



PRESS STATEMENT

NCTO Welcomes Administration's Inclusion of Finished Apparel & Textile Products on China Tariff List

August 13, 2019

Washington, DC - The National Council of Textile Organizations (NCTO), representing the full spectrum of U.S. textiles from fiber through finished sewn products, issued the following statement today in response to the U.S. Trade Representative Office's (USTR) announcement regarding the next steps for the proposed 10 percent tariff on approximately \$300 billion of Chinese imports. [NCTO testified most recently on June 20](#), urging the administration to move forward with tariffs on finished apparel and home textile products.

"As U.S. manufacturers that have suffered enormously from China's illegal IPR activities and state-sponsored export subsidies, we strongly support the administration's decision to move forward with this next tranche of 301 retaliatory tariffs that will finally cover a significant portion of China's exports in our sector," said NCTO President and CEO Kim Glas.

She continued: "We also believe that the inclusion of products that are within significant Chinese employment sectors like finished apparel, will substantially increase the administration's negotiating leverage with the Chinese to address systemic trade reforms that are needed. Any such settlement must include short-and long-term reforms that eliminate China's predatory trade practices in key industrial sectors across the board, such as textiles and apparel.

We are at a critical juncture in terms of global economic trading patterns. The current trade negotiations with China offer the best opportunity in a generation to restore fairness and market-based competitiveness to a system that has been overwhelmed by China's illegal and state-planned effort to dominate global manufacturing.

While we are pleased with today's announced action, we remain concerned that certain inputs already vetted by the administration and removed from previous retaliatory tariff lists remain on this list for proposed duties. We have long argued that adding tariffs on imports of manufacturing inputs that are not made in the U.S. in effect raises the cost for American companies. We urge the administration to uphold these previous exclusions. We also continue to request that the administration include de minimis shipments below \$800 on the retaliatory list. The provision creates a significant loophole at a time when the administration is seeking to address China's unfair trade practices."

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 594,147 in 2018.
- The value of shipments for U.S. textiles and apparel was \$76.8 billion in 2018.
- U.S. exports of fiber, textiles and apparel were \$30.1 billion in 2018.
- Capital expenditures for textile and apparel production totaled \$2.0 billion in 2017, the last year for which data is available.

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