

AFT Submits Letter to U.S. International Trade Commission Reiterating Tariffs' Harmful Impact

WASHINGTON, D.C., (July 8, 2022) -- Today, Americans for Free Trade (AFT), a broad coalition of American businesses, trade organizations, and workers united against tariffs, sent a prehearing statement to United States International Trade Commission (ITC) Chair David Johanson to include in the public record of Investigation No. 332-591, Economic Impact of Section 232 and 301 Tariffs on U.S. Industries. In the letter, AFT expressed appreciation for the ITC's undertaking of an investigation into the effects of tariffs and reiterated the harmful impact they have had on the U.S. economy.

"Since the tariffs were first imposed nearly four years ago, U.S. Customs and Border Protection has assessed more than \$140 billion dollars in tariffs on American companies who import products from China," **Americans for Free Trade wrote**. "These taxes create tremendous uncertainty, increase the cost of doing business in the United States, and place a financial burden on American businesses – negatively impacting their ability to invest in their companies, hire more American workers, and remain competitive globally."

AFT continues to call for an open and transparent assessment of the impact tariffs have had on the U.S. economy since the beginning of the trade war with China. For more than four years, the tariffs have contributed to increased costs

for American businesses, manufacturers, farmers, and consumers.

More than 170 trade associations signed on to the letter. The full text of the letter may be found <u>here</u> and below.

July 8, 2022

David Johanson
Chair
U.S. International Trade Commission
500 E Street, SW
Washington, D.C. 20436

RE: Economic Impact of Section 232 and 301 Tariffs on U.S. Industries, Investigation No. 332-591

Dear Chairman Johanson,

The Americans for Free Trade coalition, a broad alliance of American businesses, trade organizations, and workers united against tariffs, respectfully submits this prehearing statement to include in the public record of Investigation No. 332-591, Economic Impact of Section 232 and 301 Tariffs on U.S. Industries. We applaud the House and Senate Committees on Appropriations for directing this investigation and appreciate the Commission commencing it without delay. We expect the study will show how the tariffs have negatively impacted our economy and contributed to record high inflation.

By way of background, <u>Americans for Free Trade</u> represents every part of the U.S. economy including manufacturers, farmers and agribusinesses, retailers,

technology companies, service suppliers, natural gas and oil companies, importers, exporters, and other supply chain stakeholders. Collectively, we employ tens of millions of Americans through our vast supply chains. Our coalition was formed in 2018, when the Section 301 tariffs on imports from China were first imposed. While we support efforts to hold China accountable for failure to safeguard intellectual property rights and innovation through forced technology transfers, we raised concerns that imposing tariffs would have little positive impact on Chinese behavior and disproportionate negative economic impacts on American businesses, workers, and consumers. Over the last four years, that concern has become a reality.

Since the tariffs were first imposed nearly four years ago, U.S. Customs and Border Protection has assessed more than \$140 billion dollars in tariffs on American companies who import products from China. These taxes create tremendous uncertainty, increase the cost of doing business in the United States, and place a financial burden on American businesses – negatively impacting their ability to invest in their companies, hire more American workers, and remain competitive globally. For many companies, the tariffs are a primary impediment to building or expanding manufacturing facilities in the United States. More recently, American companies have faced increased uncertainty as a result of the COVID-19 pandemic, historic supply chain disruptions, rising energy costs, and runaway inflation. This has created increased economic pressure on American companies and families and dampened U.S. competitiveness.

We continue to call for an end to the China 301 tariffs that have had a disproportionate economic impact on American companies, consumers, and workers and that have failed to change China's unfair trade practices. To assist the Commission's work, we have collected the relevant academic and think tank research on the tariffs and their impact on the U.S. economy.[1] For

example, according to a recent Moody's Investor Service Report, the tariffs "hit American businesses and consumers hardest," with China absorbing only 7.6 percent of the tariffs "while the rest of the tab was picked up by Americans." Further, recent articles have highlighted that the tariffs are having a modest but real impact on inflationary pressures.[2] We believe the Commission's investigation will reach similar conclusions.

We appreciate the Commission's expertise and its undertaking of this important investigation. We look forward to participating in additional steps of this process and the Commission's findings.

Sincerely,

Accessories Council

ACT | The App Association

Agriculture Transportation Coalition (AgTC)

ALMA, International (Association of

Loudspeaker Manufacturing and Acoustics)

American Apparel & Footwear Association

(AAFA)

American Association of Exporters and

Importers (AAEI)

American Association of Port Authorities

American Bakers Association

American Bridal & Prom Industry Association

(A	В	P	L	A)
١.	, ,	_		.,		. ,

American Chemistry Council

American Clean Power Association

American Down and Feather Council

American Fly Fishing Trade Association

American Home Furnishings Alliance

American Lighting Association

American Petroleum Institute

American Pyrotechnics Association

American Rental Association

American Seed Trade Association

American Specialty Toy Retailing Association

American Trucking Association

Arizona Technology Council

Arkansas Grocers and Retail Merchants

Association

Association For Creative Industries

Association for PRINT Technologies

Association of American Publishers

Association of Equipment Manufacturers (AEM)

Association of Home Appliance Manufacturers

Auto Care Association

Poor	Institute
Beer	msiliule

BSA | The Software Alliance

Business Alliance for Customs Modernization

California Retailers Association

Can Manufacturers Institute

Carolina Loggers Association

Chemical Industry Council of Delaware (CICD)

Coalition of New England Companies for

Trade (CONECT)

Coalition of Services Industries (CSI)

Colorado Retail Council

Columbia River Customs Brokers and

Forwarders Assn.

Computer & Communications Industry Association (CCIA)

Computing Technology Industry Association

(CompTIA)

Consumer Brands Association

Consumer Technology Association

Council of Fashion Designers of America (CFDA)

CropLife America

Customs Brokers & Freight Forwarders Assn.

of Washington State

Customs Brokers & Freight Forwarders of

Northern California

Electronic Transactions Association

Energy Workforce & Technology Council

Exhibitions & Conferences Alliance

Experiential Designers and Producers

Association

Fashion Accessories Shippers Association

(FASA)

Fashion Jewelry & Accessories Trade

Association

Flexible Packaging Association

Florida Ports Council

Florida Retail Federation

Footwear Distributors and Retailers of America

(FDRA)

Fragrance Creators Association

Game Manufacturers Association

Gemini Shippers Association

Georgia Retailers

Global Chamber®

Global Cold Chain Alliance

Greeting Card Association

Halloween Industry Association

Home Fashion Products Association

Home Furnishings Association

Household and Commercial Products

Association

Idaho Retailers Association

Illinois Retail Merchants Association

Independent Office Products & Furniture

Dealers Association (IOPFDA)

Indiana Retail Council

Information Technology Industry Council (ITI)

International Bottled Water Association

(IBWA)

International Foodservice Distributors

Association

International Housewares Association

International Warehouse and Logistics

Association (IWLA)

International Wood Products Association

ISSA - The Worldwide Cleaning Industry

Association

Jeweler's Vigilance Committee

Juice Products Association (JPA)

Juvenile Products Manufacturers Association

Leather and Hide Council of America

Licensing Industry Merchandisers' Association

Los Angeles Customs Brokers and Freight

Forwarders Assn.

Louisiana Retailers Association

Maine Grocers & Food Producers Association

Maine Lobster Dealers' Association

Maritime Exchange for the Delaware River and Bay

Maryland Retailers Association

Michigan Chemistry Council

Michigan Retailers Association

Minnesota Retailers Association

Missouri Retailers Association

Motor & Equipment Manufacturers Association

Motorcycle Industry Council

NAPIM (National Association of Printing Ink

Manufacturers)

National Association of Chain Drug Stores (NACDS)

National Association of Chemical Distributors (NACD)

National Association of Foreign-Trade Zones (NAFTZ)

National Association of Home Builders

National Association of Music Merchants

National Association of Trailer Manufacturers (NATM)

National Confectioners Association

National Council of Chain Restaurants

National Electrical Manufacturers Association (NEMA)

National Fisheries Institute

National Foreign Trade Council

National Grocers Association

National Lumber and Building Material Dealers Association

National Marine Manufacturers Association

National Pork Producers Council

National Restaurant Association

National Retail Federation

National Ski & Snowboard Retailers Association

National Sporting Goods Association

Natural Products Association

New Jersey Retail Merchants Association

North American Association of Food Equipment

Manufacturers (NAFEM)

North American Association of Uniform

Manufacturers and Distributors (NAUMD)

North Carolina Retail Merchants Association

Ohio Council of Retail Merchants

Outdoor Industry Association

Pacific Coast Council of Customs Brokers and

Freight Forwarders Assns. Inc.

Pennsylvania Retailers' Association

PeopleforBikes

Personal Care Products Council

Pet Advocacy Network

Pet Food Institute

Plumbing Manufacturers International

Power Tool Institute (PTI)

PRINTING United Alliance

Promotional Products Association International

(PPAI)

Recreational Off-Highway Vehicle Association

Retail Association of Maine

Retail Council of New York State

Retail Industry Leaders Association

Retailers Association of Massachusetts

RISE (Responsible Industry for a Sound

Environmen	ıt
D\/ Industry	

RV Industry Association

San Diego Customs Brokers and Forwarders Assn.

SEMI

Semiconductor Industry Association (SIA)

Snowsports Industries America

Software & Information Industry Association (SIIA)

South Dakota Retailers Association

Specialty Equipment Market Association

Specialty Vehicle Institute of America

Sports & Fitness Industry Association

TechNet

Telecommunications Industry Association (TIA)

Texas Water Infrastructure Network

The Airforwarders Association

The Fertilizer Institute

The Hardwood Federation

Toy Association

Travel Goods Association

Truck & Engine Manufacturers Association (EMA)

United States Council for International Business

United States Fashion Industry Association

US Global Value Chain Coalition

US-China Business Council

Vinyl Institute

Virginia Association of Chain Drug Stores

Virginia Retail Federation

Virginia-DC District Export Council (VA-DC DEC)

Washington Retail Association

Water Quality Association

Window and Door Manufacturers Association

World Pet Association, Inc. (WPA)

###