STATEMENT BY SENATOR STROM THURMOND (D-SC) IN THE SENATE WITH REFERENCE TO A BILL INTRODUCED FOR THE PURPOSE OF RESTRICTING THE IMPORTATION OF PLYWOOD, MARCH 25, 1957.

MR. PRESIDENT, on behalf of myself and Senators Barrett, Chavez, Ervin, Flanders, Johnston, Malone, McCarthy, Talmadge, Capehart, Wiley, Stennis, Jenner, Scott, Bridges, Holland, Potter, Payne, Martin of Pennsylvania, Eastland, and McClellan, I am sending to the desk for appropriate reference a bill To Regulate the Foreign Commerce of the United States by Establishing Quantitative Restrictions on the Importation of Hardwood Plywood.

This bill would not only give relief to the plywood and veneer industry, it would also give relief to the farmers of many States who sell logs from their woodlots to plywood and veneer plants. Shutdowns of plants and cutbacks in work at the plants directly affect the quantity of logs purchased from farmers and the prices paid them for the purchases.

There are 343 plants scattered over twenty-seven States in every region of the country, except the Pacific Coast, which produce hardwood plywoods or veneers. In the Pacific region there are some 29 other plants producing hardwood plywood.

Mr. President, the need for this legislation is best proved by citing a few very pertinent statistics. The casualty rate for hardwood plywood and veneer plants was high during the 1954-56 period. A total of 65 plants shut down or had cutbacks in production. Twenty-eight plywood plants and 15 veneer plants shut down completely.

From 1951 through 1956, imports of hardwood plywood from Japan increased 4,120 per cent. Plywood imports from all competing countries increased during that period 1,000 per cent. These imports have now reached the point where they constitute 46.6 per cent of the total plywood consumption in the United States.
It is most significant that this tremendous increase in plywood imports has taken place since 1951 because that was the year in which the tariff was reduced on plywood imports. This reduction was made despite the strong protests of the American plywood industry.

In 1954 efforts to secure administrative relief through the Tariff Commission and also to secure voluntary quotas failed completely.

Mr. President, I wonder how long the Congress and the Executive Branch of the Federal Government will continue to regard our own industries so lightly while endeavoring to create a more advantageous position for foreign manufacturers.

Since 1951 the cost of making plywood products in this country has increased about 30 to 40 per cent. However, the effect of plywood imports during the same period has been to depress the price paid for plywood products in relation to other commodities.

The Department of Labor index for hardwood plywood stands at 104 compared with a figure of 124 on Wholesale Prices on Commodities other than farm products and food.

I consider it most significant that, although the consumption of hardwood plywood in this country has risen 74 per cent in the past five years, the consumption of hardwood plywood produced in this country has risen a mere six-tenths of one per cent during the same period.

Mr. President, I believe this is more than sufficient evidence that the time has come when action should replace sympathetic words to farmers engaged in logging and to the makers of hardwood plywood in this country.

The bill I am sending to the desk would limit annual importation to a quota of 15 per cent of the consumption of hardwood plywood in the United States during the preceding year.
I do not anticipate that even this restriction would approach full recapture the domestic market lost to the low-wage countries. Japanese laborers are paid approximately 11 cents per hour for their work in the plywood plants of that country. Our plywood plants are under the minimum wage law which requires a minimum payment of $1 per hour. But this bill would help to make it possible for the makers of plywood in the United States to compete on somewhat more favorable terms than at present.

I sincerely hope that early action will be taken on this bill to save our domestic plywood industry from further unfair competition with the low-wage countries which have flooded our domestic markets.

Mr. President, I ask unanimous consent to have printed in the Record at the conclusion of my remarks a copy of the bill together with a brief explanation of its provisions and two tables which are pertinent to the plywood problem.

I also ask unanimous consent to have printed in the Record an outstanding editorial from the Orangeburg (S.C) Times and Democrat, which is edited by Mr. Edward H. Sims, who also runs a Washington news bureau for a number of South Carolina newspapers and radio television stations. The editorial is entitled "Plywood Complications," and it gives a good, factual discussion of the problems confronting the plywood and veneer industries.

I would like to have the bill lie on the table until Monday in the event any other colleagues would like to join us in co-sponsoring this legislation.

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