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Minutes
Safety Committee Meeting
Shipbuilders Council of America

April 2, 1969

Alabama Dry Dock & Shipbuilding Co.
EXECUTIVE DEPARTMENT
PRESIDENT

The Safety Committee of the Council convened at 9:30 A. M. April 2, 1969. Present were:

Harry H. Howard (Chairman)	Bethlehem Steel Corp.
Lloyd Beers	Bath Iron Works Corp.
G. M. Bryan	Ingalls Shipbuilding Div./Litton
John P. Carey	Bath Iron Works Corp.
Vernon Duke	Alabama Dry Dock & Shipbuilding
John F. Fitzgerald	Jacksonville Shipyards, Inc.
David A. Lavalette	General Dynamics/Quincy
William F. Metts	Newport News SB & DD Co.
Harold J. Morgan	General Dynamics/Groton
Lloyd J. Piccin	Sun Shipbuilding & DD Co.
M. P. Redford	Norfolk Shipbuilding & DD Co.
Linwood Temple	Bath Iron Works Corp.
G. P. Walls	Maryland Shipbuilding & DD Co.
Edwin M. Hood, President	Shipbuilders Council of America
Edward P. Ruddy, Secretary	Shipbuilders Council of America

While the following statement was made by a member of the Committee later at the meeting it was pertinent to all subjects discussed and, therefore, reported at this point. The member of the Committee stated:

> "The money involved in the subjects discussed at the 'Accident Prevention Committee' meetings go far beyond that involved in practically every other committee that is functioning within the Council. There is nothing that is discussed by other groups that really approaches the potential cost to shipyards of America like that involved in the subjects discussed by this Committee."

At the invitation of Committee Chairman Howard, the President of the Council opened the meeting with brief comment on several items of current interest:

PLAINTIFF'S EXHIBIT
SBCA 5016
exhibitsticker.com

Deft's EX# 2 FOR ID
Jan 9, 1980 DMS
Duke depo

CHANGE OF NAME TO "ACCIDENT PREVENTION COMMITTEE"

Mr. Hood noted that the Council had adopted revised By-Laws which, among other things, made changes in the Council's committee structure including a reconstitution of the "Safety Committee" as the "Accident Prevention Committee." This change, subject to Board approval, is to take place in June. Reaction of the Committee members was unanimously favorable with comment by several particularly endorsing the elimination of "Safety" from the Committee name.

ASBESTOS FIBER HEALTH HAZARDS IN SHIPYARDS

The Committee had before it press clippings which pointed up a potentially serious problem involving asbestos fiber health hazards in shipyards. Apparently recent medical studies among asbestos workers of the incidence of asbestosis and a type of lung cancer associated with exposure to asbestos, had led to recommendations that the acceptable "Threshold limit" be reduced from 5 millions of particles per cubic foot to 2 millions. Also, there has been wide publicity of autopsy findings of "asbestos bodies" in the lungs of a high percentage of the general population. The implication was that asbestos fibers are becoming an important pollutant in the general atmosphere (See attached article from the WASHINGTON POST dated December 4, 1968).

Mr. Hood reported that a member of the Council's Board at its March meeting had stated his opinion that the Federal safety rules and regulations on this subject now being considered for adoption, probably constitute one of the most important areas for Council activity. The Board member had proposed further that the safety and health problem of asbestosis (and also industrial deafness) might best be dealt with by the Council on an industry-wide basis. In order to be effective the Board member suggested that the Council consider establishment of a highly skilled technical and medical group to cope with these problems.

Mr. Hood reported further that the Board had agreed the matter should first be reviewed by the Safety Committee with a view to submitting its recommendations to the Board.

Council President Hood noted that David Swankin, Director of the Bureau of Labor Standards, had disclosed an intense interest in the industry's handling of this potentially serious health problem and had pinpointed asbestosis as an area to which he hoped the shipyard industry would direct close attention. His basic thought appeared to be

a desire that a situation such as the recent "black lung" controversy in coal mining be avoided.

One member of the Committee referring to the proposal that this problem be dealt with by the Council on an industry-wide basis by means of a highly skilled technical and medical group suggested that companies having these talents among their employees should appoint them to such a group. To get things started, he proposed that a three-man group, including two technical men from the industry and one from the Committee representing the management area be appointed. The three-man group would study the situation and report back to the Committee with its suggestions. However, subsequent discussion disclosed a lack of clarity as to how serious the problem really is, and also that some yards already have studies under way to determine the situation both from the standpoint of industry use of asbestos and as to the medical picture. Additionally, Labor Department industrial hygienists were reported to have approached several shipyards to determine what action is being taken by industry. There was mention that Dr. Irving Selikoff named in the WASHINGTON POST article, has also contacted some yards.

Dr. Selikoff was reported to be Director of Environmental Medicine at Mt. Sinai Hospital in New York and a part of a joint venture between Mt. Sinai, Johns-Manville Corp. and the International Pipe Coverers and Refrigeration Workers Union. Others mentioned as having an interest included the International Office of Asbestos Workers, Aetna Insurance and the Armstrong Company.

A feeling was expressed by several members of the Committee that it is unwise for the yards to refuse access by these interests.

In this context, attention of the Committee was drawn to an article in the WALL STREET JOURNAL dated March 17, 1968, which discloses that Hill & Knowlton, Inc., national public relations firm, is now representing Johns-Manville Corp. on health problems connected with asbestosis and other diseases workers develop from inhaling asbestos dust.

Ensuing discussion convinced the Committee that there are a lot of things going on and that at this time rather than appointing the group of technical people that had been proposed, it would be advisable to first develop further information. The consensus was that the problem needs close watching with coordination of the available information and prompt action. The Committee agreed that the Council should immediately take steps to develop what is taking place in the various areas, catalogue all of them, and determine where the Council can coordinate and fit into the picture.

As one step the Committee agreed the Council should ask all members to provide any information they may have such as studies being made, visits from research groups and so forth.

Concern was expressed both as to the asbestos and the hearing problem that the American Medical Association seems to be left out. Mention was made that a Dr. Howe who heads up the Industrial Medicine Division of AMA, is the proper person to approach for coordination with that group.

Mr. Hood agreed that he would establish liaison with the Hill and Knowlton concern to further develop the activities under way and that the AMA would be contacted.

During the discussion there also was comment that so long as asbestos is used in industry it will present a health problem and that at least from the shipyard industry point of view the eventual solution may lie in the use of substitutes. One proposal was that recommendations be made to the Navy, MarAd and the shipowners that asbestos containing products not be specified for vessel construction. It was recalled that in sandblasting the safety and health problem had led to substitution of shot blasting and synthetics. The thought was expressed that there may be a substitute for asbestos. In any event, the use of masks was recognized as quite objectionable from a worker efficiency standpoint.

Committee discussion indicated also that the problem has not arisen suddenly and that recent publicity has resulted from suggestions for surveys by the labor unions.

It was reported that a paper onthe problem is scheduled to be presented at the National Safety Council meetings in New York on April 16th.

Further, as to whether the asbestos problem is new, it was pointed out that as long ago as 1964 the Council had received a letter from the then Director of the Bureau of Labor Standards, Arthur Motley, listing a number of items of this nature which the Bureau intends will, as a matter of evolution, lead to some regulatory action in the future.

Further Committee discussion of various bits and pieces of information led to a recognition that basically a national rather than a single industry problem is involved and that at this point the Council would not be justified in raising a fund to make a study on behalf of the shipyard industry.

The Committee recognized that the shipyard employer is at a particular disadvantage because under present legal principles the last employer is being held responsible for all damage to a worker even though his exposure may have been during previous employment periods. The legal situation appears to be quite like that in the hearing cases.

At the conclusion of the Committee discussion, Council President Hood stated he would contact Hill and Knowlton and inform the Committee as to his findings.

SAFETY ADVISORY COMMITTEE MEETING - February 24, 25, 1969

Mr. Ruddy reported that the President of the Council, as a member of the new Safety Advisory Committee to the Bureau of Labor Standards had attended the first day of that group's two-day meeting in late February and that he (Mr. Ruddy) had attended the second day in place of Mr. Hood. He reported that a good part of the material made available to the advisory group at the meeting had been already reproduced and distributed to the Council's Committee and that he would continue this procedure to keep the Committee informed as to the activities of the Advisory Committee.

Mr. Ruddy reported that one important recent outgrowth of the general industry expanding dialogue on safety matters has been an interest by the U. S. Chamber of Commerce, the NAM and similar national business groups in the Longshoremen's and Harbor Workers Compensation Act. One reflection of general industry concern with this law is seen in the scheduling by the National Association of Manufacturers of a symposium for high level policy makers on the pending Burton Bill which proposes to increase the benefits under that Act from $70 to $105 per week. The NAM symposium is scheduled for late April and Mr. Ruddy promised to report back to the Committee in due course as to the outcome of the discussions.

HAZARDOUS MATERIALS DATA SHEET

The Committee was informed that this final regulation is expected to be issued by the Bureau of Labor Standards in a matter of days and when available copies will go to the Committee members and all yards. While the final text has not been disclosed to industry, it is expected that the regulation and the data sheet will follow the format agreed to by the Council's Safety Committee some time ago.

The members of the Committee agreed that it would be useful if a standard form of transmittal letter is developed for use by the yards in forwarding the data sheet to their suppliers. Mr. Ruddy indicated he would

coordinate such a developmental effort if Counsel for the Shipbuilders Council agreed that this is a proper activity.

HANDLING OF POTENTIALLY EXPLOSIVE SHIPS BY U. S. REPAIR YARDS

The Committee had before it a request by the Council's Board that it review the ship repair industry's overall policy as to handling vessels that are in a potentially explosive condition whether due to their not being gas freed or because of other factors. The basic thought which prompted the Board to direct this review was that if yards continued to handle these tankers it would be only a matter of time before a major catastrophe occurred with loss of life and property both in the shipyard and enviorns .

The Committee was informed that at its meeting on March 5 members of the Board had indicated their agreement with the principle that no vessel should be handled in a ship repair yard until it has been gas freed or otherwise rendered safe, and that it was the apparent sense of the Board that this matter should be reviewed by the Council to determine what should be done to eliminate potential dangers. As a first step, the Board had agreed that the Safety Committee should consider the problem at its meeting April 2, 1969, and submit its recommendations to the Board.

Subsequent to the Board meeting the President of the Council received a confirming letter on the subject which states, in part:

> "As you can appreciate, the cost and time involved in gas freeing a tanker can be an important cost factor to a ship operator, and as a consequence, this question of gas freeing becomes a part of the competitive atmosphere surrounding the procurement of ship repair work. As I indicated at the Directors Meeting, it is not in our mutual best interests to inject safety considerations of this type into the competitive arena and you will recall I proposed to make our position clear, on an individual company basis, to the Coast Guard and the Department of Labor. Prior to taking this action and as a result of the discussions and assurances that the Council would consider this matter in some depth and take reasonable prompt action, I agreed to defer my approach to the governmental authorities on this subject."

"I am not unaware that the most effective action could probably be taken on an industry wide basis by the Shipbuilders Council, and I heartily endorse the purpose which such action is intended to achieve. However, as you realize, this matter has been considered for several years and no action has been forthcoming.

"I would appreciate your early advice as to a program the Council might propose that would effectively solve this problem."

Mr. Ruddy recalled that in 1963 a special Ad Hoc Committee of the Council had been appointed to develop guidelines for deliberation with the National Fire Protection Association in the formulation of revised regulations dealing with the handling of non gas-freed vessels in ship repair yards. At that time the problem stemmed from various legal problems which had arisen out of the MISSION SAN FRANCISCO episode - a tanker which had collided in the Delaware River with another vessel and the ensuing explosion and fire had almost destroyed the tanker and there were numerous crew deaths and injury.

Legal opinion at that time indicated that shipyards could be fully responsible for any catastrophic incident resulting from the presence of an "explosive vessel" in a shipyard. The 1963 Ad Hoc Committee had considered a proposal that NFPA Code 306 "Standard for the Control of Gas Hazards on Vessels to be Repaired" Section 4, should be amended to greatly restrict the handling of these tankers by ship repair yards.

Committee discussion highlighted a number of things to consider if further restructions are imposed on the shipyards, including:

(1) Importance of the work to the industry

(2) Damage to customer relationships

(3) Imposition of additional restrictions on yard management

(4) Impact depending upon a yard's geographical location

(5) Prospects of shore shops acquiring work now done by integrated yards.

As to the geographical problem it was explained that, if a tanker in a northeast United States port is found to require repair yard service, but the management of a yard refuses to accept the tanker unless it is gas-freed, the vessel will probably leave the port and clean at sea while enroute back to the Gulf so that when it arrives at the Gulf it can enter a ship repair facility in clean condition.

It was reported that differences of opinion had developed on this question and in order to determine what position should be taken by the Shipbuilders Council, a survey had been made of all members. At that time the outcome based on volume of tanker work was about 10 to one against further restrictions.

After discussion, the Committee agreed that as a first step a survey somewhat along the lines of that in 1963 should be made to determine the present position of the individual members of the Council on this important question.

BUREAU OF LABOR STANDARDS ADMINISTRATION OF SAFETY REGULATIONS

The Committee entered into a round robin discussion of recent experiences with administration of the safety and health regulations by the Bureau of Labor Standards with particular emphasis on inspection procedures and instances of legal action. Overall comment indicated a hardening of attitude among the member yards. There was agreement that it is of prime importance that in all cases shipyard legal counsel should be called in very early when problems arise. There is some disenchantment with the procedures which are being described by the Government as "informal." In one case it was recounted that the so-called informal hearing actually turned out to be a full dress legal proceeding.

Based on the discussion, it was the sense of the Committee that if possible an informal conference should be set up with Bureau of Labor Standards Director David Swankin, so that the yards could discuss these problems with him without his staff being present.

The members of the Committee also agreed to submit by letter to the President of the Council any problems that may arise in the interpretation or administration of specific regulations so that they can be taken up with the Bureau rather than waiting for the Bureau to come up with its own revisions to the regulations.

EMPLOYEES' COMPENSATION COMMISSION ADMINISTRATION OF COMPENSATION ACT

The members of the Committee were unanimous that a major factor in the large increase that has taken place in Workmen's Compensation insurance premiums is due to the arbitrary powers which reside in the Deputy Commissioner. One member of the Committee suggested that perhaps in place of the Deputy Commissioner, a hearing board ought to be established. Others pointed out that the cost increase is due in large measure to averaging by insurance companies with arbitrary premium and award determinations.

Based on the discussion, it was agreed that this matter should be referred to the Legal Committee of the Council to determine what might be done to change Section 21 of the Longshoremen's and Harbor Workers Compensation Act so as to improve claims administration. The thought was expressed that when the Congressional Committees schedule hearings on the pending legislation to amend the Longshoremen's and Harbor Workers Compensation Act this matter should be brought to their attention and a specific proposal made on behalf of the shipyard industry, if the Legal Committee so determines.

WALSH-HEALEY SAFETY REGULATIONS

The Committee was informed that revised Walsh-Healey Public Contracts Act Safety and Health Standards originally scheduled to become effective February 17, 1969 had been delayed for a period of 90 days as a result of urgent requests by industry associations for their review by the Nixon Administration. A letter interposing objections to a number of new provisions on which industry had not had an opportunity to comment and strongly requesting such a delay was submitted by the Council to Secretary Schultz. Among new problem areas in the regulations are, of course, the sections dealing with noise levels and asbestos threshold levels.

The Committee agreed that the Council should again distribute the January 17, 1969 revision along with a copy of the existing regulation and the two position letters previously submitted to the Labor Department with a request that Members submit additional comment. The Committee agreed that as a minimum, the Secretary of Labor should be asked to further delay issuance of the regulation insofar as the hearing problem and asbestos is concerned. The Committee was in agreement that the shipyard industry will have most serious problems of compliance unless some change is made in the standards as now pending.

STANDARD UNIFORM STATE SAFETY LAW

One major subject being currently discussed within the Department of Labor and which has been taken up with industry and labor on the agenda of the Advisory Committee, is a proposal for a Standard Uniform State Safety Law. Mr. Ruddy reported that the specific proposal for a uniform act before the Advisory Committee had been reproduced and forwarded to the Committee for their review.

After brief discussion, it was decided that all legislation dealing with the Federal and State Workmen's Compensation and Safety laws including the Federal Occupational Safety and Health Act are matters that can best be handled by the Legal Committee and that the Secretary of the Council should take whatever action may be required to bring these matters to the attention of that Committee. There was agreement that the Council should testify before the Congress against the increases in the level of benefits being proposed in the Burton Bill, HR-6949.

GEAR CERTIFICATION

Mr. Ruddy reported that no comment had been received from members of the Committee on the Bureau of Labor Standards regulation, Part 1505, Gear Certification, published in the FEDERAL REGISTER, March 4, 1969 and forwarded to the members of the Committee for final comment on March 12th. The assumption is that from the viewpoint of the shipyards, this regulation is acceptable. There was some discussion as to whether shoreside cranes now require certification. No action was taken.

ADJOURNMENT

The meeting adjourned at 3:00 P. M.

E. P. Ruddy

Edward P. Ruddy
Secretary