

ters relating to claim adjustments.

In Illinois, Missouri and Alabama we self-insure our Occupational Risk only, because the law of these states permits insuring work-compensation and occupational disease coverage separately. Furthermore, since approximately one-third of our plant personnel and our exposure to occupational disease is concentrated in Illinois and Missouri, insurance is to our advantage economically, because of administration and handling costs, etc.

In view of our insurance arrangements, Brake Shoe's liability is automatically transferred to our insurance carrier. Therefore, it is in our best interests that our people work in a cooperative manner with representatives of these companies. It is important that we furnish them with all the facts and data pertinent to an occupational injury, or occupational disease claim, in order that they can handle and process the claim expeditiously and equitably.

The facts and details of an accident, brought out at time of recommended accident investigation by plant management, are, many times of great value to the claim adjusters and attorneys in preparing the defense of a claim alleging injury or disease.

The important problem in the occupational disease field, as is true in workmen's compensation, is not what disability benefits (if any) are to be paid, but rather how the hazards leading to such diseases can be brought under control. This necessitates the combining of medicine (including nursing) and engineering techniques to determine the elimination of the hazard from the standpoint of health and safety. The function of our Industrial Hygiene Section is to control working conditions at our plants to such a degree that there will be no exposure to materials or conditions conducive to occupational disease.

Probably no other insurance is more closely related to our Safety and Fire Prevention Program than Fire Insurance since it consists entirely of inspection and prevention.

The purpose of buying Fire Insurance is not only to prevent a catastrophic financial loss to the company but also to buy, as in the case of workmen's compensation and occupational disease insurance, expert services particularly those applying to inspection and fire prevention. In connection our Safety and Fire Prevention Program is supplemented by these services to the extent that dangerous conditions may be discovered and corrective action taken, thereby eliminating to the greatest degree possible the causes of fire.

The Safety Department is provided with and distributes various types of informative bulletins relating to specific hazards which have to be disastrous either as a result of laboratory study or in actual fires. This information outlines practical preventive measures to avoid hazardous exposures.

To further show how important fire prevention is to our company, let me give you the actual volume of dollars involved within Brake Shoe. At present time the insurable value of all plants and equipment for insurance purposes is approximately \$100,000,000.00.