

VINYL INSTITUTE ANNUAL MEETING

Update On Canada

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BEFORE I ADDRESS THE MAJOR ISSUES FACING THE VINYL INDUSTRY IN CANADA, I WANT TO SPEND A MOMENT DETAILING THE INDUSTRY ITSELF.

VINYL IS PART OF THE CANADIAN PETROCHEMICAL INDUSTRY WHICH IS THE COUNTRY'S FIFTH LARGEST WITH MORE THAN \$5 BILLION IN SALES IN 1986. THE INDUSTRY EMPLOYS APPROXIMATELY 200,000 PEOPLE. A GROWTH INDUSTRY, THE PETROCHEMICAL INDUSTRY HAS AVERAGED A 10 PERCENT INCREASE BY VOLUME PER ANNUM OVER THE LAST DECADE.

ALTHOUGH THE PETROCHEMICAL INDUSTRY HAS EXPERIENCED SOLID GROWTH, WE FACE ISSUES CONCERNS THAT COULD SERIOUSLY IMPACT OUR INDUSTRY. LIKE CITIZENS OF OTHER NATIONS, CANADIANS ARE INCREASINGLY BECOMING SENSITIVE TO A NUMBER OF ENVIRONMENTAL RELATED ISSUES WHICH THREATENS OUR VERY EXISTENCE IN CERTAIN MARKETS.

TRADITIONALLY CANADIANS HAVE BEEN EXTREMELY SENSITIVE TO ENVIRONMENTAL ISSUES. ANY FACTOR WHICH THREATENS THEIR "QUALITY OF LIFE" RISKS A CONCERTED BACKLASH FROM ENVIRONMENTAL ORGANIZATIONS AND CITIZENS COALITIONS.

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ONE HIGH PROFILE EXAMPLE OF THIS IS THE CONTINUING BATTLE AGAINST ACID RAIN. CITIZENS AND ENVIRONMENTAL GROUPS HAVE EXERTED A TREMENDOUS AMOUNT OF PRESSURE ON GOVERNMENT TO ALLOCATE FUNDS TO FIGHT ACID RAIN AND INCREASE PRESSURE ON WASHINGTON TO RECOGNIZE THE ISSUE AND ASSIST IN ELIMINATING IT.

ANOTHER EXAMPLE ARE SURVEY RESULTS CONDUCTED IN THE PROVINCE OF ONTARIO IN 1986 THAT DEMONSTRATED THAT 7 OF 10 PEOPLE POLLED WOULD RATHER HAVE LESS EMPLOYMENT IN THEIR PROVINCE AND A CLEAN ENVIRONMENT THAN FULL EMPLOYMENT AND A POLLUTED ENVIRONMENT.

OUR INDUSTRY IS A LIKELY TARGET FOR THESE GROUPS AS A GENERAL PERCEPTION EXISTS THAT THE CHEMICAL INDUSTRY IS DANGEROUS, OR MORE DANGEROUS THAN OTHERS, OBVIOUSLY THIS IMPLICATES OUR INDUSTRY AND THAT OF OUR DOWNSTREAM CUSTOMERS.

THERE ARE A NUMBER OF SPECIFIC ISSUES WHICH WILL IMPACT OUR INDUSTRY DURING THE SHORT TERM WHICH I WANT TO OUTLINE TO YOU TODAY. MOST ARE RELATED TO ENVIRONMENTAL ISSUES AND OTHERS FOCUS ON ADDRESSING THEM.

THEY INCLUDE:

MUNICIPAL-INDUSTRIAL STRATEGY FOR ABATEMENT (MISA)

OFF-GASSING

WASTE MANAGEMENT

WHIMIS

GOVERNMENT LEGISLATION

CAER

EDUCATION

MISA IS AN ACRONYM FOR THE MUNICIPAL INDUSTRIAL STRATEGY FOR ABATEMENT, A NEW ONTARIO MINISTRY INITIATIVE THAT IS DESIGNED TO VIRTUALLY ELIMINATE THE LIQUID DISCHARGE OF ALL TOXIC MATERIALS TO NATURAL WATER BODIES. IT SHOULD BE NOTED THAT THE PROVINCE OF ONTARIO, CANADA'S MOST POPULATED PROVINCE, IS THE COUNTRY'S ENVIRONMENTAL LEADER. IF A BILL IS PASSED IN ONTARIO, QUITE OFTEN IT IS INCORPORATED BY THE OTHER NINE PROVINCES.

MISA IS DESIGNED TO PROVIDE A UNIFORM AND SYSTEMATIC WAY OF INTEGRATING MORE WATER MANAGEMENT ACTIVITIES AND COMPREHENSIVE ABATEMENT STRATEGY TO CONTROL HAZARDOUS AS WELL AS CONVENTIONAL EFFLUENT DISCHARGES FROM MUNICIPAL AND INDUSTRIAL SOURCES.

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ALTHOUGH MISA WILL STUDY LIQUID EFFLUENTS, IT ALSO COVERS CONTRIBUTING SOURCES AND SUGGESTS SOME FORM OF CONTROL AT THE SOURCE TO ENSURE THAT EFFLUENTS FROM SEWAGE TREATMENT PLANTS MEET ENVIRONMENTAL REQUIREMENTS. MISA ALSO REQUIRES DISCHARGERS TO SELF MONITOR THEIR EFFLEUNTS AND REPORT ON EFFLUENT QUALITY TO THE ONTARIO MINISTRY OF THE ENVIRONMENT.

THERE ARE TWO MAIN COMPONENTS TO MISA. FIRST, A TECHNOLOGY FACTOR WHERE WATER QUALITY WILL BE TESTED CASE BY CASE AND DISCHARGERS WILL BE REQUIRED TO ESTABLISH A MINIMUM LEVEL OF TREATMENT REGARDLESS OF PLANT LOCATION. TREATMENT WILL BE BASED ON BEST AVAILABLE TECHNOLOGY ECONOMICALLY ACHIEVABLE BY THAT SECTOR.

SECOND, WATER QUALITY WILL BE TRACKED BY THE DISCHARGER TO ASSESS THE IMPACT DISCHARGES ON THE RECEIVER. IF A RECEIVER IS SENSITIVE AND REQUIRES CONTROL BEYOND THAT SPECIFIED IN THE REGULATION, THEN THE DISCHARGER WILL BE REQUIRED WITHIN A SPECIFIED PERIOD OF TIME TO PROVIDE ADDITIONAL CONTROL MEASURES TO ENSURE THAT THE RECEIVER IS PROPERLY AND ADEQUATELY PROTECTED.

ANOTHER SUBJECT WHICH IS QUICKLY BECOMING AN ISSUE IS OFF-GASSING.

OFF-GASSING FIRST BECAME AN ISSUE IN CANADA DURING THE MID-1970'S THROUGH CONCERNS RELATED TO PEOPLE LIVING IN HOMES INSULATED WITH UREA FORMALDEHYDE FOAM (UFFI). SOME PEOPLE EXPERIENCED SICKNESS OR HEADACHES AS A RESULT OF LIVING IN HOMES INSULATED WITH THIS MATERIAL, AND SUBSEQUENTLY, THE GOVERNMENT BANNED UFFI IN CANADA.

DURING THIS TIME, RESEARCHERS DISCOVERED LIGHT LEVELS OF FORMALDEHYDE GAS EMISSIONS FROM GLUES USED IN HOUSEHOLD FURNITURE AND FORMALDEHYDE DERIVATIVES USED TO MANUFACTURE ARBORITE AND OTHER LAMINATES. MOST OF THE WORK IS CURRENTLY CONDUCTED BY THE NATIONAL RESEARCH COUNCIL, A FEDERAL GOVERNMENT BUREAU, AND HAS RECENTLY BEEN SPEARHEADED BY THE FEDERAL DEPARTMENT OF CONSUMER AND CORPORATE AFFAIRS.

THE WORK IS ALSO CLOSELY MONITORED BY THE MINISTRY OF THE ENVIRONMENT DUE TO CONCERNS ABOUT RECYCLED AIR USE IN MODERN, WELL-INSULATED BUILDINGS.

OF CONCERN TO US IN THE VINYL INDUSTRY IS THE SCHEDULING OF A NUMBER OF PVC MATERIALS - PARTICULARLY WALLCOVERINGS AND WIRING. WE ARE OBVIOUSLY MONITORING THE SITUATION VERY CLOSELY.

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WASTE MANAGEMENT IS ATTRACTING ATTENTION IN CANADA AS IT IS HERE IN THE U.S. AND EUROPE. AS MUNICIPALITIES AND PROVINCES FACE THE REALITY OF LANDFILL SITE OVER CAPACITY, THE ISSUE BECOMES THORNY FOR THOSE WHO THE PUBLIC AND GOVERNMENT PERCEIVES ARE CONTRIBUTING HEAVILY TO THE PROBLEM.

WE AT BFGOODRICH, ALONG WITH OTHER PLASTICS INDUSTRY PARTICIPANTS ADVOCATE A COMPREHENSIVE PROGRAM FOR MANAGING AND DISPOSING OF MUNICIPAL SOLID WASTE INCLUDING:

- o MINIMIZE WASTE AT THE SOURCE BY ENCOURAGING CONSIDERATION OF THE ENVIRONMENTAL IMPLICATIONS OF NEW OR REVISED PRODUCTS.

- o RE-USE PRODUCTS WHERE PRACTICAL, AND CONSIDERING HEALTH AND SAFETY CONSIDERATIONS.

- o RECYCLE-WHAT EVER CAN BE SAFELY AND ECONOMICALLY RECYCLED.

- o RECOVER ENERGY FROM ENVIRONMENTALLY SOUND INCINERATION.

- o PROVIDE ENVIRONMENTALLY SAFE LANDFILLS FOR SOLID WASTE THAT CANNOT BE HANDLED BY OTHER MEANS.

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- o ENFORCE COMPREHENSIVE ANTI-LITTER PROGRAMS
- o PROMOTE RESEARCH INTO NEW USES OF WASTE.

OBVIOUSLY SUCH A PROGRAM REQUIRES THE EDUCATION AND CO-OPERATION OF ALL CONSTITUENCIES AND RECOGNIZES THAT SINCE THE SOLUTION TO THE PROBLEM BENEFITS ALL, THE BURDEN SHOULD BE SHARED BY ALL.

WHIMIS IS ANOTHER ISSUE I'M CONFIDENT ALL OF YOU ARE CONVERSANT WITH. WHIMIS IS A CANADA-WIDE SYSTEM DESIGNED TO GIVE WORKERS INFORMATION ABOUT HAZARDOUS MATERIALS USED IN THE WORKPLACE. IN SHORT, INFORMATION ON HAZARDOUS MATERIALS WILL BE PROVIDED TO WORKERS VIA LABELS, MATERIAL SAFETY DATA SHEETS AND WORKER TRAINING PROGRAMS.

WHIMIS WILL BECOME EFFECTIVE ACROSS CANADA ON OCTOBER 31, 1988 AND REQUIRES SUPPORT AND COMPLIANCE BY ALL CHEMICAL INDUSTRY RECIPIENTS.

I HAVE COVERED SEVERAL EXAMPLES OF GOVERNMENT'S INVOLVEMENT IN THE ENVIRONMENTAL AREA. WE ARE EXPERIENCING INCREASING SENSITIVITY IN THIS AREA AND THE GOVERNMENT'S REACTION TO POLLS WHICH DRIVES MUNICIPAL, PROVINCIAL AND FEDERAL GOVERNMENTS TO TAKE HIGH PROFILE ACTION.

ONE SUCH ACTION WAS THE ONTARIO GOVERNMENT'S THREAT THAT "PIN-STRIPERS" WHO HEAD COMPANIES THAT CONTINUE TO IGNORE ENVIRONMENTAL REGULATIONS WILL "BE LOCKED UP."

IN CANADA, ALL LEVELS OF GOVERNMENT ARE WILLING TO WORK WITH INDUSTRY IN FINDING WAYS TO CLEAN UP THE ENVIRONMENT AND MAKE IT SAFE FOR FUTURE GENERATIONS. HOWEVER, OPINION POLLS, ESPECIALLY IN THE ENVIRONMENTAL AREA, ARE RULED OFTEN BY PUBLIC PERCEPTION AND GOVERNMENTS ARE QUITE PREPARED TO RESPOND EVEN THOUGH THE ACTION MAY NOT BE THE IDEAL SOLUTION.

THEREFORE, I SEE EDUCATION AS A PRIMARY ISSUE TO DEMONSTRATE THAT OUR MATERIALS ARE SAFE, DEMONSTRATE TO CONSTITUENTS THAT OUR PLANTS ARE SAFE AND OUR FACILITIES ARE ENVIRONMENTALLY SOUND, THAT WE AS BUSINESS PEOPLE ARE ALSO CONCERNED CONSTITUENTS AND CARING ABOUT OUR ENVIRONMENT.

THE PROACTIVE APPROACH TO ADDRESSING THE VARIOUS PUBLICS IS CRUCIAL IN MAINTAINING A CREDIBLE AND RESPONSIBLE STANCE. THIS LEADS ME TO OUR COMMUNITY AWARENESS AND EMERGENCY RESPONSE (CAER) PROGRAM. INDUSTRY MEMBERS HEAD THEIR OWN CAMPAIGNS HOWEVER, THE CANADIAN CHEMICAL PRODUCERS ASSOCIATION LOOKS AFTER THE NATIONAL PROGRAM INCLUDING STRATEGY AND ASSISTING MEMBERS.

THIS TYPE OF ACTIVITY IS CRUCIAL TO ADDRESS IMPENDING ENVIRONMENTAL AND CRISIS PROBLEMS.

TO MEET THESE ISSUES, BFG IS A MEMBER OF VARIOUS INDUSTRY ASSOCIATIONS TO APPROPRIATELY ADDRESS THESE ISSUES INCLUDING THE CCPA, THE VINYL COUNCIL OF CANADA AND THE SOCIETY OF PLASTIC INDUSTRY. WE BELIEVE OUR INVOLVEMENT WITH THESE ASSOCIATIONS ASSIST US IN MEETING GROWING CONCERNS AND UTILIZE THE TALENT WE HAVE.

I LOOK FORWARD TO ANSWERING ANY QUESTIONS YOU MIGHT HAVE ABOUT CANADIAN ISSUES LATER IN THE FORUM.

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