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## 117 Members of Congress Ask President Bush to Endorse Emergency Meeting of WTO to Discuss Expiration of Textile and Apparel Quotas

### Summit on Fair Trade in Clothing and Textiles to be Held in Brussels – Executives From 16 Countries Already Committed to Attend

June 9, 2004

WASHINGTON, DC – 117 Members of Congress signed letters to President Bush urging the U.S. government to endorse an emergency meeting of the World Trade Organization to reconsider the wisdom of allowing worldwide quotas on textile and apparel products to expire announced organizations representing the textile, yarn and fiber industries and their workers.

The letters were transmitted to the White House Wednesday morning.

Eighty-eight (88) representatives and twenty-nine (29) senators signed the bi-partisan letters.

Representatives Virgil Goode (R-VA), John Spratt (D-SC), Howard Coble (R-NC), and Bill Pascrell (D-NJ) sponsored the House letter.

Senators Lindsay Graham (R-SC), Ernest F. Hollings (D-SC), Elizabeth Dole (R-NC), John Edwards (D-NC), and Richard Shelby (R-AL) were the originators of the Senate letter.

The American Manufacturing Trade Action Coalition (AMTAC), National Cotton Council (NCC), National Council of Textile Organizations (NCTO), the National Textile Association (NTA), the American Sheep Industry Association (ASI), and the labor union UNITE helped the congressional sponsors round up signatures for the letters.

“We would like to thank all the senators and representatives who signed these letters. This sends a clear message to the rest of the world that Congress has grave concerns

about the ramifications of the expiration of textile and apparel quotas,” said Cass Johnson, President of NCTO.

“Imports from China have soared from 2.2 billion square meters in 2001 – the last year before quotas on Chinese products began to phase out – to 8.3 billion square meters last year. And that's with quotas still in place on most of the most sensitive categories,” said Karl Spilhaus, President of NTA. “If China is not controlled, beginning 2005 the likely flood of imports will devastate the domestic U.S. textile and apparel industries.”

“U.S. yarn, textile, and apparel producers are key customers for U.S. cotton producers. We have a strong interest in keeping those sectors vibrant and viable,” said Gaylon Booker, NCC Immediate Past President.

“As bad as the 336,800 U.S. textile and apparel manufacturing job losses since January 2001 have been, the 709,500 U.S. textile and apparel manufacturing workers still working should expect massive additional layoffs if nothing is done to stop the Chinese import surge,” said UNITE Chief Economist Mark Levinson.

According to studies, through the use of massive export subsidies and other illegal trade practices, China and a few other countries are poised to monopolize world trade in textiles and apparel if quotas are removed as scheduled on January 1, 2005. Up to 30 million jobs around the world are expected to be lost – many in least-developed countries.

Many developing and least developed countries dependent on textile and apparel export markets face economic ruin if importers and retailers shift orders to take advantage of Chinese subsidies.

In the United States, over the last two years, importers increased their orders from China by 830 percent in 29 apparel categories where China was removed from quota. Chinese market share of those products rose from 9 percent at the beginning of 2002 to 65 percent by March 2004 – and the share is continuing to grow.

AMTAC Executive Director Auggie Tantillo said, “Not only will the United States lose more than 75 percent of its textile and apparel manufacturing sector, but millions of the expected 30 million job losses will occur in countries on the frontline in the war on terrorism such as Bangladesh, Sri Lanka, Malaysia, Thailand, Indonesia, Morocco, Tunisia, Turkey, Jordan, and Egypt.”

“Destabilizing the economies of these critical allies by damaging their textile and apparel industries with the quota phaseout will only make the war on terrorism that much more difficult to win,” continued Tantillo.

## **Summit on Fair Trade in Textiles and Clothing**

AMTAC and NCTO also announced that 45 executives from 16 different countries had already committed to attend the “Summit on Fair Trade in Clothing and Textiles” to be held in Brussels, Belgium on June 15-17.

The purpose of the summit is to bring world industry leaders together from the textile and clothing sector to plan common action to persuade the World Trade Organization to address the certain catastrophic fallout to be associated with the phaseout of textile and apparel quotas on January 1, 2005.

“Unquestionably, China is today illegally pegging its currency and subsidizing its textile and clothing exports to a degree never before imagined. Textile and apparel groups around the world see the writing on the wall and are now rising up behind the Declaration and demanding that their governments and the WTO act,” Johnson concluded.

For more information on the Summit on Fair Trade in Textiles and Clothing, go to [www.fairtextiletrade.org](http://www.fairtextiletrade.org)

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