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Prevention Feature Of Dust Disease Laws Cited

LEHMAN ON ITS SIGNIFICANCE

Lower Occupational Disease Rates in N. Y. as Result of Bills Just Signed; Their Effect Outlined

Compensation insurance underwriters in New York anticipated this week appropriate changes in occupational disease rates for industries subject to dust hazards which will reflect the reduction in cost indicated by the new amendment to the workmen's compensation law (Schwartzwald bill, Senate Intro. No. 1084). This bill, signed by Gov. Lehman on June 6 along with Schwartzwald's Senate Intro. No. 1559 setting aside $50,000 for a study of how best to eliminate hazards to life and health from occupational diseases, became effective June 6. A few days later the Compensation Insurance Rating Board of New York filed with Superintendent of Insurance L. H. Pink its proposal for appropriate rate changes. Another bill signed by the Governor—the Crews measure, Assembly Intro. No. 1356, appropriated $100,000 for the prevention of silicosis and other dust diseases. These measures are now respectively Chapters 887, 888 and 889 of the laws of 1936.

Impressed by Prevention Feature

It was the prevention feature of this legislation which most impressed Gov Lehman and he said:

"Its importance, in my opinion, outweighs any deficiencies that may exist in the proposed legislation although I will frankly admit that certain provisions of this legislation are not at all to my liking and that they run contrary to what I believe to be sound principles of workmen's compensation laws.

"But the protection of the workingman from exposure to conditions which develop silicosis and other dust diseases is a very long step forward. Hereafter employers must use dust and elimination devices approved by the industrial commissioner. This will be true both with respect to private employment and public projects. It should very greatly lessen the silicosis hazard and reduce disease and death resulting therefrom.

"An appropriation of $100,000 is made to enable the industrial commissioner to enforce this preventive requirement. Furthermore, it is provided that $50,000 annually commencing July 1, 1936, and extending to June 30, 1941, can be taken from the state vocational rehabilitation fund for the purpose of making studies to prevent dust diseases, to devise methods of eliminating such hazards and to disseminate information to achieve the maximum degree of prevention.

"This feature of prevention, as I have indicated, is tremendously helpful from the long run social point of view. The benefits that will be obtained from effective prevention are of the greatest significance to present and future workers in these industries and of importance equal to that of providing compensation to the unfortunate worker who has been affected by silicosis or other dust diseases."

Effect of New Law

The effect of new Chapter 887, which amends the compensation law by adding a new article thereto relating to dust diseases, has been outlined by the Association of Casualty & Surety Executives and its memoranda on the subject made available to companies writing the coverage in New York State. It reads:

The policy of the legislature is expressed as prohibiting any requirement of medical examinations as a prerequisite to employment

The industrial commissioner and the industrial board are required to promulgate rules for the maintenance of devices designated to eliminate harmful dusts and to control the incidence of silicosis and similar diseases.

No compensation shall be payable for partial disability due to dust diseases In cases of temporary or permanent total disability or death compensation shall not exceed $500 if such disablement or death occurs during the first calendar month in which this act becomes effective. Thereafter the total of compensation payable for such disability or death shall increase at the rate of $50 each calendar month, the amount payable being determined by the total payable in the month in which disablement or death occurs In no event, however, shall such compensation exceed $3,000 No payments shall have to be made into special funds in cases of death where there are no persons entitled to compensation

$25 Maximum, $8 Minimum Weekly Indemnity

Compensation shall be payable from the eighth day following total disablement at the rate of 66 2/3% of the average weekly wage, with a maximum of $25 per week and a minimum of $8 per week. In the event of death dependents shall receive any balance remaining between the amounts paid for disability and the total compensation payable under this article.

All claims for compensation resulting from inhalation of harmful dust, where the last exposure occurred between the effective date of this act and September 1, 1935, shall be barred unless filed with-

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Bank Recovers Under Depositor Forgery Bond

INVOLVED GENERAL INDEMNITY

In Chase Bank Case N. Y. Supreme Ct. Decision Defeats Claim for Contribution from Blanket Bond Insurers

Justice Julius Miller, sitting at Special Term of the Supreme Court, New York County, has handed down a recent decision in favor of the Chase National Bank of New York City, allowing a claim in the amount of $15,395 against the General Indemnity Corp. of America in liquidation upon depositor's forgery bonds which it issued in favor of General Motors Corp. as the insured and its depository banks. The amount allowed represented the net amount of losses through the payment of forged checks drawn on the account of General Motors and paid by the Chase National Bank

This decision represents the first reported instance where a depository bank has actually obtained a decision in its favor under a depositor's forgery policy and where it has been determined as a matter of law that a depositor's forgery bond insurer is not entitled to contribution from bankers' blanket bond insurers.

Liquidator Disallowed Claim

When the forgeries were discovered

rning Dividends

y F. W. Lafrentz,

Chairman of the Board,
Surety Company of New York

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tribution from time to time of tangible, visible dividends. These, being of a material nature, are capable of perception by the physical senses. And there are those who are content to go along so long as they are the recipients of these outward manifestations of success and ask no questions.

The Invisible, Intangible Dividend

Not to them, then, but to those whose hearts and minds are attuned to the infinite is transmitted in addition thereto that thing of the spirit: the invisible, intangible dividend; that almost indefinable something which is based upon the conscientious conduct of the affairs of an undertaking by its representatives; by reason of the fairness, the consideration with which they treat all with whom they come in contact, inclusive of those who are subserv[illegible] to them -and, by the way, it almost [illegible]ably follows that they adopt the meth[illegible] pursued by their superiors, for "as the master, so the man," you know. All will thus move forward in unison, inspiring respect and confidence on every hand, as they go, creating that [illegible]tangible asset commonly designated as good will, which is a dominant factor in all well-regulated concerns.

The thinking participants will feel a keen satisfaction in their association with an institution that is trusted and esteemed in the business world generally and thus partake of the congenial atmosphere that pervades and envelops such a situation as a whole, which means that they become the recipients of invisible dividends.

— *From June issue of American Surety Bulletin*

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LARGE GOLF TOURNAMENTS

N. J. Surety Ass'n Played at Echo Lake; New York Club at Shelter Rock; Winners

Two of the largest casualty-surety golf tournaments in recent years have been held within the past week, respectively by the Surety Underwriters Association of New Jersey and the Casualty & Surety of New York. The N. J. tourney, attended by 108 and played at Echo Lake Country Club, Westfield, N. J., had as special guests Col. Proctor of the Executives Association, Martin W. Lewis, Towner Bureau, and J. M. Byrne of the New York Port Authority. Prizes were awarded as follows: Guests—C. Winkler, J. C. Thoms and Richard Fowler for the low gross; guests—kickers' prize: J. A. Mets of Jersey City. Members—J. F. Groel, Indemnity Co. of N. A., and M. J. Gimber, F. & D., tied for first prize; B. V. Cranston, F. & C.; V. Ernoy, Loyalty Group, and J. O'Hea, National Surety.

The New York club went to Shelter Rock Country Club, Searingtown, L. I., on June 11. To the F. & D. went the honor of the largest delegation—twenty-six—including home office people. J. G. Yost, its vice-president, was second prize winner in the kickers' event, J. Crowley, Globe, being first. G. F. Meredith won the president's trophy presented by Wallace J. Falvey of the Massachusetts Bonding. Other winners were H. F. Cornwall, first in Class A; H. P. Hall, second in Class A; U. L. Trice, first in Class B; Jack McAuliffe, second in Class B; R. B. Speirs, first in Class C; E. R. Aichele, second in Class C. Eighteen hole play in the afternoon was won by H. J. Solon and C. G. Quenzer, second. President Falvey presented the prizes at the evening dinner.

"Sudden Death" Preview Attended in N. Y. by 400

Nearly 400 insurance and safety men attended early Tuesday morning a preview of the Paramount film "Sudden Death" which was given in the Paramount Theatre, Forty-third Street, New York. Arrangements for this advance showing of the film had been made by R. H. Monaghan of the National Bureau of Casualty & Surety Underwriters in co-operation with Alex Moss of the Paramount Corp.

The crowd was tremendously impressed by the gripping safety theme which runs throughout "Sudden Death." It is the romantic story of the police lieutenant in charge of safety who falls in love with the spoiled daughter of a department store owner after he had been forced to put her on driving probation because of four tickets she had received for reckless driving. Randolph Scott of "Roberta" fame takes the male lead and Frances Drake, a new Hollywood "discovery," plays opposite him. It is her first big part. The incidental music hit just the right tempo for the dramatic action of the picture.

The National Bureau was represented by A. W. Whitney, J. J. Hall, H. F. Hammond and R. H. Monaghan; the Association of C. & S. Executives by Henry D. Sayer, and the National Board of Fire Underwriters by A. Wilbur Nelson. Among company men seen in the audience were Frank Ennis, America Fore; Geo. W. Scott and Bartlett Greene, National Association of Insurance Agents; Dan Foyer, Ocean Accident; T. W. VonEiss, Maryland Casualty; A. A Arnurius, Hartford Accident; C. J. Bussing, New York insurance broker, and R. S. Elberty, Fireman's Fund Indemnity.

Dust Diseases

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in 180 days from the day on which this act takes effect.

An employer shall be liable for compensation for dust diseases when disability of an employe resulting in loss of earnings shall be due to an employment in a hazardous occupation in which he was employed and such disability results within one year of the last injurious exposure in such employment; or in case of death resulting from such exposure if such death occurs within five years following continuous disability. The employer in whose employment the employe was last injuriously exposed and the insurance carrier, if any, which was on the risk at that time shall be liable for any payments required by this article.

Medical treatment for dust diseases shall be limited to a period of ninety days from the date of disablement which period may be extended for an additional period of ninety days upon the order of the industrial board. If an employe falsely represents in writing that he has not previously been disabled from the disease which causes the disablement or death or that he has not received compensation under this article, no compensation shall be payable.

Provision is made for the appointment of special medical examiners and expert consultants. Liability under this article shall be exclusive, but if an employer fails to insure as provided in said law the employe, or in case of death his personal representative, shall be able either to claim compensation under this act or maintain an action in the courts for damages on account of such injury. In such action the defenses shall be subrogated.