NATIONAL ASBESTOS MINES LIMITED

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INTER-OFFICE CORRESPONDENCE

To: Mr. E. Killian, V.P. SUBJECT: Q.A.M.A. Special Meetings -Clearwater, Florida DATE: May 27, 1969

FROM: R.S. Coleman

c.c. Mr. H.A. Berg

I attach a copy of the minutes of the subject meetings held at Clearwater, Florida, April 18 and 19, 1969.

R. S. Coleman

RSC/flp

encl.

PLAINTIFF'S EXHIBIT 45560

PLAINTIFF'S EXHIBIT WV-01214

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MINUTES OF THE SPECIAL MEETING

OF THE

QUEBEC ASBESTOS MINING ASSOCIATION

HELD ON APRIL 18th AND 19th AT THE BELLEVIEW-BILTMORE, CLEARWATER, FLA.

FRIDAY, APRIL 18th

Present:

Messrs.	K.V. Lindell	I.C. Campbell	H. Hennebach
	R.S. Coleman	J.D. Christian	J.R.M. Hutcheson
	J.A. Main	D.T. Colton	E.J. Killian
	R.J. Merrill	Y. Couture	L.C. Pluze
	M.J. Messel	R. Dodds-Hebron	D. Poutiatine
	W.W. Oughtred	J.W. Duncan	P.R. Riordon
	F.P. Smith	J.O. Eby	C.W. Smith
	A.H. Bagenstose	A.R. Fisher	W.J.W. Smith
	R.M. Bateman	W.H. Foster	G. Robinson
	R.D. Bradford	R.P. Gagnon	I. Sabourin
	C.B. Burnett	N.W. Hendry	Paul-A. Filteau

In opening the meeting, the President, Mr. K.V. Lindell, extended a cordial welcome to Messrs. Bateman and Killian as well as renewed greetings to Mr. Fisher.

It was moved and seconded that minutes of the meeting of the Association of March 25th, 1969, be approved as submitted.

CARRIED.

At this point, the President called on the Chairmen of the standing committees.

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TECHNICAL COMMITTEE

Further to his remarks in the minutes of the previous meeting of the Association on March 25th, the Chairman reported as follows:

1. Wet Classification - A program of comparative testing on both the Bauer McNett Classifier and the T & N Classifier was conducted at two laboratories subsequent to a statistical analysis. These results will be reviewed by the sub-committee at their next meeting.

2. Color Test - The procedure for this test has been reviewed and is being rewritten to suit an improved apparatus from the same manufacturer which is found to be more accurate than the model in use at the present time.

3. Product Handling - This committee is presently studying the methods of producing unitized loads namely strapping of piles of bagged fibre, gluing paper bag loads and the use of a shrunk polyethylene film as the containing material. Several requests for unit packages have been received from customers and freight carriers. A meeting is planned in the near future to compare the approaches taken to this end by the various companies.

UNIFORM CLASSIFICATION AND GRADING COMMITTEE

The Chairman was pleased to submit the following report:

1. Sherbrooke Laboratory - The Zeiss Particle Analyser work (fibre length) combined with image shearing (fibre diameter) is being pushed. Two technicians are working full time on the project.

2. Monthly Shipping Test Report - As per instructions the U.C. & C. Committee discussed, at a meeting on April 10th, Mr. Messel's proposal. A decision was not possible, but has been requested for the next U.C. & C. Committee meeting. It was pointed out, however, that this proposal would reveal the exact tonnage shipped of most members' sub-grades, as in a lot of cases there is only one sub-grade under the name grade testing.

3. Basic Research - On April 10th, the U.C. & C. Committee agreed that the Basic Research needs are those listed on the appendix I sheet given to Directors on March 25th. These needs are,

Length - Diameter
Openness - Crudiness
Harshness - Softness
Amount of true fibre (or converse)

The Committee also agreed on the "methods of measuring with the most promise".

The Chairmen of the Technical and U.C. & C. Committees will visit Ottawa (with the Sherbrooke Laboratory Director) early in May and will discuss our needs with Mr. Woodrooffe as a preliminary move to a later meeting with Dr. Convey or Mr. Drolet. This latter meeting would include perhaps the O.A.M.A. President and General Manager?

INDUSTRIAL RELATIONS COMMITTEE

The Chairman reviewed briefly the status of labour negotiations between the Syndicat and several member companies. Meetings held so far have touched on non-monetary clauses only. The meeting schedule with various companies has been disrupted by arbitration proceedings conducted simultaneously and also because of sickness suffered by certain union negotiators. It is not known at this time what sort of settlement would satisfy the Union.

A meeting of the "Conseil du Patronat du Québec" (Quebec Employers Council) was held recently to discuss the general thinking and most urgent action to undertake in the field of labour relations. A policy statement and operating mechanisms were defined for the purpose of properly approaching problems and consultations with the Governments to which the Council might be exposed at this stage and in the immediate future.

TRAFFIC COMMITTEE

It would appear that as a result of the agreement signed between the ship owners and the longshoremen on April 9th, the situation in the St. Lawrence River ports should be pretty stable over the next three years. The contract provides for an increase of 85 cents/hour over a period of 3 years ($4.60 per hour for third year), a guaranteed annual work season of 37-39 weeks, no restriction on the use of containers and a technological displacement fund. The latter will be established through contributions of ship owners based on a certain amount for each ton of cargo handled at the ports of Montreal, Trois-Rivières and Quebec.

The first vessels of the Wallenius Line, with whom member companies have contracted for carriage of asbestos to the Continent, have already taken place and the experience gained in using the roll-on type of vessel has been valuable. It would appear that this sort of arrangement may well be a better answer in the long run for shipment of asbestos than containers.

PUBLIC RELATIONS COMMITTEE

The Chairman tabled a report prepared by the new Director of Information Services of the Association, in which the latter discusses some of his activities for the immediate future. The Chairman indicated

that it is planned to hold meetings of the Public Relations committee at more frequent intervals, in order to establish a continuing public relations program and review same periodically.

At the suggestion of the Chairman, the General Manager briefly explained for the benefit of the regular attendants and guests the setting-up of a sub-committee to prepare a brief for presentation to the Provincial Government on the "Situation of the French Language in the Asbestos Industry". A Commission of Inquiry has been recently appointed by the Government to look into the position of French as a working language and to suggest measures to insure its full development and also the linguistic rights of the majority and the minority. The Committee plans to have a working document ready by the end of May for submission to the Directors; the brief must be presented to the Commission before June 30th. Guidelines have been received from the Commission to this effect, and further instructions are expected within the next few weeks.

LEGISLATION AND TAXATION COMMITTEE

With regards to the general economy of the country, the Chairman stressed the fact that we may be faced sooner or later with an extremely unpleasant dose of anti-inflation medicine. This could well take the form of higher taxes rather than an increasingly severe squeeze on credit. For instance, a tax on capital gains, as recommended by the Carter Commission, has been predicted by 1970 by several financial analysts.

As for corporation taxes, the future treatment of capital cost allowances, depletion and the three year tax exempt period are still of major concern to the whole mining industry in Canada, and the Mining Association of Canada is actively preparing a barrage to face an expected tax reform proposal by the Federal Government.

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It would be most helpful that all companies complete the questionnaire on tax data, etc. forwarded on February 12, 1969, and file same with Riddell, Stead, Graham & Hutchison. This information is essential when discussing such matters with the Government.

ENVIRONMENTAL CONTROL COMMITTEE

1. Bag Collectors - C.J.M. unit operating with virtually 100% efficiency. Lake Asbestos unit, efficiency continues at more than 99%. Expect to be able to make a firm recommendation by mid-Summer as to a solution to the continuing problem of having to by-pass the filters during the period of high gas temperatures.

2. Wet Collector - Rotoclone testing continues at C.J.M. with the unit running well under Winter conditions; efficiency at 83% still to be improved.

3. Tailings Stabilization - The Chairman reported that the committee is now ready to embark on modest laboratory and field programs.

In the first instance, the Committee recommends for your approval the installation of a control growth chamber with its associated plant growing equipment at the Association laboratory at a cost not to exceed $1,500.00. Moved and seconded that such an amount be allocated.

CARRIED.

In the second instance, it is proposed that one or more member companies,

a) Test plots of plant growth, presuming a likely candidate is found in the laboratory;
b) Test applications of a chemical binder, should an economically feasible candidate be developed;

c) Examine old dumps to determine if any natural vegetation has been able to establish itself.

NEW BUSINESS

A. Treasurer

Copies of the audited financial statement of the Association for 1968 were distributed to the Directors, and upon a motion duly seconded, the auditors' report was adopted.

The Treasurer will submit a report on the up-dating of the pension plan benefits to the staff employees of the Association at the next meeting.

It was pointed out by the Treasurer that the Association held an amount of $181.40 as the share of Nicolet Asbestos Mine in the working capital of the Association. It was moved and seconded that this amount be refunded.

CARRIED.

As to any liability to the industry as a result of future compensation claims by former Nicolet employees (81), Counsel pointed out that the policy of the Workmen's Compensation Board is to grant a 10% incapacity to those workers of Nicolet unable to find work because of dust exposure (as shown on X-ray pictures). So far, fibrosis is not too important, but suspected.

B. Cautionary Labels

a) U.S. and Canada - J.M. has had legal suits because having omitted to place a warning label on bags of fibre as to asbestos being a health hazard.

b) Other Countries - Copies of a confidential legal advice on the status of foreign law regarding asbestos as a hazardous substance were distributed by Johns-Manville to the Directors of the Association. From this document, it is reasonable to assume that comparable provisions exist in the "codes" of other nations throughout the world. In the United Kingdom, according to Mr. Bateman, the dockers of the port of London refuse to handle even finished goods, because of the mere word "asbestos". It is feared that this attitude may spread to other U.K. ports.

At this point, Counsel alluded to the question of the degree of assessed responsibility, which is still a matter left unsolved. For instance, what has been the reaction in other countries to the attack on the tobacco industry in the U.S.? Has there been any restrictions imposed by other governments? As opposed to the somewhat mercantile objective of the tobacco industry, the asbestos industry considers the problem a moral responsibility. It is believed that eventually imputations leveled against asbestos products will be vindicated.

Legal Counsel of the member-companies of the Association should get together to ascertain the policy of other countries as to a warning on cigarette packages. At the same time they should seek the official opinion as to any liability of asbestos as a hazardous substance in other countries. What language should be used where English is not spoken? Presently labels used in U.S. and Canada are in English. The President agreed to take on this assignment and report to the Association in due course.

The President also suggested that the matter of an assistant to

Counsel of the Association be discussed between himself and the Directors.

GENERAL BUSINESS CONDITIONS

In the U.S., supply and demand in industry are in balance. In spite of the change in Government Administration, inflation is still rampant. Capital expenditures are expected to be some 14% higher in 1969. The long term outlook for the construction industry is strong; from 1,650,000 housing starts originally forecast a reduced estimate still points to 1,575,000 starts.

Projections would suggest that prices will have to increase, judging from increases over the past 4 or 5 years. Expanded use of fibre in plastics reinforcements, floor underlays, etc. is expected.

In U.K., the political situation is still bad. Plants are running far below capacity. Fibre sales to U.K. are not likely to improve. Fortunately, the textile industry is very active in spite of the dreaded health problem.

In Canada, it was observed that certain companies were enjoying a period of profitless prosperity. However, leaders were more optimistic for next year. As regards future developments, it was announced that in connection with the Asbestos Hill project a concentrate and fibre treatment plant, having a capacity of some 100,000 tons of group 4 and 5 fibre, would very likely be built in one of the Benelux countries.

ADJOURNMENT

There being no further business, the meeting was formally adjourned.

Paul-A. Filteau,
General Manager
&
Secretary.

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.../April 19th.

MINUTES OF THE SPECIAL MEETING

OF THE

QUEBEC ASBESTOS MINING ASSOCIATION

HELD ON APRIL 18th AND 19th AT THE BELLEVIEW-BILTMORE, CLEARWATER, FLA

SATURDAY, APRIL 19th

In addition to participants in April 18th meeting, Dr. Wright and Dr. Pelnar attended the meeting respectively as Chairman and Secretary of the scientific committee of I.O.E.H.

The President opened the meeting and immediately called on Dr. C.W. Wright to lead the discussion.

OCCUPATIONAL AND ENVIRONMENTAL HEALTH COMMITTEE

Comments by Chairman of Scientific Committee

In reviewing the situation to date Dr. Wright indicated that since last year nothing had transpired as regards the view that asbestos in certain circumstances does possess certain qualities to produce on the human body a pathological condition known as "asbestosis". The meaning of the word, however, varies in foreign countries; in South Africa, it is interpreted as a scar effect on the lung tissues comprising also pleural plaques.

For instance, in U.K. there is a high incidence of asbestosis in the lungs (carcenogenic) of asbestos textile workers; surprisingly in South Africa no figures in said connection are published. Pleural plaques - a thickening of the inner surface of the chest envelope membrane - does not seem to have a serious import (meaning) with those affected. Mesothelioma - pleural when in the pleura (membrane

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enveloping the lungs) and peritoneal (when in the lining of the peritoneum) - has become frequent in the last ten years. This tumor is of great concern because it is found not only in employees, but also in the general public. Some experts even predict an epidemic within the next ten years. Looming on the horizon is the gastrointestinal cancer; in this case, fiber would be actually swallowed. Also the high frequency of ferruginous bodies found at autopsy, would somewhat mean generalized public exposure.

Accordingly, the industry recognizes the obligation

a) to protect present employees;
b) to see what happens to workers who have been exposed for the past 25 years;
c) to remove from employment those who have a lower ability to handle asbestos fibre - predilection to develop abnormalities;
d) to find out whether or not there is public problem as a result of greater public exposure with the expansion of production (fibres widely disseminated and inhaled). Are none or all of these fibres asbestos bodies? The truth lies somewhere in between.

At this point, Dr. Wright called on Dr. Pelnar to report on the activities of the I.D.E.H. and the status of the research projects sponsored by O.A.M.A. through the Institute.

Comments by Secretary of Scientific Committee

In his report (copies distributed to all attendants) Dr. Pelnar explained the function of collecting and distributing (retrieval system) available information by the Institute. He pointed out that the Ins-

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titute had been instrumental in setting up the "Mesothelioma Registry of Canada", and had obtained a key position, with himself as Secretary, on the Sub-committee on "Asbestosis" of the Permanent Commission and International Association on Occupational Health, of which Dr. Noro (Finland) is Chairman.

Followed a review of research projects in progress:

1. Epidemiological Study of Asbestos Miners in Quebec - Dr. McDonald et al.

   Cohort of 11,700 persons (2,432 presently working) investigated. 42,029 readings of X-ray films completed according to new standard classification of radiological signs of asbestosis; results on computer cards ready for analysis.

   Assessment of environmental dust exposure also completed and results are being analysed.

2. Epidemiological Study of Primary Malignant Tumours of the Pleura or Peritoneum in Canada - Dr. McDonald et al.

   165 cases reported by 421 pathologists in Canada from 1960 to 1968. Occupational exposure would seem to be associated with the manufacture and industrial application of asbestos rather than with mining and milling.

3. Chemical and Mineralogical Studies of Chrysotile Asbestos - Drs. McDonald and G.W. Gibbs.

   Important discovery as to interaction between asbestos and polyethylene bags. Work continues.

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4. Ultrastructural Study of Experimentally Induced Asbestos Granuloma in Hamsters.

Investigation under way, but analysis awaiting delivery of some equipment (diamond knife).

5. Epidemiological Study at Balangero Mine and at Port of Genoa and Arsenal at La Spezia - Dr. Vigliani.

In progress in many directions. 980 workers and ex-workers examined as well as 720 people of the environment. 3 cases of pleural plaques found.

6. The Cellular Basis of Biological Effects of Asbestos - Dr. Pernis.

Study under way, but evaluation not until sometime yet.

7. Anthophyllite Asbestosis in Finland - Dr. L. Noro

450 workers being investigated and dust surveys being conducted in the mine, mill, asbestos factories and their vicinities.

Chairman of Scientific Committee (cont'd)

Resuming his remarks, Dr. Wright commented on his recent trip abroad with Counsel of Association.

In U.K., the Asbestosis Research Council by means of animal experimentation since 1933 has endeavored to reduce fibre counts and virtually eliminate fibrosis among textile workers.

In France it was believed that no esbestos problem existed, but recently a whole issue of a scientific journal was devoted to mesothe-

lioma and asbestos. Experience in this instance had not been fully reported. Worth noting is that talcum powders contain fibers in U.S., whereas in France hardly any.

West Germany would show a prevalence of mesothelioma in certain districts. Unfortunately, there are no well equipped laboratories to carry out the needed indicated studies. German scientists are presently investigating the problem as to which fibers are injurious. It is still generally thought that fibers over five microns in length and not the very short fibers cause asbestosis.

In Italy, the Balangero Mine is a good case for an epidemiological study, since it parallels that of Dr. McDonald. 30 miles away there is a textile factory using crocidolite only; it would offer a good field for study whether chrysotile behaves differently than crocidolite or not.

In South Africa, mesothelioma cases are distributed in the Northwest Cape Province, pointing to crocidolite mined in that area. In contrast, in the amosite mines of East Transvaal, no cases of mesothelioma have been reported. Yet in U.S., Dr. Selikoff has reported cases of mesothelioma among insulation workers using amosite and chrysotile. According to a Government inspector, even a higher exposure in Cape than in Transvaal would be of any magnitude as to account for such a difference.

What should be our program for the immediate future? The insulation workers in the U.S. and U.K. have been and are still being investigated. Studies on long fibres versus short fibres are needed, as well as answers to progression of asbestos exposure.

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Next year, it can be expected that the greatest push will be in the public sector. For instance, the questioning of the use of A.C pipe for water transportation. U.S. Public Health has been asked to give an opinion. The question must be answered directly - past experience with A.C pipe - and indirectly - more knowledge about mesothelioma. U.S.P.H. is conducting a cancer survey in ten cities, as related to air contaminants, but asbestos has been left out. Asbestos should be one of the monitored materials.

Studies on mixed exposures should be undertaken, to evaluate human experience. New Orleans would be a typical case to study with its stable population, its several J.M. plants and National Gypsum A.C. plant. A protocol has been submitted to companies so as to obtain their authorization.

A condensed version of the three-volume effort assembled last year on the analysis of the current status of the asbestos problem and suggestions for further systematic study and development of solutions has been put together in printed form. It is entitled "Towards the Safe Use of Asbestos Fibre". It is proposed to distribute copies to scientists, institutes of higher learning and public authorities. The matter was left for further discussion, pending the advice of Counsel for member-companies in this regard.

Counsel

It can be stated that whilst the "Asbestos Health Problem" as such is now spreading over a territory greater than ever, said problem however is gradually becoming under relative control and this visibly so. For instance, a noticeable and rather uniform sympathetic attitude is now detectable in the respective jurisdictions of U.S.P.H. across the Nation.

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In Europe, last Fall, Counsel and Dr. Wright met and discussed there the asbestos health problem with outstanding scientists and laboratory heads, this in France and Western Germany. (Laboratories and institutions which Dr. Wright had not hitherto visited). It is the impression that neither in France nor Western Germany can it be said that mesothelioma is the mounting "ogre" of the proportions given same in South Africa, England or U.S.A. Although scientific investigation is of course needed, it does not seem however that the climate in France or Germany is bad.

In South Africa mesothelioma figures seem to be on the wane, as a substantial portion of tumors hitherto labelled as mesothelioma are being counted out, this because of verification in depth of said tumors. The point is that the very diagnostic of mesothelioma is still a matter, often enough, of mere conjectures as no uniform norms, standards have been agreed upon as yet.

In Canada, according to Counsel, among our asbestos mining populations, mesothelioma would not be as yet much of a threat if we consider that no mesothelioma has appeared and withstood verification since 1960 on the books of our Clinics (either at Thetford Mines or at Asbestos). And only four mesotheliomae have been raised in the period anterior to 1960, two of which might well vanish after proper verification.

We are now entering the most serious and active phase of the investigation field recommended by our Scientific Committee. We are to reach into the depths of our problems. A few years ago we were not equipped as we are today to face the struggle. Today we have and the personnel and enough accumulated data to go into the battle field and paint what might well be an image vindicating at least chrysotile asbestos as such. If the programming proposed is implemented, the

industry as a whole will come out in good shape in most of its now strong positions.

We should now be in a position to effectively seek from Quebec and Ottawa Governments subsidies to support the implementation of our programme. Also, the contribution of the member-companies, it was submitted, should come out of "sales figures" irrespective of profits arising out of said sales.

At this point, the Chairman remarked that sufficient funds were available; it is assumed that Cassiar will continue its annual contribution of $10,500. and it has been decided that Advocate Mines would participate in the programme.

In answer to a question, it was agreed that a copy of Dr. McDonald's report should go the the Union prior to releasing same for public consumption.

ADJOURNMENT

There being no further business, the meeting was formally adjourned.

Paul A. Filteau,
General Manager
&
Secretary.