

STATEMENT OF CHARLES M. GRAY, MANAGER, INSULATION BOARD INSTITUTE

This statement is filed on behalf of the domestic insulation board industry by the Insulation Board Institute in response to the May 9, 1968 announcement of the Honorable Wilbur D. Mills, Chairman of the House Committee on Ways and Means, inviting comments on U.S. tariff and trade policy.

SUMMARY AND RECOMMENDATIONS

The Kennedy Round of trade negotiations eliminated all tariff protection for insulation board by reducing the applicable duty rate to zero, effective in 1972. No reciprocal concessions were secured from foreign countries, however, with the result that domestic industry still faces high tariff walls in countries of export, particularly in Canada where the eventual "reduced" rate will be 15% a.v.

The disparity in duty rates is unfair. By inviting imports and countenancing barriers to exports, U.S. trade policy will harm the domestic insulation board industry and, more basically, will contribute to the instability of this country's competitive position in world trade. The imbalance of U.S. imports and exports, which current policies foster, must be reversed and reasonable protection must be restored for U.S. industry.

The Insulation Board Institute therefore recommends favorable consideration by this Committee of—

- (1) legislation to restore higher tariffs;
- (2) proposals to establish import quotas;
- (3) legislation to levy border taxes on imported merchandise.

INSULATION BOARD

The Insulation Board Institute is made up of thirteen domestic producers of insulation board products accounting, in the aggregate, for about 97% of total U.S. insulation board production. A list of the member companies is attached.

Insulation board is a pre-formed, rigid fibrous building material made principally from wood or cane fibers. Its use contributed substantially to the strength and the thermal and sound insulating characteristics of a structure. The following list of insulation board products and their uses amply demonstrates the industry's importance in the construction market:

<i>Types of board</i>	<i>Principal uses</i>
Building board-----	General purpose structural insulation board; decorative interior finish; base for plastics, paints, wall coverings, and other interior decorative finishes.
Insulating roof deck-----	Three-in-one product; roof-deck, insulation and interior finish for flat, pitched or shed-type open beamed ceiling roof constructions.
Roof insulation board-----	Roof insulation under built-up roofing on flat roofs and under certain types of roofing on pitched roofs.
Ceiling tile: plain or perforated-----	Decorative insulating wall and ceiling panels. Also used with building board and/or plank.
Plank-----	Decorative, insulating wall and ceiling finish. Also used with building board and/or ceiling tile.
Wallboard-----	General purpose utility board.
Sheathing:	
Regular density-----	Wall sheathing under masonry veneer, siding, shingles, or stucco.
Intermediate density-----	Wall sheathing without supplementary corner bracing.
Nail-base-----	Wall sheathing in frame construction with direct application of exterior siding materials, such as wood or asbestos shingles.
Shingle backer-----	Undercoursing for wood or asbestos cement shingles applied over insulation board sheathing.