



PRESS STATEMENT

Textile Associations Call on President Trump to Stop Penalty Tariffs on Canada, Mexico Imports and to Close the De Minimis Loophole

February 27, 2025

WASHINGTON D.C.-The National Council of Textile Organizations (NCTO), National Chamber of the Textile Industry (CANAINTEX), and Canadian Textile Industry Association (CTIA) issued a joint statement today urging President Donald Trump to reach a deal with Mexico and Canada to avoid imposing 25 percent tariffs on imports from these countries and to close the de minimis loophole immediately.

“All three of our countries are partners in a vital textile and apparel coproduction chain that generates \$20 billion in two-way trade and helps support over 1.6 million jobs under the United States-Mexico-Canada Agreement (USMCA)—a trade deal that was negotiated during President Trump’s first term in office,” the associations said.

The U.S. textile industry ships \$12.3 billion, or 53 percent, of its total global textile exports to Mexico and Canada. Those inputs come back as finished products to the United States under the USMCA.

Mexico exports \$9 billion in textile and apparel to the United States. Mexico is the 4th largest exporter of textiles and the 6th largest exporter of apparel to the United States.

Canada exports approximately \$1.8 billion in textiles and apparel to the United States and Mexico, with the United States being the destination for 64 percent of its total global textile export, including high-quality flame-resistant materials and medical equipment including PPE.

“While we fully support President Trump’s efforts to stem illegal migration and to address the fentanyl crisis as quickly as possible, we urge the administration to refrain from imposing penalty tariffs on imports from USMCA partners. We are focused on ensuring a normalized trading relationship between our countries,” said NCTO President and CEO Kim Glas. “Imposing penalty tariffs on imports from critical U.S. free trade agreement (FTA) partners will only serve to benefit China and other Asian countries that don’t play by the rules and to harm the U.S. textile industry and manufacturers in our Western Hemisphere supply chains.”

“As part of any deal with Mexico, Canada—and China—we also call on the Trump administration to end the de minimis tariff exemption immediately for imports from all countries. This loophole in U.S. trade law, which allows imports valued at \$800 or less to enter the United States duty-free hurts our textile and apparel industries, rewards countries like China, and helps facilitate the flow of illegal and toxic products, such as fentanyl and fentanyl precursors into the U.S. market,” Glas added.

“Despite steps taken by our countries to prevent the importation of goods that are undervalued, made with forced labor or transshipped, we have seen firsthand how the Asian market has gained an unfair advantage through predatory trade practices, displacing companies and workers in our industries and undermining our critical coproduction chain,” said **Rafael Zaga Saba President of CANAINTEX**.

“Canada is seeking to preserve our strong coproduction chain with Mexico and the United States which spurs investment, trade and employment in our three countries,” said **Jeff Ayoub, Chairman of the Board of CTIA**. “These additional tariffs would harm our industries and workers, and we urge President Trump stop these expected tariffs from being imposed.”

“We look forward to working closely with the Trump administration and continuing to educate officials about the adverse impact of penalty tariffs on imports from Western Hemisphere countries and de minimis on our industries and workers, while highlighting the critical nature of our strong coproduction chain, which contributes to our overall investment, job growth, and economic stability,” the associations jointly added.

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NCTO is a Washington, DC-based trade association that represents domestic textile manufacturers.

- U.S. employment in the textile and apparel supply chain was 501,755 in 2023.
- The value of shipments for U.S. textiles and apparel was \$64.8 billion in 2023.
- U.S. exports of fiber, textiles and apparel were \$29.7 billion in 2023.
- Capital expenditures for textiles and apparel production totaled \$2.27 billion in 2021, the last year for which data is available.

CANAINTEX is a Mexico City-based trade association representing Mexican textile producers.

- The textile industry in Mexico provides over 1.1 million jobs.
- Mexican textile exports are projected to reach 9 billion USD in 2024.

- Mexico is the 4th largest exporter of textiles and the 6th largest exporter of apparel to the United States.
- One out of every three pairs of pants sold in the U.S. is made in Mexico.
- With 36% domestic content in its exports, the textile industry generates the highest value-added of any manufacturing sector in the country.

CTIA represents domestic textile manufacturers across Canada, advocating for policies that support innovation, sustainability, and growth in the sector.

- The Canadian textile industry employs approximately 30,000 textile and apparel workers.
- The total value of shipments for Canadian textiles and apparel was approximately C\$7.5 billion in 2023.
- Canada exported approximately US\$2.66 billion in textiles in 2023, with 64% (US\$1.71 billion) going to the United States.

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