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To: [illegible] of all compan[illegible], plus Regional Directors.

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Date: 26th February, 1973.

From: Mr. J.J. Chappell.

Division:

Removal of Silica and Asbestos from Foseco Insulating Products (Profax, Fabrex, Kalminex)"

There is no doubt of the growing universal awareness by both works or public health authorities and trade unions of the potential health hazards caused by these materials, both of which have been and still are widely used in Foseco insulating products. Because of their physical properties and cost effectiveness, Foseco has developed their use to the stage where they have brought considerable economic benefits to the steelmaker.

However, the climate of public opinion is changing and there is considerable pressure on industry in general, of which steelmaking is a major part, to reduce pollution and health hazards in all forms. The legislative pressure and permissible levels will vary from country to country. Some operating companies have already had to eliminate either or both silica and asbestos, or reduce them to minimum levels. We must assume that sooner or later this will be a universal requirement.

Total or partial replacement may not be possible without some increase in cost, either due to higher R.M.costs or loss in efficiency. Although both would be resisted by the steelmaker, the plain fact is that he will have no alternative if legislation is passed. His prime costs already include a large percentage of overheads for gas cleaning and effluent treatment. He is familiar with plants being closed because installation of pollution control would make them uneconomic. Therefore, in comparison a small rise in hot topping costs would be relatively insignificant.

Rather than wait until legislation, I recommend that all operating companies face up to this situation and begin immediately development programmes for the selective removal of both silica and asbestos. Considerable experience on formulation and manufacture is available within the Group and can be provided on request. This information will serve only as a basis for a development programme since conditions differ from company to company with respect to indigenous raw materials and methods of manufacture of Profax, Proflex, Fabrex or Kalminex.

When satisfactory alternative formulations have been developed they can be locked away until such time as legislation declares their need. On the other hand insulators which do not contain either silica or asbestos could be an effective weapon against price cutting competition, particularly if union officials and works doctors are made aware that such products exist.

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