

## **News from U.S. Rep. John Spratt (D-SC)**

Assistant to the Democratic Leader

Ranking Member, Committee on the Budget

US House of Representatives – Washington, DC

[www.house.gov/spratt](http://www.house.gov/spratt) | [www.house.gov/budget\\_democrats](http://www.house.gov/budget_democrats)

---

Friday, December 19, 2003 – For Immediate Release

Contact: Chuck Fant, 202-225-5501

### **Spratt Opposes CAFTA**

WASHINGTON – U.S. Rep. John Spratt (D-SC) declared today his strong opposition to the Central American Free Trade Agreement (CAFTA). On December 17, the Bush Administration announced that it had reached the agreement with Nicaragua, El Salvador, Honduras, and Guatemala.

“This year, South Carolina lost 6.6% of its manufacturing jobs, more than any other state in the nation,” Spratt said. “Recent trade agreements have resulted in far more imports than exports, and cost our country jobs. I am opposed to any more trade agreements that result in job losses, and I think most of my Democratic colleagues and some of my Republican colleagues will agree – maybe enough to defeat CAFTA.”

Spratt, who co-chairs the Congressional Textile Caucus, said there are a number of provisions in CAFTA that will have a negative impact on the domestic textile industry:

1. The single transformation policy will allow boxer shorts, bras, and pajamas assembled in Central America and made with components from any country in the world duty-free access to the United States.

Spratt said: “Import quotas have just been imposed to protect items like these from a flood of imports coming out of China. This opens the door to transshipment and allows China and other countries to do an end run around quotas and tariffs.”

2. The “cumulation” policy will allow Central American countries to use components from Mexico and Canada and ship the goods into the United States duty-free. The Bush Administration has left open the option of expanding the policy to other free trade partners.

Spratt says, “If we expand this policy to other free trade partners, we run the risk of shutting out U.S.-made components altogether.”

3. Tariff Preference Levels were extended to Nicaragua allowing 100 million square meters to receive duty-free treatment without having to use U.S. or regional

components.

Spratt said: "Tariff Preference Levels do not help our industry. Whenever we allow a trade partner to buy components from China or India and export the finished product into the U.S. duty-free, we are denying our own textile workers the chance to make the components."

4. In all of the CAFTA countries, there are documented deficiencies in compliance with core labor standards, such as child labor, minimum wage, maximum hours, the right to organize and bargain collectively, discrimination, and forced labor.

Spratt said, "The Administration has been warned that many members who otherwise support free trade want worker and environmental protection to be written into trade agreements. CAFTA flouts their concerns and falls way short on worker and environmental standards.

"CAFTA fails on many counts," Spratt said. "I will not only vote against it, but work against it when it comes before Congress."

# # #