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Analysis Details Vast Chinese Subsidies for their Textile Exporters - Adds New Urgency for Currency Vote to Bring Textile Jobs Home -

Washington DC) In [testimony](#) today before the United States Trade Representative's Office on China's WTO Compliance, NCTO President Cass Johnson detailed 30 different subsidies that the Chinese government gives to its textile export industry, with by far the largest and most damaging being currency manipulation. The analysis puts new urgency behind the need for Congress to quickly pass currency reform legislation and start bringing U.S. manufacturing jobs home.

Johnson stated, "What we are presenting today is an enormous effort by the Chinese government that begins with currency manipulation and ends with dozens of specific subsidies, all designed to wrest control of international textile trade from free market players. It is an effort that has been replayed across virtually every industrial sector in this country and its result has been shuttered plants, devastated communities, record unemployment and an economy that can't move forward."

"It is an effort that has largely succeeded because our government and the Congress have counseled patience with China for more than ten years. China, we have been told, will reform. China will obey international rules. China just needs time."

"During that time, our country has sent to China nearly two million manufacturing jobs— many of them textile jobs — and helped to crown China the largest manufacturer in the world. It is time for patience to end."

"This new analysis shows how the Chinese have responded to our gentle calls for reform. Ten years after joining the WTO, Chinese subsidies are as deeply entrenched in their textile and apparel sector as they have ever been. The Chinese government gives its textile and apparel exporters from a 35 to 75 percent advantage in every textile product they export. Over the last ten years, Chinese textile and apparel imports into the U.S. have increased by 489 percent or nearly \$32 billion, while imports from the rest of the world have fallen ten percent. Chinese market share increased from ten to 40 percent."

"Our industry, like the rest of U.S. manufacturing, has borne much of the cost. 379,000 U.S. textile jobs have been sacrificed and one thousand textile plants in our country have been closed."

Johnson concluded, "It is time to start bringing those jobs back. There is no more effective tool to bring these jobs back home than the currency legislation before the Congress today. We urge the House and Senate to quickly move this legislation and start our country back on the road to economic prosperity."

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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.