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tween 1940 and 1950. The total increase was 200 percent above the 1940 level, half of it occurring during the war years and half in the following 5 years. Merely maintaining this level for an imported material in the face of increasing competition from low cost synthetic products would be difficult, but asbestos demand since 1950 has gained about 1 percent per year. The 1968 demand for each end use was projected to the year 2000 at the forecast growth rates for appropriate economic indicators to arrive at a forecast base. The quantity of asbestos indicated by this projection method for each end use was modified to obtain a demand range contingent on the occurrence of technologic or other changes in the consuming industries. About 88 percent of the asbestos demand in the U.S. during 1968 was consumed in new construction but this percentage use is not expected to persist throughout the forecast period.

The U.S. demand for asbestos in 2000 is expected to be nearly 2 times that of 1968. The rest-of-the-world demand should show a greater growth since the developing countries have a much greater new construction potential. The demand could increase at the same rate as gross product but it is not likely to exceed this rate, therefore the high of the forecast range for the rest of the world is established at 10.0 million tons for the year 2000. This represents an average annual growth rate of 4.2 percent. Should the rest of the world be so beset with problems as to prevent an increase in general living standards, then the expanded consumption of asbestos would be directly related to population with an average annual growth rate estimated at 2.2 percent. Under these conditions the demand would be 5.4 million tons which is taken as the low of the range. The following tabulation summarizes the forecast ranges for both the United States and the rest of the world:

	Forecast range of demand for asbestos (thousand short tons)	
	1968	2000
United States.		
High	e 817	1,865
Low		1,282
(Median)		(1,574)
Rest of the world:		
High	e 2,686	10,000
Low		5,400
(Median)		(7,700)

e Estimate

Construction

Demand for asbestos for use in construction products is considered to be related to the forecast growth rate of 4.5 percent of total new construction. In accord with that presumed correlation, a forecast base of 2,949,000 tons for 2000 was established. However, the historical growth rate has been at a significantly lower rate than total new construction, a factor that must be taken into account. Also, substitution is possible in many of the end uses, and particularly in the asbestos cement products where a variety of alternate ceramic and new plastic materials are available, and in paints and caulking where asbestos competes with a number of materials.

The most apparent opportunity for an increase above the forecast base is paradoxically in the asbestos cement products which compete with lumber and other building products, many of which are increasing rapidly in price. However, even barring large price increases for asbestos, which are not anticipated, the growth rate for asbestos cement products is not expected to

TABLE 1.—Contingency forecasts of demand for asbestos by end use, year 2000

(Thousand short tons)

End use	Estimated demand 1968	US. forecast base 2000	Demand in year 2000: United States Low	United States High	Rest of the world Low	Rest of the world High
Construction:						
Asbestos cement products	566	2,949	983	1,475	NA	NA
Floor tile	82				NA	NA
Paper products	57				NA	NA
Paints & caulking	16					
Transportation	25	60	50	100	NA	NA
Textiles	16	56	56	60	NA	NA
Plastics	8	28	28	30	NA	NA
Other	47	165	165	200	NA	NA
Total	817		1,282 (Median 1,573.5)	1,865	5,400 (Median 7,700)	10,000

NA Not available.

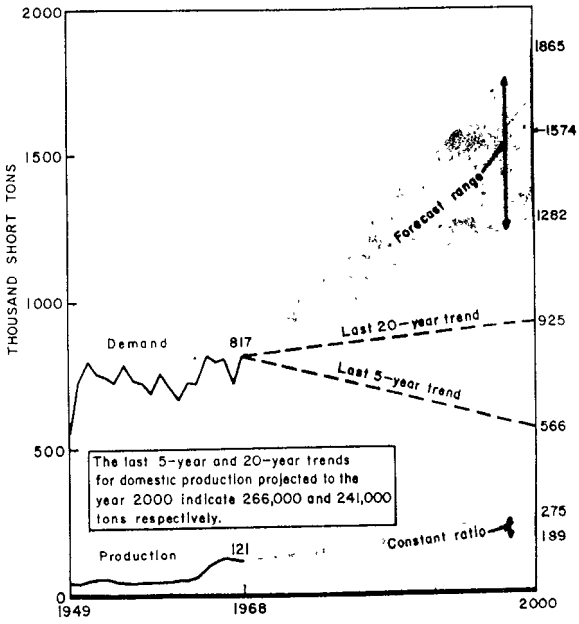


FIGURE 3.—Comparison of Trend Projections and Forecasts for Asbestos Demand and Production.