

**STATEMENT OF WILLIAM F. CHRISTOPHER, CHAIRMAN, TARIFF COMMITTEE, THE SOCIETY OF THE PLASTICS INDUSTRY, INC.**

Mr. CHRISTOPHER. My name is William F. Christopher. I am director of marketing for Hooker Chemical Corp., and chairman of the tariff committee of the Society of the Plastics Industry.

I am here today to present the testimony of the Society with respect to trade policy as it affects the plastic industry and specifically on the administration's trade bill.

The Society is made up of 2,500 member companies and individuals who are manufacturers of plastic materials, plastic products, molds and equipment, and plastic fabricating machinery.

This is a very large and a very diverse industry. Currently in volume it amounts to some \$7 billion per year; last year, in sales volume, over \$7 billion. It employed over 200,000 employees with a payroll of over \$1.5 billion.

Not only is it a large industry, it is a rapidly growing industry, growing at a rate of 12 to 15 percent per year. It is not only growing but it is a good exporting industry, our exports amounting to almost a half billion dollars and contributing a substantial amount to the favorable balance of trade in the chemical industry.

Because it is a healthy industry and growing rapidly and because it is a healthy exporting industry, we think special attention should be given to such industries by this committee to assure that the favorable competitive position that we enjoy can continue.

There is considerable doubt at the moment, more than doubt there are facts that this situation is changing, has changed in recent years, and specific steps must now be taken by the Government to assure the continuing favorable competitive position of this industry.

One measurement of this competitive situation is or can be seen in the figures on exports for the industry. Here we see that total exports have increased since 1960 by 59 percent. Here I am talking about plastic materials. Of this increase, most of it is accounted for, almost all of it is accounted for by sales to third-country markets, countries other than the major producing countries of plastic materials which are the EEC, the United Kingdom, and Japan.

Most of our public debate during the Kennedy round negotiations has been vis-a-vis trade with the other producing countries. In the case of this industry, and I suspect in the case of many other industries, our export opportunity is not to the major plastic producing countries, but to these other, third countries. It is also very interesting to note that in the total world market 80 percent of the market is to these third countries.

Please also note that in the last 3 years our exports to third countries have not increased. If you look at the export data for the European Economic Community, the United Kingdom, and Japan, you will see that for those countries their exports to third-country markets has continued to increase in the last 3 years, one measurement of the growing lack of competitiveness of U.S. plastic materials in the world's markets. This has happened.

Attention must be given to it. It has happened for several reasons. One of these reasons lies in trade barriers other than tariffs. Among