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PRESS STATEMENT

AMTAC Lambastes Duty-Free LDC Bill as Just Another China Giveaway

Vows Fierce Opposition to Legislation

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WASHINGTON, DC – The American Manufacturing Trade Action Coalition (AMTAC) expressed deep disappointment at the introduction of the New Partnership for Development Act (NPDA) by Congressman Jim McDermott (D-WA). The legislation would give duty-free access to the U.S. market to imports of all products from virtually all least developed countries (LDCs) and African Growth and Opportunity Act (AGOA) countries.

“This bill represents a substantial threat both to U.S. manufacturing, especially the domestic textile industry, and to our preference partners in Latin America and Africa. This bill continues a long pattern of trade legislation that appears well intended, but in reality, has severe consequences for U.S. companies and their workers. That is why AMTAC fiercely opposes this legislation,” said AMTAC Executive Director Auggie Tantillo.

“This legislation is just another example of the seemingly endless assault on U.S. manufacturing by some in Congress. Passage of this bill will cost thousands of good paying manufacturing jobs that are essential to a healthy U.S. middle class. This legislation is a continuation of disastrous policies that have forced manufacturing employment in this country to its lowest level since 1950,” Tantillo charged.

“The U.S is the most open market in the world. No other country runs a trade deficit remotely close to the \$758 billion trade imbalance we experienced last year. Yet, there are those in Congress who aren't convinced that U.S. workers have contributed enough in the fight to alleviate global poverty. It is tragic that Congress would ask U.S. factory workers to sacrifice their jobs in order to continue a flawed trade policy that produces sky-high, job-killing deficits,” Tantillo added.

Bangladesh and Cambodia, respectively, already are the second and eighth largest sources of U.S. apparel imports by volume and the sixth and eighth largest sources by value. China shipped nearly \$2 billion in subsidized textile and apparel components to Bangladesh and Cambodia last year. With approximately 40 percent of apparel exports from those countries going to the United

States, an estimated \$800 million in Chinese textile and apparel components were included in those exports. That figure only will rise at the expense of U.S. producers if Bangladesh and Cambodia gain even more market share as a result of duty-free treatment.

“Bangladesh and Cambodia may be LDCs by per capita income, but they are global superpowers in terms of apparel exports. With exports so large in those products, tariff eliminations are unwarranted and will serve as just another giveaway of U.S. market share to China,” Tantillo concluded.

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