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For Immediate Release

## **NCTO Thanks Textile District Representatives for Opposition on Korea Free Trade Agreement**

**- Two-Thirds of Textile Caucus Sides with Textile Companies and Workers -**

**- NCTO Praises Vote to Approve Colombia FTA -**

Washington DC) The National Council of Textile Organizations (NCTO) thanked the 52 members of Congress, who accounted for one third of the overall opposition to the bill, for putting textile workers first and voting “NO” on the Korea FTA. Two-thirds of the House Textile Caucus – 44 members - voted against the bill and were joined by eight other members with textile interests.

“The resounding “NO” vote from representatives with textile workers in their districts is greatly appreciated by the textile industry and their workers. We want to particularly thank Congressmen Larry Kissell (D-NC) and Howard Coble (R-NC), the chairs of the House Textile Caucus for leading this effort,” said Cass Johnson, President, NCTO. “In addition NCTO would like to recognize the leadership of Congressmen Walter Jones (R-NC) and Mike Michaud (D-ME) in opposing this poorly negotiated agreement.”

U.S. textile workers delivered nearly 27,000 petitions to their Members of Congress urging them to vote “No” on the U.S. –Korea FTA.

The textile industry opposed the Korea FTA because critical enforcement measures were removed from the agreement, creating an easy gateway for low priced Chinese goods to be illegally transshipped through Korea. U.S. Customs experts have warned the Administration and Congress that billions of dollars of illegal Chinese goods would flow through Korea if the enforcement provisions in the agreement were not fixed. In addition, the Korea FTA phased out duties on many sensitive textile products that are important products for U.S. producers and our trading partners in NAFTA, CAFTA, and Andean regions. The phase out schedule provided Korean exporters with greater access to U.S. markets while U.S. textile companies must wait years for equal access into the Korean market. This included products that the textile industry supplies to the U.S. military.

“The industry is particularly heartened because both the Administration and the Republican leadership supported the bill and yet so many members chose to side with saving textile jobs and textile production in their districts and around the country. Their dedication to the industry sends a strong message that the textile enforcement and market access rules in the Trans Pacific Partnership (TPP) must strengthened and cannot be a copy cat of the flawed Korean text,” Johnson added.

Johnson noted the U.S. textile industry has been growing jobs and exports, with four new plants opened in the last year and half, exports up 17 percent and nearly 4,000 new jobs added. “We want to ensure that free trade agreements actually support increasing exports and increasing textile jobs in this country. We will strongly support agreements that provide an equal playing field for the beneficiary country, but will strongly oppose those that don’t.”

Regarding the problem of textile customs fraud, Johnson also noted that textile supporters in the House and Senate have reintroduced the Textile Enforcement and Security Act (TESA). He said, “The Korea textile debate has highlighted that weak customs rules and declining resources and focus in textile enforcement by Customs and Border Protection is unacceptable. The TESA bill contains many elements which will help to stop the growing problem of textile fraud, which

costs thousands of U.S. jobs and deprives the U.S. Treasury of precious revenue. The industry looks forward to working with Congress to make sure this bill is passed during the current session.”

Johnson concluded, “The industry is also gratified that members from textile districts strongly supported the Colombia FTA. The Colombia FTA contained none of the errors that were included in the Korea FTA and its passage will help to restore a thriving export business in textile products from the United States.”

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### **Key Facts about the U.S. Textile Industry**

- The U.S. textile industry is one of the largest manufacturing employers in the United States. In 2010, the overall textile sector, from fibers to final garments and other textile products, employed nearly 600,000 workers. Textile companies alone employed 255,000 workers.
- The U.S. textile sector is the third largest exporter of textile and apparel products in the world with exports growing 19 percent in 2010 to more than \$20 billion.
  - U.S. textile exports support a textile and apparel platform created by the NAFTA/CAFTA/Andean free trade areas that now employs nearly two million workers.
- The U.S. textile industry supplies more than 8,000 different textile products each year to the U.S. military.
- The U.S. textile industry has a long history of creating innovative, hi-tech products, from heart valve prosthesis and nanotube body armor to non-iron apparel and moisture wicking athletic wear.
- The U.S. textile industry invested more than \$15 billion in new plants and equipment from 2001 to 2009. U.S. textile shipments totaled \$51 billion in 2010.
- The U.S. textile industry increased productivity by 45 percent over the last 10 years, making textiles one of the top industries among all industrial sectors in productivity increases.
- In 2010, textile workers on average earned 155% more than clothing store workers (\$559 per week vs. \$219) and received health care and pension benefits.

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