

Washington Report



Manufacturers 'Energized' by Team Trump

By Rich Christianson



While the National Association of Manufacturers (NAM) did not endorse a presidential candidate in the 2016 election, it is taking a shining to the administration President-elect Donald Trump is assembling.

Collectively the Team Trump nominees would make for the wealthiest presidential cabinet record. [According to Forbes](#), Trump's cabinet selections have a combined net worth of \$4.5 billion.

The final make-up of the Trump Administration is far from a done deal, however. [According to the Washington Post](#), the battle lines are being drawn in the U.S. Senate, where the Democratic minority is expected to put up roadblocks to eight Trump nominees including those for secretary of state, the U.S. Environmental Protection Agency and the Occupational Safety and Health Administration.

NAM is hopeful Trump will be able to navigate any obstacles thrown his way.

NAM President and CEO Jay Timmons released comments saluting many of the key Trump administration nominees, including several who will be scorned by Democrats. NAM's support as voiced by Timmons is typified in this glowing endorsement of Trump's plans to create the White House National Trade Council to be headed by Dr. Peter Navarro, University of California Business Professor.

"Great things are on the horizon for manufacturers," Timmons said. "Americans voted for change this election and we're energized by President-elect Donald Trump's continued strong commitment to manufacturing in the United States.... We welcome the President-elect's decision to put behind the force of his words with the formation of the White House National Trade Council. We look forward to working with the President-elect and Dr. Peter Navarro to enact policies we need to strengthen and grow manufacturing in America."

Among President-elect Trump's key cabinet nominations endorsed by NAM and commented by Timmons:

Secretary of State: Rex Tillerson, ExxonMobil chairman and CEO -- *"President-elect Trump has chosen an expert negotiator to run the business of American diplomacy. A great friend to the National Association of Manufacturers, Rex Tillerson has spent his life making deals and getting results.... Beyond his rock star business credentials, Rex has been a staunch force for the dignity and opportunity of all citizens, and will no doubt work to make our nation and our world a better place."*

Administrator of the U.S. Environmental Protection Agency: Scott Pruitt, attorney general of Oklahoma - *"Today's nomination signals that President-elect Donald Trump will end the EPA's regulatory assault on manufacturers. This is the type of change manufacturers voted for, and we're hopeful the next administration will strike the right balance between environmental stewardship and economic growth."*

Secretary of Labor: Andy Puzder, CEO CKE Restaurants – *"President-elect Donald Trump has served up one of the best leaders on the menu for secretary of labor. Andy Puzder is an insightful businessman who knows what it takes to create jobs and put Americans to work."*

Secretary of Energy: Rick Perry, former Texas Governor – *"As a friend of manufacturing, Gov. Perry understands the need to develop a wide range of energy sources here in the United States. Manufacturers depend on a reliable supply of domestic energy — from oil, natural gas, coal, nuclear and renewables — to build, innovate and create jobs here in America. We are encouraged that President-elect Donald Trump and Gov. Perry share our belief in encouraging the discovery and development of American energy in addition to making smart investments to improve energy efficiency."*

Administrator of the Small Business Administration: Linda McMahon, former World Wrestling Entertainment CEO -- *"From her entrepreneurial success at World Wrestling Entertainment to her unabashedly pro-growth U.S. Senate campaign, McMahon has shown throughout her career not only the fitness to lead but also the determination to build businesses and create jobs for all Americans. Her experience adds more muscle to President-elect Trump's jobs team, as he tags yet another formidable champion for an economy that lifts everyone up and leaves no one behind."*

Ambassador to China: Iowa Gov. Terry Branstad -- *"The governor's deep understanding of China, and close relationship with Chinese President Xi Jinping, uniquely qualifies him for this vital post,"* said NAM

President and CEO Jay Timmons.... *"I have full confidence that Gov. Branstad will help forge a strong U.S.–China relationship that is based on the principles of fairness, respect and, most importantly, the rule of law. He understands that manufacturers are committed to building meaningful ties with China—but will not settle for anything less than a free and fair competitive landscape where both countries are playing by the same rules."*

NAM offered no commentary on Trump's choice of [Andrew Liveris, chairman and CEO of Dow Chemical](#), who has been tabbed to head the 25-member private sector group that advises the U.S. secretary of commerce.

Roundup: News, Notes & More

WMMA Member Survey Identifies 3 Top Public Policy Issues

Thanks to everyone who responded to the WMMA Public Policy survey featured in last month's Washington Report.

The issues that garnered the greatest amount of attention include:

- **Health Care Reform**

WMMA Member Comment: *"Health Care Reform has a huge impact on small companies' costs and I think we have a chance to make some good progress on this issue now."*

- **Career & Technical Education**

WMMA Member Comment: *"Education is over-hyped as something that needs to be done for manufacturing and poorly considered in terms of developing a workforce that is life-long learning driven. Other than a little documentation that we might need more 'welders' in focal areas, the understanding of true education and training needs is poorly developed. We should make the education discussion more than just political dribble."*

- **Tax Reform**

WMMA Member Comment: *"Tax Reform for Small S Corporations. We are a small S and are taxed at 50% combined taxes. This is a crushing blow to us as 50% of our profits are immediately consumed by the government."*

The WMMA Public Policy Committee will keep these and other issues in mind in preparing visits to Capitol Hill in February and June.

Labor Department Appeals OT Rule Injunction

The U.S. Department of Labor (DOL) filed an appeal in the U.S. Court of Appeals for the Fifth Circuit in New Orleans to overturn a temporary injunction of the Obama Administration's controversial Overtime Rule. The injunction was ordered by a U.S. District Court judge in Texas ruling on a lawsuit submitted by the U.S. Chamber of Commerce, National Association of Manufacturers, 21 states and dozens of other business groups.

The injunction halted initiation of the OT Rule set to take effect Dec. 1. At that time, the threshold for overtime

pay was to go into effect, more than double the limit that's been in place since 2004. About 4.2 million salaried workers would have become eligible for overtime pay.

The DOL's appeal could take months to resolve – after Donald Trump is sworn in as president. He could preempt a court decision by using his executive authority to kill the rule.

[Read More](#)

U.S. Lumber Producers File Softwood Lumber Antidumping Petition

The U.S. Lumber Coalition, an ad hoc group comprised of softwood lumber manufacturers, petitioned the U.S. Department of Commerce and the U.S. International Trade Commission to “restore the conditions of fair trade in softwood lumber between the United States and Canada.” The coalition’s petition alleges that Canadian provincial governments, the primary owner of Canada’s commercial forests, provide trees to Canadian producers below the market value of the timber, as well as other subsidies. The petitioners further allege that Canadian lumber is “being sold for less than fair value in the United States.”

According to the petition, since the U.S.-Canada Softwood Lumber Trade Agreement expired in 2015, market share of Canadian softwood lumber increased from 29.5% to 34.1%.

Meanwhile, Canada’s provincial premiers called the antidumping petition “unfortunate” and stated they would defend their timber pricing policies if a U.S. investigation is launched. They prodded U.S. and Canadian governments to quickly reach a “new softwood lumber agreement that restore the longstanding trade relationship that benefits the economies of both nations.”

“The imposition of duties that may result from an investigation would not only hurt communities in Canada where forestry is a major economic driver, but also negatively impact the U.S. residential construction industry and aspiring U.S. home buyers, as it will drive up the cost of U.S. homes and dampen the U.S. housing recovery,” the Premiers said in a press release. *“These protectionist measures would negatively impact the economies in both countries.”*

[Read more about the U.S. Lumber Coalition’s position.](#)

[Read more about Canada’s Premiers’ position.](#)

[Read the Federal Register: “Initiation of Less-Than-Fair-Value Investigation” of Softwood Lumber](#)



Trade Commission to Probe Chinese Hardwood Plywood Antidumping

The U.S. International Trade Commission voted 6-0 Dec. 30 to continue to conduct its antidumping and countervailing duty investigations on imports of this product from China. The commission members determined that there is a reasonable indication that a U.S. industry is materially injured by reason of imports of hardwood plywood from China that are allegedly subsidized and sold in the United States at less than fair value.

The ITC's countervailing duty determination due on or about Feb. 13, and its preliminary antidumping duty determination is due on or about April 27.

The Coalition for Fair Trade of Hardwood Plywood (CFTHP), which filed a petition with the U.S. Department of Commerce on Nov. 17, is requesting a 105.94% antidumping duty "to cover the gap between the fair value of the hardwood plywood imports and the dumped prices at which Chinese shippers are selling them."

CFTHP said it identified more than 30 Chinese government programs that allegedly provide illegal subsidies to producers of hardwood plywood including tax break and discounted land and raw materials. Approximately \$1.1 billion worth of Chinese hardwood and decorative plywood – representing about half of the U.S. market – was imported last year, the coalition said.

"The domestic industry is encouraged that Commerce is moving ahead with these important investigations," said Timothy Brightbill of Wiley Rein LLP in Washington, who represents the coalition. "We're looking forward to the full investigations because we think they'll show a variety of unfair trade practices that have harmed the U.S. industry for more than 15 years."

CFTHP is once again opposed by the American Alliance for Hardwood Plywood (AAHP). This group includes the Kitchen Cabinet Manufacturers Association as well as importers, distributors and manufacturers. AAHP said it, "presented a very strong case affirming that imported hardwood plywood products from China are traded fairly at competitive prices and have a rightful place in the global consumer market," at a Dec. 9 preliminary meeting of the U.S. International Trade Commission. AAHP blasted CFTHP for a press release that made "patently false claims about the Department of Commerce's initiation."

[Read the CFTHP's position.](#)

[Read the AAHP's position.](#)

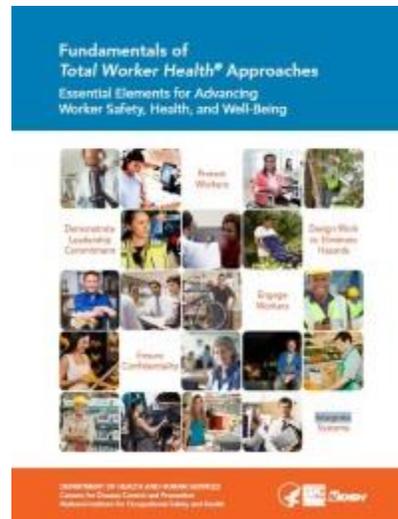
[Read the USITC's Fact Sheet.](#)

[Read the Federal Register: "Investigation of Less-Than Fair-Value" of Hardwood Plywood](#)



OSHA's Controversial Injury Reporting Rule Moves Forward

The U.S. District Court for the Northern District of Texas on Nov. 28 rejected a preliminary injunction filed by industry groups seeking to stop the Occupational Safety and Health Administration from implementing the anti-retaliation provisions of its Improved Tracking of Workplace Injuries and Illnesses Regulation. As a result, the anti-retaliation rule went into effect Dec. 1. The rest of the rule, including plans to company's accident reports online for public viewing, takes effect Jan. 1.



NIOSH Releases Workplace Safety Manual

The National Institute for Occupational Safety and

The lawsuit requesting the injunction was filed by the National Association of Manufacturers, Association of General Contractors and other trade associations. [According to Manufacturing.net](#), one of the most contentious components of the new OSHA injury reporting rule is that it eliminates mandatory drug screening of employees involved in a workplace accident. Business groups viewed this provision as a deterrent to employee drug use.

In 2017, OSHA plans to launch an online database that will include company accident reports. Among other things, OSHA believes the new database will be a good research tool for prospective employees and also encourage employers to beef up their safety measures.

[Learn more about the rule and its requirements on OSHA's website.](#)

How New EPA Formaldehyde Rule Can Be Good for U.S. Industry

Jackson Morrill, president of the Composite Panel Association, authored an opinion piece about the U.S. Environmental Protection Agency's new formaldehyde emissions rule for wood composite panels. He observed that the Act can benefit North American wood product manufacturers by preventing the import of non-compliant products made in China and elsewhere, but only if it is enforced.

"The (Formaldehyde Standards for Composite Wood Products) Act adopted California's stringent emission limits and required EPA to issue implementing regulations setting strong quality assurance requirements for manufacturers and establishing a transparent chain of custody for materials," Morrill writes. "It also required a stringent third party testing regime to certify products and give consumers stronger confidence in what they were buying. It leveled the playing field for U.S. companies with their foreign competitors while ensuring the highest safeguards for consumers.

"With EPA's new regulation published, the process is now complete. However, as helpful as a law and a regulation are, they won't solve the problem on their own. Laws and rules only work when they are enforced." [Read Morrill's full op-ed at Real Clear Markets.](#)

Health (NIOSH) just released a workbook, *Fundamentals of Total Worker Health Approaches: Essential Elements for Advancing Worker Safety, Health, and Well-being*. The 32-page book is intended to help organizations "address job-related factors that may be contributing to health problems, like hours of work, workload and stress levels, interactions with coworkers, and unhealthful work environments." [Read more and download NIOSH workbook.](#)

Commerce Department Touts Apprenticeship Programs

"The Benefits and Costs of Apprenticeships: A Business Perspective," is a new report from the U.S. Department of Commerce. It was authored by the Economics and Statistics Administration in partnership with Case Western Reserve University to illustrate the value of apprenticeship programs from the employer perspective. "This first-of-its kind report clearly demonstrates the value apprenticeships deliver to companies by helping fill jobs left empty, creating a more productive work force, reducing turnover and lowering recruiting costs," said Commerce Secretary Penny Pritzker. [Read more.](#)

\$225,000 Grant to Aid Laid-Off Weyerhaeuser Workers

\$225,000 Grant to Aid Laid-Off Weyerhaeuser Workers About 50 workers, who lost their jobs when Weyerhaeuser shut down its lumber and plywood mill Aug. 22 in Columbia Falls, MT, are the beneficiaries of a \$225,000 National Dislocated Worker Grant from the U.S. Department of Labor. The affected workers will receive a comprehensive program of assessment, case management, work readiness services, job development and job placement. [Read more.](#)

IKEA Agrees to \$50M Settlement for Furniture Tip Over Deaths

IKEA will reportedly pay \$50 million to three families whose children died in furniture tip over incidents. The settlement follows the June recall of more than 35 million dressers and chests in the United State and Canada. [Read Reuters report.](#)

American Wood Council Supports EPA Formaldehyde Rule

The American Wood Council applauded the U.S. Environmental Protection Agency for its new national Formaldehyde Standards for Composite Wood Products Act, [published Dec. 12 in the Federal Register](#).

AWC CEO Robert Glowinski said, "We supported the legislation as consistent with good product stewardship. Implementing this rule essentially extends California's regulations nationwide, with which our members have already been complying, creating a consistent system on how we regulate formaldehyde emissions for composite wood products manufactured in and imported into the United States.

"AWC encourages the incoming Administration to enforce this final rule. Not only is our industry committed to the safety of our products, this rule will also ensure a fair regulatory landscape which will strengthen U.S. wood products manufacturing." [Read more.](#)

Workers on Their Feet 61% of the Time

A new survey by the U.S. Bureau of Labor Statistics concludes that U.S. workers spend 61% of their workday standing or walking. The first-ever Occupational Requirements Survey sought to delve into the physical demands, mental requirements, education and training and environmental conditions of U.S. occupations.

A sampling of other findings includes:

- The average maximum weight lifted or carried in all industry and government jobs was about 36 pounds.
- A minimum level of education was not required for 30.6% of jobs; 74.7% of jobs required on-the-job training and 47.8% of all civilian jobs required prior work experience for new hires.
- About 20.3% of jobs exposed workers to moving mechanical parts throughout the workday. Personal protective equipment was used by 10.7% of workers to mitigate the risk of serious workplace injuries or illnesses associated with moving mechanical parts.

[Read more.](#)



Masco Recalls 135,000 Wood Kitchen Units

Masco Cabinetry of Ann Arbor, MI, issued a voluntary product recall for more than 135,000 free-standing kitchen islands, chopping blocks and other products because they pose a potential tip-over hazard when the drawers or roll out trays are extended. Consumers are entitled to a choice of a repair kit or full or partial refund. [Read more.](#)

70,000 Lock Sets Recalled

Approximately 70,000 Stanley Commercial lock sets have been recalled following four reports of the latches failing. The lock sets sold through retailers nationwide plus online at Amazon.com and Grainger.com from February 2016 through September 2016 for between \$170 and \$320. The Consumer Product Safety Commission urged consumers to contact Stanley Security Solutions Taiwan to receive a free replacement latch or to schedule an appointment to have the latches replaced free of charge if the lockset is already installed. [Read more.](#)

Valspar Recalls Wood Cleaner & Brightener

Valspar of Minneapolis, MN, announced the recall of approximately 10,300 units of Cabot wood cleaner and brightener due to a faulty cap seal can cause the containers to leak contents, posing a chemical hazard to consumers. No injuries were reported. The Consumer Product Safety Commission urges consumers to return the product to the point of purchase for a full refund. [Read more.](#)

Cited & Fined



Wooden reel manufacturer JFM International of Willis, TX, faces \$107,952 in proposed fines after OSHA investigators found machines with exposed rotating parts posing an amputation hazard, excessive noise and other serious health violations. The investigation took place based on an employee's complaint. [Read more.](#)

Menzner Lumber and Supply of Marathon, WI, faces \$260,113 in proposed penalties stemming from an investigation by the Occupational Safety and Health Administration into a June 2016 incident in which an employee suffered the partial amputation of his right middle finger. OSHA identified three repeated and seven serious safety violations including several for lack of adequate safeguards for woodworking machinery. [Read more.](#)



Wood Machinery Manufacturers of America

9 Newport Drive, Suite 200, Forest Hill, MD 21050

Ph: [443.640.1052](tel:443.640.1052) | Fax: [443.640.1031](tel:443.640.1031) | www.wmma.org | info@wmma.org

[Unsubscribe](#) from these messages.

