of imports on numerous firms in the industry and ignores the national policy of promoting and encouraging small business.

18. The Commission repeatedly assumes, without evidence, that the impact of imports is different on larger and small firms. In the process it neglects serious effects of imports on both large and small firms. It also totally ignores the impact on workers regardless of the size of the company. Even when a large firm is able to switch to the manufacture of other products, the result may still be displacement of those workers affected by imports. When large firms transfer part or all of their production offshore as a result of rising imports, the effect is unemployment for their workers.

19. The Commission's Report shows little understanding of the nature of labor costs. It repeatedly treats changes in hourly earnings of workers as though these were unit labor costs. It fails to recognize that unit labor costs and hourly earnings typically do not move alike.