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FOR ASBESTOS INFORMATION ASSOCIATION/NORTH AMERICA

FOR IMMEDIATE RELEASE

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December 14, 1983

CANADIAN AMBASSADOR CONCERNED U.S. WILL ABANDON
INTERNATIONAL APPROACH ON SAFE ASBESTOS USES

WASHINGTON — In remarks last night before representatives of the North American asbestos industry, Canadian Ambassador Allan Gotlieb expressed his government's strong concern that the United States, through the Environmental Protection Agency, was considering "abandoning the 'controlled use' concept of asbestos practiced by other regulatory agencies in this and other countries in favour of banning."

Ambassador Gotlieb said the possible U.S. action was out of step with the "exhaustive reviews and conclusions" reached after many years, not only in Canada, but also by the nations that make up the European Economic Community. The International Labor Organization recently developed a code of practice for the "safe use of asbestos" which is generally consistent with the EEC approach.

"There is no doubt governments should do all necessary to protect the interests of their citizens," the Ambassador stressed. He continued by pointing out that "in many countries asbestos is not hazardous to health when it is properly regulated. All governments have the responsibility to ensure minimum risks be associated with its use worldwide."

Gotlieb further explained that Canada has consistently sought to develop safe standards, adequate engineering controls and firm adherence to regulations in the use of asbestos. He also urged the U.S. Government to do as Canada has done by seeking the assistance of other countries' experts to review the issues and develop regulations in harmony.

Gotlieb's comments echo similar strong statements delivered publicly last week by the Canadian Minister for Energy, Mines and Resources in Ottawa, and during bilateral talks in Brussels between the Canadian Foreign Minister and the U.S. Secretary of State. The Ambassador noted the recent high-level involvement of his government in this issue is an expression of the "priority" which has been given to developing a reasonable solution on the asbestos issue with U.S. regulatory agencies.

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NOTES FOR AN
ADDRESS
BY
ALLAN E. GOTLIEB
AMBASSADOR OF CANADA
TO THE UNITED STATES

TO
THE ASBESTOS INFORMATION
ASSOCIATION/NORTH AMERICA

OLD TOWN HOLIDAY INN
ALEXANDRIA, VIRGINIA
TUESDAY, DECEMBER 13, 1983

Please check against delivery.

CAPCO JEN 0012176

I AM VERY PLEASED TO BE HERE WITH YOU TODAY TO SPEAK ABOUT THE IMPORTANCE OF THE TRADE RELATIONSHIP BETWEEN OUR TWO COUNTRIES AND, MORE SPECIFICALLY ABOUT THE CURRENT DEVELOPMENTS IN THE ASBESTOS INDUSTRY.

WHEN MAKING SPEECHES ON THE BROAD SUBJECT OF CANADA-U.S. RELATIONS, WE OFTEN HIGHLIGHT THE DIFFERENCES THAT HAVE DEVELOPED BETWEEN OUR TWO COUNTRIES OVER THE YEARS; WE FOCUS ON THE CONTENTIOUS ISSUES THAT INEVITABLY OCCUR FROM TIME-TO-TIME IN THE COURSE OF OUR DAILY DEALINGS. THIS IS NATURAL IN THE CONTEXT OF A RELATIONSHIP WHICH IS UNDOUBTEDLY AMONG THE MOST EXTENSIVE OF ANY IN WORLD AFFAIRS TODAY.

BUT WE MUST REMEMBER THAT WE ARE GOOD FRIENDS AND THAT WE ARE EACH OTHER'S BEST CUSTOMERS. NEARLY 70 PERCENT OF OUR EXPORTS GO TO THE UNITED STATES. GIVEN THE IMPORTANCE OF TRADE IN OUR GNP, THIS MEANS THAT 20 PERCENT OF CANADA'S GNP IS ACCOUNTED FOR BY EXPORTS TO YOUR COUNTRY. AT THE SAME TIME, AND TO USE THE TITLE OF A RECENT U.S. DEPARTMENT OF COMMERCE PUBLICATION, CANADA IS YOUR PREMIUM EXPORT

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MARKET. IT IS ESTIMATED THAT EXPORTS TO CANADA TRANSLATE INTO JOBS FOR 1.3 MILLION AMERICANS.

LAST YEAR, TWO WAY TRADE EXCEEDED 85 BILLION DOLLARS. THAT MAKES OUR TRADE RELATIONSHIP THE LARGEST BETWEEN ANY TWO NATIONS IN THE WORLD.

INVESTMENT IN EACH OTHER'S COUNTRY IS GREATER THAN ANYWHERE ELSE IN THE WORLD. IT IS ESTIMATED THAT U.S. DIRECT INVESTMENT IN CANADA EXCEEDS 50 BILLION DOLLARS. CANADIAN INVESTMENT IN YOUR COUNTRY IS NOW APPROACHING 10 BILLION DOLLARS.

LET ME NOW EXPLORE WITH YOU HOW THERE IS A MUTUALITY OF INTEREST BETWEEN OUR TWO COUNTRIES IN THE AREA OF ASBESTOS.

AS YOU KNOW, CANADA IS THE SECOND LARGEST PRODUCER OF ASBESTOS AND THE WORLD'S LARGEST EXPORTER ACCOUNTING FOR SOME 60 PERCENT OF THE WESTERN WORLD'S REQUIREMENTS. CANADA EXPORTS ALMOST ALL OF ITS ASBESTOS FIBRE. IN 1982 THESE EXPORTS AMOUNTED TO SOME 875,000 METRIC TONNES VALUED AT 480 MILLION CANADIAN DOLLARS. CANADA COULD EASILY PRODUCE AND

EXPORT DOUBLE THIS AMOUNT. HOWEVER, LOWER DEMAND BY THE AUTO AND CONSTRUCTION INDUSTRIES, STRUCTURAL ADJUSTMENTS IN THE MARKET ARISING OUT OF SUBSTITUTION AND CONCERNS RELATED TO HEALTH HAVE LED TO A DECLINE IN THE MARKET SINCE 1979. MORE THAN HALF OF THE INDUSTRY'S LABOUR FORCE IS AT PRESENT ON PERMANENT OR TEMPORARY LAYOFF. AND MOST OF OUR ASBESTOS INDUSTRY IS CONCENTRATED IN THE EASTERN TOWNSHIPS OF QUEBEC. WE ALL KNOW THAT ONE-INDUSTRY TOWNS WITH LACK OF ALTERNATIVE EMPLOYMENT OPPORTUNITIES SUFFER THE MOST WHEN EITHER TRADITIONAL LEVELS OF PRODUCTION ARE NOT REACHED OR INDUSTRY CLOSURE BECOMES NECESSARY.

HOPEFULLY THE SITUATION WILL CHANGE WITH THE ECONOMIC RECOVERY. AS YOU KNOW, THE UNITED STATES IMPORTS OVER THREE QUARTERS OF ITS REQUIREMENTS WITH MOST OF IT COMING FROM CANADA. THE UNITED STATES IS ALSO CANADA'S LARGEST MARKET FOR ASBESTOS TAKING ABOUT A THIRD OF OUR TOTAL PRODUCTION. IT IS NO WONDER THAT DEVELOPMENTS IN THE UNITED STATES HAVE A LARGE IMPACT ON OUR INDUSTRY.

TOTAL U.S. CONSUMPTION IN 1982 DECLINED 29 PERCENT FROM 1981 AND ABOUT 72 PERCENT COMPARED WITH

THE ALL-TIME HIGH SET IN 1973. CANADIAN EXPORTS REFLECTED BASICALLY THIS DECLINE: THEY WERE WORTH ABOUT 65 MILLION DOLLARS IN 1982 COMPARED WITH 100 MILLION DOLLARS IN 1981. AT THE SAME TIME THAT YOU ARE OUR LARGEST MARKET WE ARE YOUR LARGEST EXPORT MARKET FOR MANUFACTURED ASBESTOS PRODUCTS. WE ARE TAKING FULLY ONE THIRD OF YOUR EXPORTS OR ABOUT 44 MILLION DOLLARS WORTH IN 1982.

THERE IS NO DOUBT THAT THE RECENT ECONOMIC RECESSION HAS HAD A LARGE BEARING ON THE POOR PERFORMANCE OF BOTH OUR ASBESTOS INDUSTRIES. THERE IS ALSO NO QUESTION THAT THE PUBLIC CONCERNS ABOUT HEALTH HAVE TAKEN THEIR TOLL. IN THIS CONTEXT, THE U.S. ASBESTOS INDUSTRY IS FACING A PERIOD OF CONSIDERABLE UNCERTAINTY, EVEN BY THE STANDARD OF AN INDUSTRY THAT IS ACCUSTOMED TO UNCERTAINTY.

I SHOULD LIKE TO STATE CATEGORICALLY THAT WE IN CANADA WANT TO DO OUR UTMOST TO ALLAY PUBLIC CONCERNS ABOUT HEALTH. WE FIRMLY BELIEVE HOWEVER THAT WHEN PROPERLY USED, ASBESTOS IS A SAFE PRODUCT.

IN THIS CONTEXT WE HAVE BECOME CONCERNED ABOUT THE DIRECTION ASBESTOS REGULATION IS TAKING IN THE UNITED STATES. FIRST, WE UNDERSTAND THAT THE EPA IS PLANNING TO ISSUE IN 1984 A PROPOSED RULE BANNING CERTAIN ASBESTOS PRODUCT CATEGORIES AND ESTABLISHING A STAGED PRODUCTION CAP ON REMAINING USES OF ASBESTOS. IN OTHER WORDS THE EPA MAY BE CONSIDERING ABANDONING THE "CONTROLLED USE" CONCEPT OF ASBESTOS PRACTICED BY OTHER REGULATORY AGENCIES IN THIS AND OTHER COUNTRIES IN FAVOUR OF BANNING.

THIS APPARENT DEPARTURE FROM THE MAINSTREAM INTERNATIONAL APPROACH HAS IMPLICATIONS FOR THE GENERAL PRINCIPLE OF INTERNATIONAL HARMONIZATION OF REGULATIONS ON ASBESTOS SUPPORTED BY BOTH OUR GOVERNMENTS. THERE IS NO DOUBT THAT GOVERNMENTS SHOULD DO ALL THAT IS NECESSARY TO PROTECT THE INTERESTS OF THEIR CITIZENS. FOR OUR PART WE BELIEVE THAT GUIDELINES CAN BE DEVELOPED IN THE USE OF ASBESTOS THAT TAKE HEALTH CONCERNS FULLY INTO ACCOUNT.

A SECOND AND VERY IMPORTANT ISSUE IS THE RECENT DECISION BY THE OCCUPATIONAL HEALTH AND SAFETY ADMINISTRATION TO ISSUE THE RARELY USED EMERGENCY

TEMPORARY STANDARD (ETS) SETTING WORKPLACE EXPOSURE LEVELS MUCH BELOW THE CURRENT LEVEL. AS YOU KNOW OSHA HAS BEEN MULLING FOR SOME TIME THE PUTTING INTO PLACE OF MORE STRINGENT REGULATIONS ON ASBESTOS; ITS DECISION NOT TO FOLLOW THE ESTABLISHED ROUTE FOR SETTING SUCH A STANDARD TOOK US BY SURPRISE. WE HAVE FOLLOWED WITH GREAT INTEREST THE FILING BY YOUR ASSOCIATION OF A LAWSUIT IN THE NEW ORLEANS COURT ASKING FOR A STAY OF THE ETS PROCESS PENDING JUDICIAL REVIEW ON JANUARY 12. WE UNDERSTAND THAT FOR THE JANUARY 12 REVIEW, THE COURT WILL BE ASKING OSHA TO PROVIDE NEW EVIDENCE THAT GRAVE DANGER EXISTS TO SUPPORT AN ACCELERATED RULEMAKING PROCESS IN ESTABLISHING A NEW ASBESTOS STANDARD AND TO SUPPLY COMPARISONS OF THE ETS ON ASBESTOS WITH ETS ON OTHER MATERIALS.

IT APPEARS THAT THE CONSUMER PRODUCTS SAFETY COMMISSION HAS ALSO HAD ASBESTOS UNDER REVIEW FOR SOME TIME. RECENTLY THIS ORGANIZATION, OSHA AND EPA HAVE FORMALLY SET UP A TASK FORCE TO COORDINATE THE FEDERAL APPROACH ON REGULATION OF ASBESTOS.

CONSTRUCTION INDUSTRY. IN THIS CONTEXT YOU HAVE WORKED CLOSELY WITH CONSTRUCTION TRADE UNIONS TO DEVELOP WORK PRACTICES IN CONSTRUCTION AND OTHER NON-FIXED OPERATIONS.

I NOTE THAT IN ADDITION TO YOUR SUBSTANTIAL EFFORTS IN THE DEVELOPMENT OF WORK PRACTICES, YOU HAVE PROPOSED TO WORK CLOSELY WITH OSHA IN THE DEVELOPMENT, ON AN EXPEDITED BASIS, OF COMPREHENSIVE RULEMAKING. WHATEVER REGULATORY PROCESS ENSUES, WHETHER ETS OR THE MORE NORMAL PROCESS, THERE WILL BE HEARINGS AT WHICH ALL RELEVANT DATA AND SCIENTIFIC INFORMATION WILL BE BROUGHT FORTH. CANADIAN INDUSTRY MAY ALSO WISH TO MAKE ITS VIEWS KNOWN AT THAT TIME.

TURNING TO THE POSSIBLE EPA INITIATIVE, YOU ARE OF COURSE AWARE THAT CANADA PRESENTED A NOTE TO YOUR STATE DEPARTMENT UNDERLINING ITS CONCERNS ON THIS MATTER.

IT IS RECOGNIZED IN MANY COUNTRIES THAT ASBESTOS IS NOT HAZARDOUS TO HEALTH WHEN IT IS PROPERLY REGULATED. IN THIS CONTEXT, ALL GOVERNMENTS HAVE THE RESPONSIBILITY TO ENSURE THAT MINIMUM RISKS

BE ASSOCIATED WITH ITS USE WORLDWIDE. THIS EXPLAINS THE EXTENSIVE PROGRAM OF RESEARCH IN CANADA AND ELSEWHERE IN THE WORLD ON MEDICAL, INDUSTRIAL AND REGULATORY PROBLEMS ASSOCIATED WITH ASBESTOS, AND INCREASINGLY WITH OTHER FIBRES OFTEN USED AS SUBSTITUTES FOR ASBESTOS.

AS YOU WILL WELL UNDERSTAND, CANADA HAS BEEN VERY ANXIOUS TO DEVELOP SAFE STANDARDS, ADEQUATE ENGINEERING CONTROLS AND FIRM APPLICATION OF REGULATIONS IN THE USE OF ASBESTOS. IT HAS SOUGHT THE ASSISTANCE OF OTHER COUNTRIES IN DEVELOPING REGULATIONS. FOR EXAMPLE, AT THE WORLD SYMPOSIUM ON ASBESTOS HELD IN MONTREAL IN 1982 AND CO-SPONSORED BY CANADA AND THE COMMISSION FOR THE EUROPEAN COMMUNITIES, AN EXHAUSTIVE REVIEW OF THE ASBESTOS ISSUE WAS UNDERTAKEN AND THE CONCLUSION WAS REACHED THAT BANNING WAS NEITHER DESIRABLE NOR NECESSARY.

IN THE PROVINCE OF ONTARIO, WHICH IS NOT A PRODUCING PROVINCE, A ROYAL COMMISSION WAS FORMED TWO YEARS AGO TO MAKE AN IN-DEPTH STUDY OF THE WHOLE ISSUE OF ASBESTOS; A REPORT OF ITS FINDINGS IS EXPECTED SOON.

NATIONS THAT MAKE UP THE EUROPEAN ECONOMIC COMMUNITY HAVE CONCLUDED, ON THE BASIS OF A LENGTHY REVIEW BY INTERNATIONAL EXPERTS, THAT PROPERLY REGULATED AND LABELED ASBESTOS USED AT MINIMAL EXPOSURE LEVELS POSES NO UNDUE RISK. THIS POSITION HAS THE SUPPORT OF THE INTERNATIONAL LABOR ORGANIZATION. A GROUP OF EXPERTS COMPRISED OF INDUSTRY, LABOUR AND GOVERNMENT REPRESENTATIVES DEVELOPED A CODE OF PRACTICE FOR THE "SAFE USE OF ASBESTOS" WHICH IS GENERALLY CONSISTENT WITH THE APPROACH OF THE EEC.

THE CANADIAN GOVERNMENT'S POSITION THAT ASBESTOS REGULATION AND CONTROL SHOULD BE BASED ON OBJECTIVE AND INTERNATIONALLY RECOGNIZED SCIENTIFIC EVIDENCE HAS RECEIVED WIDE ACCEPTANCE AMONGST VARIOUS INTERESTS GROUPS, MOST NOTABLY IN EUROPE. FEDERAL AND PROVINCIAL MINISTERS INVOLVED WITH THE ASBESTOS QUESTION HAVE ENDORSED THE APPROACH THAT, IN GENERAL, ASBESTOS MINING, MANUFACTURING, TRANSPORTATION AND HANDLING DOES NOT POSE UNDUE RISK TO WORKERS OR THE PUBLIC IF REGULATIONS PLACING LIMITS AT LOW LEVEL EXPOSURES ARE PROPERLY ENFORCED.

CANADA HAS A GREAT DEAL OF EXPERTISE IN THE REGULATED USE OF ASBESTOS AND IS WILLING TO WORK CLOSELY WITH THE UNITED STATES AND OTHER COUNTRIES IN THE INTERNATIONAL HARMONIZATION OF ASBESTOS REGULATIONS. CANADIAN OFFICIALS HAVE BEEN IN CONTACT WITH OSHA OFFICIALS MOST RECENTLY IN AUGUST 1983, TO SHARE INFORMATION ON HOW AND ON WHAT BASIS CANADA WOULD REVIEW ITS OWN ASBESTOS REGULATIONS. WHILE THERE HAS BEEN COOPERATION AT THE TECHNICAL LEVEL BETWEEN OUR TWO COUNTRIES, WE BELIEVE COOPERATION SHOULD BE ENHANCED AND MORE BROADLY BASED. THIS HAS BEEN THE MAIN ELEMENT OF OUR COMMUNICATION WITH YOUR GOVERNMENT SO FAR.

IN GENERAL, REGULATION HAS BECOME AN IMPORTANT ISSUE IN OUR BILATERAL RELATIONSHIP AS OUR RESPECTIVE REGULATORY SYSTEMS HAVE BEGUN TO DIVERGE QUITE SHARPLY. IN THE UNITED STATES REGULATORY AGENCIES TEND TO ENJOY CONSIDERABLE AUTONOMY FROM THE EXECUTIVE BRANCH AND, EVEN, THE LEGISLATIVE BRANCH. IN CANADA POLITICAL TRADITIONS HAVE DEVELOPED IN A WAY WHICH INVOLVES THE GOVERNMENT MORE DEEPLY IN THE MANAGEMENT OF PUBLIC POLICY ISSUES.

IN OUR SYSTEM, IT IS EXPECTED THAT IN MANY AREAS THE GOVERNMENT WILL PLAY A DIRECT ROLE IN THE ACTIVITIES OF ITS REGULATORY AGENCIES. THUS, CABINET OFTEN HAS THE RIGHT TO REVIEW, ALTER OR REJECT DECISIONS IN A NUMBER OF FIELDS. THIS TENDS TO RESULT IN A SOMEWHAT MORE CONSENSUAL APPROACH TO REGULATION IN CANADA, OR AT LEAST A SOMEWHAT LESS ADVERSARIAL AND LEGALISTIC SYSTEM IN GENERAL THAN EXISTS IN THE U.S.

INTERNATIONAL REGULATORY CONFLICTS ARE A RELATIVELY RECENT PHENOMENON AND VERY OFTEN THE PLAYERS DON'T UNDERSTAND THE PURPOSES WHICH REGULATION SERVES IN THE OTHER COUNTRY.

I SEE THIS PROBLEM AS POSING A CHALLENGE OVER THE NEXT FEW YEARS, AS WHOLE INDUSTRIAL SECTORS ARE SUBJECTED TO NEW COMPETITIVE FORCES. WE WILL NEED TO CONSULT CLOSELY TO DEAL WITH THESE NEW DEVELOPMENTS.

THE CHANGES OCCURING IN THE U.S. REQUIRE NEW RESPONSES FROM THE CANADIAN GOVERNMENT AND THE CANADIAN PRIVATE SECTOR. IT IS NECESSARY FOR THE

GOVERNMENT TO DEAL WITH -- INDEED SOMETIMES BE THE FIRST TO IDENTIFY -- A MUCH WIDER RANGE OF PLAYERS IN THE U.S. THAN EVER BEFORE. CONSIDERING THE ROLE PLAYED BY THE U.S. PRIVATE SECTOR IN THE FORMULATION OF U.S. POLICY, WE MUST KEEP IN TOUCH WITH, AND BE SENSITIVE TO THE CONCERNS OF, A LARGE NUMBER OF CORPORATIONS, CONSUMER GROUPS, UNIONS AND SIMILAR ORGANIZATIONS WHICH INCREASINGLY WIELD REAL POWER. WE MUST WORK MORE EXTENSIVELY AND INTENSIVELY THROUGHOUT THE U.S. CONGRESS TO TRY TO PUT ACROSS THE CANADIAN VIEWPOINT ON CRITICAL BILATERAL AND MULTILATERAL ISSUES. ALSO WE MUST IMPRESS OUR CONCERNS UPON U.S. REGULATORY AGENCIES AND THIS HAS EVEN INVOLVED CANADIAN AGENCIES IN FORMALLY PRESENTING THE CANADIAN GOVERNMENT'S VIEWS AT REGULATORY HEARINGS.

THE CANADIAN PRIVATE SECTOR, TOO, MUST BECOME MORE ADROIT IN PURSUING ITS INTEREST IN THE U.S. IT IS IMPORTANT FOR CANADIANS TO BE AWARE HOW MUCH AND IN HOW MANY WAYS THE U.S. GOVERNMENT -- EXECUTIVE, LEGISLATIVE AND REGULATORY -- CAN HELP OR HINDER OUR INTERESTS. WHETHER IT BE TRADE PROTECTIONISM, ENVIRONMENTAL LAW, OR BATTLES OVER

DEREGULATION, OUR INTERESTS ARE ENGAGED AND OUR SENSES AND REFLEXES MUST BE SHARPENED.

IT IS IMPORTANT FOR CANADIAN INDUSTRY -- MANAGEMENT AND LABOUR -- TO MAINTAIN CONTACTS WITH THEIR U.S. COUNTERPARTS IN ORDER TO IMPRESS UPON THEM THE CANADIAN PERSPECTIVE ON MANY ISSUES -- AND TO DO THIS, WHENEVER POSSIBLE, BEFORE THEY BECOME BILATERAL PROBLEMS. REGULATIONS AND, EVEN MORE, LEGISLATION ARE MUCH EASIER TO INFLUENCE OR FORESTALL THAN TO REVISE OR UNDO.

LEGISLATIVE AND REGULATORY CONFLICTS ARE INDICATIVE OF THE TYPES OF PROBLEMS WHICH DEVELOP FROM TIME TO TIME BETWEEN CANADA AND THE UNITED STATES. THERE IS NO SIMPLE FORMULA OR PROCEDURE BY WHICH WE CAN PREVENT OR RESOLVE BILATERAL DISPUTES. AT A MINIMUM, WE MUST TRY TO CONTAIN OUR DIFFERENCES AND PREVENT THEM FROM HAVING UNDUE IMPACT ON THE BILATERAL RELATIONSHIP AS A WHOLE.

I AM OPTIMISTIC THAT OUR RELATIONS WILL CONTINUE TO DEVELOP POSITIVELY, BUT THIS WILL NOT HAPPEN AUTOMATICALLY. THE WORLD IS CHANGING. FOR

- 15 -

CANADIANS AND AMERICANS, IT IS MORE IMPORTANT THAN
EVER THAT WE MAKE THE EFFORT TO UNDERSTAND EACH OTHER,
TO ACKNOWLEDGE OUR DIFFERENCES AND TO BUILD ON OUR
STRENGTHS AND COMMON VALUES.

THANK YOU.



ASBESTOS INFORMATION ASSOCIATION

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Annual Meeting

Twin Bridges Marriott Hotel

Arlington, VA

September 19, 1984

The Annual Meeting of the Asbestos Information Association/North America was convened at 9:00 AM, September 19, 1984 in the Twin Bridges Marriott Hotel, Arlington, VA. Present were:

W. Aldridge	Turners Building Products, Ltd. (SNA)
F. W. Barton	Reddaway Manufacturing, Inc.
W. H. Beasley	Capco Pipe Company, Inc.
John Blondeau	Carey Canada, Inc.
(for Peter Reiser)	
Newlin R. Buckson	Gardner Asphalt Corporation
Solange Casiez	Atlas Building Materials (SNA)
(for Frank Betts)	
Marcel De Rouin	Bell Asbestos Mines, Ltd. (SNA)
Thomas A. Dougherty	CertainTeed Corporation
Jean Dupere	Lake Asbestos (LAQ)
David Elgee	Brinco Mining, Ltd.
(for John Oughtred)	
John J. Francis	Pure Asphalt Company
Rita M. Grisham	Nuturn Corporation
Jean-Marc Lalancette	SNA
Howard Manosh	Vermont Asbestos Group, Inc.
Robert C. Miller	Prudential Supply Corporation
Joseph T. Mooney, Jr.	Monsey Products Company
John L. Myers	Calidria Corporation
Adam Novak	Huxley Development Corporation
Dimitry Poutiatine	J-M Asbestos Sales, Inc.
Eugene L. Rogers	The Bendix Corporation
(for John Riopelle)	
Kurt Schwarz	Supradur Manufacturing Corporation
James S. Van Pelt, Jr.	Grundy Industries, Inc.
Gerald vonDohlen	International Building Products, Inc.
Paul Walker	Hollingsworth & Vose Company
Frank L. Wardley	Quin-T Corporation

Also present: Joseph A. Artabane, Esq., Cadwalader, Wickersham & Taft; Douglas Berlin, Vermont Asbestos Group, Inc.; Harry Bornscheur, Grundy Industries, Inc.; Nicholas J. Hluchyj, Esq., and B. J. Pigg, AIA/NA Staff; Gerry Hughes, J-M Asbestos Sales, Inc.; Alfred E. Netter, Supradur Manufacturing Corporation; Jacques Pacquin, Asbestos Corporation, Ltd. (SNA); Gene Prescott, International Building Products, Inc.; Walter H. Smith, Bell Asbestos Mines, Ltd. (SNA); David E. Stone, The Bendix Corporation; Peter Trettin, Brakegate, Ltd.; Richard Wareham, Brakegate, Ltd.; W. T. Whitley, Capco Pipe Company, Inc.

Welcome and Minutes

Mr. Myers, President of AIA/NA, called the meeting to order and welcomed attendees to the Association's Fourteenth Annual Meeting. On motion, the minutes of the previous annual meeting, held September 21, 1983, were approved as submitted.

Staff Report

Congressional Activity - Reauthorization of the Superfund program, which is scheduled to expire in 1985, may take place in this session of Congress, contrary to the wishes of the administration. Already, the House of Representatives has passed H.R.5640, the Superfund Expansion and Protection Act, on August 10. H.R.5640 would extend the Superfund program at EPA for an additional 5 years with funding of \$10.2 billion raised by a chemicals tax. The tax for asbestos in the measure is \$11.52/ton beginning in 1987, \$13.44/ton for 1988-89, and \$15.36/ton after 1989. Meanwhile, in the Senate, a Superfund reauthorization measure, S.2892, was passed by the Environment and Public Works Committee on September 13. S.2892 would also extend the Superfund for 5 years, but at a level of \$7.5 billion, nearly \$3 billion less than the House measure. The details of funding for the Senate bill must still be worked out by the Finance Committee, and hearings have tentatively been scheduled for next week. It is not known if Congress will have a chance to pass a Superfund measure in this election year session.

The Asbestos School Hazard Abatement Act of 1984, passed by Congress as an amendment to an education funding bill, was signed by the President on August 11 and designated Public Law (P.L.) 98-377. The Act authorizes the appropriation of \$600 million through 1990 for interest-free loans and grants to cover the expenses of asbestos abatement projects. An Act signed by the President on August 22, P.L.98-396, appropriates the first \$50 million for these purposes. However, a caveat is attached to the use of the funds, namely:

Provided, that this sum shall not be available for asbestos removal projects until the EPA develops comprehensive guidelines to classify and evaluate asbestos hazards and appropriate abatement options.

The Association has been requested to participate in a hearing before the House Subcommittee on Commerce, Transportation and Tourism, chaired by Representative James J. Florio (D-NJ). The Subcommittee will be considering the problems posed by asbestos exposure in public schools and elsewhere. Also to be examined are the adequacy of current federal regulatory programs concerning asbestos waste and asbestos products, including standards for determining dangerous levels of such exposure and methods for removing asbestos from public buildings and schools.

EPA - The issue of asbestos in schools continues to press upon the Environmental Protection Agency from many quarters. On September 11, the Service Employees International Union filed suit against the

Agency in the U.S. District Court in Washington, D.C. The suit asks the court to order the EPA to propose new rules related to asbestos in schools within 30 days which "provide standards for determining when an asbestos hazard requiring correction exists, require that abatement activities be undertaken where such hazards exist and provide standards for performing abatement activities, including standards for the protection of those persons who perform such activities."

OSHA - The filing date for briefs to be submitted to OSHA on its proposed revision of the workplace standard for asbestos is October 11.

In its effort to increase the monitoring of workplaces where asbestos is used, OSHA has issued Instruction CPL 2.60A which revises the agency's current special emphasis program for health inspection of establishments where asbestos is used, stored or processed. Basically, the new program requires each OSHA District Office to schedule 10 asbestos inspections for the fiscal year. OSHA Instruction CPL 2.60A is applicable to both the construction and maritime industries as well as general industry.

Election of Directors

In accordance with Article IV, Section 4.02, AIA/NA bylaws, the following regular company representatives were proposed to serve on the Association's Board of Directors:

Merrill M. Smith	American Biltrite, Inc.
Jacques Pacquin	Asbestos Corporation Ltd. (SNA)
William C. Clark	Asten-Hill, Inc.
Frank Betts	Atlas Building Materials (SNA)
Marcel De Rouin	Bell Asbestos Mines, Ltd. (SNA)
John Riopelle	The Bendix Corporation
John W. Oughtred	Brinco Mining Ltd.
W. H. Beasley	Capco Pipe Company, Inc.
Gordon Coats	Calaveras Asbestos, Ltd.
John L. Myers	Calidria Corporation
Peter Reiser	Carey Canada, Inc.
Thomas A. Dougherty	CertainTeed Corporation
Norman Abbott	Certified Brakes
Frank M. Brown	Connell Bros., Co., Inc.
Shlomo Mevorach	Distex-SNA, Inc.
O. Nelson Hollis	Dow Chemical, U.S.A.
Raymond Chaine	Filaq-SNA, Inc.
Newlin R. Buckson	Gardner Asphalt Corporation
Eric Wormser	Gibson-Homans Company
James S. Van Pelt, Jr.	Grundy Industries, Inc.
Charles H. Middlebrooks	Gulf States Asphalt Company, Inc.
Paul H. Beemer	Henry Company
Paul Walker	Hollingsworth & Vose Company
Adam Novak	Huxley Development Corporation
Gerald N. vonDohlen	International Bldg. Products, Inc.
F. D. Layton	J-M A/C Pipe Company, Inc.
Dimitry Poutiatine	J-M Asbestos Sales, Inc.
Jean Dupere	Lake Asbestos (LAQ)
Gilles Roberge	Lupel-SNA, Inc.

L. B. Fogg
Joseph T. Mooney, Jr.
Kenneth T. Campbell
E. J. Sydor
Rita M. Grisham
Carleton Morrill
John J. Francis
Frank L. Wardley
Derek Coomber
Kurt Schwarz
W. Aldridge
Howard A. Manosh
David C. Wikel

The Marvin Corporation
Monsey Products Company
Montello
National Friction Products
Nuturn Corporation
Papier Kingsey Falls, Inc.
Pure Asphalt Company
Quin-T Corporation
Richard Klinger, Inc.
Supradur Manufacturing Corporation
Turners Building Products, Ltd. (SNA)
Vermont Asbestos Group, Inc.
Wikel Manufacturing Company, Inc.

The above list, as read by the Secretary, was approved on motion.

Miscellaneous

Other reports in accordance with agenda.

Adjournment

There being no further business, the meeting was adjourned at 9:35 AM


B. J. Pigg
Secretary

October 10, 1984

STATEMENT OF MR. B.J. PIGG
EXECUTIVE DIRECTOR
ASBESTOS INFORMATION ASSOCIATION/NORTH AMERICA

before the

SUBCOMMITTEE ON COMMERCE,
TRANSPORTATION AND TOURISM OF THE
HOUSE COMMITTEE ON ENERGY AND COMMERCE

September 26, 1984

The Asbestos Information Association/North America (AIA/NA) appreciates the Committee's invitation to appear here this morning. As I described in greater detail in my testimony before this Committee in early 1982 (Attachment A), AIA/NA is an association of approximately 50 companies in the asbestos business in the United States and Canada. Our primary purpose is the provision of information to industry, government and the public on appropriate measures to assure that asbestos is used safely.

Since I last appeared here, AIA/NA has continued its active encouragement of government regulatory efforts to improve asbestos control. We have placed primary emphasis on workplace controls because most asbestos exposure occurs in the workplace. In keeping with AIA/NA's consistent urging that the current occupational standard be reconsidered, OSHA completed extensive hearings this summer and plans by June 1985 to issue both a new manufacturing standard and a separate standard to control asbestos exposures in construction.

Because AIA/NA believes asbestos exposure is more effectively controlled by OSHA, AIA/NA expressed in writing its concern about EPA's tentative plans to ban and phase out asbestos products. Regulation in countries around the world reflects a broad international consensus that asbestos products can be safely used if properly controlled. In AIA/NA's view, there is no basis for EPA action on asbestos unless and until the pending OSHA proceedings are completed and it is shown that the remaining risks after the imposition of tighter controls still present an unreasonable risk.

This morning I would like to summarize briefly the advances in asbestos control that are likely through the on-going OSHA proceeding and outline the reasons why precipitous EPA action to ban asbestos would be unwise.

I. ASBESTOS REGULATION BY OSHA.

Asbestos was the first substance for which OSHA established a comprehensive health standard in 1971. Nonetheless, it has long been apparent to AIA/NA that this standard -- even as twice tightened since 1971 -- could still be further lowered to reduce unnecessary occupational exposures to asbestos. Beginning in the 1970's, industry limited its use of asbestos to those products that will release minimal if any fibers during use and has consistently improved engineering controls and work practices in a manner that now makes feasible maintenance of exposures below the existing 2 fibers/cc

standard. At the same time, the absence of a comprehensive standard for exposure to asbestos in construction has left a significant gap in OSHA's regulatory structure. OSHA estimates that well over 90% of current exposures to asbestos occur in demolition, alteration and repair -- activities where the current standard has proven ineffective.

Because of this gap in control of asbestos exposure in construction, AIA/NA has actively encouraged OSHA to revise its asbestos standard and to develop a separate standard for construction workplaces. To that end, AIA/NA has developed and submitted to OSHA a Recommended Standard for Occupational Asbestos Exposures in Construction and Other Non-Fixed Work Operations. Partially at AIA/NA's urging, OSHA has now embarked on the road toward development of an improved asbestos standard. A revised standard was proposed on April 10, 1984 (49 Fed. Reg. 14116). The Agency held five weeks of hearings in June and July and plans to issue a new standard in 1985.

AIA/NA participated actively in the OSHA hearings and urged the Agency to consider a wide variety of regulatory improvements to reduce exposures. Our statement at the opening of the OSHA hearings (Attachment B) recommended that the Agency establish a lower permissible exposure level, to be set at the lowest level feasible through engineering and work practice controls. Such a standard would lead to worker exposures at

or below the borderline of detectability using current measurement technology. We also supported issuance of a separate construction standard that would provide workers in such settings the same level of protection achievable in fixed manufacturing sites.

Beyond urging OSHA to tighten the permissible exposure level, AIA/NA suggested that OSHA include in its asbestos standard, for the first time, a requirement that workers exposed to asbestos receive special training, including employer provision of smoking cessation programs for asbestos-exposed workers designed to address the synergistic effect that has been found between asbestos exposure, smoking and lung cancer.

The record developed during the OSHA proceeding establishes that the revised standard supported by AIA/NA will eliminate any remaining significant risks to employees in both manufacturing and construction workplaces. Were OSHA to accept AIA/NA's recommendations, the new 0.5 fibers/cc standard would be the tightest of any country in the world. While it may never be possible to prove that such low exposures are absolutely safe, any reasonable assessment of the risks remaining at such low levels will show that such risks are far lower than countless other risks commonplace in many workplaces today.

II. ASBESTOS REGULATIONS AT EPA.

As I outlined in my 1982 appearance, AIA/NA had also been working actively with EPA to develop asbestos work practice and labeling requirements that could be established pursuant to the Toxic Substances Control Act to supplement OSHA control on asbestos use. In view of these cooperative activities, we were surprised and disappointed last summer when EPA announced precipitously that it intended to propose an immediate ban on asbestos-cement pipe and asbestos-containing flooring and roofing, and to phase out all other asbestos uses.

Such bans would be virtually unprecedented and would run directly contrary to positions recently adopted, after lengthy deliberations, by the European Economic Community and the International Labor Organization. Each of these groups concluded that asbestos must be closely regulated, but not banned. As EPA discovered in its recent poll of nations around the world, virtually no nation believes a ban is appropriate.

AIA/NA shared with EPA its opposition to an asbestos ban in letters to Administrator Ruckelshaus and Assistant Administrator Moore earlier this year (Attachment C). As we noted then, EPA has many times indicated that its primary concern is occupational exposures to asbestos -- exactly the concern being addressed in depth in the OSHA rulemaking.

Whether or not EPA has legal authority to regulate occupational risks when OSHA is already doing so -- and we believe it does not -- it makes little sense for two government agencies to conduct lengthy rulemakings to accomplish the same goal. At a minimum, EPA should forego proceeding with its consideration of asbestos rules under TSCA until after OSHA has completed its rulemaking. Only then can the risk reduction measures accomplished by OSHA's new standard be assessed.

This approach is strongly supported by the very environmental and health considerations underlying TSCA. Asbestos use today is limited to a small number of products for which suitable substitutes have not been developed; for each such use, a combination of industry initiatives and government requirements has led to stringent exposure controls. On the other hand, substitute fibers that would inevitably be employed were asbestos banned have typically not been studied in depth and, almost without exception, are not regulated. The result of precipitous EPA bans would be increased use of uncontrolled materials. It is possible, even likely, that substitution of other fibers for asbestos would increase, rather than diminish, risks to workers.

As the European Economic Community, the International Labor Organization and most regulatory authorities around the world have recognized, absolute freedom from risk in the workplace is impossible. Although a ban on asbestos might eliminate asbestos occupational risks, it would not eliminate the risks of alternate materials. The aim of regulatory control must therefore be rational control to the lowest feasible level -- exactly the goal that should be achieved by a new OSHA standard.