



PRESS STATEMENT

NCTO Applauds Trump Administration Efforts to Address China's Unfair Trade Practices Calls for Tariffs on Chinese Textile and Apparel End Products

July 11, 2018

WASHINGTON, DC – The National Council of Textile Organization's (NCTO) applauds the Trump administration for its continued effort to resolve longstanding trade inequities with China, noting the July 10 announcement proposing \$200 billion in Chinese goods for an added 10 percent tariff. The latest U.S. action follows China's unjustified retaliation against U.S. imports after the United States placed Section 301 tariffs on Chinese goods in response to that country's unfair trade practices related to the forced transfer of American technology and intellectual property.

NCTO also called on the Trump administration to include finished textile and apparel products on any future lists of imports from China to be made subject to Section 301 tariffs.

"The Trump administration is right to confront China's unfair trade practices. Section 301 tariffs show the world that countries who cheat the United States on trade will be held accountable," said NCTO President & CEO Auggie Tantillo.

That said, NCTO will be thoroughly vetting the new retaliation list. "With the inclusion of virtually all fiber, yarn and fabric tariff lines, NCTO's response will be on a line-by-line basis, with support or opposition to individual lines dependent on the how the competitiveness of the U.S. textile industry is impacted," Tantillo continued.

"NCTO is convinced that the Trump administration's Section 301 tariffs would be far more effective if Chinese apparel and sewn non-apparel end products were included in the 301 list because that would benefit the entire U.S. textile and apparel supply chain," Tantillo said as he referred to NCTO's China 301 <u>public comments</u> filed on May 11 and noted that no apparel and sewn non-apparel end products were included on the U.S. government's latest proposed tariff list.

"If properly targeted, Section 301 tariffs would not only address the underlying illegal activity on the part of China, but also help reshore American jobs and boost U.S. exports to the NAFTA and CAFTA regions. That's why NCTO will continue to engage the Trump administration on ways to maximize the benefit of Section 301 tariffs to American industry and workers," Tantillo added.

NCTO is a Washington, DC-based trade association that represents domestic textile manufacturers, including artificial and synthetic filament and fiber producers.

- U.S. employment in the textile supply chain was 550,500 in 2017.
- The value of shipments for U.S. textiles and apparel was \$77.9 billion in 2017.

- U.S. exports of fiber, textiles and apparel were \$28.6 billion in 2017.
- Capital expenditures for textile and apparel production totaled \$2.4 billion in 2016, the last year for which data is available.

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CONTACT: Lloyd Wood (202) 822-8028

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