



NCTO Applauds Richardson Choice for Commerce

- Holds Strong Fair Trade Positions -

Washington DC The National Council for Textile Organizations (NCTO) applauded the selection by President-elect Obama of Governor Bill Richardson for Commerce Secretary. Cass Johnson, President of NCTO, said, "Governor Richardson brings a common sense approach to trade that all too often has been lacking in Washington. He also brings new energy and prominence to one of the most critical Departments in the government in terms of trade enforcement."

Johnson said that as a candidate for President, Governor Richardson echoed Senator Obama's concerns regarding China's unfair trade practices, noting that in October 2007, Richardson specifically used a Chinese shirt as an example:

If China can fairly make shirts cheaper than Americans, we'll need to make something we're better at making. But if the Chinese shirt is cheaper only because their workers make sweatshop wages and the owners pour chemicals into local rivers, we can't go along.

I'm not sure a lot of the advocates of free trade understand the difference between free & fair trade. All goods cost something to make, but it matters what gets calculated in the cost: whether it's raw materials, or human rights, or the cost of defending oil transport routes, or damage to the environment.

In the real world, there is no such thing as completely free trade. All trade needs to have regulatory sideboards to prevent a cost-reduction competition via the exploitation of people and the environment. *Leading by Example, by Bill Richardson, p.205-206 Oct 26, 2007*

Johnson said that NCTO looked forward to working with Richardson on implementing the commitment made by Senator Obama in an Oct. 24th letter to NCTO to put China under a monitoring program once quotas are removed on January 1st. In addition, NCTO looks forward to assisting the Department as it beefs up its trade enforcement efforts; Commerce is the primary investigator of unfair trade practices by foreign governments. In his letter to NCTO, Senator Obama said he would make trade enforcement a top priority.

Key Facts about U.S. Textile Industry

- One of the largest manufacturing employers in the United States, the overall textile sector employed over 700,000 workers in 2007. Textile mills alone employed 319,000 workers.
- The 3rd largest exporter of textile products in the world – more than \$16.5 billion in 2006.

- Nearly two-thirds of U.S. textile exports during 2007 went to developing countries. The U.S. textile industry exported to more than 50 countries, with 20 countries buying more than \$100 million a year.
- Supplies more than 8,000 different textile products a year to the U.S. military.
- U.S. textile shipments totaled \$68.5 billion in 2007.
- Invested more than \$9 billion in new plants and equipment from 2001 to 2006.
- Has increased productivity by 50 percent over the last 10 years and ranks second among all industrial sectors in productivity increases.
- In 2007, textile workers on average earned 136% more than clothing store workers (\$524 a week vs. \$222) and received health care and pension benefits.

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