in the domestic market in America, others are of types not usually supplied by American manufacturers. They offer no threat to the American Industry, in fact, by introducing new types they tend rather to help the American glove sales by increasing the varieties available to the public.

2. Any introduction of increased tariffs or quotas would, we feel, be a retrograde step and would surely destroy the efforts being made towards free trade and at the same time negate the Kennedy Round of talks on tariffs and trade which advocate opposite measures.

3. The British market is open to American manufacturers and we feel that reciprocal trade between our two countries should be encouraged.

Yours faithfully,

E. GREENAWAY, *Secretary.*

STATEMENT OF MICHAEL P. DANIELS, COUNSEL, WOOLENS DIVISION, JAPANESE CHAMBER OF COMMERCE

This statement is submitted on behalf of the Woolens Division of the Japanese Chamber of Commerce of New York, Inc., incorporated in the State of New York. The members of the Woolens Division of the Japanese Chamber of Commerce account for practically all of the woolen and worsted fabrics and yarns imported from Japan.

The Woolens Division is completely opposed to the imposition of quotas on imports of textile and apparel products, particularly on imports of woolen and worsted fabrics and yarns. Such restriction is not justified by objective analysis of the performance of the competitive United States industry and the impact of imports upon this industry. This is clearly supported by the Report of the United States Tariff Commission on Textiles and Apparel, which was instituted at the request of the President and by the Honorable Wilbur D. Mills, Chairman of this Committee.

In making its claims for import protection in this field, the domestic industry has indulged itself in one principal distortion: they have completely left out of their analysis production in the United States of worsted fabrics in chief weight of manmade fibers. The domestic industry has turned increasingly to such chiefly manmade fiber fabrics and enjoys almost a monopoly in this field. Production of these fabrics has been increasing substantially. Rather, the domestic industry has pointed only to a decline in the production of chiefly wool fabrics and represented that this decline is due to import competition. The truth is that worsted fabrics chiefly of wool and worsted fabrics chiefly of manmade fiber blended with wool are completely competitive and are by and large produced in the same mills. Although precise statistics are unavailable, all evidence points to the conclusion that production of all worsted cloth in the United States, both chiefly wool and chiefly manmade, has increased substantially.

The Tariff Commission in its Report stated:

"The domestic output of woven wool fabrics has, however, also been materially affected by the signfiicantly greater popularity of blended woven fabrics, made in the same plants as all-wool fabrics particularly for use in lightweight summer suiting and slacks."

The Commission discussed a number of products for which domestic production has declined including wool fabric. It stated:

"For the most part, the failure of output for such products to expand appears attributable chiefly to changes either in fashion or style, to technology, or both. In relatively few instances do imports appear to have been a major factor."

Certainly this is proper perspective.

As a matter of fact, total imports of woolen and worsted fabrics has declined over the last several years (see Table 1). From a height of 84.9 million yards in 1965, total imports declined to 67.1 million yards in 1966 and 60.6 million yards in 1967. Imports from Japan during this period have been relatively stable, declining from 40.1 million yards in 1965 to 37.7 million yards in 1966. Imports in 1967 of 38.7 million yards were only one million yards above the 1966 level and below the 1965 import performance.

Figures for total imports in the first three months of 1968 indicate a slight increase over the same period in 1966 (see Table 2). Imports from Japan for this period in 1968 are above 1967 levels but somewhat below 1966 performance.

Certainly the import record has been one of decline (or relative stability, given the cyclical nature of the market) but definitely not a pattern of rapidly increasing imports such as to justify demands for import protection.