

**PRESS RELEASE**

**NCTO Recommends Additional Steps to Strengthen U.S. Textile Manufacturing in USTR Section 301 Forced Labor Investigations**

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WASHINGTON, D.C. — The National Council of Textile Organizations (NCTO), representing the full spectrum of the U.S. textile industry from fiber, yarn, and fabric production to finished sewn products, provided recommendations on the U.S. Trade Representative Office’s proposed actions as part of its Section 301 investigations of the acts, policies, and practices of various economies related to goods made with forced labor.

“Forced labor remains prevalent in global textile and apparel supply chains and unfairly disadvantages U.S. textile manufacturers. “The administration now has the opportunity to take meaningful actions in the investigations to revitalize the domestic textile industry and to defend it from unfair, predatory trade practices like forced labor,” NCTO states in its written comments. “The right approach could potentially double industry capacity; the wrong solution will cost U.S. jobs and create irreparable harm.”

See NCTO’s full written submission [here](#). NCTO President and CEO Kim Glas is set to testify at the USTR hearings on the Section 301 forced labor investigations on July 9.

Among its recommendations, NCTO urged USTR to:

- **Impose Section 301 duties** on imports of apparel and finished textile products from China and South and Southeast Asian countries that utilize forced labor in manufacturing.
- **Preserve critically important duty-free treatment for USMCA/CAFTA-DR qualified textiles and apparel.**
- **Make necessary reforms to the proposed textile mechanism to support domestic industry growth.**
- **Strengthen customs enforcement.**

In response to the textile mechanism proposed by USTR as part of its forced labor investigations, NCTO voiced opposition to the mechanism “as it stands” and proposed three reforms to ensure it “does not harm U.S. textile manufacturers and instead encourages growth of the domestic industry:”

- Exclude raw cotton from the proposed textile mechanism as it rewards offshoring of U.S. yarn, fabric and apparel production and rewards Asia.
- Exempt textile manufacturing inputs and machinery not available domestically from additional Section 301 tariffs to enhance U.S. competitiveness.
- Incentivize more sourcing of U.S. textiles and apparel from the Western Hemisphere to boost domestic textile manufacturing and reward supply chains without forced labor.

Further, the association urged USTR to adopt an alternative textile and apparel incentive program developed by textile, apparel, and retail industry groups to support the U.S.-Western Hemisphere textile and apparel supply chain and grow U.S. manufacturing jobs.

“USTR should include an innovative textile proposal that would reward the whole textile and apparel supply chain, including U.S. cotton through a novel program developed by NCTO and brands and retailers to create over 56,000 jobs in the United States,” the submission stated.

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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 453,122 in 2025.
- The value of shipments for U.S. textiles and apparel was \$60.9 billion in 2025.
- U.S. exports of fiber, textiles and apparel were \$27 billion in 2025.
- Capital expenditures for textiles and apparel production totaled \$5.50 billion in 2024, the last year for which data is available.

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