



## **Obama Administration Decision Disenfranchises Textile Worker Input, Gives More Access to Big Business**

The White House released today an executive order today that sharply reduces the ability of small and medium size textile companies and their workers to have a voice during internal government deliberations on critical trade policy issues. The order advises government agencies to ban federally registered lobbyists who meet with members of Congress from participating in any government trade advisory bodies or other groups. In the case of industry trade advisory committees (ITACs), the rules mean that most small trade associations will no longer be able to effectively advise the government during critical trade negotiations that can spell life or death to their members. For the ITACs, the White House order takes effect in February 2010.

Cass Johnson, President of NCTO, said, “The ironic consequence of this misguided effort will be to boost the influence of Fortune 500 companies at the expense of small and medium businesses in this country. While big companies have the financial resources to hire lobbyists to meet with Congress and other consultants to be on these critical boards, small companies and their trade associations do not have that luxury.

Johnson continued, “Because of the White House order, domestic manufacturing groups will now have to choose between representing themselves before Congress or the Administration, but not both. Unfortunately, this order ensures that the voice of Main Street and its workers will be diminished while the biggest special interests garner even greater reign to influence government policy. While this was clearly not intended, it is just as clearly what is going to occur. For textiles, our representation and input on the critical Textile and Apparel Trade Advisory Committee (ITAC 13) will be sharply curtailed.

We are disturbed that an Administration which prides itself on openness and transparency issued this order without any opportunity for industry input. We urge the President to reconsider the consequences of this order and we will ask our supporters in Congress to contact the Administration.

Johnson noted that NCTO has three employees in Washington and all of them are federally registered lobbyists. None will now be able to participate in ITAC meetings where various government agencies discuss policy initiatives that can be critical to the industry’s survival. Under government rules, if an industry representative spends more than 20 percent of their time working on issues before Congress, they must register as a lobbyist.

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

- One of the largest manufacturing employers in the United States, the overall textile sector employed over 675,000 workers in 2008. Textile mills alone employed 298,000 workers.
- The 3rd largest exporter of textile products in the world – more than \$16 billion in 2008.

- Nearly two-thirds of U.S. textile exports during 2008 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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