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"That which remains static cannot long survive."

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Chamber of Commerce's Special Report on Occupational Safety and Health

The House Select Subcommittee on Labor has opened hearings on Occupational Safety and Health proposals. The Senate Labor Subcommittee started its hearings on September 30.

Major features of the Administration's bill (H.R. 13373, S. 2788) are discussed below.

Federal Board

The Administration measure represents a substantial improvement over earlier versions of occupational safety and health legislation. Most importantly, it would create a five-man Board, designed to set job safety and health standards.

Members of the Board, which would be called the National Occupational Safety and Health Board, would be appointed by the President, with the advice and consent of the Senate, for five-year terms. At least three members would be required to posess technical competence in the field of job safety and health.

Additionally, the Nixon measure would direct the Board to make maximum use of "national consensus standards" adopted by standards-producing organizations through a voluntary consensus of industry, labor, and other experts. Where such standards are found to exist, the Board would be obliged to adopt them. It would also have to give the standards-producing organizations and opportunity to come up with an appropriate standard before it could break new ground.

The foregoing provisions alone make the Administration's proposal more reasonable than other measures before this and earlier Congresses—measures that would vest exclusive standards-setting authority in one man, the Secretary of Labor, and give no weight to the role of industry in originating standards.

Role of the States

The Nixon proposal also recognizes that the primary responsibility for job safety and health requirements rests with the States.

It encourages stronger State efforts in this area by authorizing Federal grants—up to 90 percent of cost—to help States develop programs of their own. It also would permit the States to recoup their jurisdiction over job safety issues at any time, by drafting a plan substantially as tough as the Federal one.

The effective date of the Federal measure would be July 1, 1972. States that come up with approved plans before then could avoid the Federal standards altogether.

Exemptions

The President's proposal would apply to all employers engaged in a business affecting commerce, *except:*

- The United States Government, State governments, and political subdivisions of States;
- Nonagricultural employers with no more than three employees;
- Agricultural employers using not more than 500 mandays of hired farm labor in any calendar quarter;
- Employers subject to safety regulation by another Federal agency (such as the coal mining industry).

In addition, an entire class or category of employers could be specifically exempted by the Board from requirement established by the legislation, on the ground that the effect of the employer's operations on commerce is not substantial enough to warrant application of the requirements.

Enforcement

The Secretary of Labor, under the Administration proposal, would have the initial role in enforcing the Federal standards. If an employer believed by the Secretary to be in violation failed to voluntarily meet the Secretary's requests for compliance, then the Secretary could file a complaint with the Board. If, after a full hearing, the Board determined that a violation existed, it would issue an enforcement order.

Like the Board-set standards, a Board enforcement order would be subject to review by the courts. But the order—which could direct plant closure—would be operable pending the review.

In emergency cases, where the Labor Secretary believed imminent danger to employees existed, he could by-pass the Board and appeal directly to the courts for injunctive relief. This relief could also include a plant closure order

Special Features

The proposed legislation contains two features that afford employers added protection in enforcement proceedings. First, it provides that no employer may be found to be in violation of the Federal standards if he shows he is providing working conditions substantially as safe and healthful as those which would prevail if he was in exact compliance with the Federal standards.

Secondly, it would allow recovery of damages by these businesses wrongfully shut down in alleged emergency cases.

Penalties

Another noteworthy feature of the Nixon proposal

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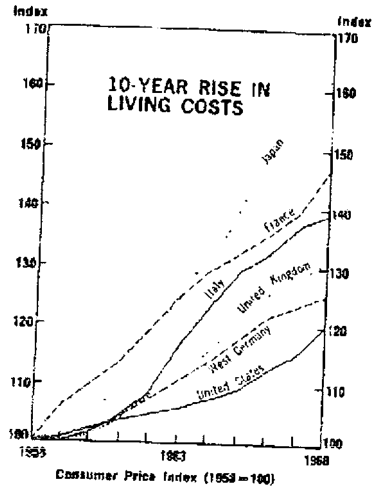

Data: Bureau of Labor Statistics, International Monetary Fund

By Carl H. Madden, Chief Economist
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INFLATION HITS MANY COUNTRIES—Rising prices in major countries reflect the growing demand everywhere for capital because of population growth and the quickening pace of technological progress. Over the past 10 years consumer prices rose 20% in the United States, but even more in other countries—64% in Japan, 47% in France, 39% in Italy, 36% in the United Kingdom, and 25% in West Germany. Inflation, moreover, piles up as time goes on. A continuous rate of inflation of even 2% a year amounts to a 40% erosion of purchasing power over a span of 25 years. Rising prices impose a cruel and discriminatory tax on savers and families with fixed income. This is now prevalent in all industrialized countries. In underdeveloped countries the rate of inflation is even faster and crueler.

CHAMBER'S REPORT

relates to penalties. The basic penalty for violation of the Federal standards is a fine of not more than $10,000 for each violation. This is qualified by a requirement that consideration be given to the size of the employer's business and the gravity of the violation—a much more desirable approach than the wooden one that treats all situations alike.

For government contractors (the legislation would apply to contracts in excess of $2,500), additional penalties include cancellation of contract and blacklisting for up to three years.

Strike Operations

Like earlier occupational safety and health bill, unfortunately, the Administration proposal does not specifically preclude the possibility of a struck plant being deemed unsafe and shut down solely because it is operating with a skeleton or supervisory crew. Such a safeguard is important to the business community. Without it, the bargaining power of a struck plant's management would be seriously jeopardized.

Regrettably too, the measure places no responsibility on employees to use safety equipment. And it's of little life-saving value to lead a horse to water if you can't make him drink.