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Tuesday, November 18, 2003 – For Immediate Release
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Congressman Had Prodded Administration to Act

Spratt Welcomes Quotas on Chinese Textile Imports

WASHINGTON – U.S. Rep. John Spratt (D-SC) today called a Commerce Department decision to impose quotas on three Chinese textile imports "welcome news" but said there's "more work to be done" by the Administration if it wants to protect American textile jobs.

"This is welcome news for the American textile industry and the thousands of jobs it provides," said Spratt. "It's one of the things we've been asking the Administration to do, and I am pleased they have responded in a positive way. However, this is just a start. There are more tools in their arsenal and I hope they will use them."

According to the Commerce Department, the Committee for the Implementation of Textile Agreements (CITA) yesterday voted to invoke safeguard relief on three textile products – knit fabric, gowns and robes, and bras – imported to the United States from China, following petitions filed by the U.S. textile industry.

On October 29, Spratt, backed by 138 other House members in a letter to the President, urged the Bush Administration to protect American textile jobs by doing three things:

1. Initiate the China Safeguard. The China safeguard will re-impose quotas on certain kinds of textile imports for up to one year if the government determines that Chinese imports have caused market disruption or threaten to impede orderly trade in U.S. textile/apparel markets.

China's exports to the U.S. textile and apparel market more than doubled in 2002, growing by 117%. China's exports continued to surge in 2003, up an additional 114% through May. The U.S, has lost 271,100 textile jobs since January 1, 2001.

"The evidence of market disruption is overwhelming. The Bush Administration should act on it by setting up quotas to hold back a flood of Chinese imports," said Spratt.

2. Reject any tariff preference levels in the Central American Free Trade Agreement and other free trade agreements. Tariff preference levels allow the countries to export a certain percentage of their textile and apparel products into this country at reduced tariff duties, even though the goods are made of materials produced outside the U.S. or the shipping countries.

3. Maintain U.S. textile tariffs in the Doha Round of trade talks. All textile and apparel import quotas are scheduled to expire on December 31, 2004. Tariffs will then be the only protection against low-wage textile imports. In an effort to get another round of trade talks going, the Bush Administration has proposed to remove tariffs as well as quotas, a step which Spratt and his colleagues vigorously oppose.

According to a recent study by the American Textile Manufacturers Institute (ATMI), if the President does not take these three steps, China is poised to seize 65 to 75% of the U.S. textile and apparel market, resulting in the loss of 650,000 domestic jobs. South Carolina alone could lose 42,000 more jobs by 2006, the study showed.

“The Commerce Department action shows that President Bush has tools at the ready to protect American jobs,” said Spratt. “He should use those tools aggressively.”

Since January of 2001, the private sector has lost 3.1 million jobs, and 2.6 million of these jobs were lost in manufacturing. “These are among the best jobs our economy has to offer. We have to protect these jobs before it’s too late,” Spratt said.

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