REMARKS AT 27TH ANNUAL MEETING OF
THE AMERICAN TEXTILE MANUFACTURERS INSTITUTE
SAN FRANCISCO, CALIFORNIA
FRIDAY, MARCH 26, 1976
Consumer Confidence Improved Sharply
In 3-Month Period, University Poll Shows

A WALL STREET JOURNAL Staff Reporter

ANN ARBOR, Mich. - Confidence among consumers in all income groups improved sharply between November and February, the University of Michigan Survey Research Center said.

The center's latest survey, which measures consumers' expectations and their willingness to buy, found "especially strong gains" in attitudes toward buying houses and cars. Indeed, survey director Jan Schmiedeskamp and survey founder George Ratsis said, several components of their Index of Consumer Sentiment that are closely related to short-term changes in consumers' willingness to buy "have almost entirely recovered their pre-recession levels."

Somewhat similar results were reported last week by the Conference Board, a New York business research group. Its survey also found that consumer confidence rose in February, with more families planning to buy a new or used car in the next six months compared with the situation in December.

Contributing Factors

The University of Michigan group said its index rose to 94.3 in February, up from 73.4 in November and 63 points below the pre-recession level of 156.3 in December 1970. (The index uses February 1966 as a base level of 100.)

Among the factors contributing to the upswing, Schmiedeskamp and Ratsis said, were continued improvements in the economy, recent gains in real personal income, lessening concern about higher prices and consumers' belief that an election year brings good times.

"The latest survey findings suggest that consumer confidence is much less vulnerable to bad news than was the case last fall," the economists said. "The recent sentiment improvement is sufficiently large and widespread across all income groups to make it likely to be reflected in the months ahead."

They also said that this rise in consumer optimism, coupled with "pent-up" savings for various goods and services, "suggests that a substantial increase in consumer spending is likely to follow in the months ahead."

However, they added that the "evidence is mixed" as to whether this will lead to a boom in consumer spending. "People are still very much in a mood to try to add to their savings," the economists asserted. "There are still many people who are worried about the long-term outlook, and about the ability of the government to manage the economy."

Possible Boom

On the other hand, they added, "people in the survey said that the recession may be coming to an end, and a genuine upturn in consumer spending is possible."

Specific findings of the research center's latest survey include:

- For the first time in three years, more responding (41%) were anticipating good times in the next year than those expecting bad times (29%).
- However, only 17% said they expect good times during the next five years, compared with 39% expecting bad times in that period.
- Some 35% said they were better off financially than a year ago, while 29% said they were in worse financial shape.
- About 46% believed that this is a good time to buy large household goods, while only 16% said that this is a bad time to make such purchases.
ACKNOWLEDGEMENTS -- TEXTILE INSTITUTE

-- THANK YOU, MR. HAMRICK
   (John Hamrick, Pres., introduces you)

-- MEMBERS AND GUESTS OF THE AMERICAN TEXTILE MANUFACTURERS INSTITUTE
IT'S GOOD TO SEE YOU ALL HERE AND I'M GRATEFUL THAT YOU MADE SOME ROOM FOR ME ON YOUR PROGRAM THIS MORNING. I COULDN'T BE IN SAN FRANCISCO TODAY WITHOUT STOPPING BY FOR A FEW MINUTES TO WISH YOU ALL THE BEST AT YOUR 27th ANNUAL MEETING.
IT ALSO GIVES ME AN OPPORTUNITY TO PERSONALLY EXTEND MY BEST WISHES TO BOB JACKSON ON HIS RETIREMENT

AS EXECUTIVE VICE PRESIDENT OF THE AMERICAN TEXTILE MANUFACTURERS INSTITUTE, AS I SAID IN MY SPECIAL MESSAGE TO HIM, READ TO YOU YESTERDAY, BOB HAS MADE A GREAT CONTRIBUTION TO THE AMERICAN TEXTILE INDUSTRY -- AS WELL AS TO THE STRENGTH AND VITALITY OF OUR FREE ENTERPRISE SYSTEM.
I JOIN ALL YOUR FRIENDS HERE, BOB, IN THANKING YOU FOR YOUR SUPERB CONTRIBUTION.

YOUR THEME THIS YEAR, "TEXTILES, OUR FIRST GREAT INDUSTRY," IS AN APPROPRIATE ONE FOR THIS BICENTENNIAL YEAR. IT ALSO REMINDS US THAT, TODAY, THE TEXTILE INDUSTRY IS ONE OF THE LARGEST INDUSTRIES IN THE NATION.
WHEN SAMUEL SLATER BUILT THE COUNTRY'S FIRST SPINNING MILL IN 1790 ON THE BLACKSTONE RIVER IN PAWTUCKET, RHODE ISLAND, THE NATION WAS VERY YOUNG.
IN THE 186 INTERVENCING YEARS, THE TEXTILE INDUSTRY HAS PLAYED A MAJOR PART IN OUR NATION'S ECONOMIC GROWTH.

IT IS NOW THE LARGEST EMPLOYER OF LABOR IN MANUFACTURING,

WITH COMBINED TEXTILE AND APPAREL MANUFACTURING ACCOUNTING FOR TWO MILLION, 400 THOUSAND JOBS.
Fortunately, your industry was one of the first to come out of the recent recession. We can all look forward confidently to continued economic recovery this year.

First, let me say I am fully aware of the competitive situation that is facing the textile and apparel industries. I can assure you, I am determined to support your efforts to keep these industries strong and thriving.
As you know, the United States imports textiles and apparel from 120 countries. We have joined with 50 other countries in the Multifiber Arrangement to provide the ground rules to assure that worldwide trade can continue to grow without disruption. In this international framework, the United States has negotiated 18 agreements. Sixteen have been signed, and two more are expected to be signed shortly.
THE MULTIFIBER ARRANGEMENT WHICH HAS BEEN IN FORCE UNDER GATT AUSPICES SINCE JANUARY 1974 HAS BEEN UNDER REVIEW DURING THE PAST YEAR WITHIN THE ADMINISTRATION TO CONSIDER WHETHER IT SHOULD BE EXTENDED, MODIFIED OR DISCONTINUED. ALTHOUGH IT IS BY NO MEANS A PERFECT INSTRUMENT, OUR REVIEW SUGGESTS THAT M.F.A. HAS FUNCTIONED REASONABLY WELL.
I HAVE THEREFORE CONCLUDED THAT THE UNITED STATES

GOVERNMENT SHOULD SEEK A RENEWAL OF THE MULTIFIBER

ARRANGEMENT AND I WILL INSTRUCT OUR TEXTILE NEGOTIATORS

TO PURSUE ITS RENEWAL IN THE GATT TEXTILE COMMITTEE.
SOME OF THE WORLD'S LARGEST PRODUCERS OF TEXTILES ARE NOT A PARTY TO THE MULTIFIBER ARRANGEMENT.

I AM AWARE THAT THERE IS CONSIDERABLE CONCERN IN THE U.S. TEXTILE INDUSTRY ABOUT RAPIDLY RISING IMPORTS FROM SOME OF THESE NATIONS.

I CAN ASSURE YOU THAT I SHARE YOUR DESIRE TO AVOID DISRUPTION OF OUR DOMESTIC TEXTILE MARKET FROM ANY SOURCE.
THE MATTER IS PRESENTLY UNDER REVIEW AT

THE CABINET LEVEL. I AM TAKING A PERSONAL INTEREST

IN THE PROBLEM AND FOLLOWING THESE DELIBERATIONS CLOSELY.
I CAN ASSURE YOU THAT I AM GENUINELY COMMITTED TO FINDING THE MOST APPROPRIATE WAY OF DEALING WITH THIS PROBLEM TO ENSURE THAT OUR DOMESTIC MARKET IS NOT SERIOUSLY DISRUPTED AND THAT OUR OBJECTIVES UNDER THE MULTIFIBER ARRANGEMENT ARE MET.
OTHER STEPS ALSO NEED TO BE TAKEN TO KEEP OUR TEXTILE INDUSTRY STRONG AND PROSPEROUS, INCLUDING REFORM OF OUR REGULATORY SYSTEM. WE NEED TO INSURE THAT LEGITIMATE CONCERNS OVER NOISE LEVELS, DUST AND WATER POLLUTION ARE MET AT A PACE AND AT A LEVEL THAT CAN BE SUSTAINED BY INDUSTRY AND BY THE ECONOMY.
ALSO, HIGH ON OUR LIST OF NEEDS IS ENERGY CONSERVATION AND DEVELOPMENT.
AS USERS OF NATURAL GAS IN THE "FINISHING" OF FABRICS, YOU KNOW HOW IMPORTANT IT IS THAT WE HAVE AN ADEQUATE SUPPLY OF THIS VITAL RESOURCE. AND AS USERS OF MAN-MADE FIBERS, YOU KNOW HOW IMPORTANT IT IS THAT WE HAVE AN ADEQUATE SUPPLY OF PETROLEUM.
IN ORDER TO BE CERTAIN THAT THESE VITAL SUPPLIES ARE AVAILABLE FOR ALL AMERICAN INDUSTRY, I CONTINUE TO SUPPORT THE Deregulation of NATURAL GAS AND THE DEVELOPMENT OF AN ENERGY CONSERVATION ETHIC AS ESSENTIAL ELEMENTS IN ACHIEVING ENERGY INDEPENDENCE FOR THE UNITED STATES.

AND IN THIS, I KNOW I HAVE YOUR SUPPORT.

[Signature]

[Name]

[Position]
BESIDE THE NEED FOR ADEQUATE SUPPLIES OF ENERGY,

I KNOW YOU HAVE OTHER ONGOING CONCERNS.
I know you are concerned about American technological development in the textile field. Too often we have become an importer of textile technology rather than the exporter we once were. Industry must provide adequate research and development funds and it should see that these funds are not the first to be cut during tough times.
ONE WAY TO ASSURE THAT AMERICA CONTINUES TO

DEVELOP NEEDED TECHNOLOGY IS TO MAKE CERTAIN THAT WE CONTINUE

OUR STRONG ECONOMIC RECOVERY AND NOT FALL ON TOUGH TIMES

AGAIN.

OUR POLICIES OF BALANCED ECONOMIC GROWTH --

AVOIDING THE PITFALLS OF INFLATION AND THE BOOM AND BUST

PSYCHOLOGY -- CAN ASSURE THIS.
OUR POLICIES OF FREEING THE PRIVATE ENTERPRISE

SYSTEM FROM EXCESSIVE PAPERWORK AND UNNEEDED REGULATION -- CAN ASSURE THIS.

AND OUR POLICIES OF PROVIDING INDUSTRY WITH ADEQUATE INCENTIVES FOR CAPITAL INVESTMENT -- CAN ASSURE THIS.
WE HAVE SET OUR ECONOMY ON A STEADY COURSE,
AND IT IS WORKING. AND, WITH YOUR HELP, WE WILL CONTINUE TO MOVE
FORWARD WITH POLICIES TO PROVIDE GROWING EMPLOYMENT,
A RISING STANDARD OF LIVING, OUR NATION AT PEACE -- AND
AN AMERICA GREATER THAN ANY PREVIOUS GENERATION HAS EVER KNOWN.

THANK YOU VERY MUCH.

END OF TEXT

Your Ithaca Survey Research Center —
Consumer Confidence Improved Marginally in March (from 75.3 to 76.5)
REMARKS AT 27TH ANNUAL MEETING OF

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SAN FRANCISCO, CALIFORNIA

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IT ALSO GIVES ME AN OPPORTUNITY TO PERSONALLY EXTEND MY BEST WISHES TO BOB JACKSON ON HIS RETIREMENT AS EXECUTIVE VICE PRESIDENT OF THE AMERICAN TEXTILE MANUFACTURERS INSTITUTE. AS I SAID IN MY SPECIAL MESSAGE TO HIM, READ TO YOU YESTERDAY, BOB HAS MADE A GREAT CONTRIBUTION TO THE AMERICAN TEXTILE INDUSTRY -- AS WELL AS TO THE STRENGTH AND VITALITY OF OUR FREE ENTERPRISE SYSTEM.
I JOIN ALL YOUR FRIENDS HERE, BOB, IN THANKING YOU FOR YOUR SUPERB CONTRIBUTION.

YOUR THEME THIS YEAR, "TEXTILES, OUR FIRST GREAT INDUSTRY," IS AN APPROPRIATE ONE FOR THIS BICENTENNIAL YEAR. IT ALSO REMINDS US THAT, TODAY, THE TEXTILE INDUSTRY IS ONE OF THE LARGEST INDUSTRIES IN THE NATION.
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Fortunately, your industry was one of the first to come out of the recent recession. We can all look forward confidently to continued economic recovery this year.

First, let me say I am fully aware of the competitive situation that is facing the textile and apparel industries. I can assure you, I am determined to support your efforts to keep these industries strong and thriving.

Economics, economics—good news.

U of Mich. Research Center article in Times or Post
Pres. named
As you know, the United States imports textiles and apparel from 120 countries. We have joined with 50 other countries in the Multifiber Arrangement to provide the ground rules to assure that worldwide trade can continue to grow without disruption. In this international framework, the United States has negotiated 18 agreements. Sixteen have been signed, and two more are expected to be signed shortly.
THE MULTIFIBER ARRANGEMENT -- WHICH HAS BEEN IN FORCE UNDER GATT AUSPICES SINCE JANUARY 1974 -- HAS BEEN UNDER REVIEW DURING THE PAST YEAR WITHIN THE ADMINISTRATION, TO CONSIDER WHETHER IT SHOULD BE EXTENDED, MODIFIED OR DISCONTINUED. ALTHOUGH IT IS BY NO MEANS A PERFECT INSTRUMENT, OUR REVIEW SUGGESTS THAT M.F.A. HAS FUNCTIONED REASONABLY WELL.
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ARRANGEMENT -- AND I WILL INSTRUCT OUR TEXTILE NEGOTIATORS

TO PURSUE ITS RENEWAL IN THE GATT TEXTILE COMMITTEE.
Some of the world's largest producers of textiles are not a party to the Multifiber Arrangement. I am aware that there is considerable concern in the U.S. textile industry about rapidly rising imports of cotton textiles from some of these nations. I can assure you that I share your desire to avoid disruption of our domestic textile market from any source.
THE MATTER IS PRESENTLY UNDER REVIEW AT THE CABINET LEVEL. I AM TAKING A PERSONAL INTEREST IN THE

PROBLEM AND FOLLOWING THESE DELIBERATIONS CLOSELY.

THERE ARE, OF COURSE, MANY CONSIDERATIONS WHICH MUST BEAR ON HOW WE HANDLE THIS ISSUE, INCLUDING IMPORTANT FOREIGN POLICY CONSIDERATIONS.
But I can assure you that I am genuinely committed to finding the most appropriate way of dealing with this problem to ensure that our domestic market is not seriously disrupted and that our objectives under the Multifiber Arrangement are met.
OTHER STEPS ALSO NEED TO BE TAKEN TO KEEP OUR
TEXTILE INDUSTRY STRONG AND PROSPEROUS, INCLUDING REFORM
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too far, too fast
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AND IN THIS, I KNOW I HAVE YOUR SUPPORT.
BESIDE THE NEED FOR ADEQUATE SUPPLIES OF ENERGY,

I KNOW YOU HAVE OTHER ONGOING CONCERNS.

Depletion of gas.
Start in 1975.
Bush: Pronto Bill

Try to get House.
Greatest disappointment.
WTR - 207 - 204.

In fact, import more.
Foregone oil ran over 1 million
 scarce a day.
Less than production domestically.
I KNOW YOU ARE CONCERNED ABOUT AMERICAN TECHNOLOGICAL DEVELOPMENT IN THE TEXTILE FIELD. TOO OFTEN WE HAVE BECOME AN IMPORTER OF TEXTILE TECHNOLOGY RATHER THAN THE EXPORTER WE ONCE WERE. INDUSTRY MUST PROVIDE ADEQUATE RESEARCH AND DEVELOPMENT FUNDS AND IT SHOULD SEE THAT THESE FUNDS ARE NOT THE FIRST TO BE CUT DURING TOUGH TIMES.

GIF in men. of R&D IV 1979 the (77 budget.
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deply disappointed in my first House Budget Committee tax cut. Have to go to private sector convince Congress that tax reduction is for better, not just spare money.

job in public relations...
WE HAVE SET OUR ECONOMY ON A STEADY COURSE,
AND IT IS WORKING.
AND, WITH YOUR HELP, WE WILL CONTINUE TO MOVE
FORWARD WITH POLICIES TO PROVIDE GROWING EMPLOYMENT,
A RISING STANDARD OF LIVING, OUR NATION AT PEACE -- AND
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