Motor & Equipment Manufacturers Association (MEMA) Testifies at Commerce Department Hearing: Tariffs Pose Risk to Economic Security, Jeopardize Supplier Jobs

WASHINGTON, D.C. (July 19, 2018) – The Motor & Equipment Manufacturers Association (MEMA) testified on behalf of motor vehicle suppliers today at a U.S. Department of Commerce hearing regarding the potential Section 232 tariffs on motor vehicles and auto parts.

“The importation of motor vehicle parts is not a risk to our national security,” said Ann Wilson, MEMA senior vice president of government affairs during the testimony. “However, the imposition of tariffs is a risk to our economic security, jeopardizing supplier jobs and investments in the United States.”

“To put it bluntly, if we lose the opportunity to develop and manufacture new technologies in the U.S., we will have little opportunity to recoup these losses for a decade,” she stated.

Wilson was among 45 representatives of global and U.S. companies, labor and other organizations scheduled to speak at the hearing. The Section 232 investigation into motor vehicles and auto parts was ordered by the Trump administration in May. These tariffs, if they take effect, could seriously impact the motor vehicle parts supplier industry. Today’s hearing is part of the administration’s investigation of whether imported automobiles and automotive parts pose national security risks.

In her testimony, Wilson cited MEMA’s recent survey of its supplier members, calling the results "deeply troubling." She noted, “Almost 80 percent of the respondents said that a 20 percent tariff on imported automotive parts would have a net negative impact on their businesses.” MEMA survey respondents indicated that they would cut U.S. jobs, cut or delay U.S. R&D investment, shift production outside of the U.S., and/or modify sourcing, Wilson said.

"MEMA does support other alternatives to re-shore jobs into the U.S., including actively engaging with our trading partners to reduce tariffs and focusing significant resources towards workforce training to fill existing manufacturing and engineering jobs," Wilson said. "The imposition of tariffs will have a negative impact on U.S. vehicle parts suppliers. This will impact employment and, in turn, weaken the U.S. economy," she stated in her concluding comments.


About MEMA

The Motor & Equipment Manufacturers Association (MEMA) and its four specialized divisions comprise a leading international trade association in the fast-changing mobility industry. Representing vehicle suppliers that manufacture and remanufacture components, technologies, and systems for use in passenger cars and heavy trucks, MEMA works to ensure that the marketplace and public policy support the development of advanced, transformative technologies that enable safer, smarter, and more efficient vehicles. By directly employing more than 871,000 Americans and generating a total employment impact of 4.26 million jobs, MEMA’s member companies are part of the largest sector of manufacturing jobs in the U.S. MEMA’s members are represented through four divisions: Automotive Aftermarket Suppliers Association (AASA), Heavy Duty Manufacturers Association (HDMA), Motor & Equipment Remanufacturers Association (MERA), and Original Equipment Suppliers Association. For more information on how MEMA is leading transformation in the mobility industry, visit www.mema.org.
About OESA
Launched in August 1998 at MBS, the Original Equipment Suppliers Association’s mission is to champion the business interests of automotive original equipment (OE) suppliers. Since 1998, the Association has been addressing issues of common concern and advocating on behalf of the supplier community throughout the supply chain and in Washington, D.C.

OESA is one of four divisions of the Motor & Equipment Manufacturers Association (MEMA). All divisions are represented by MEMA’s advocacy and emerging technology expertise. For additional information, visit http://www.oesa.org.

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