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BACONS

PCB's Problem Fuels Drive For Toxic Substances Laws

Problems resulting from contamination of the environment by polychlorinated biphenels (PCB's) were the fuel used last week by Administration spokesmen to stoke the fires under Congress to act favorably—and soon—on a broad toxic substances control bill still smoldering in Senate and House committees.

Although Monsanto Company, sole producer of PCB's in this country intends to phase out production as soon as an adequate substitute is available, arguments presented to the House Merchant Marine Committee by top officials of the Interior Department and Environmental Protection

Agency were that this is not enough—authorities need to curb all chemical hazards to health and the environment.

Whether the Senate and House committees considering the toxic substances bills will take early action is not clear at this time, but talk among members of the Merchant Marine Committee following its hearings last week was that it might grab the ball and bring in a bill of its own, limited to

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Although there is sufficient and paraxylene capacity to meet the projected demand, the big question for companies competing in the DMT/PTA arena is the ultimate availability of the mixed xylenes, raw material for paraxylene production.

Gasoline demand is expected to resume strong growth in the US as well as Western Europe. This will have the effect of increasing the demand for mixed xylenes as blending stock. West Germany's new law limiting lead levels in gasoline is already restricting aromatic blendstock availability in the Common Market. The US demand

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EBA Claims Valuable



Robert K. Rigger, who has been appointed as executive director of the president's office for BASF Wyandotte Corporation.

Gov. Carey Eases Stand

PCB's Problem Continued from Page 3

restricting PCB's use in this country because of their threat to fisheries and wild life which come under this committee's jurisdiction. Administration spokesmen, however, argued against this piecemeal approach to the problem.

Office of Management & Budget, meanwhile, has prepared a series of amendments to the McCollister bill, HR 7664, which were to be forwarded to the House Interstate Commerce Committee by the end of last week.

The Administration has endorsed the McCollister bill in principal over the Eckhardt bill, 16318, and the Tunney bill in the Senate, S 776.

EPA Administrator Russell Train in testifying on the PCB situation and detailing the steps the agency has taken to curb PCB uses, explained that all of the toxic substance control bills pending contain essential authority which would greatly strengthen the government's hand in controlling the problem of toxic substances entering the environment.

They would require EPA to keep track

of chemical substances being manufactured processed or imported. They would require the testing of chemicals which appear to pose a risk to health or the environment and are not covered adequately by other laws. Immediate action could be taken against particularly hazardous chemicals.

Food & Drug Administration, which is expected to be called for testimony later by the committee, will be asked what it is doing to meet the problem of food supplies contaminated by the chemical, particularly fish.

At the present time the FDA tolerance for PCB's in food is five parts per million. Recently, Canada reduced its tolerance to two ppm. FDA is reported to be considering a reduction in its tolerance level and will be asked about this by the committee.

Monsanto's plans to get out of the PCB business were announced to the House committee by the firm's representative William B. Papageorge. After reciting the steps the company has taken voluntarily to curb sales and uses of the chemicals, he said Monsanto has informed the US capacitor and transformer industries of its intentions, but gave no timetable. These industries are the only ones Monsanto has been selling PCB's to since 1972.

"Monsanto has no desire to remain in the PCB manufacturing business any longer than is necessary," Mr. Papageorge said. "By this we mean that as soon as we are satisfied that the electrical power supply industry's needs for usable, acceptable alternate dielectric fluids have been met by whomsoever, Monsanto will voluntarily shut down its PCB manufacturing unit."

Nathaniel P. Reed, assistant interior secretary for fish and wildlife, made a vigorous plea before the committee for legislation to place a "national ban on all domestic and imported PCB's."

Citing figures of PCB contamination of fish in waters in the districts of a number of the committee members, Mr. Reed said that "we must have as our goal the elimination of PCB's from the environment as rapidly as possible. I recommend that the critical or essential use of PCB's in transformers and capacitors be immediately and critically reviewed in the light of current potential replacement products."

He was strongly supported during the following two days of the hearings by testimony from a number of environmental protection groups reciting the effects of PCB's on important species of food fish and birds.

Mr. Reed said, however, that if the FDA should lower the permissible contamination level to the two ppm established by Canada it will mean the end of commercial fishery in the Great Lakes.

PERFUME & FLAVORING MATERIALS

Cloveleaf, Sandalwood Hiked; Dealers Skeptical of Increases

Both domestic and overseas producers of essential oils are attempting to raise the price of some oils, in the hope that the market has become strong enough to bear it. In the US, producers of dillweed oil have raised their prices, while the independent sandalwood oil producers in India have also increased prices, and the government of Dominica is trying to establish a higher floor price for bay oil.

The current price for dillweed is \$3. f.o.b., and spot prices are up to \$3.50 per pound. Last year, prices ranged up to \$12 per pound, and some New York dealers felt that the producers are willing to hold on to the oil until their price is met. They did not overplant, these sources continue, in spite of the higher prices received last year, and they are expected to keep the market firm.

There seems to be slight firmness in cedarwood oils. Both Texas and Virginia oils are about 10c. higher. One source says "there's always a certain amount of interest in the oils, because of the cedrol derived from it." Current prices for Texas cedarwood oil range from \$1 to \$1.00, and Virginia falls between \$2.15 and \$2.35 per pound. Both quotes represent the spot market.

In contrast, local sources are far from unanimous in their appraisals of India's latest quotes for sandalwood. One source says "the independent producers are trying to raise the price, because they think they can get more money for the oil," but he doesn't believe the increases will hold. Another source, however, says the rising demand will help keep the market firm, and the increases are here to stay. Currently, prices for sandalwood oil range from \$80 to \$85 per kilo for shipment. As yet, spot prices do not reflect the higher levels, but they are expected to follow. Mysore government sandalwood oil has been at the higher price for several weeks now. Sources estimate that the government stocks account for about 25 to 30 percent of the oil, with the remainder supplied by the independents.

One broker suggests the price of bay oil will be going up, as the government of Dominica established a new floor price for the oil. Another is skeptical of such efforts: "There's no floor price that could hold. There are too many independent dealers and it's not a big enough item." Currently spot prices range from \$8.25 to \$8.75 per pound, depending on quantity.

the oil. One source believes it would not be surprising to see the oil at \$4 per pound soon. He adds that derivatives, primarily eugenol, will also increase as the oil continues to become more expensive.

Some sources show price increases for Ceylon cinnamon leaf oil, but according to another source, "the supply is adequate for the demand," and he expects no increases. Current prices range from \$2.50 to \$2.85 per pound, spot.

The only spot reduction reported last week was for bergamot oil. Current quotes

PERFUME PRICE CHANGES

Week Ending January 30, 1976

ADVANCED

Alphos, Mandarin, 1c. per lb.