

- 2 -

To Mr. J. H. Morrison

March 31, 1948

From

Subject

Under existing Company policy, employees who are accepted as compensation cases for silicosis are paid up to the maximum of \$4000, but payments do not begin until after total disability occurs. It is also the Company's practice to continue payment after death of the employee, not to exceed the balance of the \$4000, where there are surviving dependents.

Paragraph 2(e), Section 301 of the Occupational Disease Act of Pennsylvania reads as follows:

"Compensation shall not be payable for partial disability due to silicosis, anthraco-silicosis, or asbestosis. Compensation shall be payable, as otherwise provided in this act, for total disability or death caused solely (as definitely distinguished from a contributory or accelerating cause) by silicosis, anthraco-silicosis, or asbestosis, or by silicosis, anthraco-silicosis, or asbestosis, when accompanied by active pulmonary tuberculosis."

It is our recommendation that the existing Company policy be further liberalized to the extent that partial disability, although not recognized in the Occupational Disease Act, will be recognized in these and other similar cases. We recommend, for example, that when an employee is known to have silicosis or asbestosis, that resulted from years of exposure in this Plant, his loss of earnings be made up by payments of special compensation during such partial disability. We recommend, for example, when such partial disability occurs, the difference in salary or wages between the employee's former earnings and earnings after partial disability, be made up by payment of special compensation. If the employee is later transferred to another job which pays as much or more than his former job, such special payments would cease. Special payments should be determined on basic salary and exclusive of any adjustments in wages or salaries that might be made near the time that partial disability occurs.

Our reasons for making these recommendations are as follows:

1. Although partial disability for silicosis is not recognized by the Occupational Disease Act, partial disability is recognized for occupational accidents.
2. Occupational accidents usually involve some degree of carelessness on the part of the individual; whereas silicosis develops gradually from exposure to dust hazards through no fault of the employee, and is usually a condition of which he is not aware. The Company was negligent, in our opinion, in permitting such exposure.

Re 003420

- 3 -

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3. There may be additional silicosis cases in the Plant that have not yet been discovered, but when discovered, may be of such nature that the Company will accept liability. However, the number of such cases can be expected to be limited, and from this time forward no exposure to harmful dust should be permitted which can result in future silicosis cases.
4. We are told by the General Personnel Department that these silicosis cases are primarily a Floor Plant problem, and do not exist to any extent in other Company plants.
5. We feel the present policy is unfair since the employee may suffer loss of earnings through years of partial disability and then may die shortly after total disability occurs and before he receives financial benefits of any kind.
6. Dr. Sullivan has, in most instances, insisted on the transfer of these employees to other jobs, which has resulted in loss of earnings.
7. We believe that during 1934 and 1935 special payments were made to employees who had silicosis, amounting to about \$1200 each to compensate them for loss of earnings.

If it should be decided to provide special compensation to offset loss of earnings during the period of partial disability of an employee, we feel that such payments should be over and above the payments made after total disability occurs and should not reduce the \$4000 maximum of such payments made after total disability occurs.

Partial disability, as used in this memo, refers to loss of earnings on the part of the employee as a result of his being transferred to a lower paid job on the insistence of the Plant Physician and does not necessarily mean that the employee is, at the present, physically unable to perform his regular job.

CVS:MTB

*C. H. Sullivan**C. H. Sullivan
4/1/48*

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