



PRESS RELEASE

NCTO Commends Bipartisan Group of Senators for Calling on President Biden to Crack Down on China's Predatory Trade Practices and Help the U.S. Textile & Apparel Industry

September 29, 2023

WASHINGTON, D.C. – National Council of Textile Organizations (NCTO) President and CEO Kim Glas issued a statement today, applauding the actions of a bipartisan group of senators who are raising alarm about the impact of China's predatory trade practices on the U.S. textile and apparel industry and calling on President Joe Biden to lead a multi-agency effort to substantially step up enforcement and develop a strategic plan to combat it.

In the <u>letter</u> to President Biden, the senators warned that without immediate and improved enforcement against these predatory trade practices, the U.S. textile and apparel sector faces a "coming disaster."

The letter, led by U.S. Senators Thom Tillis (R-NC) and Sherrod Brown (D-OH), was also signed by Senators Raphael Warnock (D-GA), Ted Budd (R-NC), J.D. Vance (R-OH), Tim Scott (R-SC), Lindsey Graham (R-SC), and Ben Ray Luján (D-NM).

Please see a link to their joint press release <u>here</u>.

NCTO President and CEO Kim Glas, said: "I want to thank Senator Tillis and Senator Brown for leading these efforts and strongly commend the bipartisan group of senators for taking the lead in calling on President Biden and the administration to take urgent action to address a wide range of illegal trade practices that are severely impacting the U.S. textile and apparel industry."

"The industry is being overwhelmed by a multitude of compounding factors, including a lack of effective customs enforcement, unfair trade practices fueled by a loophole in U.S. trade law known as 'de minimis' shipments, import fraud undermining our free trade agreements (FTAs) and their rules of origin, and forced labor in our supply chains making their way into the United States and through other markets," Glas said.

The senators' letter calls on the administration to take the following specific actions:

- Step up enforcement of forced labor subsidized textiles and apparel flooding into our FTAs
- End duty-free treatment for clothing made with forced labor under de minimis
- Review all executive authorities to hold China accountable for its predatory trade practices

"To maintain the industry's operations and competitiveness, the administration must take immediate steps to increase its enforcement activities and crack down on systemic abuse that is undermining the very fabric of our domestic textile supply chain and its workforce," Glas added.

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NCTO is a Washington, DC-based trade association that represents domestic textile manufacturers.

- U.S. employment in the textile supply chain was 538,067 in 2022.
- The value of shipments for U.S. textiles and apparel was \$65.8 billion in 2022.
- U.S. exports of fiber, textiles and apparel were \$34 billion in 2022.
- Capital expenditures for textiles and apparel production totaled \$2.27 billion in 2021, the last year for which data is available.

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