

AGENDA
MEETING OF THE MCA BOARD OF DIRECTORS
11:00 a.m. (EDT), Tuesday, September 12, 1972
Union Club, New York City

- I. MINUTES OF JUNE 7 AND 8, 1972, MEETINGS.
- II. REPORT OF THE SECRETARY-TREASURER.
 - (a) Financial Report - June 1 through August 31, 1972. (Enclosure)
 - (b) Status of Membership Fee Collections.
 - (c) Financial Report -- 100th Annual Meeting.
- III. BOARD OF DIRECTORS.
 - (a) Nomination to Fill Vacancy on Board of Directors and Appointment to Board Committees.
 - (b) Appointment of Alternates. (Enclosure)
 - (c) Program Committee Report:
22nd Semiannual Meeting, November 21, 1972
 - (d) Membership Committee Report:
American Synthetic Rubber Corporation
C. H. Patrick & Co., Inc.
 - (e) Proposed Rules of Organization and Procedure for the Food, Drug, and Cosmetic Chemicals Committee. (Enclosure)
 - (f) Proposed Rules of Organization and Procedure for the Occupational Health Committee. (Enclosure)
- IV. COMMITTEE APPOINTMENTS. (Enclosure)
- V. STAFF REPORT.
- VI. COMMITTEE REPORT.
Water Resources Committee - J. F. Byrd, Chairman
- VII. ADJOURNMENT.

Next Meeting of the Board of Directors - Union Club, Park Avenue and 69th Street, New York City, October 10, 1972, at 11:00 a.m. (EDT).

CMA 069888

[illegible]

MINUTES of the two hundred fifteenth meeting of the Directors of the Manufacturing Chemists' Association, Inc., held at the Union Club, New York City, Tuesday, September 12, 1972, at 11:00 a.m.

There were present:	F. Perry Wilson, Chairman	Carl A. Gerstacker
	H. Harold Bible	James M. Gill
	Frederick L. Bissinger	H. E. Hirschland
	John W. Brooks	James A. Hughes
	Harry W. Buchanan	William W. Huisking
	Fletcher L. Byrom	Edward R. Kane
	C. C. Candee	L. G. Lillico
	Herschel H. Cudd	Robert H. Malott
	Lee V. Dauler	Robert M. Morris
	George S. Dillon	Charles S. Munson
	Edward J. Donley	Peter C. Reilly
	William C. Douce	Luther S. Roehm
	William P. Drake	Jack B. St. Clair
	William J. Driver	Harold E. Thayer
	Philip F. Kirk	James R. Carnes

Alternates: Gordon Kiddoo (for Donald G. Stevens)
 Richard N. Williams (for John M. Henske)

General Counsel: Lloyd Symington

Present by invitation: J. F. Byrd, The Procter & Gamble Company

At the request of Chairman Wilson upon calling the meeting to order, those present stood and introduced themselves by giving their names and company affiliation.

I. MINUTES OF THE JUNE 7 AND 8, 1972, MEETINGS.

The minutes of the June 7 and 8, 1972, meetings of the Board of Directors were duly approved as submitted to the members.

II. REPORT OF THE SECRETARY-TREASURER.

(a) Financial Report - June 1 through August 31, 1972.

The financial report for the three months ended August 31, 1972, was summarized by the Secretary-Treasurer.

ON MOTION, duly made and seconded,
it was,

VOTED: That the report be accepted
and placed on file.

(b) Status of Membership Fee Collections. The Secretary-Treasurer reported that all member companies had paid their membership fees for the current fiscal year and that there had been no resignations of member companies during the first three months of the fiscal year.

(c) Financial Report -- 100th Annual Meeting. The Secretary-Treasurer further reported that gross income from the Association's 100th Annual Meeting, held at The Greenbrier, June 8-10, 1972, was \$64,050 with expenses of \$12,776 leaving a net income of \$51,274 which was included in the Income and Expense Statement of August 31.

III. BOARD OF DIRECTORS.

(a) Nomination to Fill Vacancy on Board of Directors and Appointment to Board Committees. Chairman Gerstacker of the Nominating Committee reported the committee's nomination of Philip F. Kirk of The Harshaw Chemical Company to serve as a Director until the next Annual Meeting, thus filling the vacancy created by the resignation of Robert A. Lucht.

The report of the Nominating Committee having been duly seconded, it was,

VOTED: That Philip F. Kirk be elected
a Director of the Association to serve
until the next Annual Meeting.

Chairman Wilson then appointed Mr. Kirk a member of the Finance Committee and of the Board Liaison Committee for Public Relations and Education, which appointments were thereupon ratified.

(b) Appointment of Alternates. The Chairman invited attention to the agenda attachment containing a list of Alternates and the Directors by whom they had been designated.

ON MOTION, duly made and seconded,
it was,

VOTED: That all designations of Alternates as set forth in Exhibit A, attached hereto, be approved.

(c) Program Committee Report: 22nd Semiannual Meeting, November 21, 1972. On behalf of the Program Committee, Mr. Donley reported that the luncheon speaker at the Semiannual Meeting would be Reverend Leon H. Sullivan, Pastor of the Zion Baptist Church, Philadelphia, a nationally prominent leader in the black community and the first black member of the Board of Directors of General Motors Corporation. The banquet speaker will be David Brinkley, well-known National Broadcasting Company news commentator.

The panel program will reflect the theme of the meeting, "Launching the Second Century - The Challenge to Technology." The morning panels will be "Industrial Research - A Changing Ball Game" to be moderated by Dr. Edward R. Kane of du Pont, and "The International Flow and Use of Technology" to be moderated by Dr. Harvey J. Taufen of Hercules. The afternoon panels will be "Opportunities in Services Through Technology" to be moderated by Mr. John M. Henske of Olin, and "The Commercial Development of Technology" to be moderated by Mr. George W. Russell of American Cyanamid.

Further details relating to the program, registration, and hotel accommodations will be forwarded to member companies from the Washington Office during the latter part of September.

(d) Membership Committee Report: American Synthetic Rubber Corporation and C. H. Patrick & Co., Inc. Chairman Drake of the Membership Committee reported that an application had been received from American Synthetic Rubber Corporation, Louisville, Kentucky, and from C. H. Patrick & Co., Inc. of Greenville, South Carolina, and that in the opinion of the Membership Committee the applicants were qualified for membership under the Association's Bylaws.

ON MOTION, duly made and seconded,
it was,

VOTED: That the applicants be elected
to membership in the Association.

(e) Proposed Rules of Organization and Procedure for the Food, Drug, and Cosmetic Chemicals Committee. Sent to Directors in advance of the meeting and presented for consideration by Chairman Wilson were proposed revised Rules of Organization and Procedure for the Food, Drug, and Cosmetic Chemicals Committee, copy appended as Exhibit B, which would more closely conform to the recently approved format for such rules under the General Principles Applicable to the Structure and Operations of Committees than the present rules. The revised rules, which had been approved by the Executive Committee, would also increase the membership limit of the committee from 30 to 35.

ON MOTION, duly made and seconded,
it was,

VOTED: That the Rules of Organization
and Procedure for the Food, Drug, and
Cosmetic Chemicals Committee as set
forth in Exhibit B be approved.

(f) Proposed Revised Rules of Organization and Procedure for the Occupational Health Committee. Sent to Directors in advance of the meeting and presented for consideration by Chairman Wilson were proposed revised Rules of Organization and Procedure for the Occupational Health Committee, copy appended as Exhibit C. In addition to more closely conforming to the recently approved format for such rules under the General Principles Applicable to the Structure and Operations of Committees than the present rules, the revised rules would increase the membership of the committee from 16 to 24, delete the requirement for an equal number of medical and non-medical members as well as the provision for a fixed term of membership, and would require discretionary membership rotation when the number of applicants exceeds the available positions on the committee. The proposed revised rules had been approved by the Executive Committee.

ON MOTION, duly made and seconded,
it was,

VOTED: That the Rules of Organization and
Procedure for the Occupational Health Com-
mittee as set forth in Exhibit C be approved.

IV. COMMITTEE APPOINTMENTS.

The following committee appointments were approved:

- (a) Legal Advisory Committee.
Leon C. Holt, Air Products and Chemicals, Inc.
Edward E. Shea, Reichhold Chemicals, Inc.
- (b) Patent and Trademark Committee.
J. J. Hagan, American Cyanamid Company -- As Vice Chairman
Robert C. Kline, E. I. du Pont de Nemours & Company
- (c) Public Relations Committee.
A. A. Biesada, Pfizer Inc.
F. F. A. Jacobson, BASF Wyandotte Corporation
Harlan L. P. Wendell, E. I. du Pont de Nemours & Company
- (d) Water Resources Committee.
V. W. Wilson, Shell Chemical Company

V. STAFF REPORT.

Mr. Driver reported upon recent legislative and other governmental developments and Association activities, copy of his written report forwarded to Directors in advance of the meeting being appended as Exhibit D.

VI. COMMITTEE REPORT.

Chairman J. F. Byrd of the Water Resources Committee reported on the projects and activities of that committee, copy appended as Exhibit E.

Commenting with respect to Mr. Byrd's mention of the recently published "Guidelines for Chemical Plants in the Prevention, Control, and Reporting of Spills", Dr. Gerstacker reported that The Dow Chemical Company has adopted a policy of announcing accidental spills to the public immediately upon occurrence and prior to spread of the information by other means. This policy, which is intended to reduce the level of criticism by the public of such occurrences, is recommended for consideration by other chemical manufacturers.

VII. ADDITIONAL BUSINESS.

(a) Report of Visit with Secretary of Commerce Peterson Regarding International Trade. Chairman Wilson reported that on August 29, he and Messrs Byrom, Driver, Gillis, Kane, and Thayer had met with Secretary of Commerce Peterson regarding the Association's interest in future international trade legislation and negotiations. In doing so, they emphasized the importance of the chemical industry as a factor in maintaining a favorable balance of trade and MCA's readiness to provide experts to assist U. S. negotiators in international trade conferences. In response to inquiry as to the best way to insure the utilization of such experts in future negotiations, Secretary Peterson advised that in his opinion the Department of Commerce would be the most effective channel for efforts to assure this result and Deputy Assistant Secretary of Commerce Stanley Nehmer was requested by Secretary Peterson to draft guidelines setting forth the best approach for this purpose. Presentation of an MCA position paper which had been drafted earlier for presentation to Secretary Peterson at the meeting was deferred pending an effort to redraft it in a more affirmative cast.

(b) Invitation to Directors to Participate in Government Relations Activities. Chairman St. Clair of the Board Liaison Committee for Government Relations pointed out to the Directors that most of the significant matters reported to the Board of Directors at this meeting are closely related to government relations. The MCA committees in the government relations area welcome the participation of Directors in their meetings and activities, particularly, attendance at the Chemical Forum, all of which provide a great potential for furthering

favorable government action regarding interests of the chemical industry. Accordingly, an open invitation was extended to all Directors to attend as many of these meetings and functions as practicable.

There being no further business to come before the meeting, it was unanimously resolved to adjourn.

J. R. Carnes
James R. Carnes
Secretary-Treasurer

Certified correct:

F. Perry Wilson
F. Perry Wilson
Chairman of the Board

APPOINTMENT OF ALTERNATES

The following new Alternates have been designated and in accordance with Article V, Section 11, of the Association's Bylaws are submitted herewith for approval.

Warren M. Anderson, Union Carbide Corporation (for F. Perry Wilson)

Stanley H. Anonsen, Mallinckrodt Chemical Works (for Harold E. Thayer)

John T. Connor, Allied Chemical Corporation (for Frederick L. Bissinger)

D. W. Duncan, Virginia Chemicals Inc. (for Harry W. Buchanan)

John L. Gillis, Monsanto Company (for H. Harold Bible)

Richard V. Giordano, Airco, Inc. (for George S. Dillon)

L. H. Johnstone, Phillips Petroleum Company (for William C. Douce)

Robert L. Mitchell, Celanese Corporation (for John W. Brooks)

Richard N. Williams, Olin Corporation (for John M. Henske)

Proposed Revision

Rules of Organization and Procedure

FOOD, DRUG, AND COSMETIC CHEMICALS COMMITTEE

The Food, Drug, and Cosmetic Chemicals Committee has reviewed its Rules of Organization and Procedure and recommends the revision as attached hereto in order to make this document currently appropriate as a supplement to the "General Principles Applicable to the Structure and Operations of Committees". No change of scope is involved; the membership limit is increased from 30 to 35.

The staff concurs in recommending approval.

MCA
EC-6/7/72
BD-9/12/72

CMA 069897

Manufacturing Chemists Association
FOOD, DRUG, AND COSMETIC CHEMICALS COMMITTEE

Rules of Organization and Procedure

I. PURPOSES

The purposes of the Committee shall be to advise the Board of Directors relative to matters concerning chemicals used in foods, drugs, and cosmetics; and in manners consistent with MCA policies and procedures to:

1.1 Develop and recommend policies and positions on legislation and regulations affecting such chemicals.

1.2 Formulate principles and encourage technical developments pertinent to the use of such chemicals.

1.3 Cooperate with other organizations having parallel interests.

II. MEMBERSHIP

2.1 To qualify for membership, each member shall perform duties for his employer so allied with the above purposes in reference to such chemicals as to create a substantial interest in the Committee's program, and be prepared to participate actively in it.

2.2 Membership of the Committee shall not exceed 35.

2.3 To the extent that representation is requested on behalf of qualified personnel when the membership is fully complemented, up to six members shall be replaced within each one-year period.

2.3.1 Recommendations for such rotation shall be presented by the Secretary to a Membership Review Board, composed of the Chairman, Vice Chairman, and standing subcommittee chairmen, for approval. While so serving, members of the Membership Review Board shall be exempt from rotation.

2.3.2 Length of service on the Committee, meeting attendance, and current participation shall be prime factors on which to base rotation recommendations.

2.3.3 A rotated member shall become eligible for reappointment after a two-year interval.

III. OFFICERS

3.1 The officers of the Committee shall be a Chairman and a Vice Chairman, elected by the Committee subject to confirmation by the Board of Directors.

3.2 The officers shall be elected for a term of two years, running concurrently, coinciding with MCA fiscal years, election to take place not later than April 15 of the year in which the term is to begin.

3.3 If either office becomes vacant, the Committee may elect a successor to complete the unexpired term, subject to confirmation by the Board of Directors.

3.4 Chairman

3.4.1 The Chairman shall preside at meetings and exercise general supervision over the affairs of the Committee within the general framework of MCA policies.

3.4.2 The Chairman shall be responsible for full reporting at regular meetings of all Committee activities not previously reported.

3.4.3 The Chairman shall familiarize the Vice Chairman with all of the functions of the Chairman in order to provide for proper and effective continuity in the Chairman's absence.

3.4.4 With the concurrence of the Committee, the Chairman may establish Subcommittees and Task Groups, define their purpose and scope, appoint their membership, and designate the chairmen.

3.4.5 At any time, the Chairman may assign appropriate matters to a Subcommittee for consideration.

3.5 Vice Chairman

3.5.1 In the absence of the Chairman, the Vice Chairman shall fulfill all of the functions of the Chairman.

IV. SECRETARY

4.1 The Secretary shall be the MCA staff representative assigned to the Committee.

4.2 The Secretary shall exercise authorities and responsibilities prescribed in MCA's "General Principles Applicable to the Structure and Operations of Committees."

4.3 The Secretary shall prepare and distribute notices of meetings, agenda, and minutes, have custody of the official records of the Committee, and perform such other duties as are usual to his office.

V. MEETINGS

5.1 Meetings of the Committee will be held at the call of the Chairman, subject to advance notice from the Secretary. Not less than two regular meetings should be held in each fiscal year.

5.2 Upon reasonable notice, the Chairman shall call a special meeting of the Committee whenever in his opinion such is justified, or when requested by at least seven members.

5.3 A majority of the current members shall constitute a quorum at any meeting.

5.4 In the event a member will be absent, on advance written notice to the Secretary he may be represented by a qualified alternate who may exercise all the functions of the member at the meeting, including the right to vote and to be counted for purposes of determining a quorum.

5.5 Subcommittees and Task Groups shall arrange separate meetings as justified by their assignments, subject to call by their respective chairmen and advance notice from the Secretary.

5.6 The Secretary shall issue notices for all meetings of the Committee, Subcommittees, Task Groups, or other Committee units, and no meetings may be held in the absence thereof.

5.7 It shall be the responsibility of the chairman of a Subcommittee or other Committee unit to submit a timely request to the Secretary concerning any desired modifications of subparagraphs 5(c), (d), or (e) of the "General Principles Applicable to the Structure and Operations of Committees" under the provisions of subparagraph 5(g).

5.8 Actions shall be decided by majority vote of members present. The presiding officer may vote only to break a tie. The Secretary is not entitled to vote.

5.9 Guests may attend meetings upon prior clearance with the Secretary.

VI. SUBCOMMITTEES

6.1 The term "Subcommittee", as used in these Rules, is defined to include Task Group and other Committee units.

6.2 Designation of Subcommittees as to their membership, purpose, and scope shall be recorded in Committee minutes.

6.3 Committee membership is not a prerequisite to serving on Subcommittees. The qualifications for Committee membership shall, however, apply to members of Subcommittees.

6.4 The Chairman and Vice Chairman shall be ex officio members of all Subcommittees and shall be furnished notices of their meetings. They, together with the Secretary, shall be furnished copies of all reports and correspondence pertaining to Subcommittee activities.

6.5 Subcommittee chairmen shall be responsible for keeping their members informed regarding the progress of activities and tasks assigned for them to do.

6.6 Subcommittee chairmen shall furnish written reports to the Chairman, Vice Chairman, and Secretary in advance of each regular meeting of the Committee concerning activities, plans, and recommendations.

VII. ADMINISTRATION

7.1 The Committee may consider matters from any source provided they fall within the scope of the declared PURPOSES.

7.2 An agenda of matters to be considered at meetings shall be prepared and furnished to those involved, at least one week in advance whenever practicable.

7.3 Minutes of meetings shall be prepared and distributed promptly. Corrections or additions shall be considered at the next meeting.

7.4 Voting, including that for the election of Chairman and Vice Chairman, may be conducted by letter ballot when, in the judgment of the Secretary, circumstances warrant.

7.5 Appearance before any legislative or regulatory body or other organization on MCA's behalf shall be made only as authorized by the Board of Directors. If in any such appearance other than as a duly authorized representative, a person identifies himself with MCA in any way, he shall also make clear that he is not representing MCA in such participation.

VIII. AMENDMENTS

These Rules may be amended by majority vote at any regular meeting of the Committee, subject to approval of the Board of Directors.

IX. PRIMARY REQUIREMENT

These Rules are designed to supplement MCA's "General Principles Applicable to the Structure and Operations of Committees" as approved March 12, 1963 and as subsequently amended. Nothing in these Rules or subsequent amendments to them shall be interpreted or applied in such manner as to conflict with that document.

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MCA
EC-6/7/72
BD-9/12/72

CMA 069902

Proposal to Amend the Rules
of Organization and Procedure of the
Occupational Health Committee

In response to the request of MCA staff counsel, the Occupational Health Committee has reviewed its Rules of Organization and Procedure to bring them into full conformity with the "General Principles Applicable to the Structure and Operations of Committees," and to achieve a format generally consistent with that of other MCA committees. At their meeting on March 23, 1972, that Committee approved a draft of proposed new rules that, with minor editorial revisions, is submitted herewith for Board approval.

The major substantive changes between the current Rules (approved by the Board in December, 1966) and the present proposal are (1) the expansion of the total membership from 16 to 24, (2) the deletion of the requirement for an exact balance in numbers between medical and non-medical members, and (3) the deletion of the specification of a fixed term of membership, and the substitution therefor of a policy of discretionary membership rotation when applicants for membership exceed the available positions on the Committee. There is no expectation that this will result in any significant or long-term deviation from the present equal division of representation between the two classes of members, or that dropping the limited term membership will result in any decrease in opportunities for broad participation in the activities of the Committee. These changes have been recommended on the basis of an increased work load of the Committee and a heightened interest of our members in its activities. Both factors result from the passage of the Occupational Safety and Health Act of 1970.

The staff recommends approval of the Rules as proposed.

MCA
BD - 9/12/72

Manufacturing Chemists Association

OCCUPATIONAL HEALTH COMMITTEE

Rules of Organization and Procedure

I. PURPOSES

The purposes of the Committee shall be to advise the Board of Directors relative to occupational health matters affecting the chemical industry and consistent with MCA policies and procedures to --

1.1 Advise MCA membership on existing or potential occupational health problems arising from the manufacture or use of chemical products.

1.2 Maintain liaison with other groups or organizations having an interest in common with the chemical industry on matters of occupational health.

1.3 Conduct activities in the field of occupational health where cooperative efforts of association members can more effectively accomplish the purpose than can individual company efforts.

1.4 Assume a leadership role and develop an industry voice on occupational health legislation and standards, such as guides to permissible air concentrations of chemicals in the working environment.

1.5 Identify areas in occupational health of particular concern to the industry that require research or investigation and to guide or sponsor such research.

1.6 Maintain a technically and professionally qualified medium for providing assistance to member companies, for liaison with other organizations, and for educational activities in occupational health.

II. MEMBERSHIP

2.1 To qualify for membership, each member shall perform duties for his employer so allied with occupational health matters as to create a substantial interest in the Committee's program, and shall participate actively in it.

2.2 The Committee membership shall not exceed twenty-four, including appropriate medical representation. If there are additional qualified applicants, up to six members may be replaced annually. The Chairman, Vice Chairman, and standing Subcommittee Chairmen shall be exempt from such membership rotation so long as they hold office, and shall be constituted as a membership review board. In this capacity, they shall have authority to approve the Secretary's recommendations as to which members should be replaced. Meeting attendance and current participation in the Committee's program shall be prime factors in the development of such recommendations. Members rotated off the Committee shall become eligible for re-appointment after a one-year interval.

III. OFFICERS

3.1 The officers of the Committee shall be a Chairman and a Vice Chairman, elected by the Committee subject to confirmation by the Board of Directors.

3.2 The officers shall be elected for a term of two years, running concurrently, coinciding with MCA fiscal years, election to take place not later than April 15 of the year in which the term is to begin.

3.3 If either office becomes vacant, the Committee may elect a successor to complete the unexpired term, subject to confirmation by the Board of Directors.

3.4 Chairman

3.4.1 The Chairman shall preside at meetings and exercise general supervision over the affairs of the Committee within the general framework of MCA policies.

3.4.2 The Chairman shall be responsible for full reporting at regular meetings of all Committee activities not previously reported.

3.4.3 The Chairman shall familiarize the Vice Chairman with all of the functions of the Chairman in order to provide for proper and effective continuity in the Chairman's absence.

3.4.4 With the concurrence of the Committee, the Chairman may establish Subcommittees, define their purpose and scope, appoint their membership, and designate the Chairmen.

3.4.5 At any time, the Chairman may assign appropriate matters to a Subcommittee for consideration.

3.5 Vice Chairman

3.5.1 In the absence of the Chairman, the Vice Chairman shall fulfill all of the functions of the Chairman.

IV. SECRETARY

4.1 The Secretary shall be the MCA staff representative assigned to the Committee.

4.2 The Secretary shall exercise authorities and responsibilities prescribed in MCA's "General Principles Applicable to the Structure and Operations of Committees."

4.3 The Secretary shall prepare and distribute notices of meetings, agenda, and minutes, have custody of the official records of the Committee, and perform such other duties as are usual to his office.

V. MEETINGS

5.1 Meetings of the Committee will be held at the call of the Chairman, subject to advance notice from the Secretary. Not less than two regular meetings should be held in each fiscal year.

5.2 Upon reasonable notice, the Chairman shall call a special meeting of the Committee whenever in his opinion such is justified, or when requested by at least five members.

5.3 A majority of the current members shall constitute a quorum at any meeting.

5.4 In the event a member will be absent, on advance written notice to the Secretary he may be represented by a qualified alternate who may exercise all the functions of the member at the meeting, including the right to vote and to be counted for purposes of determining a quorum.

5.5 Subcommittees shall arrange separate meetings as justified by their assignments, subject to call by their respective Chairmen and advance notice from the Secretary.

5.6 The Secretary shall issue notices for all meetings of the Committee and Subcommittees, and no meetings may be held in the absence thereof.

5.7 It shall be the responsibility of the Chairman of the Subcommittee to submit a timely request to the Secretary concerning any desired modifications of subparagraphs 5(c), (d), or (e) of the "General Principles Applicable to the Structure and Operations of Committees" under the provisions of subparagraph 5(g).

5.8 Actions shall be decided by majority vote of members present. The presiding officer may vote only to break a tie. The Secretary is not entitled to vote.

5.9 Guests may attend meetings upon prior clearance with the Secretary.

VI. SUBCOMMITTEES

6.1 Designations of Subcommittees, for special assignments as to their membership, purpose and scope, shall be recorded in Committee minutes.

6.2 Committee membership is not a prerequisite to serving on Subcommittees. The qualifications for Committee membership shall, however, apply to Subcommittees.

6.3 The Chairman and Vice Chairman shall be ex officio members of all Subcommittees and shall be furnished copies of all reports and correspondence pertaining to Subcommittee activities.

6.4 Subcommittee Chairmen shall be responsible for keeping their members informed regarding the progress of activities and tasks assigned for them to do.

6.5 Subcommittee Chairmen shall furnish written reports to the Chairman, Vice Chairman, and Secretary in advance of each regular meeting of the Committee concerning activities, plans, and recommendations.

6.6 The term "Subcommittee" as used in these Rules, is defined to include task groups and other Committee units.

VII. ADMINISTRATION

7.1 The Committee may consider matters from any source provided they fall within the scope of the declared Purposes.

7.2 An agenda of matters to be considered at meetings shall be prepared and furnished to those involved, at least one week in advance whenever practicable.

7.3 Minutes of meetings shall be prepared and distributed promptly. Corrections or additions shall be considered at the next meeting.

7.4 Voting, including that for the election of Chairman and Vice Chairman, may be conducted by letter ballot when, in the judgment of the Secretary, circumstances warrant.

7.5 Appearance before any legislative or regulatory body or other organization on MCA's behalf shall be made only as authorized by the Board of Directors. If in any such appearance other than as a duly authorized representative, a person identifies himself with MCA in any way, he shall also make clear that he is not representing MCA in such participation.

VIII. AMENDMENTS

These rules may be amended by majority vote at any regular meeting of the Committee subject to approval of the Board of Directors.

IX. PRIMARY REQUIREMENT

These rules are designed to supplement MCA's "General Principles Applicable to the Structure and Operations of Committees" as approved March 12, 1963 and as subsequently amended. Nothing in these rules or subsequent amendments to them shall be interpreted or applied in such manner as to conflict with that document.

MCA
BD - 9/12/72

CMA 069909

STAFF REPORT
by William J. Driver
September 1972

THE "LEGISLATIVE CLOCK"...always a risky factor when speculating on the fate of bills under consideration by the Congress, is even more so in an election year. However, leaders in both Houses have informally agreed on October 1 as the target date for adjournment.

Another key factor is the agenda of the House Rules Committee chaired by Representative William Colmer (D.-Miss.). Inside sources report this Committee as indicating it will pass to the House floor only those bills received by September 15. Therefore, since the House was in recess for the Republican Convention from August 18 to September 5, and the Senate from August 18 to 26, the remaining working days are few. Also, as the election draws nearer, the difficulty of attracting a quorum to Committee meetings and floor sessions increases.

In light of these circumstances, this is the status of legislation since my June report:

Toxic Substances

The House Subcommittee on Commerce and Finance has completed its new version of the toxic substances bill, H. R. 16245. It is now ready for consideration by the full Interstate and Foreign Commerce Committee.

However, Chairman Harley O. Staggers (D.-W.Va.) has indicated that the full Committee will complete work on a power plant siting bill before determining its next order of business which, in addition to the toxic substances measure, includes the product warranties and FTC powers bill along with several other measures of lesser importance.

Should the Committee take up the warranties/FTC bill first, prospects for enactment of a toxic substances law in this session will be greatly reduced.

Our Technical Department has prepared a detailed analysis of H. R. 16245. It suggests language changes which would make the bill more workable and less objectionable to the industry. Our goal is to amend it so that the only time affirmative EPA action is required to permit marketing of a chemical is when that agency determines submitted data fail to meet safety standards.

Water Pollution

After some 33 protracted meetings, House-Senate conferees have not succeeded in reaching accord on the water pollution control bill. Compromises have been worked out on a number of important differences, but thermal pollution provisions are unresolved. Meetings will resume after Labor Day. Eventual compromise and enactment of a new law is probable.

Industrial Reorganization

On July 26, Senator Philip A. Hart (D.-Mich.) introduced S. 3832, the "Industrial Reorganization Act." Its purpose, according to the Senator, is "...to break up existing monopoly and oligopoly power in the United States."

The measure would make it unlawful for any company or group of companies to possess monopoly power, and states that companies would be presumed to have monopoly power if:

The average rate of return on net worth for any corporation exceeds 15% for 5 consecutive years out of the preceding 7 years; or

If there has been no substantial price competition between 2 or more corporations in any product line for 3 consecutive years out of the last 5; or

If any 4 or fewer corporations account for 50% or more of sales for a product or industry in any section of the country in any one of the last three years.

The bill would permit a company to escape sanctions for monopoly power if it could show that such power is solely due to the ownership of valid patents or that its size is necessary for economic operation.

The bill would set up an Industrial Reorganization Commission with the duty to study economic concentration in seven industries:

Chemicals and Drugs,

Electronics computing and communications equipment,

Electrical machinery and equipment,

Energy,

Iron and steel,

Motor vehicles, and

Nonferrous metals.

The Commission would also be empowered to prosecute companies for possessing monopoly power.

Finally, the bill would establish an Industrial Reorganization Court of 15 judges to handle all cases prosecuted by the Industrial Reorganization Commission.

When Senator Hart introduced the bill he announced he would begin hearings on the proposal later this year before the Senate Antitrust and Monopoly Subcommittee, which he chairs.

However, there are no indications hearings will be held in the near future, and it is possible they will not begin prior to adjournment.

On the House side, there are no prospects of hearings on the subject this year.

Since the chemical industry is spotlighted in the proposal, we must be prepared to address ourselves to this legislation. With this in mind, we have referred the bill to three of our committees -- Legal Advisory, Economic Policy Review, and Government Relations.

When hearings do begin, they will undoubtedly be prolonged and, according to Senator Hart, will be conducted on an industry by industry basis. There is no indication at this time which will be taken up first. This will depend on the completion of necessary background work by the Staff with respect to the various industries.

Tax Reform

This has been much discussed and numerous bills have been introduced, all aimed primarily at plugging the so-called tax loopholes which benefit wealthy individuals and corporations. While tax reform enactment this year is unlikely, the subject certainly will be high on the legislative agenda next

year. Both the House Ways and Means Committee and the Administration have committed themselves to introducing tax reform proposals early in the next Congress.

Two such bills receiving the most attention are the:

BURKE-HARTKE "Foreign Trade and Investment Act of 1972" and,

MILLS-MANSFIELD "Tax Policy Review Act of 1972".

The Burke-Hartke bill contains both tax and foreign trade provisions and is aimed primarily at discouraging U. S. investments overseas. No hearings are scheduled on it this year, but organized labor is lobbying to have it reintroduced and considered next year. There are also definite indications that major elements of this proposal -- such as repeal of the foreign tax credit and restrictive depreciation rules for foreign operations -- may be embodied in tax reform legislation next year. Several of our Committees -- Tax Policy, International Trade, and Economic Policy Review -- are concerned with the Burke-Hartke bill and we will be prepared to deal with it when it comes up.

The Mills-Mansfield bill would repeal 54 tax preference items over the next three years. Its primary purpose is to force Congress to review tax preference provisions and to reenact those considered to be still valid. Chairman Mills has not pushed for hearings on this measure, so action is not likely this year.

We don't know whether Mr. Mills will take the same approach next year, but the 54 items in this bill give some indication of the kind of tax reform provisions the Ways and Means Committee will be looking at.

Our Tax Policy Committee is reviewing tax reform proposals and will be prepared to recommend an Association position on any legislation in this field which receives active Congressional consideration.

Industrial Relations

This area is currently rather quiet, with Phase II tending to hold down wage settlements a percentage point or two below what they would otherwise be. Even industry executives uneasy under Phase II controls are fearful of the wage explosion which might follow premature termination. They stress that basic legal reforms are needed to restore equality at the bargaining table, and a number of the major MCA member companies support the program of the Labor Law Study Committee.

This group has arranged for a score of bills to be introduced into the Congress for this purpose. They have no prospect of enactment this year and can move next year only if the November elections produce a more management-oriented Congress.

The principal industrial relations measure still before the Congress is the minimum wage bill, now headed for a Senate-House conference. At current wage levels, this will have hardly any direct effect on the chemical industry, although there may be an indirect ripple effect.

Other labor-management issues are dead for this Congress. The annual effort of the Chamber of Commerce to deny food stamps to strikers fell short in June, 180-199. And the Administration recently withdrew its support from legislation dealing with strikes in the transportation industry.

Of note, however, is the impending merger of old District 50, third-ranking union in the chemical industry, with the steel workers. When completed, this will mean that, for the first time, a really large and powerful union will have a substantial position in the industry.

THE OCCUPATIONAL SAFETY AND HEALTH ADMINISTRATION (OSHA)... is in the process of forming Standards Advisory Committees to assist in standards-setting activities as provided for in the Occupational Safety and Health Act. Sixteen such committees comprising 15 persons each are projected, representing employers, employees, government and unaffiliated experts.

In compliance with OSHA's preferences, that employer representatives be nominated through trade association channels, our Occupational Health Committee is soliciting nominations from MCA member companies.

To date, representatives from Brush Wellman Inc., Kawecki Berylco Industries, Inc., Hercules Inc. and MCA staff have been nominated for OSHA's Toxic Metals Advisory Committee, since its initial effort deals with beryllium. When that phase is completed these members will resign and other nominations will be submitted, depending on the next toxic metal to receive attention.

THE ASSOCIATION...serves as secretariat to Committee B96 of the American National Standards Institute (ANSI), which is responsible for "Specifications for Welded Aluminum-Alloy Field-Erected Storage Tanks."

On July 28 we submitted to ANSI's Board of Standards Review proposed revisions for this specification originated through MCA and established in 1967, in order to bring it in line with current industrial practice. Following the normal waiting period of some 90 days, to permit public review and comment, ANSI approval of the revised specification is anticipated.

On August 16 we cast an affirmative vote for approval of proposed amendments to the Constitution of the American National Standards Institute to effect increased support and participation by all the key elements in the development and use of national and international standards and to provide for certification activity.

On August 18 we indicated our approval of Underwriter's Laboratories 1010 (Safety Standard for Receptacle-Plug Combinations for Use in Hazardous Locations) for recognition as an American National Standard.

ON AUGUST 2...we commented on the Food and Drug Administration's proposed public information regulations, urging:

Clarification of public disclosure exemptions contained in the Freedom of Information Act,

Elimination of unnecessary work in the handling of data previously submitted, and

A meaningful appeal procedure.

CHEMTREC...observes an anniversary on September 5. During its first year of operation inbound calls have been received involving about 785 incidents. While a majority have been relatively minor, involving only spills and leaks, assistance has been rendered on several major derailments, fires and other emergency situations. More than 70 percent of the transportation incidents were of direct concern to member companies.

An unexpected request for assistance came from the Environmental Protection Agency (EPA) in the aftermath of Hurricane Agnes. Flood waters had either removed or mutilated labels on drums containing chemicals in or adjacent to the Schuylkill River in Pennsylvania. Need for identification was urgent, and CHEMTREC contacts enabled us to alert qualified member-company personnel who were at the right places at the right times to expedite identification and/or disposal. By letter, Deputy Director Eugene T. Jensen expressed EPA's gratitude.

CHEMTREC's concept is proving to be completely valid. Appreciation for the service continues to be voiced by the principal beneficiaries -- member companies, carriers and emergency personnel.

ETHYLENE OXIDE...in tank cars continues a topic of concern in Department of Transportation (DOT) Hazardous Materials Regulations. Our recommendations (resulting from a study you authorized in January 1970 and which were presented in August 1971) were generally accepted in proposed revisions published by DOT. The objective is to minimize the effect of fire exposure in the event of an accident. However, due to certain DOT alterations of our recommendations we further suggested that:

Requirements for padding gas charge pressure be stated in the form of performance criteria rather than enumeration of various gases which may be used,

Resilient materials not suitable for ethylene oxide service be specified, and that

Manway protective housings for non-pressure tank cars not be required to meet the requirements of housings for pressure tank cars.

"MARKINGS ON TANK CARS"...is the subject of proposed amendments to DOT regulations which would require:

Naming in the certificate of construction the commodities which can be carried in a tank car, and

Marking the name of certain hazardous commodities in a specific manner on the sides of tank cars during transit.

We opposed the proposed change in certificates of construction but concurred in having noted in the certificate of construction the design requirements which qualify its use for particular commodities.

While we support stenciling commodity names on tank cars where presently required by Hazardous Materials Regulations, we believe problems concerning commodity labeling can be overcome with adoption of the Hazard Information (HI) system (adapted from our THI system), presently under consideration by DOT. Such a system would relegate commodity stenciling to its original and still intended purpose -- dedicating tank cars to a particular service for product purity and other considerations.

AUTUMN...as usual, calls for resumption of our program of workshops:

Practical implementation of the Occupational Safety and Health Act of 1970 will be discussed in a one-day workshop on September 26 in Newark, New Jersey, co-sponsored by our Safety and Fire Protection and Occupational Health Committees.

Five-day seminars on "Water Pollution Control For Chemical Wastes" are scheduled for Vanderbilt University, October 30 - November 2 and Manhattan College, April 23-27, 1973. An advanced seminar in this series will be held at the Association's Headquarters in Washington, D. C., December 4-8.

A two-day biological-monitoring workshop based on laboratory and field demonstrations will be held September 21-22 at Virginia Polytechnic Institute (VPI) and State University at Blacksburg, Virginia, co-sponsored by MCA and VPI.

Another two-day workshop is being sponsored by VPI October 16-17 for the benefit of press and broadcasting personnel. Representatives of print and electronic media, government and regulatory agencies, academe and industry will participate. The chemical industry speaker will be Jerome Wilkenfeld, Director of Environmental Health for Hooker Chemical Corporation and a member of our Air Quality and Water Resources Committees.

THE ATOMIC ENERGY COMMISSION...has agreed to our request for a review of its policies on the export of nuclear materials and technology. Some of these give an advantage to foreign competitors of American exporters. AEC will meet with MCA to discuss its position.

We have written to the Office of the Special Trade Representative to support a code of behavior for the international application of product standards and certifications of compliance. The code has been proposed for international negotiations through the General Agreement on Tariffs and Trade. However, we do not foresee any standards-making or standards-certifying role for GATT.

At the request of President Nixon, the Tariff Commission has begun investigating possible U. S. conversion to the Brussels Tariff Nomenclature system, including both nomenclature and valuation. In a related action, the Senate Finance Committee has asked the Commission to investigate various systems of customs valuation used here and abroad. The International Trade Committee will recommend appropriate MCA participation.

THE INTERSTATE COMMERCE COMMISSION...has ruled that freight charges proposed by the railroads for certain new empty tank car movements were inapplicable. MCA had protested the proposed charges on grounds that new empty tank cars are instruments of transportation and should be moved free of charge. The Association argued that it would be unreasonable to require shippers to pay for empty movements unless the charges could be recouped through increased mileage allowance payments and provisions. If the proposed charges had been allowed, MCA members would have faced additional charges of more than \$750,000 annually, retroactive for three years.

On August 3 the ICC gave the railroads another 90 days to comment on MCA's request that the base classification value as a basis for tank car mileage allowances be updated and that the imposed \$25,000 top value be increased.

A. C. Clark, Assistant Technical Director for Chemical Transportation and Distribution, recently attended meetings in Geneva of the United Nations' Committee of Experts on the Transport of Dangerous Goods. Agenda items included definitions and classifications of flammable, corrosive and toxic substances; specifications and provisions for testing containers, and the design, construction and special requirements of portable tanks.

THE ENVIRONMENTAL PROTECTION AGENCY's...efforts to develop guidelines for wastewater effluent limitations from various industry categories continues, and the Enforcement Division of EPA is now preparing guidance documents for implementation of the 1899 Refuse Act permit program.

A group of chemical industry water pollution control specialists met with EPA on August 3 and 17 and was scheduled to meet further on September 17 concerning the plastic materials industry category. A similar group was scheduled to meet with EPA on September 11 regarding the inorganic chemicals industry.

A JOINT SESSION...of the Water Resources and Solid Waste Management Committees in Washington September 13 will host some ten key representatives of the Environmental Protection Agency in a comprehensive symposium on EPA's water and solid wastes programs. The meeting, coordinated through Mr. Maurice Eastin, Special Assistant to Mr. Ruckelshaus for liaison with industry, will feature Mr. John R. Quarles, EPA General Counsel, as the luncheon speaker.

"CHEMISTRY LIBERATES THE WOMAN"...our new Consumer Information exhibit, is booked for the Annual Meeting of the National Association of Extension Home Economists in Denver, October 9-12 and the Annual Meeting of the Girl Scouts of the U. S. A. in Dallas, October 22-25.

"CATALYST '72--IS SCIENCE NECESSARY?"...is the title of a workshop to be sponsored by the Association which will bring together members of the chemical industry, other industries and associations, government, women's organizations, consumer groups and members of the working and collegiate press.

Scheduled for November 20 at the New York Hilton (the day before our 22nd Semiannual Meeting) to facilitate participation and observation by chemical industry members, the event should be self-sustaining through registration fees from industry/association attendees. The working/collegiate press will be guests; the latter restricted to some 25-30 through special invitation.

The morning session will comprise two consecutive panels: "Consumer Concerns" and "Finance and Trade," moderated by Fletcher L. Byrom.

Dallas Townsend, CBS News correspondent, will speak at the luncheon.

Afternoon panelists will discuss topics concerning the environment, research and development, quality control, community/industrial/government relations, social/educational responsibilities and consumer affairs; moderated by Richard L. Moore, vice president of Public Relations and Communications for W. R. Grace. As a concluding feature, attendees will witness two consecutive news conferences, one by the working press with college editors as observers; another reversing the procedure.

ONE OF TWO INDUSTRIAL PAPERS...was delivered by Dr. H. David Russell of Dow at a recent Chemical Education Conference at Mt. Holyoke College, South Hadley, Mass. Other participants included Dr. Robert E. Varnerin, MCA's Manager of Education, 14 MCA college award recipients and more than 400 educators.

Report to the Board of Directors
of the Manufacturing Chemists' Association, Inc.
By J. F. Byrd, Chairman
Water Resources Committee
September 12, 1972

GENTLEMEN, IT IS CERTAINLY A PLEASURE TO REPRESENT THE WATER RESOURCES COMMITTEE OF THE MANUFACTURING CHEMISTS ASSOCIATION AND GIVE YOU OUR REPORT TODAY. I'D LIKE TO ADDRESS MYSELF TO FOUR TOPICS WHICH I FEEL OF IMPORTANCE TO THE CHEMICAL INDUSTRY RELATIVE TO WATER POLLUTION CONTROL. THEY ARE:

1. THE REGULATORY SITUATION AS IT IS DEVELOPING AT THE PRESENT TIME.
2. WHAT YOU AS INDIVIDUAL CHEMICAL COMPANIES CAN DO IN THESE RATHER TURBULENT TIMES.
3. WHAT THE WATER RESOURCES COMMITTEE OF THE MANUFACTURING CHEMISTS ASSOCIATION CAN DO FOR THE CHEMICAL INDUSTRY.
4. WHAT YOU CAN DO TO HELP THE WATER RESOURCES COMMITTEE OF THE MANUFACTURING CHEMISTS ASSOCIATION.

FIRST LET'S ADDRESS OURSELVES TO THE ISSUE OF HOW THE REGULATORY AND LEGAL SITUATION IS DEVELOPING. I THINK THE FOLLOWING STATEMENTS OF FACT WILL SUFFICE TO BRIEFLY SUMMARIZE THE SITUATION AS IT IS UNFOLDING NATIONALLY.

1. IT IS NOW A FEDERAL BALL GAME WITH THE STATES PLAYING A SECONDARY BUT STILL AN IMPORTANT ROLE.
2. THE REAL POWER OF INTERPRETING POLICIES AND ENFORCING RULES AND REGULATIONS LIES AT THE TEN REGIONAL HEADQUARTERS OF THE ENVIRONMENTAL

PROTECTION AGENCY. MUCH DISCRETIONARY AUTHORITY HAS BEEN DELEGATED BY THE ADMINISTRATOR OF EPA, MR. WILLIAM RUCKELSHAUS, TO THE VARIOUS REGIONAL ADMINISTRATORS THROUGHOUT THE UNITED STATES.

3. NO LONGER IS THE QUALITY OF THE RECEIVING STREAM THE KEY TO POLLUTION CONTROL. THE PHILOSOPHY NOW IS TO APPLY THE HIGHEST PRACTICAL OR AVAILABLE DEGREE OF TREATMENT TO THE WASTE DISCHARGES REGARDLESS OF WHETHER OR NOT THE RECEIVING STREAM REQUIRES SUCH A DEGREE OF TREATMENT TO MAINTAIN THE WATER QUALITY FOR ALL USES.
4. DISCHARGE STANDARDS OR EFFLUENT STANDARDS ARE CURRENTLY BEING DEVELOPED BY THE U. S. EPA WHICH WILL DETERMINE THE QUALITY OF THE WASTE DISCHARGES AND THE DEGREE OF TREATMENT AND COSTS WHICH YOU MUST APPLY TO THESE WASTE DISCHARGES.
5. THERE IS LITTLE DOUBT THAT PENDING LEGISLATION IN CONGRESS WILL ESTABLISH A FEDERAL PERMIT SYSTEM IN SOME FORM WITH ALL OF THE RED TAPE THAT THIS IMPLIES. ADMITTEDLY, THE 1899 REFUSE ACT HAS BEEN SUSPENDED BY THE COURTS BUT PENDING LEGISLATION WILL PROBABLY SUBSTITUTE A MODIFIED FEDERAL PERMIT SYSTEM FOR WASTE DISCHARGES BUT HOPEFULLY ADMINISTERED BY THE STATES.
6. IT SEEMS ALMOST ASSURED THAT THE MUSKIE BILL OR SOME VERSION OF IT WILL PASS THIS SESSION OF CONGRESS. AS YOU GENTLEMEN KNOW AND HAVE HEARD REPEATEDLY, THE MUSKIE BILL CALLS FOR BEST PRACTICAL CONTROL TECHNOLOGY BY 1976 FOR ALL DISCHARGES INTO PUBLIC WATERWAYS. THE DEFINITION OF BEST PRACTICAL TECHNOLOGY WILL BE DETERMINED BY DISCHARGE

STANDARDS NOW BEING DEVELOPED BY THE ENVIRONMENTAL PROTECTION AGENCY. IN MANY INSTANCES THE STANDARDS SEEM TO CALL FOR TREATMENT BEYOND WHAT WE WOULD CALL PRACTICAL. I WILL REFER TO THIS LATER. THE MUSKIE BILL ALSO CALLS FOR ZERO DISCHARGES BY 1981 OR IF THIS IS TECHNICALLY OR ECONOMICALLY UNJUSTIFIABLE BASED ON SOCIO-ECONOMIC GAINS VERSUS COSTS THEN THE HIGHEST AVAILABLE DEGREE OF TREATMENT WILL BE APPLIED TO ALL INDUSTRIAL WASTE DISCHARGES. AND LASTLY THE 1985 GOAL IS FOR THAT ILLUSORY, DREAM WORLD GOAL OF ZERO DISCHARGE. THESE PROVISIONS OF THE MUSKIE BILL ARE SUBJECT, OF COURSE, TO MID-COURSE CORRECTIONS. THE SENATE VERSION MAKES IT DIFFICULT TO MAKE SUCH CORRECTIONS. ON THE OTHER HAND, THE HOUSE VERSION DOES GIVE CONSIDERABLE LEEWAY TO CHANGING THE GOALS AND THE DATES BASED UPON SOCIAL ECONOMIC BENEFITS VERSUS SOCIAL AND ECONOMIC COSTS.

THROUGH THE EFFORTS OF MCA AND THE CHEMICAL INDUSTRY AND OTHER TRADE ASSOCIATIONS AND PROFESSIONAL SOCIETIES, SOME OF THE HARSHER UNREALISTIC PROVISIONS OF THE SENATE BILL HAVE BEEN MODIFIED SOMEWHAT BY THE HOUSE VERSION AND MANY OF THE FEATURES OF THE HOUSE VERSION WE BELIEVE WILL COME OUT OF THE JOINT HOUSE-SENATE COMMITTEE. PERHAPS IF WE IN INDUSTRY, INCLUDING MCA, HAD BEEN EVEN MORE ACTIVE AND AGGRESSIVE, AN EVEN BETTER VERSION MIGHT HAVE RESULTED.

THESE POINTS SHOULD SET THE STAGE FOR THE SECOND TOPIC WHICH WE MUST CONSIDER——
WHAT CAN WE AS INDIVIDUAL CHEMICAL COMPANIES DO IN THIS EMOTIONALLY CHARGED SITUATION. I THINK WE MUST ALL AGREE WITH ONE FUNDAMENTAL POINT. IMPROVEMENT OF OUR ENVIRONMENT IS ABSOLUTELY MANDATORY; A HIGH QUALITY ENVIRONMENT IS BEING DEMANDED BY ALL CITIZENS, INCLUDING THE EMPLOYEES OF OUR OWN COMPANIES. AMERICAN

INDUSTRY WILL PLAY A KEY ROLE IN THIS EFFORT. HOWEVER, AMERICAN INDUSTRY MUST HELP ACHIEVE AN IMPROVED ENVIRONMENT IN A RATIONAL WAY, DIVORCING EMOTIONS FROM FACTS. POLLUTION CONTROL MUST BE SOUNDLY GROUNDED IN ENGINEERING AND TECHNOLOGY AND NOT IN ILLUSORY GOALS. THAT DIRTY WORD, "COST-BENEFIT RATIOS," MUST ALWAYS BE OUR GUIDE. HOW CAN WE GO ABOUT ACHIEVING THE BEST POSSIBLE RESULTS AT ACCEPTABLE COSTS. LET ME LIST A FEW POINTS WHICH I THINK MOST OF US PROFESSIONALS IN THE FIELD AGREE UPON AS KEY ELEMENTS IN ANY EFFECTIVE BUT ECONOMICALLY VIABLE INDUSTRIAL ENVIRONMENTAL CONTROL PROGRAM.

1. NO DOUBT ALL OF YOU HAVE ENVIRONMENTAL CONTROL ENGINEERS OR MANAGERS AT THE CORPORATE LEVEL AND ALSO AT PLANT LEVELS. THESE MEN ARE GENERALLY REAL PROS IN THE FIELD AND ARE WELL VERSED IN TECHNICAL, POLITICAL, LEGAL, AND PUBLIC RELATIONS ASPECTS OF POLLUTION CONTROL. MANAGEMENT SHOULD MAKE MAXIMUM USE OF THESE SPECIALISTS. BY FOLLOWING THEIR ADVICE AND GUIDANCE EACH COMPANY SHOULD BE ABLE TO AVOID ANY MAJOR CRISIS.
2. THE USE OF CONSULTANTS WILL HELP THOSE COMPANIES WHOSE STAFF IS LIMITED AND MUST SPREAD THEIR TALENTED PERSONNEL RATHER THIN. IN FACT, EVEN COMPANIES WHO HAVE FAIRLY LARGE STAFFS SHOULD FROM TIME TO TIME DRAW ON CONSULTANTS OR EXPERTS IN THE FIELD TO SUPPLEMENT THEIR OWN STAFF. SMALLER COMPANIES, OF COURSE, MUST RELY ALMOST SOLELY ON CONSULTANTS.
3. MAKE USE OF IN-PLANT APPROACHES FOR POLLUTION CONTROL. GOOD HOUSE-KEEPING AND GOOD CLEAN-UP DISCIPLINE WITHIN A PLANT CAN ACCOMPLISH LARGE REDUCTIONS IN WASTE LOADS AT MINIMUM COST. IT MERELY TAKES VIGILANCE AND DEDICATION. INDOCTRINATE YOUR PLANT MANAGER WITH

THE NEED FOR ENVIRONMENTAL CONTROL BY THE USE OF GOOD OPERATING AND MAINTENANCE PROCEDURES. POLLUTION CONTROL BY IN-PLANT EFFORTS DEMANDS THAT EVERYONE IN THE PLANT FROM THE PLANT MANAGER DOWN TO THE MAN WHO OPENS AND CLOSES THE VALVES IS AWARE OF THE IMPORTANCE OF HIS ROLE IN ABATING POLLUTION. IN-PLANT DISCIPLINE CAN SAVE MILLIONS OF DOLLARS. IT'S UP TO THE TOP CORPORATE MANAGEMENT TO PLACE EMPHASIS ON THIS EFFECTIVE BUT LOW COST APPROACH.

4. EVERY LOCAL PLANT SHOULD HAVE ONE INDIVIDUAL DESIGNATED AS THE ENVIRONMENTAL CONTROL ENGINEER OR MANAGER WHO IS RESPONSIBLE TO THE PLANT MANAGER FOR THE TRAINING OF PERSONNEL IN POLLUTION CONTROL AND THE PROPER OPERATION AND MAINTENANCE OF POLLUTION CONTROL EQUIPMENT. THIS MAN MUST WORK CLOSELY WITH THE CORPORATE ENVIRONMENTAL CONTROL MANAGER AT CORPORATE HEADQUARTERS.
5. THE LOCAL PLANT, PERHAPS THROUGH EITHER THE PLANT MANAGER OR THE PLANT ENVIRONMENTAL CONTROL ENGINEER, SHOULD ESTABLISH AND MAINTAIN GOOD RELATIONS WITH LOCAL REGULATORY PEOPLE AT THE CITY AND STATE LEVEL AND WITH THE CITIZEN GROUPS. GOOD PR PROGRAM LOCALLY WILL TELL THE CITIZENS WHAT YOUR PLANT IS DOING. THE LOCAL PLANT MANAGER OR LOCAL PLANT ENVIRONMENTAL CONTROL ENGINEER SHOULD ALSO ESTABLISH GOOD COMMUNICATION WITH THE U. S. ENVIRONMENTAL PROTECTION AGENCY REGIONAL OFFICE. AS I MENTIONED PREVIOUSLY, MANY KEY DECISIONS ARE NOW PRETTY MUCH IN THE HANDS OF THE REGIONAL ADMINISTRATORS OF THE U. S. ENVIRONMENTAL PROTECTION AGENCY.

6. ON THE OTHER HAND, AT THE NATIONAL LEVEL THE CORPORATE ENVIRONMENTAL CONTROL MANAGER AT CORPORATE HEADQUARTERS SHOULD BE A MEMBER OF VARIOUS NATIONAL TECHNICAL AND PROFESSIONAL SOCIETIES SUCH AS THE WATER POLLUTION CONTROL FEDERATION AND SERVE ON SUCH TRADE ASSOCIATIONS AS THE MANUFACTURING CHEMISTS ASSOCIATION WHICH, OF COURSE, I REPRESENT. OTHER ORGANIZATIONS AT THE NATIONAL LEVEL WHICH CAN BE EFFECTIVE ARE NAM AND THE CHAMBER OF COMMERCE. YOUR ENVIRONMENTAL CONTROL MANAGER, THE OLD PRO, AT CORPORATE HEADQUARTERS SHOULD ALSO HAVE GOOD WORKING RELATIONSHIPS WITH YOUR GOVERNMENT RELATIONS MAN IN WASHINGTON, D. C. THERE IS NO DOUBT THAT THE NAME OF THE GAME NOW IS CLOSE CONTACT WITH THE FEDERAL ENVIRONMENTAL PROTECTION AGENCY TO INJECT A TONE OF REALISM IN PROMULGATION OF REGULATIONS.
7. ACCIDENTS DO HAPPEN IN THE BEST REGULATED FAMILIES. MISOPERATION AND MALFUNCTION OF EQUIPMENT AND PROCESSES ARE BOUND TO OCCUR WHICH COULD RESULT IN INADVERTENT DISCHARGES CAUSING FISH KILLS OR UNSIGHTLY CONDITIONS. SUCH SPILLS CAN RESULT IN HEAVY FINES AND ADVERSE PUBLICITY. A GOOD SPILL PROTECTION PROGRAM INVOLVING DIKES, SPILL DIVERSION BASINS, ALARMS, ETC. CAN BE ONE OF THE BEST INVESTMENTS A PLANT CAN MAKE. IT CAN BE CONSIDERED A FORM OF INSURANCE.

THE THIRD ITEM THAT I WANTED TO DISCUSS WITH YOU GENTLEMEN IS WHAT CAN THE WATER RESOURCES COMMITTEE OF MCA DO FOR YOU.

3. WELL, FIRST OF ALL, THE MCA WATER RESOURCES COMMITTEE AND MCA STAFF HAS MADE COUNTLESS CONTACTS WITH THE LEGISLATIVE BRANCH OF OUR FEDERAL GOVERNMENT. WITHIN THE PAST EIGHTEEN MONTHS THE WATER RESOURCES COMMITTEE HAS TESTIFIED BEFORE CONGRESSIONAL COMMITTEES FIVE TIMES.

I PERSONALLY HAVE BEEN ON THE HILL TWICE WITH FORMAL TESTIMONY BEFORE THE HOUSE PUBLIC WORKS COMMITTEE WITHIN THE LAST TWELVE MONTHS. IN ADDITION, MANY MEETINGS AND PHONE CALLS WITH THE STAFF OF THE HOUSE AND SENATE PUBLIC WORKS COMMITTEE HAVE BEEN MADE BY EITHER SMALL SUBCOMMITTEES OF THE MCA WATER RESOURCES COMMITTEE OR BY MCA TECHNICAL AND GOVERNMENT RELATIONS STAFF. HOWARD BROWN AND BILL STOVER DO THE DAY TO DAY LEG WORK IN MAINTAINING LINES OF COMMUNICATION WITH APPROPRIATE HOUSE AND SENATE STAFF PEOPLE WHEN NECESSARY. IT IS MY JUDGMENT THAT MCA HAS DONE BETTER THAN MOST TRADE ASSOCIATIONS ON THIS MATTER OF GOVERNMENT RELATIONS.

2. THE WATER RESOURCES COMMITTEE HAS ORGANIZED A NUMBER OF SUBCOMMITTEES AND TASK GROUPS WHICH ARE WORKING RATHER CLOSELY WITH THE U. S. ENVIRONMENTAL PROTECTION AGENCY. FOR EXAMPLE, WE HAVE ONE GROUP WHICH HAS HAD NUMEROUS MEETINGS RECENTLY WITH THE ENVIRONMENTAL PROTECTION AGENCY ON THE DEVELOPMENT OF GUIDELINES FOR EFFLUENT STANDARDS FOR THE FEDERAL PERMIT SYSTEM. NOW THESE GUIDELINES WHICH ARE BEING DEVELOPED ARE SOMETHING THAT YOU ARE GOING TO HAVE TO LIVE WITH FOR THE NEXT FIVE YEARS OR SO AND WILL DETERMINE THE DEGREE OF TREATMENT YOU MUST APPLY TO YOUR WASTES AND HOW MUCH YOU MUST SPEND TO GET THIS DEGREE OF TREATMENT. THESE TASK GROUPS HAVE MADE CONSIDERABLE HEADWAY IN EDUCATING THE EPA ON THE REAL FACTS OF LIFE. THE INPUT FROM OUR WATER RESOURCES COMMITTEE REPRESENTATIVES IN THE DEVELOPMENT OF THESE GUIDELINES HAS AVOIDED SOME VERY UNREALISTIC ATTITUDES AND APPROACHES ORIGINALLY CONSIDERED BY THE EPA PEOPLE. OUR TECHNICAL KNOWLEDGE AIDS THE EPA IN DEVELOPING EFFECTIVE YET REALISTIC WASTE TREATMENT STANDARDS.

3. ONE OF THE KEY OBJECTIVES OF THE WATER RESOURCES COMMITTEE IS TO EXCHANGE INFORMATION ON THE ENTIRE REGULATORY SITUATION INCLUDING ATTITUDES AND POLICIES AS IT EXISTS AT THE FEDERAL, STATE AND LOCAL LEVEL. EACH OF THE 35 MEMBERS OF THE WATER RESOURCES COMMITTEE HAVE BEEN ASSIGNED A PARTICULAR STATE OR STATES AND EACH INDIVIDUAL OF THE WATER RESOURCES COMMITTEE EVERY FOUR MONTHS DETERMINES WHAT ARE THE LATEST POLICIES AND REGULATIONS BEING ADOPTED BY THE VARIOUS STATE AGENCIES. THIS INFORMATION IS FED TO A CENTRAL COLLECTING POINT AND CONSOLIDATED INTO A VERY EXTENSIVE STATE BY STATE REPORT WHICH IS DISSEMINATED TO THE MCA MEMBERS EVERY FOUR MONTHS. IN EFFECT, EVERY WATER RESOURCES COMMITTEE MEMBER IS SUPPORTED BY A STAFF OF 34 OF HIS COLLEAGUES GATHERING INFORMATION.
4. SINCE MUCH OF THE ACTION IS NOW AT THE EPA REGIONAL LEVEL, WE HAVE JUST NOW ORGANIZED TASK FORCES TO MAINTAIN INFORMATIONAL LIAISON AND CONTACT WITH THE EPA REGIONAL ADMINISTRATORS. THIS IS AN EXPERIMENTAL SORT OF THING BUT WE EXPECT REPORTS AND FEEDBACK WHICH WILL ALSO BE ASSEMBLED IN AN EXTENSIVE REPORT FOR DISTRIBUTION TO THE VARIOUS WATER RESOURCES COMMITTEE MEMBERS.
5. THE WATER RESOURCES COMMITTEE OF MCA HAS TRADITIONALLY CARRIED OUT EDUCATIONAL TASKS IN THE AREA OF THE TECHNOLOGY OF OUR FIELD. WE ISSUE BULLETINS AND MANUALS AND CONDUCT SEMINARS AND SYMPOSIUMS. RECENTLY, WE HAVE COMPILED A VERY HIGH QUALITY SPILL PROTECTION MANUAL. WE EXPECT THAT THIS MANUAL WILL BE ISSUED FOR PUBLICATION VERY SHORTLY. I MUST ADD THAT BECAUSE OF APPARENT LACK OF MANPOWER WITHIN THE MCA STAFF, VARIOUS MANUALS AND REPORTS HAVE NOT BEEN PUBLISHED IN A TIMELY ENOUGH FASHION.

NOW THE FOURTH ITEM—WHAT CAN YOU DO FOR THE WATER RESOURCES COMMITTEE TO MAKE IT MORE EFFECTIVE? I'LL LIST SOME OF THE THINGS I BELIEVE YOU CAN DO TO HELP US HELP YOU.

1. THE WATER RESOURCES COMMITTEE HAS BEEN AND CAN CONTINUE TO BE OF CONSIDERABLE HELP TO THE CHEMICAL INDUSTRY. HOWEVER, IT MUST MAINTAIN A HIGH CALIBER OF MEMBERSHIP. THE MCA MEMBER COMPANIES SHOULD BE WILLING TO ALLOW THEIR BEST MEN IN THE FIELD OF ENVIRONMENTAL CONTROL TO SERVE ON THE MCA WATER RESOURCES COMMITTEE AND ON TASK GROUPS. FURTHERMORE, THESE MEN SHOULD BE ALLOWED TO DONATE A RATHER MODEST AMOUNT OF THEIR TIME TO MAKE THE PROJECTS AND THE WORK OF THE COMMITTEE MORE EFFECTIVE TO THE CHEMICAL INDUSTRY IN GENERAL. MEMBERSHIP ON THE COMMITTEE MUST NOT BE LOOKED ON AS A BOONDOGGLE BUT WORK EQUALLY IMPORTANT TO THAT PERFORMED INTERNALLY FOR THE COMPANY ITSELF.
2. MR. HOWARD BROWN HAS BEEN ONE OF THE MOST EFFECTIVE SECRETARIES WE HAVE EVER HAD FOR THE WATER RESOURCES COMMITTEE. HE HAS ESTABLISHED EXCELLENT LINES OF COMMUNICATIONS AND WORKING RELATIONSHIPS WITH THE APPROPRIATE EPA GROUPS IN THE FEDERAL GOVERNMENT AND WITH THE STAFF OF THE APPROPRIATE HOUSE AND SENATE COMMITTEES. HOWEVER, HOWARD BROWN ALSO HAS A LOT OF ROUTINE TASKS TO CARRY OUT WHICH DIVERTS HIM FROM HIS VERY IMPORTANT WORK IN THE FIELD OF TECHNICAL-GOVERNMENTAL AFFAIRS. I WOULD LIKE TO SEE HOWARD GET MORE HELP IN HANDLING THE ROUTINE MATTERS TO MAKE HIM MORE EFFECTIVE IN DEALING WITH THE FEDERAL AGENCIES. I HAVE SEVERAL TIMES, AS CHAIRMAN OF THE WATER RESOURCES COMMITTEE, RECOMMENDED THAT AN ADDITIONAL ENGINEER BE HIRED

TO ALLOW BOTH HOWARD BROWN OF WATER RESOURCES COMMITTEE AND KEN JOHNSON OF THE AIR QUALITY COMMITTEE TO EXERT THEIR CONSIDERABLE TALENTS WHERE IT WILL HELP OUR INDUSTRY THE MOST—IN THE POLITICAL ARENA. CURRENT STAFFING, HOWEVER EXCELLENT IN QUALITY, IS INADEQUATE TO MEET THE DEMANDS IN THIS DYNAMIC AND EVER CHANGING FIELD.

AND NOW TO SUMMARIZE. WE MUST GET ON WITH THE JOB OF IMPROVING OUR ENVIRONMENT. AMERICANS ARE BECOMING MORE CONCERNED WITH THE QUALITY OF LIFE. INDUSTRY AS A SOCIALLY RESPONSIBLE MEMBER OF OUR SOCIETY WILL PLAY ITS ROLE IN THE PROGRAM OF UPGRADING OUR ENVIRONMENT. HOWEVER, INDUSTRY CAN AND MUST DO THIS IN A RATIONAL, ORDERLY, AND ECONOMICAL SORT OF WAY. WE MUST ALSO BE CONSTRUCTIVE AND PRO-ACTIVE, NOT DEFENSIVE AND REACTIVE. IF WE DON'T EXERT LEADERSHIP, SOMEONE ELSE WILL. HOPEFULLY, THE WATER RESOURCES COMMITTEE OF MCA IS LEADING THE WAY TOWARDS THESE OBJECTIVES.