



Trade Associations Cite Increasing Damage to U.S. & Honduran Textile and Apparel Jobs as Crisis Continues

Asks U.S. Government to Give Greater Consideration to the Impact on Jobs When Formulating Policy

Washington DC) In a letter (attached) to Secretary Hillary Clinton, eight U.S. trade associations representing billions of dollars in two way textile and apparel trade between the United States and Honduras warned that the continuing crisis is causing permanent damage to what once was the most economically vibrant textile and apparel trade platform in the CAFTA region. The letter is a follow-up to a September 25th letter to the Secretary which noted job losses in the United States and Honduras and urged the United States government to support a quick resolution of the crisis.

The associations raised concerns that statements by the U.S. government that even free and fair future election results in Honduras would not be recognized by the United States had created the impression that Honduras could remain a “pariah” state for an indefinite period. The associations cited U.S. government statistics that showed imports of apparel from Honduras fell by 38 percent in June, July and August with preliminary numbers from September showing a 39 percent drop. Moreover, exports of textile products from the United States to Honduras, which are leading indicators, continue to be sharply depressed with exports down by 38 percent during the last three months, a total of \$165 million.

The associations pointed out that “credit, insurance and other financing costs associated with moving goods in and out of Honduras are at record lows as the financial sector has lost confidence that the crisis will be resolved soon.”

The groups noted the cumulative effect of the crisis, stating that “while factories can be closed or run on short orders for weeks, they cannot do so for months on end. The end result is increased plant closures, job losses and the crippling of a once booming trade sector.” The associations closed the letter by urging Secretary Clinton to consider the impact that U.S. government actions have on tens of thousands of workers in the United States and in Honduras.

The associations signing the letter are the American Apparel and Footwear Association (AAFA), the American Fiber Manufacturers Association (AFMA), the American Manufacturing Trade Action Coalition (AMTAC), the Hosiery Association (THA), the National Council of Textile Organizations (NCTO), the National Retail Federation (NRF), the National Textile Association (NTA), and the U.S. Association of Importers of Textiles and Apparel (USA-ITA).

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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