



ASBESTOS INFORMATION ASSOCIATION

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May 18, 1981

MEMORANDUM FOR: Members

SUBJECT: Forwarding of Information Related to
Asbestos-Related Employee Compensation

In keeping with this Association's principal work of keeping its members informed on matters related to asbestos and health, this memorandum is forwarded as a report on a meeting held at the National Association of Manufacturers (NAM) Washington, D.C., on May 15. The meeting was hosted by NAM's Task Force on Occupational Disease Compensation (Worker's Compensation Subcommittee).

The purpose of this newly-created body is to monitor and evaluate developments in occupational disease compensation as related to state workers' compensation proposals and laws; Federal product liability proposals and laws, changes in scientific knowledge as related to medical technology and criteria for establishing work-related causation; changes in Federal occupational health laws; the preparation of testimony, statements, etc., in context of Federal proposals or reports; the development of alternative systems approaches to occupational disease compensation, deemed appropriate.

A copy of the meeting agenda is attached. It will be noted that F. Lee Bailey, Esq, and Dr. Irving J. Selikoff were included among the speakers.

A brief resume of notes taken during the morning session (other commitments precluded remaining until adjournment) follows. Please bear in mind that these attributions were extracted from hurried notes and, therefore, should not be considered as verbatim quotations.

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Estimated that between 1940 and 1979 13 to 13.5 million workers have been "significantly exposed" to asbestos.

8.5 to 9 million of above group are alive today.

While risks vary, excess cancers due asbestos exposure are expected to occur until year 2000.

F. Lee Bailey, Esq.

Fault is a fictitious theory. Responsibility should not be criteria for solution to problem.

Industry and insurance companies do not have unlimited funds. Forecast is economic chaos to both parties unless solution found.

Tort system is inefficient and costly.

There is need to get compensation to those who need help.

Spoke of parties (industry, insurance carriers & government) that could provide initial funding, followed by assessment system, and scheduled payments to claimants.

Also enclosed are two documents that were made available at the meeting. These are described below:

1. Asbestos - A Social Problem - prepared by the Commercial Union Insurance Companies and dated May 12, 1981. This document provides a comprehensive review of overall compensation and litigation problem. It concludes that "the nature of the problem necessitates federal legislative action to devise and implement a system that adequately and equitably addressess the needs and interests of asbestos victims, the asbestos industry and insurance companies."
2. Brief of Amicus Curiae, Commercial Union Insurance Companies, U.S. Court of Appeals for the District of Columbia Circuit dated April 16, 1981 - Following are arguments presented in brief:
 - I - The Exposure Theory Is Unworkable, and Its Enforcement Will Be a Disservice To All Concerned.....
 - II - First Manifestation Is More Workable Than Exposure and Is the Only Theory That Derives From a Proper Interpretation of the Insurance Policies.....

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III - This Court Should Reject Proposed Solutions
That Are "Unsatisfactory" Answers to the
Problems Sub Judice Even Where the Parties
Have Espoused No Others.....

IV - If the Remedies Urged by the Parties Are
Unacceptable, the Case Should Be Remanded
to the District Court for Further Pro-
ceedings.....

It is recognized that total number of materials in this mailing will
be burdensome to read; however, their relevance and overall signifi-
cance appeared to warrant your receiving complete copies of the en-
closures.


B. J. Pigg
Executive Director

Enclosures

Wendell Alcorn, Esq., CW&T
cc: Joseph Artabane, Esq., CW&T
Edward Warren, Esq., K&E

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