

TABLE 27.—ANNUAL COMPLIANCE COSTS—Continued
(No price or quantity changes)

Industry, sector	Annual compliance costs (in thousands of 1984 dollars)	Most expensive provision	Annual cost of the most expensive provision as a percentage of annual compliance costs
Secondary manufacturing:			
A/C sheet	1,260.6	do	71
Friction materials	12,722.3	do	94
Gaskets and packings	5,553.3	do	82
Textiles	898.8	do	45
Plastics	4,075.8	do	72
Automotive remanufacturing	5,870.5	do	75
Service and repair:			
Automotive repair	44,654.7	Solvent spray, change rooms	100
Ship repair	3,918.9	do	51
Construction: ¹			
New Construction	7,578.0	Tools	32
Asbestos abatement	27,870.0	Respirators	87
Demolition	13,610.5	Vacuums	36
Renovation	144,695.5	Protective clothing	29
Routine maintenance in commercial and residential buildings	112,749.3	Vacuums	50
Routine maintenance in general industry	45,450.0	do	74
Total	\$459,086.1		

¹ OSHA assumes that all construction workers exposed above the PEL in negative-pressure regulated areas will use supplied-air respirators in order to avoid the costs associated with daily monitoring.

² Total may not sum due to rounding error.

Source: U.S. Department of Labor, OSHA, Office of Regulatory Analysis.

TABLE 28.—ECONOMIC FEASIBILITY IN THE PRIMARY MANUFACTURING, SECONDARY MANUFACTURING AND SERVICE SECTORS

Industry Sector	Compliance costs (millions) dollars in	Gross revenue (millions) dollars in	Costs/revenue (percent)
Primary Manufacturing:			
A/C pipe	0.068	69.0	0.10
A/C sheet	.643	82.8	.78
Friction materials	22.661	686.4	3.30
Textiles	.811	41.4	1.96
Floor tiles	.305	95.1	.32
Gaskets and packings	.759	84.0	.90
Paper	.835	356.4	.23
Coatings and sealants	1.224	468.0	.26
Plastics	.441	12.8	3.71
Secondary Manufacturing:			
A/C sheet	1.059	317.4	.40
Friction materials	12.382	582.8	2.15
Gaskets and packings	5.553	1,156.0	.48
Textiles	.697	703.8	.10
Plastics	4.678	784.0	.60
Automotive remanufacturing	5.871	1,225.0	.48
Service and repair			
Automotive repair	44.655	228,150.4	.02
Ship repair	3,918.5	2,667.1	.15

Source: U.S. Department of Labor, OSHA, Office of Regulatory Analysis.

Construction

The compliance costs for the construction industry were estimated in a manner similar to that used for the manufacturing and service sectors. The initial step was to identify the required equipment and procedures. Based on the industry feasibility analysis, the construction industry was divided into six major subparts including new

construction, abatement, demolition, renovation, routine maintenance in commercial and residential buildings, and routine maintenance in general industry. OSHA determined the specific controls necessary to meet the requirements of the revised standard for each of these subparts. Different construction activities require different control practices and/or combinations of these practices. The unit cost estimates for these control practices

shown in Table 29 were obtained from comments in the record and from information presented in the studies by CONSAD [Exhibit 84-474] and RTL. Finally, the extent to which protective controls are currently utilized was considered when calculating the annual compliance costs. These costs are presented at the bottom of Table U.

Based on these costs, OSHA believes that only the demolition sector may experience financial difficulty in complying with the requirements of the revised standard. According to the August 1985 edition of the Construction Report "Value of Construction in Place," the net value of new construction in 1984 was \$312.988 billion in 1984 dollars. Given estimated annual compliance costs of less than \$10 million for new construction, the cost to revenue ratio is less than 0.1 percent. Thus, OSHA has determined that it is economically feasible for this sector to comply.

The preponderance of the compliance costs for construction (81 percent) are associated with abatement, renovation, and routine maintenance (i.e., \$285.3 million). According to the April 1985 edition of Construction Reports "Residential Alterations and Repair," the total value of maintenance and repair activities in 1984 was about \$23.784 billion in 1977 dollars (i.e., \$38.929 billion in 1984 dollars). The estimated annual compliance cost to revenue ratio in these sectors combined is estimated to be approximately 0.7 percent. Thus, OSHA has determined that it is economically feasible for these sectors to comply.

TABLE 29.—ITEM COST ESTIMATES FOR CONTROL REQUIREMENTS IN CONSTRUCTION

Item	Unit cost (in 1984 dollars)	Comments used to develop estimates
Engineering controls		Exhibit 84-474
Shrouded tools with HEPA vacuums:		
Vacuums (for one drill and one saw): & accessories	5,475	
Filters	648	
Glove bag	10.48/bag	
HEPA vacuums:		
Unit and accessories	1,441/unit	Exhibits 84-473, 84-474, 179 and 272
Filters	408/filter	
Regulated areas:		
Non-negative pressure:		
Signs	0.14/sign	Exhibits 84-473, 84-474 and 179
Tape	44.84/roll	
Negative pressure:		
HEPA ventilation systems:		
Unit and accessories	2,750/unit	Exhibits 84-474, 179 and 272
Filters	178/filter	
Enclosures and signs	448/enclosure	
Decontamination areas:		
Rental of remote units	33.00/per day	Exhibits 84-474 and 330, and hearing transcript of June 29, 1984, page 204
Assembly of adjacent unit	500.00/per unit	
Half-mask supplied-air:		
Respirators		
Respirator and accessories	278.25/unit	Exhibits 84-473, 84-474, 123A, 179 and 330
Compressor (for 2 masks)	1,000.00/compressor	
Suit of protective clothing	3.00/suit	Exhibit 84-473, 84-474 and 179