SPI

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MORE THAN A MILLION AND A HALF JOBS THREATENED BY GOVERNMENT REGULATIONS ON VINYL CHLORIDE

WASHINGTON, D.C., June 20 -- At least 1.6 million Americans may lose their jobs if an unrealistic occupational health regulation, limiting worker exposure to vinyl chloride, forces a shutdown of the industry.

According to preliminary results of an economic impact study conducted for The Society of The Plastics Industry (SPI) by the nationally renowned economic consulting firm of Arthur D. Little, Incorporated, a minimum of 1.6 million jobs would be lost if the producers of vinyl chloride, an industrial chemical, and polyvinyl chloride (PVC), a widely used plastic resin, were forced to shut down because the technology does not exist to meet a "no detectable level" of exposure. In addition, the cost in terms of lost sales and production would amount to at least $65 billion.

Vinyl chloride is used primarily to produce PVC resin, which is in turn fabricated into a wide variety of products, including flooring, pipe, curtains, upholstery, phonograph records, telephone equipment, insulated wire, bottles, packaging, luggage, sporting goods and many others.

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Employing an Input/Output economic model for its analysis, A. D. Little was able to estimate the impact on the PVC resin industry itself, and in addition the effect on other major segments of the U.S. economy by defining the interaction of the PVC industry with primary, secondary and final demand markets.

For example, the unavailability of PVC resin would have a major effect on the automotive industry, which utilizes PVC in the form of insulated wire and cable, component parts, upholstery and many other products.

The automotive and construction industries would be the hardest hit, with losses respectively of at least 600,000 lost jobs and $35 billion in lost sales; and for the construction industry, at least 500,000 lost jobs and $14 billion in lost sales.

In May, the Occupational Safety and Health Administration (OSHA) of the U. S. Department of Labor proposed that exposure of employees to vinyl chloride monomer (VCM) in workplace air should be reduced to "no detectable level." VCM has been linked in recent months with higher than normal incidence of angiosarcoma of the liver, a rare type of cancer, among previously highly exposed workers.

"The effect on the nation's economy and on the social order in terms of the human hardship it would cause would be catastrophic," said Ralph L. Harding, Jr., president of SPI. "We expect that the final results from A. D. Little will show a potential loss in excess of 2 million jobs. This is all the more regrettable in light of the fact that the industry is taking every step possible to reduce worker exposure to VCM.

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"While the VCM and PVC industries fully recognize their obligation to reduce worker exposure to as low a level as is possible, the proposed OSHA standard is technologically infeasible to achieve, even with the highly sophisticated methods of in-plant control that have been developed by the industry over the years," Mr. Harding said.

"If the proposed 'no detectable level' standard is adopted," Mr. Harding continued, "the vinyl chloride and polyvinyl chloride resin producing industries will be forced to close down immediately."

The possible use of substitute materials over a short term basis to replace PVC in some applications is currently under analysis by A. D. Little and will be presented at the OSHA public hearings on the proposed standard, scheduled to begin in Washington on June 25.

- 30 -