



Pentagon Has Concerns with Chrome PEL



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Pentagon Confirms Electroplating, Aerospace Concerns to OSHA in Memo on Chromium Rule—In a letter to acting OSHA chief John Snare, the Department of Defense in early September highlighted several concerns on the impacts of OSHA's proposed chromium rule on the military. The letter referenced earlier, more extensive comments submitted to the Department of Labor by the Air Force and Navy, as well as industry, and asserted that the proposed limit of $1 \mu\text{g}/\text{m}^3$ is not appropriate on the basis of technical feasibility, compliance costs and risk. On the subject of risk vs. benefit from the proposed rulemaking, the letter concluded that until some of the risk issues raised by OSHA's analysis of old chromate production plant studies are better understood, the Department of Defense is "concerned that the estimated risk from chromate production significantly overstates the risk for painting and electroplating operations." The OSHA rulemaking package is likely to be sent over to the White House for formal review sometime in mid-October.

For more information, see the Department of Defense letter accompanying this month's *P&SF* update.

Finishing Industry Invited to Testify on Capitol Hill on EPA Regulatory Impacts—The finishing industry was invited to be a key industry witness before a September hearing of the House Government Reform Subcommittee on Regulatory Affairs. Michigan Republican Candice Miller, who chairs the panel, called the hearing to spotlight the effects of environmental regulation on U.S. manufacturing and assess progress in regulatory reform efforts at EPA. Miller, who is championing the finishing industry's opposition to OSHA's proposed chromium exposure limit, noted that manufacturers bear the highest costs of regulation, with small businesses bearing a disproportionate share of that burden.

Witnesses at the hearing included Brian Mannix, EPA's new policy chief; Tom Sullivan, SBA Chief Counsel for Advocacy; and several industry witnesses. Among the regulations discussed were the Toxic Release Inventory (TRI) burden reduction rulemaking, the revised definition of solid waste and longstanding efforts to boost recycling of electroplating wastewater treatment sludge.

In industry testimony, B.J. Mason of Mid-Atlantic Finishing Corp. in Capitol Heights, Maryland, argued that the average metal finishing company "throws away" thousands of dollars in metals each year in disposing of F006 sludge, largely due to regulatory barriers that make recycling more difficult and expensive. Mason asserted that ever-rising costs associated with metal finishing—including raw materials, energy, insurance and regulatory compliance—demand elimination of unjustifiable regulatory barriers now more than ever. The reasonable approach metal finishers have pressed EPA to finalize would promote safe metals recovery, reduce land disposal of F006 sludge, and save metal finishing firms as much as \$50,000 a year.

Predictably, the hazardous waste treatment industry raised concerns in the hearing about the environmental safety concerns of allowing more F006 to be recycled. Chairwoman Miller, meanwhile, requested that EPA move to finalize a recycling reform package to aid metal finishing firms and U.S. manufacturing.

Manufacturing Grows for 28th Month in a Row—According to the latest Institute for Supply Management report, economic activity in the manufacturing sector grew in September for the 28th month, while the overall economy grew for the 47th month. Norbert J. Ore, chair of the ISF Manufacturing Business Survey Commission, said, "The PMI made a strong

move to the upside as new orders and production rose significantly ... While energy prices and the impact from Hurricane Katrina are major concerns, the manufacturing sector has regained significant momentum." See the latest details of the report at <http://ism.ws>.

U.S. 2nd in Global Competitiveness After Finland—Finland remains the world's most competitive economy. It topped the rankings for the third year in *The Global Competitiveness Report 2005-06*, released on September 28, 2005, by the World Economic Forum. The U.S. is second, followed by Sweden, Denmark, Taiwan, and Singapore. Canada rose to 14th this year from 15th last year. Mexico fell seven places to 55th. Leading within Asia are Taiwan and Singapore, ranked 5th and 6th respectively, while Japan ranked 12th and Hong Kong dropped seven places to 28th. China dropped three ranks to 49th while India gained five ranks to 50th. Both showed strong growth but suffered from institutional weaknesses. See <http://www.weforum.org>.

Federal R&D Funding Stalls—The American Association for the Advancement of Science (AAAS), in its latest analysis of the federal R&D budget, reported that the federal budget now being crafted for Fiscal Year 2006 is far from finished and the prospects for federal R&D are uncertain as a result of the need to offset the costs of war and of Hurricanes Katrina and Rita. The AAAS analysis of the potential offsets identified \$2.6 billion of "savings" from non-defense R&D programs, more than half of which would come from canceling NASA's moon-and-Mars missions. NASA, DOE, USDA, and Commerce R&D programs could face more serious cuts as the appropriations process drags. The Fiscal Year 2007 budget could be even tighter. See the recent update at <http://www.aaas.org>.