

IMPORTS

Imports of fiber manufacturers from Japan grew through 1966. There has, however, since been a significant downturn in imports. Table 5 shows imports for the years 1965, 1966 and 1967. Overall there was a decrease from 1966 to 1967 of some 20.9%. Leaving out the boom year of 1966 where high levels of demand in the United States encouraged importation, the growth in imports of manmade fiber manufacturers grew by 17%.

This growth of 17%, however, must be seen not only in the perspective of growth in domestic production and consumption (see above) but also in the importation of manufacturers of all fibers from Japan. These figures are shown on Table 6, illustrating a decrease in imports of cotton manufactures of 6.8% and of wool manufactures of 1.6%. Taken all together, there was a modest increase of 3% in total importation from Japan from 1965 to 1967 and an actual decline of 14.4% in imports from 1966 to 1967.

Since the Tariff Commission Report conclusively demonstrates that this is an all fiber industry, with manmade fiber substituting for both cotton and wool, the significant figure is not the 17% increase in manmade fiber manufacture imports but the overall increase of 3%.

The trend of imports from Japan of manmade fiber manufactures is clearly down as shown on Table 7 which measures imports for the first quarters of 1966, 1967 and 1968. Total imports from 1966 to 1968 were off by 8.8% and from 1967 to 1968, there was a decline of 5%.

It should be noted that the heavy importation of yarn to meet domestic shortages has somewhat distorted overall performance. Without the yarns the decline in imports would have been greater. Since yarns can only be utilized by the textile industry itself to fill out production, it is difficult to understand why the textile industry should complain of increased yarn importation over these years.

A large portion of imports are not competitive with domestic production. This point is developed at length in the brief filed in the Tariff Commission proceeding which is available to the Ways and Means Committee. There are a number of specialties of Japan being exported to the United States and a substantial proportion of the imports consists of items which it is not economical for the United States to produce.

THE FUTURE

The pattern emerging after the unusual year of 1966 is a vastly increasing United States production and a declining importation from Japan of manmade fiber products. In the face of these trends there is no justification for the fears and anxieties expressed by representatives of the United States industry over the future. Prices in the United States of manmade fibers and products have become highly competitive. The American industry has added capacity at a rapid rate, has vigorously promoted its products and has in particular won acceptance for brand names which are the exclusive property of American manufacturers. We are convinced that the American industry will continue to dominate the American market, a market which will continue to expand. We believe imports from Japan will be confined largely to non-competitive items and to fill in domestic production in periods of high demand and tight supply.

We invite the Ways and Means Committee to take an overall view of the textile and apparel industries and to view the imports of manmade fibers and manmade fiber products in the perspective suggested by this statement.