

SURVEY ON CHEMICAL COMPANY ACTIVITIES
TO REDUCE UNREASONABLE RISK
TO HEALTH AND THE ENVIRONMENT

- PROBLEM: The chemical industry needs defensible information that companies are actively reducing risks associated with chemicals. The industry will need such information for the Toxic Substances Control Act oversight and reauthorization hearings. Certain congressmen and environmentalists will press for a more active Environmental Protection Agency role in carrying out the Toxic Substances Control Act. The need for such information is highlighted by recent congressional action in regard to the Clean Air Act, Clean Water Act, and RCRA.
- OBJECTIVE: To demonstrate that the chemical industry has responded to the public concern about chemical risks that generated the Toxic Substances Control Act and similar legislation. The survey is expected to show that an active program of regulating the chemical industry is unnecessary because of voluntary industry actions.
- BACKGROUND: The Chemical Regulations Advisory Committee believes that the Toxic Substances Control Act should be implemented reasonably. Selective implementation of the Toxic Substances Control Act authority, however, is under constant congressional and environmentalist pressure. Interest groups argue that the Act is not implemented, little testing occurs under the Toxic Substances Control Act, voluntary testing is inadequate, premanufacture notification data are insufficient and health and safety records are poor. The Executive Committee, at its June meeting, authorized CRAC to carry out a pilot survey. The survey has been completed and was successful.
- RECOMMENDATIONS: That CMA conduct the full survey.
- ACTION REQUIRED: Approval of recommendation.

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The chemical industry needs a Toxic Substances Control Act (TSCA) impact assessment in anticipation of congressional oversight hearings. Experience with the NERA study demonstrated that a strictly economic assessment in anticipation of regulations yet to be promulgated is extremely difficult and not cost-effective. In light of that experience and the difficulty of isolating cost and effects solely attributable to TSCA, CRAC has assessed the Association's information needs and is proposing a survey of chemical company activities to reduce unreasonable risk.

CRAC continues to hold that TSCA should be implemented in a timely and reasonable manner. However, our concepts of selective imposition of TSCA authority are under constant pressure from Representative Florio's subcommittee and environmentalist groups who urge more rapid and much more comprehensive use of that authority. These pressures remain possible because of a political climate that retains general appeal for the testing and control of "toxics".

Public interest groups can be expected to argue: The Act is essentially unimplemented; little or no testing has been conducted under the Act; EPA lacks access to industry's health and safety records; PMN data are inadequate; the voluntary testing concept is inadequate; there is no PMN rule, but exemption proposals; etc. We must dispel the public misperceptions of TSCA if CMA goals of reasonable and selective implementation and longer range statutory safeguards are to be achieved. If CMA cannot dispel such misperceptions, the Congress may take action on TSCA similar to recent legislation concerning the Clean Air Act, Clean Water Act and RCRA.

CRAC is proposing to gather information that will demonstrate, in a positive manner, that the goals of TSCA are being achieved. Those goals focus on testing, information availability, and control of unreasonable risks.

Industry can demonstrate that it has carried out the "Spirit of TSCA", from its health and environmental priorities as well as other aspects. A simple and readily answerable survey has been designed to elicit a factual, semi-statistical base of information on industry practices for chemical hazard assessment, hazard communication and hazard control, together with the organizational structures and policies which assure that these programs work.

The data gathered will be used as a basis for narrative, factual descriptions as appropriate for a variety of audiences including Congress, EPA, policy leaders, the public and the chemical industry at large. The proposed exercise will also identify an internal communications base which will make trend analysis possible via periodic surveys in the future, when needed.

At its June meeting, the CMA Executive Committee authorized CRAC to conduct a pilot survey to determine the feasibility of gathering the needed information on a larger scale.

The pilot survey covered generally large companies. The respondents totalled \$44.5 billion in U.S. chemical sales for 1982 and employed over a quarter million workers.

The pilot survey results indicate that a full survey is feasible. Companies have data with which to complete the questionnaire and responses to the questionnaire appear to be consistent both within individual companies and between different companies. Results of a full survey, then, would be valid.

The pilot survey has shown that the chemical industry has made a positive effort to identify and reduce risks. A full survey would document, in a convincing manner, the activities that chemical companies are pursuing.

While the historical data show a trend of increasing chemical company activity to reduce risk, the data become sketchy beyond five years or so in the past. The rate of response to the pilot survey questions dropped noticeably from questions about the most recent year (1981) to questions concerning industry practices in 1975. The response dropped sharply when 1969 information was requested. Companies that provided information about 1975 and 1969 were careful to note that the accuracy of historical data -- particularly 1969 -- was much lower than for current data. Consequently, the current questionnaire focuses almost exclusively on current practices.

CRAC requests that the Executive Committee endorse Phase III of the proposed survey.

- Phases I and II are complete. In the first phase, CRAC developed the draft questionnaire and prepared a management plan to carry out a pilot and then the full survey.
- Phase II included the pilot survey and a further revision of the questionnaire based on the survey's results. The pilot survey covered 22 companies -- all CRAC companies plus some CSMA and SOCMA members.

- Phase III will be the full survey. It will include sending out the questionnaire, and compiling, storing and analyzing the data.

Schedule: October 15 to January 19.

ACTION REQUESTED

Approval for survey plan is proposed. (Funding is incorporated within the existing CRAC budget).

CMA
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