

Legislative History for Connecticut Act

PA 59-580

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Bill Number:	SB 979		
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Senate Pages:	2813-2819, 3617-3618		9
Committee:	Labor 121-126, 129-138, 140-154, 156-174, 179-188		60
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Transcripts from the Joint Standing Committee Public Hearing(s) and/or Senate and House of Representatives Proceedings

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CONNECTICUT
GEN. ASSEMBLY
HOUSE

PROCEEDINGS
1959

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PART 11
4480-5072

TUESDAY - MAY 26, 1959

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Conn. would do that too!! I see no need for this amendment.

MR. EDDY: (New Hartford)

I don't think it is a question of having faith in anyone that prompts us to offer this amendment. Rather, it's the fact that the bill doesn't limit itself to the purpose which has been set forth for it by the people who have spoken in favor of it. The principle and provisions of this bill recommend it very highly to all of us who consider it, and I cannot see why the gentleman should have real objection to this amendment inasmuch as he stated that the bill was only intended to apply to employers of between 50 and 250 who did not have a workable safety program.

I'm going to have a difficult time voting on this bill.

MR. ARONSON: (Manchester)

I'd like to point out to those who are talking in regards to this proposal that in line 2, of sec. 1, "The Labor Commissioners will have the power to make or adopt or to adopt by reference" which would mean that he could be reference to an existing code adopt that code for a given plan so that this proposal would not be necessary.

MR. NOYES: (Farmington)

I think the problem here is not the aim we are talking about in spite of the remarks of the gentleman from New Britain, I think it is fairly clear that there is no one here who would condone industrial accidents or loss of life or any others, but I would like to draw an analogy because I think a number of

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loophole must be closed or our state will suffer the loss of many thousands of dollars. There is no new revenue involved. It merely guarantees that we will continue to receive revenue which we have been receiving from this source for many years. I move for adoption of the bill.

THE SPEAKER:

Question is on passage of the bill as amended by House Amend. Sched. "A" and "B"? The 'ayes' have it. Bill is passed.

THE CLERK:

Cal. 1778. File 1076

Sub. for S.B. 979. An act revising the Workmen's Compensation Law. As amended by House Amend. Sched. "A".
Committee on Labor.

MR. VERNOVAI: (Watertown)

I move the acceptance and passage of the bill as amended by House Amend. Sched. "A", in concurrence with the Senate.

This bill attempts to modernize Conn's. Compensation Law in order to comply with the standards recommended by the International Assoc. of Industrial Accidents, boards and commissions and the U.S. Dept. of Labor. While all the standards are not being met by this bill, a start has been made in the right direction. The changes with regards to the benefit rates are minute in terms of money, but the principle is a step forward in line with the recommendations of the organizations noted above. The recommendation is that the maximum weekly benefit should be equal to at least 66-2/3% of

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the state's average weekly wage. The bill as presented provides an accident benefit of 55% of the state's average weekly wage. The purpose is to provide a maximum weekly benefit rate sufficient to allow an injured worker and his family to maintain a standard of living above the substance level. At the present time 5 states, ARiz., Alaska, Hawaii, D.of C., and weekly Mass. provide maximum/benefits equal to the state's average weekly wage. Conn. is taking a step in the right direction but it is not leading the band!! A forward step is being taken in 2 ways; in the first place, the bill provides that the law cover employers of 2 or more rather 3 or more. The recommendation of the Int. Assoc. of Acc. Bds. and Commissions and the American is to provide Workmen's Compensation/for protection all gainfully employed workers and to provide it on a compulsory basis.

Additional changes in the bill will improve existing provisions to comply for those recommended by the Dept. of Labor. Thus, coverage under the 2nd injury fund is extended so the fund will have some function that may be used. At the present time it has extremely limited coverage. It does not provide for all types of disability. The proposal is to cover all types and to provide that the hank&capped worker who suffers a subsequent injury on the job will receive full compensation but at the same time insuring that the employee need pay only the benefits that are due for the subsequent injury. The fund pays the difference between what the worker actually receives

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from the employer and what he would have received for his resulting condition if there had been no prior disability. The type of coverage provided in the bill meets the standards set by the American College of Surgeons and the Int. Assoc. of Acc. Bds. and Commission.

In one respect the bill starts to stop a major gap in our law that or with regard to rehabilitation. At the present time there is no specific provision concerning it. The proposal is to permit workers who require rehabilitation to obtain additional benefits up to \$15 a wk. in order to pay for the treatment needed. Since rehabilitation is used it will mean the reduction in the amount of permanent disability that any worker may receive. It helps the worker obtain his maximum capacity and makes it easier for him to become re-employed.

Finally the bill changes the statutes of limitations to prevent people from being barred from obtaining benefits because they discovered their conditions too late to be able to make claims. The law as proposed would permit notice being filed within a year of the date of injury or disability; it provides that the present 5 yr. statute be eliminated; that prevented workers from making claim after they had been out of the employ of an employer against whom they claimed more than 1/2 5 yrs. This prevented the people at the New Haven/Clark/Co. from obtaining benefits for poisoning. It prevented claims for poisoning and it might prevent claims for

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acidosis and other diseases the manifestation of which comes some yrs. after exposure.

The provisions with regard to disfigurement are minor; to cover lower legs and upper arms in addition to lower arms, head, face and neck now covered.

This seems an obvious need in view of the changes in clothing and the fact that many people were burned recently in a New Haven fire.

Moreover, the total amount is still 10⁴ wks. and the amount to be paid in each case is up to the discretion of the Commissioner.

The changes are nothing revolutionary. It is estimated that the cost will not be great because of the increase in the payroll, and second the decrease in the injury rate for disabling on the job injuries to a low of 9.7 for every million man-hours work, which is the lowest since 1950 when it was 14.1. For the past 10 or 11 yrs. the percentage of premiums paid out in benefits has been 60% thus leaving 40% for the insurance companies.

This program is a modest one, but one which will give us a better compensation law, more adequate to meet the needs of our injured workers. I feel this is a good bill and I hope it passes.

MR. SATTER: (Newington)

This is the kind of legislation that this House can be very proud of passing!! We've come a long way from a time when great tragedy could be caused in a family when injuries were incurred

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by the breadwinner. The Workmen's Compensation Law was passed in 1908 by the Federal Gov. and many of the states followed thereafter, and our law has constantly broadened its benefits and expanded its coverage since its original passage, and much of this liberalization has come thru Republican legislation. One of the changes in this law is to extend the coverage of the law to workers who are working for employers who employ 2 or more people. The U.S. Dept. of Labor specifically recommends in this bulletin of Dec. 1958, that a desirable objective is to extend the protection of State Workmen's Compensation laws to all employers and to all gainful employed workers.

One of the most interesting provisions of this law is to provide that the maximum benefits that a worker shall receive shall be measured by a party scale based upon the average production wage in our state. It is recommended by the U.S. Dept. of Labor., and in the pamphlet of 1958 they say, "It is suggested that a formula based upon the State's average weekly wage be provided for determining the maximum weekly benefits in order to eliminate the necessity for constantly adjusting the benefit rates at each session of the Legislature."

This is sound and good legislation and I urge its passage.
MR. TURNER: (Bethan)

When the gentleman from Watertown talk~~s~~s about irradiation is he referring to sec. 8?

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MR. VERNOVAI: (Watertown)

Yes.

MR. TURNER:

Then I would like to address a question to the gentleman from Watertown. It is a complicated question and I think it is being referred to the Legislative Council for study. Will this piece of legislation before us now be subject o modifications as the result of the findings of that Interim study?

MR. VERNOVAI:

I can't answer.

MR. SATTER: (Newington)

I would say that this law consistently provides that any manifestations of an injury which occurs sometime later is nevertheless compensable even if it ~~is~~ after the 1 yr. statute of limitations. Insofar as the Legislative Council may come up with additional information respecting radiation it will definitely be considered in the next session of the Legislature.

MR. TURNER:

Would this cover a case of radiation illness, the gentleman from Watertown referred to radiation poisoning among workers in the New Haven Clark Co. and I know well this is a latent disease which doesn't develop until up to 25 yrs. after exposure. Would this bill cover those persons?

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MR. SATTER: (Newington)

Under the present law those people who received that illness in the N.H. Clark Co. would not be compensated; the present bill would enable them to be compensated, because the statute of limitation doesn't start until there is a manifestation of the symptoms.

MR. TURNER: (Bethany)

The gentleman from Newington, a technicality. I would like to be assured that this bill before us would cover those cases.

MR. SATTER:

Those cases that have occurred previously would not be covered by this law; the law would become effective on its passage.

MR. ANDREWS: (Cheshire)

I want to straighten out the question that was just raised. The whole subject of the act concerning radiations was studied by the Interim Labor Committee last time during the summer of 1958, also the Legislative Council, and it was not felt based on the fact that the National Radiation people are not sure yet what the effects are going to be if there was any need for changing the act for this thing. Also, the Conn. Workmen's Compensation Commissioners say that the present act is adequate to take care of the question of radiation.

The hardest thing for anybody to do is to oppose a Workmen's Compensation Bill. The answer to workmen's compensa-

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tion is not this kind of legislation or any kind of legislation; it's accident prevention. If nobody is hurt you don't need workmen's comp. A couple of days ago we passed a bill that may move a long way in preventing accidents. However, since we still have accidents we do need a workmen's compensation act. This bill has been watered down and cleaned up tremendously from the original platform proposal, and somebody deserves credit, but he didn't go quite far enough. I do not agree with the Sec. of Labor the great Republican Mr. Mitchell, if he's the one that says it is correct that a percentage of wages is a sound basis for determining a maximum. In the first place, traditionally for years the setting of workmen's compensation has been done by the General Assembly for a two year period in flat dollar amounts which made it possible for employers and insurance companies to have some idea what the cost was going to be; also for workers to know what their maximum benefit was going to be, and one weakness, God forbid, is if average production wage in Conn. dropped \$2 the maximum you people are recommending drops \$1. Never in the history of Republicans sponsored and Republican pushed and passed and with your help, never have we done anything but go forward in the field of workmen's compensation maximums. The second point is this: that by setting a percentage formula you are taking away the right of the Legislature to look at this thing and determine on the basis of economics whether the maximum should be raised or not. Also you are building in a potential auto-

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matic increase or decrease within one year, and this has never been done. I frankly say that this is my strongest objection to this bill and I will further say that if you would come in here with a flat \$5 increase maximum I couldn't get up and criticize you.

The second thing I haven't touched on happens to be something I congratulate you on; it is something on which I agree with you!! I agree with the increase in the master Hand; I think if a man loses his master hand nothing can compensate him enough, so that's a good point, but unfortunately it is not good enough to convince me this is a totally good bill.

Coverage I won't say much on except this is going to cause or impose a cost on the small business-man. It is not going to affect the large employers at all.

Getting down to increasing the benefits for scarring, I can understand, but arms and legs on a man, who cares what that looks like. And it is a drain and cost that doesn't help anyone.

The statute of limitations; this gets into the discussion about radiation; we can live with it; I'm not sure it was necessary but I can't criticize it too much.

I can get pretty emotional about this extra 15 bucks for rehabilitation tho' and in all honesty I think you are creating an inequity. Suppose you have 2 people in your plant injured the same day; one has the kind of injury that does not require rehabilitation; but is a compensable injury; the other

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person does have the kind of injury that some doctor says ought to have rehabilitation. The bill reads that the extra payment up to \$15 shall be paid to the injured employee and the intent is to help pay for the reha/bilitation; you can't be sure that person is going to save that for rehabilitation. This is not necessary; medical and rehabilitation bills are now paid under compensation, and I claim this is an inequity in which some people get \$60 or \$61 and some get \$46, and I don't think it's right.

The next one is what I call the "lost week-end section". When you drop the waiting period from 10 days to 7 as it is now to 7 and 3, that under the present, and certainly under this law, if a person is ^{hurt} on Thurs. afternoon these 3 days start Fri. morning, and if the person doesn't come in on Mon. you are paying for Sat. & Sun.

2% of the people in the world are probably on the shady side, but we have to protect the rest of the people against the people who are dishonest and nobody here can honestly say they don't know somebody who was not trying to get something they weren't entitled to! Now the difficulty here is bringing this back down to 3 days and it's because there will be some who will make this difficult for the person who was legitimately hurt by taking advantage of this long lost week-end, as I call it, in collecting compensation. I know that on the group insurance it goes back to the first day of the accident, but don't forget this you have an entirely different situation here.

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Sometimes these accidents occur when it is no fault of the employer, when it is direct carelessness on the part of the worker; I have no objections to that person being taken care of but let's be reasonable and give the guy a break who is providing the job for that person and hundreds of others!

It's hurts me to oppose this bill but the answer to it is accident prevention.

Idon't want you people to have the impression that this bill is the first time that a step forward has ever been taken in Conn. in this field!! There are a number of us in this House for at least 3 terms who/have been upping the maximum in increasing the benefits. I hope the bill is defeated, I hate to say it, but I cannot support this bill!!

MRS. VESTAL: (Woodbridge)

Provided for a limit of 55% for average production wage by retaining in the bill the present standards 60% of the average weekly wage, it is difficult to understand for this reason: The Democratic platform pledged more liberal workmen's comp. benefits. This is more liberal, but strangely, only for certain groups of workers. If we assume the average weekly production wage to be \$90, those workers who earn from \$34 to \$75 per wk., will get no increase. As the average production wage goes up the benefit increase will go to fewer employees. All o f the workers who earn \$34 to \$75 will get no increase. There is a further inequity in this bill, the cost burden will be unequal on different classes of employers. Those paying

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average weekly wages from \$34 to \$75 will have no cost increase. I think it is a poor time to add any cost burden to employers when they are trying to make a comeback or to discourage new business from coming to Conn., or to force any industries, we already have 3, out of the state.

There are many reasons why I oppose the bill but because the bi-partisan Interim Labor Committee which made a study of Workmen's Comp. problems were requested by the 5 Workmen's Comp. Commissioners to present a provision which will make their task easier and will protect the proper rights of claimants which under the present law are in jeopardy through ambiguity alone, of which recommendation is sec. 5 of this bill, I feel compelled to support the bill.

MR. SATTER: (Newington)

I am pleased the lady from Woodbridge will support this bill because I am sure that even tho' it may not contain all the things that she feels desirable it will be found to be an excellent bill. In respect to the gentleman from Cheshire I agree with him on the main problem being that of accident prevention.

(Rest of speech inaudible due to difficulty in mike system.)

MR. MARTIN: (Orange)

(First sentence inaudible due to above.)

and I know what the effect of this bill will be on the rate. It will raise the compensation rate exactly 4.7%. I would like to tell you that the rates are based on per \$100 a payroll.

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The rates have stayed pretty even for about 20 yrs. in spite of the increase in benefits. That has been due to the fact that accidents have come down over those yrs., plus the fact that payrolls have gone up. We were in the ^{period of} diminishing returns and or in accident prevention so that it is going to be difficult ^{but I think it can be done} to offset this increase in rates. I hope that will be the procedure over the next two years.

Now, to clarify the matter of rehabilitation. It says that \$15 shall be paid for rehabilitation treatments. Now for many years the medical coverage under the Workmen's Comp. Law has taken care of the rehabilitation treatment, and that those treatments run into thousands of dollars, and this \$15 is just a drop in the bucket. I don't think it was the intent of the committee to have the \$15 go for rehabilitation treatment; they're already paid for under the act.

All in all, this problem, and I agree with Mr. Andrews, is one of accident prevention, and if we can do as well as we have over the past years this increase in benefits can be taken care of without too much difficulty in my opinion.

MR. RAND: (Salisbury)

I have followed the progress of this bill quite closely in session and in public hearings; it has a few things that leave something to be desired but I think in general it has come around to being quite a good bill, and I intend to vote for it!!

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MR. NOYES: (Farmington)

I would like to refer briefly to what the gentleman from Cheshire and the lady from Woodbridge have commented on with respect to the percentage of average weekly wage now governing the Workmen's Comp. benefit. If this provision had been in the law in 1949, the benefit would have been \$30.90, and in the 10yr. span up to 1959 it would have been \$49.50, an increase of 63%. In that same period the Consumers' Price Index indicating the cost of living increased only 20%; over a shorter period of time of 1955 to '59 we ^{see the} same picture. During that period the Workmen's Comp. benefit under this provision we are asked to pass would increase by 20% whereas the cost of living only went up 8%. I mention these figures because I feel that many people fail to realize the kind of escalator ride there has been in production wages in this state, and I don't think it is a possibility which the gentleman from Newington refers to that production wages are likely to decrease in the future, and therefore it seems to me, not that the Legislature is giving away its prerogative, but I predict that the 55% written into this bill will be pushed higher very shortly. There is in my opinion an unthinking escalator affect because of the rapid rise in production wages. For this reason I feel the bill is bad.

MR. PADULA: (Norwalk)

I move that when the vote is taken it be by roll-call, and I sincerely hope that we have taken care of this now, pro and con, and I believe we could talk about this all night long add we

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won't change one single vote, and I trust we are about ready
to fire ahead!!

THE SPEAKER:

Question is that when the vote is taken it be by roll-
call? The 'ayes' have it. A roll-call has been ordered.

MR. INNES: (Thomaston)

I am opposed to this bill. In the first place it is not
fair to the employers that isn't equal throughout the year.
The rates will be all over the lot. You can't keep your
money in order; previously to this it was always on a set
rate, and we knew where we were at. As far as the state of
Conn. we are one of the highest in paying Workmens Comp., and
I hope this bill will be defeated.

MR. MARTIN: (Orange)

The rate on which the comp is based is without taxes
whereas the payment that is made 60% of the average wage you
do not have to pay taxes on so that it is nearer to 70% than
60% of the average weekly wage that is paid for compensation.

MR. NOBLE: (New Milford)

I oppose this bill as it affects the small business-man
in this state and I am one of those fellows.

THE SPEAKER:

Before an announcement is made for the roll-call does
anyone else want to be heard?

Question is on passage of the bill as amended by
House Amend. Sched. "A" - in concurrence with the Senate.

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The Chair will now unlock the machine.

Direct your attention to the board to see if you have voted as you desire. Have all those voted who claim the right to do so? Has every member in his chair voted? Does any member desire to change his vote? The Chair will now lock the machine.

The clerk will now announce the vote.

THE CLERK:

Those voting yes	141
Those voting no	98
Those absent & not voting	39

THE SPEAKER:

The 'ayes' have it. The bill is passed!!

THE CLERK:

Cal. 1785 File 1344

Sub. for S.B. 977. Amending the unemployment

Compensation Act.

Committee on Labor

MR. ROURKE: (New Haven)

I move for acceptance and passage of the bill in concurrence with the Senate.

Unemployment insurance is a technical and complicated subject. It is a law designed to take care of unemployed workers so they will have food and shelter etc. and they are out of work through no fault of their own. These provisions will add to the security and prosperity of the Conn. economy. They will not add a single cent to employer contributions

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GENERAL ASSEMBLY

SENATE

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May I have permission to speak? Chairman, than I wouldn't repeat that these benefits will cost approximately thirteen million dollars to the fund that is supported by the manufacturers. They don't pay with percents, they pay with dollars. Thirteen million dollars.

THE CHAIR:

Are there further remarks? If there are no further remarks, the question is on the acceptance of the committee's favorable report and passage of the bill as amended. Those in favor signify by saying "aye", opposed "no". The bill as amended is passed.

THE CLERK:

Calendar No. 1286. File No. 1076. Substitute for Senate Bill No. 979. An Act revising the Workmen's Compensation Law.

Favorable report of the Committee on Labor.

SENATOR BUZAID:

Mr. President....

THE CHAIR:

Senator from the 24th.

SENATOR BUZAID:

I move for acceptance of the committee's favorable report and passage of the bill.

THE CHAIR:

Remarks?

SENATOR BUZAID:

The Workmen's Compensation bill as reported by the Labor Committee attempts to modernize Connecticut's Compensation Law in order to comply with the standards recommended by the International

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Association of Industrial Accident Boards and Commissions and the United States Department of Labor. While all of the standards are, of course, not being met by this bill a start has been made in the right direction. The changes with regard to the benefit rate are minute in terms of money, but the principle of establishing the maximum rate as a percentage of the average production wage in the state is a step forward in line with the recommendation of the organization noted above. The recommendation is that the maximum weekly benefit should be equal to at least sixty-six and two thirds percent of the state's average weekly wage. The bill as presented provides for a maximum benefit of fifty-five percent of the state's average weekly production. The purpose is to provide a maximum weekly benefit rate sufficient to allow an injured worker and his dependants to maintain standard of living above the subsistence level. At the present time five states, Arizona, Alaska, Hawaii, District of Columbia and Massachusetts provide maximum weekly benefits equal to two-thirds of the state's average weekly wage. Thus, Connecticut is taking a step in the right direction, but it is not by any means leading the band. With regard to coverage, a forward step is being taken in two respects. In the first place, the bill provides that the law cover employers of two or more instead of three or more. The recommendation of the International Association of Accident Boards and Commissions and the American College of Surgeons is to provide workmen's compensation protection to all gainfully employed workers and to provide it on a compulsory basis. Our bill requires coverage of those employed by

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employers of two or more and makes it compulsory instead of optional, as is presently the case. Additional changes in the bill improve existing provisions to comply with those recommended by the Department of Labor. Thus, coverage under the second injury fund is extended so that the Fund will have some function and may be used. At the present time our second injury fund is extremely limited in coverage. It does not provide, as fifteen laws do, for all coverage of all types of disabilities. The proposal is to cover all types of disabilities, and to provide that a handicapped worker who suffers a subsequent injury on the job will receive full compensation to recover the resultant disability, but at the same time insuring that the employer need pay only the benefits that are due for the subsequent injury. The second injury fund pays the difference between what the worker actually receives from the employer and what he would have received for his resulting condition if there had been no prior disability. The type of coverage provided in this bill meets the standards set by the American College of Surgeons and the International Association of Accident Boards and Commission. In one respect, the bill attempts to start closing a major gap in our law with regard to rehabilitation. At the present time there is no specific provision concerning rehabilitation. The proposal is to permit workers who require rehabilitation to obtain additional benefits up to fifteen dollars a week in order to pay for the additional treatment needed. This is only a small step but it points in the right direction, since if rehabilitation is used it will mean the reduction in the amount of permanent disability that any worker may receive, so that it cuts

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the cost of the employer. It also helps the worker obtain his maximum capacity and so makes it easier for him to become reemployed or to remain employed. Finally, the bill changes the statute of limitations to prevent people from being barred from obtaining benefits because they discovered their condition too late to be able to make claim. It provides that the present five year statutes be eliminated. That statute prevented workers from making claim for benefits after they had been out of the employ of the employer against whom they claimed more, than the five years.

This prevented the people at the New Haven Clock Company from obtaining benefits for radiation poisoning. It has also prevented claims beryllium poisoning and it might prevent claims for and other claims of other diseases, the manifestations of which cause some years after exposure. The provisions with regard to disfigurement are relatively minor, to cover lower legs and upperarms, in addition to lower arms, head, face and neck are all covered by the law. This seems an obvious need in view of the changes in clothing and the fact that many people were burned recently in a New Haven fire. Moreover, the total amount is still one hundred and four weeks and the amount to be paid in each case is up to the discretion of the Commissioner.

THE CHAIR:

Are there further remarks?

SENATOR SIBAL:

Mr. President....

THE CHAIR:

Senator Sibal, the 26th district.

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SENATOR SIBAL:

Mr. President, may I repeat the remark I made referring to this bill when speaking of the previous bill? Unlike the unemployment compensation law which has passed, this bill is obviously the one of reasonably people sitting down together, exchanging their views and working for the best interest of the state of Connecticut as a whole and not any particular pressure group which happens to be in a position of strength. There are a couple of things about this bill which worry me a little bit, but not too many. I recognize that in some jurisdictions that the average production wage has been the measure, whereas Connecticut has always had a flat figure. I am still concerned about whether or not, the average production wage is really the proper way to set each case of workmen's compensation. As I understand it, this will raise the figure from the twenty-five dollars to about fifty dollars a week. The rehabilitation principle which this bill shows up for the first time in Connecticut law, is something which I believe is excellent. However, I think the bill fell short of apparently what it intends to do because there is no indication as I read the bill that the fifteen dollars a week provided for rehabilitation need be spent for rehabilitation. I can envision the situation wherein for example a man has an injured left hand, I don't know why I picked that particular example, for example an injured left hand and he would get fifteen dollars a week for treatment which might, perhaps, help rehabilitate his hand and the use of it. He would get fifty-five dollars a week as opposed to the man who lost his left hand and had none and could obviously benefit

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not benefit by any rehabilitation treatment and who would get fifty dollars a week, but as I read the bill there is no requirement that fifteen dollars a week be used for that purpose. It seems to me that, it might be something wrong and I would be happy to have that pointed out to me. It seems to me, however, that the matter of fact is that you get an extra fifteen dollars a week if you don't lose a hand; but if you do lose it, you don't get it. I would say that there should be a requirement, a strict one, that rehabilitation money be paid only when rehabilitation is the real purpose to receive any money. I cannot find very much more to criticize in the bill and you all know me well enough to know that I look for it. I will say no more, except that I do believe that if the same approach been taken on the unemployment compensation law, you would have passed a much better law today.

THE CHAIR:

Are there further remarks?

SENATOR BUZAIID:

Mr. President....

THE CHAIR:

Senator Buzaid, the 24th district.

SENATOR BUZAIID:

Mr. President, I would like to refer to section 10 as discussed by the Senator from the twenty-sixth district on dealing with rehabilitation. It will provide that the fifteen dollars per week be paid for rehabilitation treatment. At the time this bill was gone over, there was quite a bit of discussion with this in the

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Labor Committee with both the Democratic members and the Republican members and I was Chairman of the sub-committee which helped draft the legislature which is presently in front of us. We went down (indistinguishable) because the workmen's compensation commissioners shall make rules and regulations to carry out the provisions of this section and shall further compile a list of the rehabilitation facilities available in this state and suitable for disabled workers. I think that we all know those of us who are attorneys, those of us who are employers, we have a few of those here and the workers and union members as well, that the workmen's compensation commissioners of Connecticut have done a splendid job and certainly will be able to govern this with their own regulations as they see fit.

THE CHAIR:

Senator Mariani, the 18th district.

SENATOR MARIANI:

Mr. President, now that we know who the Chairman of the sub-committee was that drafted this bill, it is understandable that it should be in good order.

THE CHAIR:

Are there further remarks? If there are no further remarks, the question is on the acceptance of the committee's favorable report and passage of the bill. Those in favor signify by saying "aye", opposed "no". The bill is passed.

The President in the Chair.

THE CLERK:

Calendar No. 1287. File No. 824. House Bill No. 2017. An Act

S-35

CONNECTICUT
GEN. ASSEMBLY
SENATE

PROCEEDINGS
1959

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THE CLERK:

Disagreeing Action. Favorable report of the Joint Standing Committee on Labor. ⁹⁷⁹ Senate Bill No. 799. An Act concerning Revising the Workmen's Compensation Law. Passed on May 22, 1959 by the Senate. Passed by the House on May 26, 1959 as amended by House Amendment "A".

SENATOR MILLER:

Mr. President....

THE CHAIR:

Senator from the 13th.

SENATOR MILLER:

I move for reconsideration. For suspension of the rules for reconsideration.

THE CHAIR:

The question is on suspension of the rules for immediate reconsideration. Is there any objections? There appears to be none. All in favor of reconsideration will signify by saying "aye", those opposed "no". The "ayes" have it. The matter is before you.

SENATOR MILLER:

Mr. President....

THE CHAIR:

Senator from the 13th.

SENATOR MILLER:

I move for the acceptance of the committee's favorable report and passage of the bill as amended.

THE CHAIR:

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The question is on the acceptance of the committee's favorable report and passage of the bill as amended. Will you remark?

SENATOR MILLER:

Mr. President, in one section of the bill, it inadvertently left the forty-five dollars when the complete bill, it was raised to fifty-five percent of the average production wage which it was under section 19. That is the correction they made in the House. I urge its passage.

THE CHAIR:

Will you remark further? If not, all those in favor will signify by saying "aye", those opposed "no". The "ayes" have it. The bill is ordered passed as amended.

THE CLERK:

Favorable substitute report of the Joint Standing Committee on Finance. House Bill No. 2324. An Act concerning the Imposition of the Education Welfare and Public Health Tax on Hotel Accommodations in Gas and Electricity Use in Heating Commercial Establishments. Passed by the House on May 20, 1959 together with House Amendment Schedule "A" and House Amendment Schedule "B".

SENATOR BUZARD:

Mr. President....

THE CHAIR:

Senator from the 24th.

SENATOR BUZARD:

I move for suspension of the rules for immediate consideration.

THE CHAIR:

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against any of these bills? If not, it's open to the general public. Proponents of the bill. Anyone wish to speak in favor of any of these bills?

Margaret Driscoll: Mr. Chairman, we are in favor of all of the bills with the exception of S. B. No. 821 THE WORKMEN'S COMPENSATION ACT in which I'm not taking any position for the organization. We have another bill in which provides for a limited free choice. That's H. B. No. 3083 (Rep. Harlow) WORKMEN'S COMPENSATION -- NOTICE OF INJURY, MEDICAL, HOSPITAL, AND NURSING CARE, HOW PROVIDED and we would support that rather than the other. And as far as H. B. No. 3687 (Reps. Wright and Hunziker) APPOINTMENT OF DEPUTY WORKMEN'S COMPENSATION COMMISSIONERS and H. B. No. 3689 (Reps. Wright and Hunziker) APPOINTMENT OF DEPUTY WORKMEN'S COMPENSATION COMMISSIONERS are concerned, we believe that additional commissioners are necessary, at least in Bridgeport, Hartford and New Haven but we wonder whether they shouldn't be full commissioners rather than deputy commissioners since they would, presumably, perform the same functions as commissioners and they should, therefore, be paid the same amount. And the reason we need more commissioners is so we can get quicker hearings than now on compensation cases. Because, as you know, the whole purpose of this Workmen's Compensation Act is to provide compensation for people who are injured in the course of their employment or who suffer an occupational disease which arises out of their employment. And the purpose of paying them compensation is to see to it that they don't have to worry about their bills while they're being treated and to get them back to work as fast as possible. Doctors will tell you that other worries can delay recovery in many illnesses and in many injuries and the fewer worries a man has while he is out of work, disabled, the quicker his chances of recovery are. The Law also was to provide adequate treatment during the period of disability so as to, again, get the person back not only to work but to his fullest efficiency at work. While the law does not provide full compensation for the injury you have suffered, it does provide full medical treatment. Our present law is good in that respect. Because, however, it doesn't provide full compensation, many of the bills before you today would increase benefits. S. B. No. 979 (Senator Miller) R.V.S. G. HR WORKMEN'S COMPENSATION LAW would increase benefits to a maximum of \$60.00 and to a percentage of average earnings from the present 60% to 66 2/3%. Another bill would increase benefits through the average weekly earnings of the injured employee. That is

H. B. No. 3494 (Rep. Mulreed) WORKMEN'S COMPENSATION-PARTIAL INCAPACITY. Now, the purpose behind those bills is to see to it that the benefits which are provided are adequate. At the present time, many companies-I can think of-I know two in Bridgeport-Electric Storage Battery and Alcoa I'm told and I think there's a third, at least, supplement workmen's compensation benefits, sometimes up to the average wage, sometimes below it, because, apparently, they have found and realize that the amount of benefits which are being paid are not adequate-that people can't live on \$45.00 a week or in some cases, less than that and the result of paying inadequate benefits is, in many instances, employees will put off getting the treatment they need because they can't afford to stay out of work to get that treatment. People with back injuries, for example, put off getting the back operation that they ought to have or traction treatment because they can't afford to stay out under the compensation rates as they presently exist. In salaried occupations, you find, in many instances, that employers will pay full wages for people who are unemployed because of a disability. And so, what we're asking here is not anything which hasn't already been put into effect in some industries and with some employers because they have found that it's worth it and it's good employment policy. What we're asking is an attempt to make this law fulfill its major purpose, which is to have workers rehabilitated as quickly as possible-get them back to work-pay them adequate benefits while they are out so they can get the treatment they need and can afford to get the treatment they need and have not got to worry, at the same time, about paying other bills-their own household bills and expenses while they're out and we, therefore, favor all of the bills which increase the benefits. We believe that the time has come to increase these benefits to the average weekly earnings.

Now, in addition S. B. No. 979 (Sen. Miller) REVISING THE WORKMEN'S COMPENSATION LAW, S. B. No. 817 (Sen. Miller) WORKMEN'S COMPENSATION-NOTICE OF CLAIM FOR COMPENSATION, I think those are the only two, would eliminate the requirement that in order to collect any compensation, you have to file a written notice of claim within a year of the injury or the first manifestation of the occupational disease or within five years from the time that you were employed at the employer in whose employment you claim you received the disease or the injury. Now, this is an extremely important change which ought to be made in our law. The importance of it has

been dramatized by our experience with radiation. Not necessarily in this state, but in other states. There was one case, as you know, involving the painting of radium dials on clocks where the workers were held not to be covered because, at the time, the time limit had expired for notice of the injury. And in radiation and in other cases of occupational diseases, sometimes you find no effects-no disabling effects-no even symptoms until many years after you have been exposed to the condition which causes the injury or disability. At the present time, the five year limitation is perhaps the worst because our law under occupational diseases does say with a year from the time of the first manifestation of an occupational disease to you. So, if you call radiation sickness or injuries resulting from radiation and occupational disease, that might cover you except for the five year limitation which says that, in any case it's got to be within five years from the date of your-that you left your employment. So that, in those instances where you cannot discover that you have an injury or a disease resulting from your employment, the present statute of limitations would foreclose you from collecting. This bill would eliminate that notice. Well, now, someone would say, well after all how is the insurance company going to know how long they are going to keep their records. Well, at the present time if they have to keep their records for a year from the date of the first manifestation of an occupational disease, there is uncertainty already and the fact is that the farther away the man who is injured gets from the date of the injury that he alleges caused his condition, the harder it is for him to prove it and all the proof is on him. So that it seems to me here where the alternative is to deny benefits to people who have-who can prove that a condition resulted from an injury in employment, you don't change the law. The law should be changed so as to permit recovery in all cases where it can be proven to the satisfaction of the Commissioners that the injury or the disease originated and was caused by the employment that the claimant alleges and these bills would do just that.

Now, in addition to the notice claim and the increase in the maximum amount of benefits, there is an increase in the percentage used to determine the weekly benefit amount in S. B. No. 979 (Sen. Miller) REVISING THE WORKMEN'S COMPENSATION LAW and while we're for average earnings, I'd like to point out that that increase to 66 and 2/3 would bring Connecticut at least in line with the majority of the states. More than the majority now

provide 662/3. Mind you, we don't think any state provides really adequate benefits but if you want a comparison, there is one.

Then, there is a provision in S. B. No. 979✓ and there is a bill also providing the same thing which is H. B. No. 3099✓ (Griffith) WORKMEN'S COMPENSATION which permits the Commissioner to award additional compensation up to 200 weeks where he finds that the compensation payable under the act is not sufficient adequately to compensate the injured employee for the injuries he suffered. If, for example, a musician, let's say a pianist, injures his left hand so that he cannot play the piano any more, the loss to that man is greater than the same injury would be to a person who is in an employment where the use of the left hand was not so important. This kind of provision, therefore, would give the Commissioner power to grant additional benefits to cover this kind of special injury. There is no provision in the law now to permit that except under the disfigurement provision and this is phrased in much the same way as the present disfigurement bill.

Then, there are provisions in S. B. No. 979✓ (Sen. Miller) REVISING THE WORKMEN'S COMPENSATION LAW, S. B. No. 521✓ (Sen. Caldwell) PAYMENTS OF WORKMEN'S COMPENSATION, H. B. No. 3093✓ (Rep. Corrigan) COMPENSATION FOR TIME LOST WHILE RECEIVING MEDICAL TREATMENT, which would compensate injured employees for time lost while undergoing medical treatment and would also compensate them for their necessary travel time for such treatment and for transportation to obtain such treatment. At the present time, in most instances, at least that I've had experience with, you will be able to collect the transportation. You usually are not able to collect the time that you lose from the job. You're able to collect the cost, of course, of the treatment but where an employee, in order to be seen within a doctor's office hours, has to lose time from his job for medical treatment, which is approved and which is authorized by the company, there is no reason why they should not be compensated for that time lost and these provisions in these bills would provide it.

Now, there is another whole field here which has not been covered by our Workmen's Compensation Law and which is covered, in part, by S. B. No. 979✓ (Sen. Miller) REVISING THE WORKMEN'S COMPENSATION LAW, in part by, let's see, I think there's one other bill here. Well, I can't find it but it's the whole field of rehabilitation. I think there is another bill

which will be heard by your Committee next week on the field of rehabilitation and perhaps I should save my remarks on that until then because a lot more should be provided than is provided in this omnibus bill but at least that is an opening wedge. That bill requires that an employer transfer injured employees to available suitable work. That is, if the work is available, the employer has an obligation to put an injured employee on suitable work and then it provides that while employees are being rehabilitated, undergoing rehabilitation treatment, they may receive a payment of \$15.00 a week if they are prevented from engaging in full time employment because of the time they spend on rehabilitation.

Then, I think, finally, well not finally, the next thing that these bills do is to increase the coverage of this act to include employers of employees of one or more. At the present time, there are some 24 states which have coverage of employers of employees of one or more. There is, of course, in logic no reason why people who happen to work for an employer who employs three people or more should be covered and those who happen to work for an employer employing two or one employee are not covered. There is no good reason and logic, I believe there is no good reason in cost or in administration because I think most employers would rather be covered by this kind of insurance and I think many of us, I know I've provided it personally for domestic employment and I think that there's no question but what you'd rather be covered for injuries to your employees by some kind of insurance than have them go get injured and have no recourse. So, I don't think there should be any difficulty now about extending that coverage to employers of one or more. There is certainly no problem in administration and there is no justice in discriminating against employees who happen to work for one employer rather than another.

Now, there are other provisions in these bills in 979 and 521 particularly which would penalize employers when they fail to provide by the provisions of the act and live up to the intent of the act either by not paying compensation promptly, within two weeks from the time they have notice of the disability or by refusing to pay it at all and saying that they are not liable when the Commissioner finds that they or there is not a good reason for denying liability. Now, some of you may think that this doesn't happen. Let me tell you that it does. That I have been before Commissioners on more than three or four occasions where the

attorney for the company has come in and said: "I don't see any reason for our denying liability in this case. I don't know why we did. I don't know why the company did". This has happened but, in the meantime, between the time that the claim is made or the injury happened and you get to the hearing, the claimant is getting no compensation and, in some cases, it takes another couple of weeks after that for the lawyer to convince the company that there's no defense for you then to get compensation. I mean, there are these delays which are unnecessary and unjustified and it's only by, I think, making it, penalizing employers for doing this kind of thing and it isn't just employers-it's insurance companies who handle it-that you're going to get away from it and the penalties provided here range from 10 to 15% or 20% of the award in case of any failure to pay an installment when it's due or to pay compensation when it's due or to controvert an award without justification.

Now, the bill also provides for lump sum settlements. Well, these are made now with interest discounted at 4% but it provides for the use of experienced tables on mortality and for the use of the remarriage table of the Dutch Royal Insurance Institution. This is merely to provide standards by which you can measure how much any settlement should take into consideration for any given injury. The same bill also provides that receipts be required for the payment of compensation from persons receiving the same so there can be no argument about whether or not you received it.

Now, there are a couple of bills here which deal with the selection of a physician. The bill which we support is H. B. No. 3083 (Rep. Harlow) WORKMEN'S COMPENSATION-NOTICE OF INJURY, MEDICAL, HOSPITAL, AND NURSING CARE, HOW PROVIDED. This would permit the employee to select a doctor from a panel, approved by the Commissioner. At the present time, as you know, the employer must provide the doctor. The employee, in order to change physicians must have authorization from the Commissioner. The Commissioner usually doesn't make such an authorization without at least a conference and frequently a hearing. This would require the Commissioner to make up a list of doctors from whom claimants could choose without specific authorization from the Commissioner. Now, the reason for any authorization at all, I mean for having the Commissioner pick the panel, in the first instance, is to be sure that the physicians involved are capable of handling the kind of injury indicated and also from a practical point of view, to be

language. It appears to be even higher when you compare it with the cost of administration if you had a state fund. Mr. Herlian in his Labor Letter recently pointed out that where there were state funds in workmen's compensation, the percentage of contributions paid out was 95%. When you have group insurance, temporary disability insurance, the cost of administration has ranged from 6 to 12%. Where there has been a competing state fund, with private insurance companies, it's been 12 or 12½% for the state fund and 25% for the insurance companies. This is still a lot less than 40%. So if there is any talk about increased cost, let's remember we've been paying 40% of the premium dollar because after all this is a part of the cost of production as one of your representatives pointed out. All of us paid it. We've been paying 40% to the insurance companies all of these years. It's time we began to get adequate benefits in return and these bills provide more nearly adequate benefits than anything we have had so far.

Now, there is one provision in the in S. B. Mr. Miller's bill, No. 979 /REVISING THE WORKMEN'S COMPENSATION LAW and one in Mr. Mulreed's bill, H. B. No. 3494 / (Rep. Mulreed) WORKMEN'S COMPENSATION-PARTIAL INCAPACITY which would increase the areas of the body for which disfigurement awards may be made. At the present time, you can only obtain an award for disfigurement for the neck, face, the head, the hands and the forearms. You can't get it for the upper arms, the upper legs or for any other part of your body. Senator Miller's bill provides for the upper arms and for the legs. Mr. Mulreed's bill provides for any disfigurement of any part of the body. Many of you remember the terrible fire in New Haven where many of the women there were very badly disfigured in areas where they could not get anything for disfigurement. I have here with me a gentleman who was very badly burned in one of our industrial plants in Waterbury and he will, if the Committee will permit, just show the Committee the results of the scarring which he has received for which he can get no compensation whatsoever other than if there's any loss of wages which he cannot demonstrate at this time but for the disfigurement which he has been caused and which I would like him to demonstrate for the Committee. I think he will indicate by this demonstration the need there is for amending our law so that a Commissioner may award compensation for disfigurement of all parts of the body.

- Chr. Miller: If there is anyone here who doesn't want to see this, they can leave. He's going to take off, I guess, everything from the waist up?
- Mrs. Driscoll: Yes. He's dressed in bathing trunks. His name is Michael Marlak and he's an employee of the Chase Company in Waterbury.
- Chr. Miller: When was this fire - about a year or so ago?
- Mrs. Driscoll: 1956. It's a wonder he's alive.
- Chr. Miller: You've got your bathing suit on. You might as well show all the scars to us.
- Chr. Miller: Mrs. Driscoll, was there any award for these injuries at all? How about the scars?
- Mrs. Driscoll: Yes. From the arms-from the lower arms, he received an award for loss of use and scars and for the leg, loss of use.
- Chr. Miller: Thank you very much.
- Mrs. Driscoll: Dr. Fisher gave him as much as he could. Did I take in waiting period?
- Chr. Miller: I think you did. Yes. From the first day on. Are there any questions from any members of the Committee?
- Rep. Petela:
Branford In reference to S. B. No. 817 (Sen. Relihan) THE WORKMEN'S COMPENSATION ACT, Mrs. Driscoll do you foresee in the future, due to the economic expansion, the use of atomic radiation, a greater number of cases resulting in this type of claim that you made mention of and, if so, how much?
- Mrs. Driscoll: Well, I don't have any estimate but I know that in Connecticut now there are many firms using radioactive isotopes in their industrial processes which would not necessarily mean to the public that they are atomic plants. There are a lot of measuring devices now which use radioactive isotopes so that this problem is going to get bigger-much bigger but mind you, there are injuries now, I think barillium poisoning is one, where it is difficult to find out until years after. Somebody mentioned to me this morning that castors - is it castors' disease they get shakes? That's something you don't find until many years later so that this is not only necessitated by the recent discoveries but by the situation which presently exists.
- Rep. Earle:
Wilton When we reduce the number of employees to one we're going to find that a lot of employers just aren't going to get the word.
- Mrs. Driscoll: They're not going to get the word?

Rep. Earle: They're not going to know about the law. They're not going to insure themselves. I think, for example, about housewives and their domestics.

Mrs. Driscoll: Well, they got the word on Social Security. I mean, I really don't think-that used to be a problem and I think that the whole- there was a whole theory which has been exploded, I think, by Social Security being extended to housewives with domestic servants that you couldn't cover employers of one or more because they wouldn't know enough or they wouldn't "get the word" as you put it or it would be too cumbersome. You know? But I think that's all been exploded by the fact that they now are covered by Social Security and apparently it's been successful.

Rep. Earle: Well, certainly they should get the word but it seems to me this is pretty drastic to eliminate all of the common law defenses as applied to them.

Mrs. Driscoll: Well, that's the way-that's the same provision as is now in the law with regard to other employers.

Rep. Earle: With regard to what?

Mrs. Driscoll: To other--

Rep. Earle: With regard to more than three-you mean?

Mrs. Driscoll: Yes.

Rep. Earle: Yes, but I mean when you get down to one and they don't get the word because they may not at first, it's going to be pretty hard on them.

Mrs. Driscoll: Well, I suppose it may be but I think a change of this kind will be given sufficient publicity so that it will be accepted. I mean it's just like income tax. Everybody's got to pay an income tax because they have income and they have to get the word. You know ignorance of the law is no excuse and I'm sure that employers, Chambers of Commerce, as well as our organization would do our best to see to it that there was enough publicity on this kind of a change.

Rep. Earle: With regard to S. B. No. 979 (Sen. Miller) REVISING THE WORKMEN'S COMPENSATION LAW, are you sure that all of these things can be insured against? I guess my question is, in part, is this a model act? Has this been taken from some other state or--

Mrs. Driscoll: I would say-this is, of course, the administration bill. This isn't put in by our or-

ganization but from what I know of it, I would say that this-all of the provisions in this bill have counter-part in provisions in other laws throughout the country but not in any one law.

Rep. Earle: Now, I have one other question with regard to Section 11 on the \$15.00. It seems to some of us that this must or might be more properly in the field of collective bargaining of wages.

Mrs. Driscoll: Rehabilitation?

Rep. Earle: Do you want to comment on that. In other words, they come back on the job and they get \$15.00 for working. It seems perhaps this isn't workmen's compensation but this is statutory wage--

Mrs. Driscoll: Well, the only time they get the \$15.00 is when they're undergoing rehabilitation treatment and because they're undergoing this, they are not able to work full time at a job. Now, the reason for giving them the \$15.00 is to give them an incentive to get the rehabilitation treatment so that they aren't penalized by getting it and the reason the employer should want them to get it is because it will decrease the extent of disability that the worker has. Liberty Mutual Insurance Company, for example, has a rehabilitation center in Boston and I've had their agent in Bridgeport tell me-in fact, he gave me the figures one year and I didn't bring it up here-how much money they figure they save on payments of permanent disability amounts. You know-settlements of permanent disability by having workers rehabilitated at this center. I have, in my own experience, seen people rehabilitated in the center we used to have in Bridgeport. We don't have it any more. Where a man came in with a hand-this is a war injury, not an employee-as far as he was concerned, he couldn't use the hand. It was all shot up. A grip was devised for him on a machine and he was taught to use this grip so that over a period of time, he was able to use the grip and using the grip, he got use of the hand so that from nothing, he had maybe a 50%-I mean there are really wonderful things that can be done with occupational therapy and physical therapy.

Rep. Earle: And the \$15.00 is to encourage them to undergo that?

Mrs. Driscoll: That's right. He won't be penalized for undergoing it. I mean it's not a reward. It's to take the place of wages he'd be losing.

Ina Vestal:
Woodbridge

Mr. McMahon, I understand that now medical reports are sent to the patient's physician upon written request by the patient. Do you not feel that is adequate? Isn't it almost better for the patient's physician to see that than the patient? There might be something in the report quite-in the report that perhaps it wouldn't help the patient to see but his own physician could guide him.

Rep. McMahon:

I think in any discovery of any medical foundation or any facts discovered through medical examination, I think it would be much more favorable considering all factors concerned and considering the importance of your question, I think it would be important for either the party concerned or his attorney to receive the information directly.

Ina Vestal:

You don't think just having his physician see it is adequate? His own personal physician?

Rep. McMahon:

No. I don't think that would be adequate.

Ina Vestal:

Thank you.

Chr. Miller:

Thank you. Anyone else in favor of any of these bills?

Rep. McMahon:

I might say that I spoke to Mr. Rourke. He says he is very much in favor of the bill. I spoke to several other colleagues. I don't know where they happen to be at this time but they said they'd be around at the proper time. I hope they are. Thank you.

Chr. Miller:

Thank you.

Rep. Terrell:
Newtown

I wish to register in opposition, in particular, to S. B. No. 979 (Sen. Miller) REVISING THE WORKMEN'S COMPENSATION LAW and to H. B. No. 2767 (Rep. Vernovai) WORKMEN'S COMPENSATION-ELIMINATING THE SEVEN-DAY WAITING PERIOD. Regardless of what anyone says here today as far as these rates are concerned, if this legislation is enacted, the rates, the compensation rates would have to go up. I don't think anyone can make any other statement. I think that when you increase the rates, you're increasing, obviously, the cost of doing business in this state. I don't believe that this legislation is in the best interests of the people of this state. I think, moreover, that in the long run, legislation of this type is going to cost you jobs which is going to hurt the people and I feel that when you consider legislation of this type, this is what you have to keep in mind. Is it going to make jobs for the state? I don't think so and I don't think anyone here can say that it would.

- Chr. Miller: Thank you. Just a minute. Could you come back? There's a question for you.
- Sen. Buzaid: Representative Terrell, don't you think it is the duty also to protect the people that we have working in the state today to see that they are adequately supplied with an income when they are not able to work as a result of an industrial accident?
- Rep. Terrell: I certainly do, sir and I also say that Connecticut has been in the forerunner in doing just that.
- Chr. Miller: One more question.
- Rep. Petela:
Branford In your experience or in your readings, have you ever known of any industry or of any particular plant that has laid off anybody due to the high cost of this particular cost, namely a manufacturing cost, etc.
- Rep. Terrell: Well, my answer to that would be—you can't take any one factor and say that this is what is causing industry to move to the south but when you take a factor of our tax situation, when you add this factor into it, you can certainly say that it is going to effect industry either coming into the state or leaving the state.
- Rep. Petela: Well, then, aren't you jumping the gun by saying this is going to cause industry to leave the state if it is enacted?
- Rep. Terrell: I say this is not going to bring any jobs into the state, sir and I, moreover, would say that I wouldn't be surprised that eventually this would result in industry leaving the state.
- Rep. Griffith:
E. Hfd. Representative Terrell, you heard it stated here that insurance companies retain 39 to 40% above what they pay out in workmen's compensation. Do you have any reason to dispute those facts?
- Rep. Terrell: I don't know that this is a question of my trying to dispute those facts. I think that--
- Rep. Griffith: I asked you a question. Do you have any reason to dispute those facts?
- Rep. Terrell: I don't think there's a question of disputing--
- Rep. Griffith: Well, there's a big question here.
- Rep. Terrell: I would be very happy to see an actuary of an insurance company explain how their acquisition costs work and perhaps they can explain it to you. I am not an actuary, sir.

Rep. Griffith: Well, if the insurance companies were content with the smaller profit and those benefits were given, do you still think without raising the cost it would still make unemployment in this state?

Rep. Terrell: I would answer that this way. If the insurance companies can operate on a lower level which I certainly am not an actuary and in no position to answer the question increasing benefits to the point where it will not increase the cost of doing business in this state, that's fine.

Chr. Miller: Thank you.

S. Jacaruso: Members of the Committee, I'd like to go on record here supporting these house bills under the Workmen's Compensation Act. Making it very brief, I just want to make one point that I would like this Labor Committee to get over. I'd like to tell you of a problem that happened in my own shop where I work, why I feel that these laws should be improved and where they help people as a whole. Three people were ruptured in my plant and they came to me because I am chairman of the union down there and they says: "How can I go to the hospital and be taken care of when I only will receive \$40.00 or \$45.00 a week. That won't even be enough to buy food for three or four children plus the husband and wife". Those are the things that hurt the working man and the results of that is that he does not go for his medical attention when he should go. He holds it off because he needs to work. He needs the purchasing power and in the long run, the thing that actually happens is that his case gets to be more serious than it was in the beginning. Even \$60.00 a week, in my honest opinion as a working man, is not sufficient. I believe that the Workmen's Compensation Act is at least ten years behind the times and I hope this Labor Committee will vote favorably upon at least the Administration Bill. Thank you very much.

Chr. Miller: Thank you. The next gentleman.

F. O'Brien: I'm President of Local 25, Insurance Workers of America, AFL-CIO. I speak in behalf of about 450 agents in the State of Connecticut. Insurance agents. The reason I bring that point-I would like to direct your attention to a portion of S. B. No. 979 (Sen. Miller) REVISING THE WORKMEN'S COMPENSATION LAW and H. B. No. 3079 (Rep. Corrigan) EXTENDING WORKMEN'S COMPENSATION PROTECTION TO ALL EMPLOYEES. At the present time, we are not covered by Workmen's Compensation. Under the existing

law, the employer is allowed to have people entering their employment voluntarily waive their right to compensation. In the State of Connecticut, our agents are not covered and the states around us in Rhode Island, Massachusetts, New Hampshire, Maine and Vermont they are covered but we definitely feel that we are being discriminated against and we urge this committee very strongly that when they consider making this-extending this coverage on a compulsory basis to all employers, we would like to have them really think about us fellows that are not covered by Workmen's Compensation. Evidently, there are other employers within the state that use the provisions of this law and we urge this Committee to give favorable recommendation to these bills.

Chr. Miller: Thank you. Commissioner Ricciuti.

R. Ricciuti:
Labor Comm.

Mr. Chairman, testifying in behalf of the Workmen's Compensation Bill No. 979 (Sen. Miller) REVISING THE WORKMEN'S COMPENSATION LAW. I'd just like to say a few words to part from the text I have here about this business of jobs in Connecticut. I know that this theme is going to run all through these labor hearings and I just wonder if we don't waste too much time blaming different people and different programs for the fact that we do have less jobs in the State of Connecticut than we did before and, in wasting that time blaming one another. I think it would be a lot better if we embarked upon a campaign to get more jobs. Put some of this fire and brimstone into an effort to bring jobs into Connecticut instead of blaming one another. It's not just one branch of our economy, it seems to me, that is responsible. There are a lot of other things that enter into all this-the state of our national economy-what our national government is doing or is not doing at this point so that it seems to me it's a little unfair to say that if this bill is passed or that bill is passed that so many jobs are going to leave Connecticut. I think all of us have to work together in order to make sure that Connecticut gets to be the kind of a place where manufacturers will stay here and expand and new industries will come in rather than blaming one another for a situation which may be just temporary.

The major deficiency in workmen's compensation is the inadequacy of the weekly benefit amount to the injured worker or in the case of his or her death, his or her survivor. For most of us, it is difficult to make ends meet on our regular salary. How you would get along on 60% of your weekly salary-yet for more than half of all the injured workers alone, the law

does not even provide 60%. As you know, our present law provides the 60% up to a maximum of \$45.00. Any worker who earns more than \$75.00 a week, therefore, is held to less than 60% of his weekly earnings. As an example, if you're earning \$91.00 a week which is the average wage here in Connecticut, 60% of the \$91.00 would entitle you to \$54.60 a week but the fact that we have a maximum of \$45.00, he doesn't get the \$54.60 or anyone making more than that and \$91.00 is the average. Nearly two-thirds of our men workers are earning this amount- \$91.00 or higher and despite this intention in the law that you get 60%, they are held down by the maximum. If 60% is too low and I'm sure you'll agree that it is, it will do no good to two-thirds of our men workers to raise this ratio without a raise in the maximum. Then, what should the maximum be? For the injured worker, there is no reason why he should not continue to receive his full pay during disability. The United States Department of Labor recommends a weekly payment sufficient to give most workers not less than two-thirds of their average weekly wage. This would require a maximum in Connecticut of approximately \$70.00. Nine states already provide maximum weekly benefits equal to at least two-thirds of the state's average weekly wage as reported under the Unemployment Insurance Act. This would amount to around \$60.00 in Connecticut which is what this bill provides for - not what the Labor Department in Washington suggests. Therefore, you can see that the maximum weekly amount in this bill is not unusual. If you people are familiar with the events which led up to the enactment of the Workmen's Compensation Law, you know that workers gave up their rights to sue under common-law in order that they might get compensation payments without the test of contributory negligence. Now, what he has given up has become more and more valuable since the Compensation Law was passed. As you know, if you go into court in civil suit, awards are usually much higher than comparable workmen's compensation awards and they're continuing to rise. Workmen's compensation payments as a proportion of average earnings are getting smaller and smaller so that what the worker gave up is getting larger and what he has accepted in lieu of that is getting smaller. I want to illustrate this point by this chart. Can all the members of the Committee see this? You've got, I'm sure copies of it. This traces from 1938 on. The maximum weekly amount in Connecticut, the average wage for the Connecticut worker and the ratio of the maximum weekly amount to the average weekly earnings so that in 1938, the maximum amount in

THE state was \$26.00 a week. The average earnings in the state was \$25.00. That represented 94% - this chart here of the average weekly wage in the state. That's what it was in 1938. As you see in 1940, the figure stayed at \$25.00 the maximum-but the average wages were \$29.00 so the percentage went down to 86%. Here, during the war years when wages were more or less frozen, the figures went down so that they ranged around 60%-down from this high of 94 and 86% and down through the years until the present time, this pattern of decreasing ratio has held all the way so that now down from 94% with the maximum in Connecticut now about \$45.00, the ratio is 49% of the average wage in the state. In other words, the maximum amount is 49% of what most workers in this state get as an average so you can see formerly where the worker was able to go to court, many years ago he gave up this right and this program was instituted by the percentage of the weekly wage has gone down and when you figure that only about 50% of the workers in the state get the maximum, you can see that this isn't a situation which helps the injured worker the way it should. Now, this bill doesn't go as far as the ideal solution. As I've said, the ideal solution is that workers would get full pay but this bill proposes payments of two-thirds of the injured's average wage with a maximum of \$60.00. The average wage for workers in Connecticut today is over \$90.00 so that with a \$60.00 maximum and weekly amounts of two-thirds of the average earnings, at least half of our workers would still be held down by this maximum.

Now, what about the costs? Since workmen's compensation payments are handled mainly through private insurance companies, we don't have any good estimates of what the cost figures might be. However, it is possible that a good portion of it could be born by the insurance carriers.

Now, we have a pie chart which most of you have which shows the distribution of the premium dollar over the years. The figure in the red border represents what goes back or goes to the worker in compensation and medical payments over a year's period - 63.4%, commission and field supervision if you'll notice amounts to 14.5%, adjusting fees-lawyer's fees, I guess, 8.9%, home office expenses 6.1%, taxes, licenses & fees 2.5%, profit 2.5%, accident prevention and education 2.1%. As you can see, the administrative costs, commissions, lawyers fees and so on and so forth are, I think reasonably high as shown by this chart and the fact is that if 63% of the premiums are going to the workers, 37% goes somewhere else. Now, funds operated by the state have an

administrative expense which is less than half of the administrative cost of insurance through private insurance carriers so it seems to me that at least part of the increased costs of benefits could be borne by this large amount of administrative expense. As you know, in Connecticut, all workmen's compensation insurance is through private company or self-insurance. It seems to me that the administration or administrative expenditure can be reduced. I mean we have some experience in this field because the unemployment compensation program is in the Labor Department and the administrative cost in the Labor Department during the year 1958-the year of a great many claims-was 3/1% of the total benefits. During this year, we processed and paid 2,510,000 checks. Now, this is the experience that we've had in the government here in the state government which many people say is wasteful and it seems to me that if we can that kind of administrative cost, there is no reason why the insurance companies can not and it seems to me also that -excuse me just a moment please. This bill extends coverage to employers of one or more from the present three or more. It seems to me just as important that a worker employed by a firm having two employees receive compensation when he is injured as it is for an employee working in a company which has, say a thousand workers.

The bill also clarifies the employee coverage provisions which were enacted a long time ago and are out of date. The increase in benefits which I mentioned earlier applies to both the injured and to survivors of workers killed on the job. The amount allocated to dependents under 18 after the widow no longer draws compensation because of death or remarriage is increased from \$5.00 to \$10.00. In cases where an injured worker continues to be on the job but at a lower rate of pay because of his injury, the benefits are increased. Increases are provided for the loss of parts of the body, such as arms, legs or a foot. These increases would more realistically provide for losses under economic conditions which prevail today. In certain cases, the award which is specific by statute may be totally inadequate and this bill provides that the Commissioner can go over and above what is stated specifically if he feels that the statutory award is not adequate enough.

Many persons are now deprived of compensation benefits because they were not aware of the seriousness of their accident at the time it occurred or of their compensation rights. This bill proposes that the time limits now in the

statutes be eliminated and that a claim may be filed at any time. Many workers lose pay while they're receiving medical attention for injuries which occur during their work. I think that the cure of these disabilities is a part of their work and that the law should provide that the workers will receive pay while receiving such medical attention. 1
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One of the brightest spots in the week-work injury picture is the rehabilitation work which is now being done in order to encourage workers to receive rehabilitation therapy and training and to reward those who are doing this, the bill provides that they shall receive \$15.00 a week in addition to their regular compensation awards. There are many cases in which compensation payments are delayed. Workers need compensation at the time that they are injured. To delay payment, in many cases, is as bad as not making any payment at all. Now, we've tried to find out how prompt payments are here in Connecticut and it's very hard to pin that down and I don't mean any criticism of the present system but we have received complaints of delay of payment and the point I want to make is that a worker who is faced with a choice of a delay in payment and a payment which he considers to be inadequate, he might, because he's desperate decide that he ought to take the smaller payment and I think one of the remedies in order to speed up payment is to make it a hardship on the person or provide for penalties which would be placed upon the people who delay payment.

This bill provides that there will be a 20% additional amount for a payment delayed more than ten days following an award and 10% additional for payments delayed more than seven days without an award. Also, to prevent employers from contesting a case solely to delay payments, the bill provides an additional 15% that the Commissioner fines—that is the Workmen's Compensation Commissioner—if the contention was without just cause.

Many workers who have just claims find it difficult and costly to pay the expenses in cases which are contested. Since these are contested by employers, the bill provides that the employer shall pay all costs incurred by workers if an award is made to a worker after being originally denied by the employer.

On second injury payments, the bill provides that payments shall include awards for permanent partial incapacity greater than would have occurred without the pre-existing incapacities. The present law, I think most of you know, is very restrictive. It only applies in cases of

total disability. I think since the second injury fund was passed, more than ten years ago, it's about fourteen years ago, only three cases against it have been approved. The balance in this fund which was originally \$100,000.00 is now \$88,250.00. This is over a fourteen year period. The two year limit on claims against the second injury fund should be eliminated.

Nothing is sadder than to see a badly injured worker who has legitimate compensation rights but is denied benefits because the employer failed to follow the law and obtain insurance or has become bankrupt or insolvent. In order that all persons entitled to compensation may receive it, this bill establishes a compensation insurance fund from which payments will be made where the liable employer is unable to provide the compensation.

Many workers with physical defects in order to obtain employment sign waivers against seeking additional compensation because of the disability. These waivers will be unnecessary if the provision concerning the second injury fund is passed. Therefore, this bill prohibits employers from requiring waivers from persons with physical defects.

This bill is not ideal but it is a step in the right direction. We must continue to improve our labor laws to protect our workers. Good labor laws attract and encourage good and skilled workers and part of the key to attracting and holding industry in this state is to make sure that we do have the skilled workers in this state. Thank you very much.

Chr. Miller: Thank you, Commissioner. Just a minute, please. A question.

Rep. Martin: Commissioner, would you prefer a state fund in view of these figures which you've quoted?
Orange

Comm. Ricciuti: I think so. My own personal preference but I think before that decision should be made, I think it would be well although I don't particularly believe in study committees because I think many times they're a waste of time but I think that some day and maybe now is the time - a complete study should be made by people who know this law and decide what the best system in Connecticut would be and whether or not it would be feasible to continue the present system with some changes which might speed up payments and might cure some of the defects or whether or not we should go to a state fund. I'm not prepared to give a definitive answer to that question at this point. I

think there's a lot more study should be given to the situation.

Rep. Martin: If we went to a state fund, wouldn't it put a lot of people out of work since Connecticut is an insurance state and wouldn't that put more burden on us?

Comm. Ricciuti: Since I haven't said that I favor a state fund, I don't know why--it seems to me that you were trying to trap me a little bit there, Mr. Martin.

Rep. Martin: No. I didn't mean to at all.

Comm. Ricciuti: Okay but I mean if I answered "yes" quickly to that first question, that's where I'd be right now.

Rep. Martin: No-Commissioner, one other thing--there's been a lot of talk about a federal compensation law, how do you feel about that? Should the Federal Government step into the picture and take over the whole of it?

Comm. Ricciuti: I'll tell you my own personal feelings on that. It seems to me that at some point in this state that a worker whether he be injured on the job or off the job or he's disabled because he's sick or whether he's unemployed or for whatever reason he may be out of work, it seems to me that he should be paid from one central spot, from one central fund, maybe segregated into special funds to take care of the various categories. I think that would, if you centralize the whole business, instead of having unemployment coming from one fund and administered from one place, workmen's compensation through insurance or self-insurance coming from another place, I think it probably would be cheaper--the payments would be speedier--it would have central administration. It would seem to me it makes sense. I am not in favor, generally, of the Federal Government stepping into any area which the state has jurisdiction unless the state has demonstrated that it is not doing the job and while I think that Connecticut laws could stand some improvement, I'm not at the point now where I would favor complete federal jurisdiction in the field. For instance, on Unemployment Compensation, frankly speaking, because of the situation involving Connecticut where our law is a fairly good one in comparison to other states and where the fact that other states it seems to me hold down their benefits in order to get a competitive advantage over Connecticut, I would be in favor of federal standards on it so that no state could say: "Well, look we can give you a better deal on unemployment compensation than Connecticut can and of course that holds down benefits for our workers .

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and it's unfair and I think people do take advantage of it.

Rep. Martin: There's one other question that you can answer which I have no figures available. You know that in cases of permanent total disability and deaths under the Workmen's Compensation Law where a man is over 50 or where he has a wife and children that the Social Security enters into it, too and there are probably many cases where that situation exists where the wife may collect more money than when her husband was working and I wonder how many of those cases there are. Have you done the figures on those?

Comm. Ricciuti: No, we haven't. I want to make it clear that while I appear here today because my Department is supposed to try to represent the interests of the working people of the state, The Workmen's Compensation Division is not in the Labor Department and while I have access to those figures, I do not know this field as well perhaps as I might those in my Department.

Rep. Martin: I didn't know but what you might have done that work. There's one figure which you've given us that I am personally rather ashamed of and that's the 2.1 figure for accident prevention and education. You, as well as I, know that what we're both interested in is seeing that these accidents don't occur let alone the benefits which may accrue as a result of them.

Comm. Ricciuti: Well, I agree with you and I know that there are some insurance companies which, particularly the one which you represent, are doing a fairly good job in this field and I just wish that there were more--

Rep. Martin: Thank you.

Comm. Ricciuti: That's just to show that there are no hard feelings. I wish there were more companies doing work in this field and more money spent for it because I think it's money wisely spent.

Chr. Miller: Thank you, Commissioner. This gentleman.

Geo. Rollins: Mr. Chairman, Members of the Court, I'm the Int'l. Rep. I.W.of A. representative of the Insurance Workers of America who have nine locals established in the State of Connecticut, representing some 450 insurance agents. I want to support the position that was taken by the Connecticut State AFL-CIO by Mrs. Driscoll and I would also like to bring your attention particularly to S.B.No. 979 (Sen. Miller) REVISING THE WORKMEN'S COMPENSATION LAW and H. B. No. 3079 (Rep. Corrigan) EXTENDING WORKMEN'S COMPENSATION PROTECTION TO

ALL EMPLOYEES. Presently, in the State of Connecticut, the employees or rather employers have an escape and they are not compelled to extend the workmen's compensation coverage to their employees. The 450 people which I made previous mention of are denied the benefits of workmen's compensation which was instituted by an act of the company whereby they compel their employees to sign this form. I'll leave it with you for your examination unless you want it now - that the employees or the prospective employee in order to obtain a position with that company has to sign a statement that he does not wish to have workmen's compensation coverage while he is under the employ of that company. As a result of this act on the part of this major company - it's one of the largest companies in the United States - many of their employees have lost hundreds and thousands of dollars in losses and benefits which they would have received had they been covered under workmen's compensation and I can speak of one in particular. What these companies do when they don't have the workmen's compensation coverage, they substitute a plan of their own and it's solely administered by them. These plans are designed to keep the cost down or keep it limited. Their benefits are limited and not only that, they are the sole judges as to what benefits will be paid to the employee.

For instance, we had a case of one agent who was collecting in the home of a policy holder and, while in the course of his duties, the woman had a heart condition and she suffered a heart attack while he was present in the home. She fell on the agent. His knee was injured but like a good many people, you receive an injury sometimes and you don't realize that you've been injured until sometime later. He received the injury on a Friday and on Monday, he was unable to go to work because the knee had swelled up to such large proportions. He didn't receive any compensation for the medical costs of the injury that he sustained in the course of his duty. He didn't receive the benefits because under the plan that this particular company had, he had to receive emergency hospital treatment which meant that he had to be hospitalized, confined to a hospital for a certain number of hours and within a period of 24 hours from the time of the injury. So, consequently, the employee received nothing from this company for that injury which he received in the course of his duties.

We presently have a case pending now where one of the employees of this same company, in the course of his duties, was involved in an automobile accident, resulting in the loss of his

leg. It was cut off below the knee and they found out later on that they had to remove it up between the knee and the hip. Under the program provided by the company and under the waiver denying himself certain rights, he receives only a benefit paid for a disability that's provided by the company and a temporary disability payment which terminates at least at the end of one year and the company can terminate it sooner if they so desire.

So, we earnestly urge you people, on this Committee, to act favorably on this legislation. To make it compulsory on the employers to extend this coverage to their employees. Because where they have these escape rights as presently they now do have, it's very discriminatory to those employees. As I say, if any man is seeking a job, if he has to sign a waiver in order to get that job, he signs the waiver and thinks about it afterwards. He wants the job first. So, I urge you to vote favorably on this legislation and I also would like to make you aware of the fact that representatives of our nine locals are now seated in the balcony and in the essence of time-I know there are going to be a lot of other speakers-I'd like to have you consider this message came from these people also. Thank you for your time.

Chr. Miller: Thank you, sir. Mr. Si Cohen.

Mr. Si Cohen: Mr. Chairman and Members of the Committee, I appear before you today just as an ordinary citizen and the reason that I'm here is because I happen to have a humanitarian interest in workmen's compensation laws. I have served with some of you in previous years in this General Assembly in this Committee and during the two terms when I was Chairman of the Labor Committee, I felt and I believe that some of you will agree with me, that we made some tremendous strides in this field of workmen's compensation laws. One of those particular bills had to do with total disability and payments for life. That was enacted in the 1953 Session. But Connecticut must move on as the economy of our country and our state moves on. And while I realize the implications and the voice and the cry that will be raised with reference to increased costs in this particular phase and field having to do with total disability, it is my firm opinion that industry should stand and bear the cost of any employee that is injured during the course of his employment and is unable to continue in his work. Otherwise, this individual, this human being becomes a burden upon society and, in some form or another, a way must be found to take care of

him and his family which means that the burden is then thrown upon the entire society for something that took place in the course of his employment and which should be assessed upon the industry where he is employed. So, in that particular phase, I would say in answer to Mr. Martin with reference to receiving greater benefits than the individual received during the course of his employment that a clause could be written in the total disability act that if the sum paid in addition to other payments as Social Security, shall be greater than the lesser sum, no greater than the full amount received during the employment should be paid. So, that's no serious problem.

With reference to many other phases of this Act which I feel should be brought, I believe that the Act should be extended to those who employ one or more individuals. I am not new in this feeling. I have felt it for some time. America must march forward and this field of workmen's compensation where the cost of living today is reaching proportional heights to the general cost of living and the general great national wealth and the production that we increase with yearly, we must find some way that all of those who are working in industry must be taken care of through the industry in which they're employed if they are injured in the line of their work.

Now, I'm not speaking of off the job disability. I'm speaking of on the job disability. The other is a different phase and a different atmosphere. And in line with this general broadening, we must also consider the broadening of the payments. There is no reason for a man working on a scaffold one minute and one minute later becoming seriously injured, having his pay reduced down to a level where he can not support either himself or his family. I realize that the cost of workmen's compensation will increase because of this but I will venture to say that no insurance company, whether it be a mutual or a stock company will leave the State of Connecticut because of the fact that it may have to raise its premiums to industry. To use a common term-"it will come off the top." Now, we have been providing additional advantages with reference to pension payments. We have been providing additional payments with reference to health and accidents but, believe me, all of those things are concerned with individuals after and during the term which they are employed. But the person that is injured while he's employed is in a different category. Not only does he have the problem of support generally of his family and himself but today, particularly, when the standard of living not only in the country but particularly

in Connecticut, has increased to the point **154** where the working man's family consists of not only those at home but perhaps one or two in college. He has the additional burden of supporting his children who are attending college and desire to seek an education. So that, while this may appear to be rather too broad humanitarianism, I say it's not because I don't believe that, with the additional cost that will be incurred in providing compensation insurance that it will, in any way, depreciate business activity in Connecticut or mean loss of jobs. As a matter of fact, it would increase business activity and increase jobs and the reason that I say that is this. Connecticut stands in the forefront and I believe that even those who are opposed will agree with this. Connecticut stands in the forefront in the administration of workmen's compensation laws and that is because we have during the years and Governors of both parties have appointed men of stature to administer these laws and that is the reason that the insurance companies who wish to come into Connecticut. In the vernacular, I might say they might be falling all over each other to write workmen's compensation insurance. It's a good phase to write because it's profitable and we want to keep it that way because we want to keep the insurance companies healthy. We want to be able to have them pay their taxes. We want to be able to have them want to write insurance. I, personally, am not in favor of state funds but I do believe this that if any state is driven to the point where it is required to set up humanitarian legislation as it is in this sphere so that everyone will be covered, then I say for those areas where the regular, mutual or stock companies do not wish to write it, a state fund should be established to take care of it.

So I say again, in closing, I appreciate the opportunity to come here to voice my small-in a small way-my opinion on workmen's compensation laws because I believe it represents the one phase in which we in Connecticut can remain in the forefront and remain there because of our attitude towards our employees and when I say employees, I mean we're all employees and Connecticut is the place where we can make these men want to seek employment and we can have business want to employ more people. Thank you.

Chr. Miller: Thank you, Mr. Cohen. Thank you Mr. Majority Leader.

Dr. J. D. Walker: Mr. Chairman, Members of the Committee, I'm Hartford a practicing chiropractor in Hartford. I represent today the Connecticut Chiropractic Society which is a society sponsoring S. B. No. 816 (Sen. Alfano) AN AMENDMENT TO THE

Chr. Griffith: Thank you. Is there any one else in favor? I'd just like to remind you again if you have any lengthy transcripts or anything like that, they'll get just as much consideration if you leave them with the clerk.

Pierce Saroke: Mr. Chairman, Members of the Committee, I represent Local 133, The Fafnir Ballbearing. In our unit, we have 4500 members. It seems to me after hearing about all the charts and everything all that was said that we have certainly something to look forward to follow the bills that are—that Mrs. Driscoll, our legislative leader stated for in as much as the charts, our company will have a chart and say that they will operate on four six point percentage for their profit which amounts to millions of dollars. It seems to me that the cream can be cut off from this chart here and they could take any added costs from this. Beside that while we may say we've got a wonderful compensation act, we've got to remember the cream of the crop is where all the members—we are very fortunate that we have a compensation chairman in our local who informs all the people of what the compensation is. Other locals in our other factories, there are hundreds and possibly thousands that never receive any compensation because ignorance of the law so if the companies say that they are going to have a big burden, that we're going to raise up the fees—no. Some of that cream that they don't pay in compensation, certainly would compensate to give us better laws and give us better protection so we can protect our homes and our families. Thank you, Mr. Chairman.

Chr. Griffith: Thank you.

Edward Frank: Mr. Chairman and Members of the Committee, Conn. Union I'd like to speak in favor of S. B. No. 979 of Tel. Wkrs. (Sen. Miller) REVISING THE WORKMEN'S COMPENSATION LAW and of bill that was brought in by Mrs. Driscoll, the one that she favored. I'd like to speak in opposition to S. B. No. 821 (Sen. Relihan) THE WORKMEN'S COMPENSATION ACT and H. B. No. 3689 (Reps. Wright and Hunziker) APPOINTMENT OF DEPUTY WORKMEN'S COMPENSATION COMMISSIONERS. I believe that any improvement in workmen's compensation would be an incentive to industry and labor and that if the safety programs in industry are stepped up, it will more than compensate for these cases. Thank you.

Chr. Griffith: Thank you very much. Any others in favor?

David Duretti: I represent Local 1871, Groton, Connecticut. This local is concerned with the building of

submarines and we do have a radioactive question. I am sent here by this local to specifically support S. B. No. 817 (Sen. Miller) WORKMEN'S COMPENSATION-NOTICE OF CLAIM FOR COMPENSATION, on the limitations. Thank you.

Chr. Griffith: Thank you. Any others in favor?

Rep. Charles: Mr. Chairman, I want to speak in favor of Danbury S. B. No. 821, 816, 817, 979 which I think is a very good bill, H. B. No. 2427, 2587, 2767, 2928, 2934, 3079, 3083, 3093, 3096, 3494 and 3687 and 3689. These last two bills, also two good bills in the sense that we have only one compensation commissioner for each county and in Danbury where many factories have come into Danbury within the last ten or fifteen years and the workload on the Compensation Commissioner has increased, therefore if we appoint one more Commissioner, this will, in turn, expedite all the claims of all the compensation that the workers are entitled to. Thank you.

Chr. Griffith: Thank you. Any others?

Wm. MasKiell: Mr. Chairman, I wish to go on record in support of all these bills with the exception of S. B. Local 12123 U.S.W. of Am. No. 821 (Sen. Relihan) THE WORKMEN'S COMPENSATION ACT. I don't feel this is the time to broaden such a bill as this. I think the people have to be educated to the dignity that perhaps the knowledge of the proper doctors to go to for treatment.

On S. B. No. 979 (Sen. Miller) REVISING THE WORKMEN'S COMPENSATION LAW, I wholly support it. I wish to go further into H. B. No. 3034 or 3494 (Rep. Mulreed) WORKMEN'S COMPENSATION--PARTIAL INCAPACITY, in regards to all parts of the body-disfigurement. Now, going into the moral aspects of all of these bills, there's one particular thing I want to speak on in reference to a case I know of. H. B. No. 2934 (Rep. Lyddy, by request) DETERMINATION OF WORKMEN'S COMPENSATION-AVERAGE WEEKLY EARNINGS, where it would permit the employee to have a choice of either using the pay preceeding disability instead of immediately preceding the injury. We had a case here of an individual that had a family of four children. He developed a hernia from an injury on the job. He felt that because of the inadequacy of the earnings of compensation, workmen's comp, he could not afford to take the time off. He prolonged this thing. His condition got worse. He suffered much pain. He was finally forced to have the operation. When he was awarded the weekly payments, he was also penalized because of the time

of the injury, there was a lapse of time, they reverted back to the actual payment. I think it's time that all the majority of the working people in this state, whether they belong to a union or not, should be given a program that would build up the moral aspects of something that is more practical than it is today. Thank you.

Chr. Griffith: Thank you. Any others in favor?

D. Carlson: International Union of Mine, Mill and Smelter Workers, Local #445, Ansonia, I'd like to speak in favor of H. B. No. 2587 (Rep. McMahon) MEDICAL EXAMINATIONS UNDER THE WORKMEN'S COMPENSATION ACT. A few years ago, I had an injury to my shoulder that I sustained working for the American Brass in Ansonia. About six months ago, this shoulder started to bother me and I went up to see the doctor. The doctor took x-rays and after the x-rays were through, told me I had bursitis. I then asked him if the bursitis could have been caused by the injury sustained in the shop. He said yes it very well could be. I then said well, what do I do now? He said well, you'll have to go to your own physician. I said well, this will cost me money. I'll have to pay the physician and everything. I said can I see the x-rays? He said no, you cannot see them only upon demand from your doctor or from your lawyer. I cannot understand if there was nothing wrong with my shoulder why the company was afraid to show me the x-rays. I have not yet consulted my doctor. I am still fighting this through a grievance procedure in the shop but I do not understand. I've heard some questions asked as to why I was not told the results of these x-rays so I would like to be in favor of this bill. Thank you.

Chr. Griffith: Thank you, sir. Any others in favor?

C. Carpenter: I'm the Workmen's Compensation Representative for Local #4123, American Screw Company, United RFD 2 Willimantic Steel Workers. I'd like to speak, just briefly on H. B. No. 3494 (Rep. Mulreed) WORKMEN'S COMPENSATION-PARTIAL INCAPACITY and the part that includes or will include a definite number of weeks for back cases. I think I probably handle about 500 cases in the last seven years and those that give us the most trouble are on the back. It seems as if they-it is not pinned down and makes a pretty good battle to see who is going to take over and we've settled two-I think it was last year-one of them was eleven years old and one of them was

eight years old. So you can see that there's quite a lot of time spent on them.

Also on this one that will allow lost time and travel while receiving treatment, we have that in our local through collective bargaining. However, for a long time, we had to come to Hartford to a doctor and the company used to give us \$3.00. That's about sixty miles-five cents a mile so a lot of people just wouldn't bother to come in, that's all.

And on this H. B. No. 2770 (Rep. Vernovai) WORKMEN'S COMPENSATION-PENALTIES, the one that would provide penalties, I had a good case. In fact, I talked to the adjuster from-I don't see him here today-one of the well known insurance companies and we had a man leave the plant on a registered case. He got hurt some time ago-a slipped disc and he left the plant in the middle of January and I spoke to the adjuster this Monday and he said the guy hasn't got a check yet and he gave me a little bit of a sob story about how inefficient the home office was. Well, I won't name the company unless anybody on the Committee wants a little private information on it.

And just a little word on H. B. No. 2427 (Rep. Perri) ADJUSTMENT OF WORKMEN'S COMPENSATION RATES. I think this is the only bill-the only time that any union member, any working man doesn't like to hear the word "retroactive". That's where the amount of your compensation is retroactive actually at the time you're injured. So if your back is hurt say in 1949 and you're just out of work now, why you're settling for somewhere around \$36, \$32 a week. And I say that's the only time, I don't hear the people saying let's make this retroactive. Thank you.

Chr. Griffith: Thank you.

F. Barretto: Mr. Chairman, I represent Local #445, Ansonia Brass Workers, International Union of Mine, Mill and Smelter Workers. I'm not going to take up too much of your time but I do want to elaborate a little something on this workmen's compensation. I'm not an international representative or anything like that. I'm a working man but I just want to elaborate something on this Act. I think the thing is obsolete. I think it should be revised because today, in every factory in the United States and not only Connecticut, all over the country, the companies are putting in high speed machines. Now, where I work, we have a complement of men of 1150 people. Their average age up there is around 52 years old. Now, these machines are very, very

fast. The potential and the danger of getting hurt is very easily up there and when I say getting hurt, I mean losing an arm or losing a leg. Only here about two months ago on one of these high speed hot roll-- places, a young fellow, he was only about 36-37 years old, he lost his arm right up to his shoulder and we have other numerous accidents up there and, gentlemen, all I do hope-we're not asking for pie in the sky. All we're asking for is an adequate compensation law because we do feel that it's adequate right now. I mean we want to have it revised not for us, for our families and as the gentleman, I heard the speaker that the majority speaker before, he says it puts a burden on everybody which it does. Sooner or later, it's going to wind up putting the burden on the city and also the State Welfare Department. Thank you very much.

Chr. Griffith: Thank you. Now, we'll hear all those opposed to the measures.

Fred Waterhouse: Mr. Chairman and Members of the Committee, Mfgs. Assoc. of Conn. first, let me say that insofar as this type of a chart is concerned, it's completely irrelevant to this particular hearing. It may tell us what the insurance company does with our money but it doesn't help to reduce the cost. If they have any complaint with how the insurance companies spend the money, then the only place to remedy that is not before this Committee but before the Committee that has charge of or before the Insurance Commissioner who establishes the method of determining how much the percentage of these various things should be. So, as I say, these - they're completely irrelevant - this chart concerning the costs of or how the insurance, our insurance company dollar is spent is irrelevant.

If you're interested in the state fund-I don't believe in the state fund-I believe in free enterprise all along the line. That, also I think is not before you but in case somebody was interested.

I'm not going to go through all of these bills or even every item in any one of the bills, even in S. B. NO. 979 (Sen. Miller) REVISING THE WORKMEN'S COMPENSATION LAW in detail. Many of you have heard the argument about them before. I'll indicate, and it has been indicated and the people who propose all these changes, admit and state affirmatively that there will be an increase in the cost to the employer for the adoption of any one or more of these proposals. There is nothing that anyone can say about our law that doesn't compliment it. We have, in our opinion, the best law in the country. If you take a look at the major parts of any law, any

workmen's compensation law, you'd see that we are there and ahead of practically all other states. Regardless of any particular individual part that you might take, if you put it together as a whole, we have a law that takes care of employees better than any other law in the country. I make that statement and it cannot be refuted. Therefore, having admitted that any part of this will cost the employer more money, you can't get it out of here, those rates are just going up. It's going to cost them more. And looking over the employment situation or the unemployment situation in Connecticut at the present time, it seems that the persons who talk for these things are talking against the people for whom they purport to be talking. They are talking in a manner that is going to destroy jobs. They are talking in a manner that is going to disturb the competitive situation and if you people will read the paper, you'll see every day accounts of plants in Connecticut that are moving out-plants that are closing down and if you look at the overall employment in Connecticut, you'll find that if it weren't for one particular industry, we would be in very bad shape. Right now, the number of unemployed in Connecticut is at a point which we are very unhappy about but, adding to the burden of an employer in this manner when it is not warranted because of the fact that our present law so amply provides for the employee who is injured, would hurt, as I say, those persons who are now employed or those who are out of work.

I will talk about a few of the items if you wish. Let's talk about waivers. There's another situation. If you don't have the waivers, a lot of people aren't going to get work. That is a situation that is recognized by the commissioners, by everybody else. That if a person won't accept the responsibility for a disability which he has at the present time, he just can't get a job. Now, you're therefore, destroying his opportunity to get work if you interfere with that proposition.

As far as penalties for slow payments are concerned, it is just a penalty, as it's described, it's a pure and simple penalty. There's no evidence here that there is any unreasonable or substantial delay or any reason why an employer should be penalized. You may want to speed up payments. That may be fine but there is absolutely no excuse-you don't get a penalty in any other situation if you pay a little late. If you have a feeling that you don't owe a thing and you contest it or you make an effort to find out about it and inquire into it, you eventually pay if you're responsible but there's no penalty and there should be none in this. It is a pure, punitive attitude that is taken in connection

with any possibility of slow payment and how long since the American system penalizes you for exercising your right to contest a claim? It hardly seems proper that if an employer honestly feels that there is no responsibility on his part-that the injury was not caused in the situation it calls for him to pay that if he eventually is found to be incorrect in his conclusion that he should have to pay a penalty and ~~one~~ again, there is no other situation in the law, as far as I know, in which that occurs.

Someone talking about the doctor's reports to the worker, I think you'll find that if or it's uniformly felt by the doctors and by the commissioners that it is not desirable, in all instances to give the employee himself his medical report and that isn't necessarily because they want to keep from him legitimate or proper or complete information. As I understand it and as I have talked to some of the commissioners and the doctors, many reports, practically all reports are written in medical terms. They're terms that you don't understand and I don't understand and you also will find and I've seen some of those reports which say that there's a possibility of this or a possibility of that. The doctor can't rule it out. He doesn't feel that he can and if you saw some such report that the doctor might make about you, I think you'd worry about it and, unnecessarily worry in the doctor's opinion because he would think that the probability of your having a certain incurable disease or a certain situation was rather small but in order to protect himself and also to remind himself when he comes to examine you again, he sticks it in his report and also in order to convey that information to any other doctor who may be involved in the case. You look at a medical report-a formal medical report and see if you can understand it. I've seen plenty. Well, practically all of them-I've had to have the doctor tell what the words meant and I have seen many in which I have questioned the doctor about-well, say do you really think that there is something to that particular thing? He says no, I don't think it's going to but I've got to put it in there for the very reasons that I've just said in order to check up-in order to warn that you should always keep that alert. Now, those things are not to the advantage, according to the doctor and according to the commissioner of the employee and, therefore, I think it isn't good. We have cooperated in the past to get reports to the doctors of the other people. You'll find that where required to furnish sometimes, it's a little difficult for us to get reports from the doctors but you'll find that the law does require that

reports shall be made available to proper persons so that the individual is completely protected.

The free choice of physician is somewhat along the same lines. It has been admitted here that they backed off from their previous position that the individual should have completely free choice of physicians. Now, they are willing to take one step at a time, presumably, and say let's have a panel. After that, it'll be any physician.

In industry, as you know, we have more and more hospitals with the larger places and in some of the smaller places, we have a pool and the doctor is employed full time and a nurse or maybe more are employed full time to attend to the minor injuries and things that occur and to give first aid in the major ones. If this bill is passed to permit complete free choice from a panel, even if it's a panel, the employee could refuse to accept the services of that individual, go to some other doctor, even for a minor cut or bruise or anything if it calls for medical attention without any need or excuse or purpose. In this regard, I might say also that we have in the past attempted to cooperate to make it as easy as possible for an employee who is dissatisfied with the doctor that was furnished for any more serious injury and which calls for treatment to make it possible for him to get another doctor. All he has to do and I have talked to the commissioners about this and you can also, all he has to do normally is to get in touch with the commissioner and suggest that he is not satisfied and if it appears that he isn't, regardless of the competence of doctors furnished, and he wants someone else whom the commissioner-he then of course does tell the commissioner who he wants to go to and if it's somebody in whom the commissioner has confidence, it's my understanding that that's practically always done without any further adieu-very quickly and taken care of or if anything has to be done, the commissioner calls up the carrier or the employer, if he is self-insured and says he wants to change to so and so and how about it and I understand that there has been little, if any, difficulty with that situation. And my information comes from the Chairman of the Workmen's Compensation Commission.

I'll talk about another thing-the 200 extra weeks. Under our present policy or present rates, that amounts up to \$9,000.00 as an additional amount that the commissioner without any guidance of any kind, at his own discretion, for any reason could give to an individual for some injury. It seems that the

Workmen's Compensation Act is built around something a little more stable and substantial than that. What you're doing, if that happened to be so would be to combine the old civil action, allowing an employee up to \$9,000.00 if he sued in a damage suit with his guaranteed workmen's compensation benefits, as under the Act, and not even permit the action to be tried by a court but leave it to the pure discretion of the commissioner. I am inclined to feel that the commissioners themselves would hesitate to ask for that burden and that type of discretion. Normally, an action for \$9,000.00 that is based merely on somebody's discretion is tried in the courts and not given to the commissioner. You hear discussions here about the back injury. We've contended for time after time that as far as the back injury is concerned, if it's a permanent total thing, the individual is better off than if you start to put a specific in there because he can if it's a total and permanent thing, get permanent protection as long as he has it. I think and I think it's the general feeling of most people who have any connection with this that a specific for a back injury is sort of a gimmick for a racket. We think that the individual is now completely protected by the law as it takes care of the disability as long as he is disabled and hesitate-would deplore seeing you stick anything in there of that type. That is the same situation that has occurred time after time after time and I think you won't find there that anybody really thinks that the employee would be-employee himself-would be actually much better off.

The second injury fund-they would ruin that. They would call on employers to contribute a certain percentage of costs each year to an unlimited fund for the purpose of not only the second injury fund as it has been indicated hasn't been called on for any payments substantially, would cause employers generally to establish a fund to sort of insure bankrupt employees or irresponsible employers, rather. It doesn't seem that-proper that you should force onto another employer who is solvent the responsibility of taking care of his insolvent competitor. There has been no indication here of any very great need for that. There has been no indication or evidence here of any very great defalcation on the part of any employer and as far as I know there is practically none. Most of your employers are insured. If they aren't insured, they must furnish complete evidence of financial responsibility to be self-insured. We do have some self-insured people in Connecticut, as we can, under the law but they must produce to the commissioner and the insurance department sufficient evidence of responsibility that they can take care of all their claims.

There is one small paragraph concerning rehabilitation in this. I'm not going to talk about all of the things. These are a few of them. But, in view of the fact that there are other bills up next week dealing with rehabilitation situation, I think I won't pass on that right now. We will have something to say about it next week.

The payment from the first day of injury-now, at the last Session, we reduced from two weeks to ten days the time that an individual must be out in order to get his compensation from his very first day. I might say as has been said about all of these things. There are some companies that do that now but as they do it, they have their own ability to police it for those persons in their first few days and they can-they don't always pay because they have a right to determine whether they are or should be responsible for it but that would be, as I understand it, one of the most costly things. The individual gets paid for the full day anyway and he gets all of his doctors' bills and if he's out ten days, he goes back to the first. For the purpose of preserving for him his general job, preserving some semblance of thought for the employer, it seems you would again be unwise to make any change whatsoever in the present waiting period which is, we feel at a minimum. I'd be glad to talk about any of the other things. I don't want to talk too long. You're late already and I've just covered a few of the highlights but I'm going to say again and I'll say it every time I appear before you that it is your responsibility to determine whether you are going to create or destroy jobs and there's nothing in this bill that would create and everything that would destroy. Yes, Mr. Chairman.

Chr. Griffith: Well, Mr. Waterhouse, when you first started to talk, you seemed to say that we had a very good compensation bill here in Connecticut. In fact, you almost seemed happy with it. Is that right?

Fred Waterhouse: Yes.

Chr. Griffith: Won't you admit that it's because we tried to improve this bill and did improve it, especially since 1951, that we got that good bill?

Fred Waterhouse: I think it's because the bill is as it is if that's what you're talking about.

Chr. Griffith: And haven't you fought almost everyone of those improvements since 1951?

Fred Waterhouse: I wouldn't say so. There are quite a few of

them that I'm talking about now that we cooperated with before you were here and since you've been here, we've cooperated in these adoption of some of the changes that have been here-the things that we think are good.

Chr. Griffith: I don't remember them. Thank you.

Fred Waterhouse: Well, I do.

Sen. Buzaid: I have a question, Mr. Waterhouse. This bill that you've had a chance to study for some time, is that correct? This S. B. No. 979 (Sen. Miller) REVISING THE WORKMEN'S COMPEN-SATION LAW.

Fred Waterhouse: I've looked it through, yes.

Sen. Buzaid: Have you any idea what the increased cost would be to a company from any payrolls that you may have studied?

Fred Waterhouse: I don't know. That's one of the things I've been going to find out and I'll tell you next week. I think it'll stagger you when you find out what the cost will be. You see we can't figure that out. I mean we - as an Association, we can find out from the National Rating Bureau and that's why I propose to find out.

Sen. Buzaid: Certainly, it seems to me that if you had this much time to study the bill, there must be figures available somewhere around here.

Fred Waterhouse: The figures are definitely available. I just didn't get them. I mean the National Council figures out the premiums. We don't you see. I mean they figure it out on the basis of their losses and what the possibilities are. We don't have those figures. Nobody does except the Rating Bureau that gets them from the insurance companies. As I said I will admit to you that I've been derelict in not having them and I've thought about it for a week but I've been busy with other hearings and haven't got them but I'll have them for you next week.

Chr. Miller: Thank you, Mr. Waterhouse.

H. E. Snoke: I apologize for not being in better voice
Exec. V. P. today. However, I'd like to give the
Mfgs. Assoc. Committee a copy of the publication, State
Bridgeport Workmen's Compensation Laws, issued by the
United States Department of Labor as of
August 15, 1957 which, I think, embraced
the last session of this Legislature and
most of the others because there are a few

Odd-year legislatures-legislative sessions and I think that will show that we are ahead in most things in the country to substantiate what Mr. Waterhouse said. It's an official Federal Government compilation.

I assume, and it's only an assumption that the Commissioner of Labor spoke for the Governor and the administration here today. I don't know. If so, I approach any remarks I have, with great trepidation because I had hoped we could agree a great deal with the administration on some very constructive things to try to maintain industry in Connecticut but on his labor statistics here, I think that averages are bad things to deal with but we have to deal with averages some times but if you took also off of that 90 dollar figure or \$91 figure that he talked about, the average withholding tax-to get the average take-home pay, you would find out that the present \$45.00 is 60% of \$72.00 which would represent the average take-home pay in the state. So, maybe we're not so far off or in such bad shape as we might think. I'll just mention that because we seem to forget that this is a tax-free amount that the employee gets. This is a net amount. There is no take-out on that at all and I think we should remember that on take-home pay, he takes home all deductions plus what he holds out on his wife. We must be sure of the latter, too. It happens all too often. I'm not going to try to get into technicalities here today. There are some manufacturers' representatives from companies in Bridgeport who can speak from experience. I just wanted to say that I agree largely or wholly, shall I say, with what Mr. Waterhouse said.

I'm reminded when they talk about going back for injuries. I worked for the Presto-lite Storage Battery Company in Speedway City, Indiana in 1919. They did not have the sanitary care or the medical care that you get in the Exide Storage Battery in Fairfield today which is the point that the employees almost represent it because you're subject to two things, the danger of lead poisoning, because whenever you handle lead in that quantity you get lead poisoning and the sulphuric acid that you use, you can get sulphuric acid poisoning. I got both in 1919. I had three days with what I suppose was what you'd call the "D.T.'S". I never had the latter from alcohol. It was three days and how I remember is that things that like great dark things went around like this is all I remember about it. But, now if I could go into court today or before the Commissioner and allege that because of that, I should be paid for any injury I might suffer

today at my present rate of pay because I suffered it back in 1919, it would sound a little silly and I'm giving you just that as an example because personally I've enjoyed good health. I recovered and enjoyed good health since that time.

The other thing, I've felt that there has been an indictment out of the commissioners here today. The commissioners are probably the most respected people in the state in the work they perform. It is their duty to represent the employee. They do not have to come in with a lawyer. They do not have to come with anyone else. They can go in by themselves. If a man wants an x-ray and says to the commissioner, I want to see that x-ray. He doesn't have to file a grievance with his company. He goes to the commissioner. The commissioner has the responsibility of representing him. He doesn't represent the employer or the insurance company or anyone else. He represents strictly the employee. He's a judge and jury on the side of an employee and I think we should bear that in mind-that they do a marvelous job. They are more than equitable. They administer the law in great liberality, generally, if anything, on the liberal side and I hate to hear people come in and say we need this because commissioners won't do. I think the Deputy Commissioner might be a very bad thing because they might not be experienced. You could put a rolling commissioner around who is wholly and totally experienced to pick up the load and when a man goes on vacation or someone else will come in and pick up the load. That's done. But let's have the very best administration in the state here. If we're going to have it, let's have the best. I'll be glad to answer any questions if I'm asked any.

Chr. Miller: Thank you. Anyone else?

M. W. Reid:
Bridgeport

Mr. Chairman, Members of the Committee, I'm a District Vice President of the Connecticut State Chamber of Commerce and I'm authorized to appear here in behalf of that organization and as Chairman of the Legislative Committee of the Bridgeport Chamber of Commerce. I'm appearing for them.

We would not like to oppose particularly S. B. No. 816 (Sen. Alfano) AN AMENDMENT TO THE WORKMEN'S COMPENSATION ACT, S. B. No. 823 (Sen. Relihan) THE WORKMEN'S COMPENSATION ACT nor H. B. No. 2669 (Reps. Gaudet & Morelli) PAYMENT OF WORKMEN'S COMPENSATION, H. B. No. 3687 (Reps. Wright & Hunziker) APPOINTMENT OF DEPUTY WORKMEN'S COMPENSATION COMMISSIONERS or H. B. No. 3789 (Reps. Wright & Hunziker) APPOINTMENT

OF DEPUTY WORKMEN'S COMPENSATION COMMISSIONERS. We feel that either of two reasons—one that they are not critical in their effect on the compensation law or else they are in the area of interest of some other organization.

We would like to oppose or go on record as opposing, however, all other bills that were on the Calendar today. These bills in workmen's compensation are very difficult to oppose. They're submitted, I'm sure, with humane intent. However, these bills, in effect, do emasculate the provisions, protective provisions of the present Workmen's Compensation Law. Many of these would be wide open for malingering abuse, etc.

I'd like to make a few comments on some of the provisions, most all of which are also included in 979. The first is the question of penalties for delays. It has been mentioned before the intent is to get after the man who deliberately doesn't pay but it also penalizes the man who exercises his right to question his responsibilities. We think that is very, very unfair.

Elimination of the time limit I believe was intended to take care of radiation cases. We believe something up to ten years in radiation cases is perfectly logical because of the delayed effect but this bill eliminates in all. It's been my experience, over many years, that the claims that come in after a period of time are so difficult to construct that nobody knows whether or not there is any valid claim or not and they, many times, run into many hearings and legal complications.

This question of selection of a physician, I will not comment on the medical aspect but from relations with employees, it has been my experience that, too many times, these cause great distress to the employee and it's also a fact that the Commissioner can order the medical report which, in his judgment, it is necessary.

This adjustment of payments to the increases, we believe should be limited to total disability cases. Too many of the partial disabilities, they get into situations where the claim is on pretty shallow ground and many times they're paid just to eliminate the nuisance when they are really not justified.

Now, the elimination, one of the very serious ones is the elimination of the one week waiting period. We didn't take strong objections to reducing that to seven days because in our experience, if a man is out seven days, he's

usually out ten but in this eliminate the one week, it would be practically impossible to get employees with minor injuries back to work until the week had expired or they would not have to be out and, therefore, they would stay out and get whatever they could when they could just as well work.

The increase in the benefits-another serious thing. I know it has a great appeal and a great plea on the cost of living. However, we proposed at the last Session of the Legislature or supported increasing the maximum benefits in line with the increase in the cost of living. The actual increase was greater than we proposed and the cost of living has not yet caught up to that and I think as the previous speaker has said our present coverage is second to none in the country and away ahead of most of it. We don't think it's yet justified to consider that. We don't think you ought to change the formula of percentage. We think that destroys the basic object of the plan when it was introduced and if you continue to liberalize it, you'll get in the same position as Australia and New Zealand. We'll go bankrupt along with the state because you add this to many other things.

This one on coverage regardless of number of employees doesn't bother most businesses because they employ more than three or four people but this is a most unusual thing for the employment of one and the individual should be very careful of this because of the difference in workmen's compensation and the recourse under common law. Workmen's compensation circumvents or pre-empts the common law so that if you employ a person under workmen's compensation, you assume the liability irrespective of contributory negligence on the part of the person injured. He may be completely responsible for his own injury and yet, under the compensation law, the employer must assume that. Now, with a substantial business, you have the resources to do it. With the individual, that is not always the case. If you hire a boy to mow your lawn for an hour in the afternoon every week, you assume full responsibility for anything that happens during that time no matter what he does to it.

This comparison of the earnings-eliminate the overtime after the injury is an unfair comparison because you don't propose to eliminate it before. They should both be figured on the same basis to get a true comparison. If you want to leave it in, leave it in both

cases. If you want to take it out, take it out in both cases.

The last one is to permit the compensation commissioner to increase the benefits up to 200 weeks at his discretion. I know the intent of that, to take care of some of the things demonstrated this afternoon. However, I don't believe that a sound law, to leave to the discretion of a single individual the payment of money for which somebody else is responsible. I think it would open the door to many things and it is unsound. I think the place to correct the thing is for the specific thing if you want to but not leave it to the discretion. In other words, put those things in the same category as tabulated for other things.

I would like to urge you to consider our objections in this case and consider this very seriously because in spite of the comment "the cost of this wouldn't put anybody out of business in Connecticut-wouldn't drive them out of the state", this is only one. There's Unemployment Compensation, this Workmen's Compensation, there are state taxes, there's local taxes and there's our high labor rates which are an asset and for which we must expect to compensate in some other way if we're going to retain our high wages that we have in this state. We can't have everything. You add these things all together and you add the tendency for higher benefits which higher legal benefits would tend to reduce those in addition to that. You add them all up. You get in the same position as the latest firm announced a week or two ago in our city that he couldn't possibly compete in Connecticut and is going to the State of Georgia. These are things that worry me more than anything else. On top of this competing with the other states, I'm convinced that the thing in New England that we have to consider is how are we going to meet foreign competition and stay in business and this all adds up to jobs in the final analysis. Thanks, gentlemen.

Chr. Miller: Thank you. The next speaker.

J. R. Regnier: Speaking for the Association of Casualty and Attorney Surety Companies. Mr. Chairman, Members of the Committee, with respect to your patience with regard to the clock, I shall intentionally be brief with confidence, however, that you will not believe that any of my observations are of lesser import because of any abbreviation on my part. With your indulgence, may I speak specifically and I hope clearly to specific bills and circumstances. S. B. No.

817/(Sen. Miller) WORKMEN'S COMPENSATION-NOTICE OF CLAIM FOR COMPENSATION, we do not look with favor upon the elimination of the requirements of notice of injury, death or occupational disease for the reasons that we believe that such elimination encourage both speculative and fraudulent claims. Secondly, it would effect adversely and make quite confused retrospective rating circumstances as are in existence today. Third and lastly, it would cause the future liability to be very uncertain with such elimination. I believe by and large, a claimant knows when he has a claim and if I may analogize it to other fields of the law, he should, with reasonable promptitude make known his claim as is required in other fields of the law.

In respect to S. B. No. 821/(Sen. Relihan) THE WORKMEN'S COMPENSATION ACT, the selection of a claimant's own physician, may I observe that if there is a demand for such, I would believe that the employee might best be served by permitting him to choose a physician from a panel of competent physicians nominated by the employer or by the Commissioner or by an agency. That has been the law in other states and, I believe has worked well.

In respect to S. B. No. 832/(Sen. Relihan) THE WORKMEN'S COMPENSATION ACT, H. B. No. 2669/(Reps. Gaudet & Morelli) PAYMENT OF WORKMEN'S COMPENSATION and H. B. No. 2767/(Rep. Vernovai) WORKMEN'S COMPENSATION-ELIMINATING THE SEVEN-DAY WAITING PERIOD, dealing with the elimination of the waiting period, we believe that such elimination would promote hurriedness and also be difficult and expensive in so far as additional administrations are concerned.

Now, coming to S. B. No. 979/(Sen. Miller) REVISING THE WORKMEN'S COMPENSATION LAW, if I may speak very briefly on certain sections and I shall intentionally not speak to other sections because I will attempt to make of more emphatic points. Section 4 would reduce the waiting period from seven days to one day. This would, again, tend to create claims for petty injuries and, we believe, unjustified. Section 8 which would permit an award for additional compensation, as the commissioner might deem reasonable when he would find the amounts paid are inadequate to compensate the claimant fairly, we believe that as the law is written, this would be retroactive in nature and would be an impairment of existing rights and there would be a very serious legal question in respect to the validity thereof. Section 9 which would summarily delete the statute of limitations, again this would cause

difficulties in retrospectively graded risks and also would, at all times, cause the future liabilities to be uncertain for obvious reasons. Section 10 which would pay an employee for time lost from his job for medical treatment and examination, again we plead this would be exceedingly difficult to administer and also more unduly expensive to carry out than would be the correlative benefits that it might bring to the individual. Section 17 which would include additional costs of the claimant to be paid by the employer as part of an award, we would like to try to register the point that we believe a claimant has a right at all times to present a questionable case and I don't think anybody would argue to the contrary. Also, we believe an employer should be entitled to the same right and particularly where, as a generalized matter, all cases are controverted on a good face basis. Therefore, we believe that the employer should retain his right to contest borderline cases and, particularly, without encountering a liability for the privilege of so doing. What is right one side, I would hope would be right the other.

The insurance industry, I think it is of record, does not controvert cases unreasonably. We know it's expensive to do that and, by and large cases are not controverted unreasonably. We believe the penalty in this provision is both excessive and unjustified under the circumstances. Lastly, Workmen's Compensation is a contractual matter between employer and employee and I believe recognitions must be given to contractual rights, both employer and employee and also we believe that this section does present an unfortunate and unjust interference with an insurer's rights.

S. B. No. 521 (Sen. Caldwell) PAYMENTS OF WORKMEN'S COMPENSATION, is analogous to that and I shall not state that specifically.

Section 19 of 979 deletes the two year notice within which an employee has to claim compensation for the second injury fund. This again would cause difficulty in retrospective graded risks. It also would cause the future liability to be uncertain. I thought the question that one of the Committee asked a moment ago in respect to potential costs was an excellent question. May I report I don't have that answer. It is my information that any speculation upon this would be with such great extremes because there are a lot of determinations which, in effect, would be arbitrary when it would come to penalties, would come to additional expenses. that any estimate that might be given would be

so speculative that probably would command minimum respect. I'm sorry that I don't have more information-I have no information on that and I wish to report to your Committee specifically in that regard.

H. B. No. 2427 (Rep. Perri) ADJUSTMENT OF WORKMEN'S COMPENSATION RATES, on the adjustment of benefits, again, this does create a definite retroactive circumstance where the rights created by the statute as to the time of the injury would be such as to deprive insurers of adequate premiums and also would operate in such a manner to effect and impair their existing reserve structures and would probably add to the overall cost of insurance.

H. B. No. 2587 (Rep. McMahon) MEDICAL EXAMINATIONS UNDER THE WORKMEN'S COMPENSATION ACT, the bill touching upon medical examination to be furnished employees, in the event this amendment to the existing law should be favored, may I respectfully ask that you consider adding the two words "if requested". In other words, other speakers have touched upon this, both sides, thus it might read, the amendment would read: "and the employee or his attorney shall receive a copy of the report of such examination if requested." I think we all know that sometimes it is better that an employee not have the examination and I don't think that this would in any way at all delimit the intentional effect of the provision.

H. B. No. 2770 (Rep. Vernovai) WORKMEN'S COMPENSATION-ELIMINATING THE SEVEN-DAY WAITING PERIOD, in regard to penalties. May I, in a summary manner, observe that these penalties where it may be alleged that the employer refused to pay, such would be punitive in nature and also, as the bill is written, it is not clear as to the obligation of the insurer to bear the cost of the penalties. In other words, it may be queried: "Does the insurer, does the employer and what is the significance of the penalizing obligation?"

In respect to H. B. No. 3099 (Rep. Griffith) WORKMEN'S COMPENSATION, inadequate awards, I've touched, on 979, on this general basis. We feel that it would be bad if retroactive.

On H. B. No. 3494 (Rep. Mulreed) WORKMEN'S COMPENSATION-PARTIAL INCAPACITY, I am somewhat at a loss in respect to one circumstance. I do not know what a member means. Under the existing law, it is specifically stated from, I think A to L what members are. Now, if I should ask any member of this Committee what a member of the body is, is it an organ? Is it a vessel? Is

Governor's austerity message to this state, he has asked that no further increases be made, generally speaking, in benefits. This state has a great number of people on the state payroll. They will not get increases. I think it is pertinent to apply the same to the workmen's compensation benefits. Thank you. If there are any questions, I'll be happy to answer them.

Chr. Miller: You stated that the Governor stated that he didn't want any more increases in benefits, you didn't mean that, did you?

Mr. Hackett: No, no, sir. I was speaking as to the Governor's message with regard to state employees which was reported being that there would be no pay increases for state employees.

Chr. Miller: I see. Thank you.

Mr. Hackett's statement follows;

The Naugatuck Valley Industrial Council is an organization of manufacturers located in Litchfield County and parts of New Haven and Fairfield Counties.

These manufacturers are fully aware of the import and effect of the proposed legislation being heard this afternoon.

Connecticut and its industry must maintain their competitive position with regard to other states and their industries. Connecticut is in the forefront of workmen's compensation benefits granted and the manner in which our law generally safeguards employees of employers subject to the act.

Our position should be kept in balance. It is already out of balance. The best schedule of benefits will do little good if there are no jobs available. It is unfortunately a truism that a good deal of our industry has left the state, either as units or through the establishment of branches. A study of this movement shows that it is not leaving the state to go to those areas paying the highest workmen's compensation benefits. It is going to low cost areas including those with more competitive workmen's compensation laws. We should examine these bills with the foregoing in mind, and try to determine what will be the real effect of such bills if enacted into law.

Senate Bill 979 appears to be the most inclusive of those to be discussed and the comments as to it apply in part or whole to most of the others. However, in order to be all inclusive, I shall also, with the permission of the

committee, make reference to certain provisions of the other bills. In Senate Bill 979, extended benefits are proposed-among them raising the maximum to $66\frac{2}{3}$ of the average weekly earnings up to \$60 weekly but not less than \$20. In absolute terms this is not high compared to the average weekly earnings in Connecticut. However, it is significantly higher than the figures in most other states, as is the present limit. The same is true of the proposed increases for specific dismemberment, the rewording of total loss of vision to include reduction of vision to 10% without glasses, and the elimination of the 780 week limitation.

We all know that the increased benefits must come from increased costs-to be borne as they have always been, by the employer. There is an implicit assumption therefore that employers generally are able to pay these increased costs. We submit that the recent across-the-board cuts in salaries of salaried employees in many industries, short work weeks, dividends which have been passed in companies which over the years have seldom or never missed one, and the increasing exodus of industry below the Mason-Dixon line and westward, should give pause to those who so contend and to any legislator who is considering such illogical thinking.

It is all well and good to extend benefits if the costs can reasonably be borne and our industry remain competitive. In a hold-the-line period in our state and national economy it does not appear that this session of the legislature is the time to go over board. We suggest you ask the workmen's compensation commissioners who have the closest contact with this field, where Connecticut stands nationally, and wherein we lag behind the other states. Connecticut, as many other states, has established a state development commission which has as one of its chief goals, the attraction of new industry and the retention of that which we already have. We suggest you ask that commission whether the highest possible workmen's compensation benefits will attract or repel new industry, which means new jobs for our expanding population.

A denial of liability for workmen's compensation under this and other bills and a subsequent finding by the commissioner against the employer would require the commissioner to increase the award by 15%. This is certainly a high price for being wrong on issues such as these which even the Connecticut Supreme Court has difficulty in determining. Equity would seem to call for the same action in civil litigation

generally. Do the proponents contend also for this?

Equity would also call for a penalty to be assessed against the claimant if he were found to be erroneously claiming compensation by the commissioner. Yet none of these bills has such a provision.

The same can be said for the proposition that a successful claimant should be entitled to recover attorney's fees, witness fees etc. We look in vain for a corresponding provision for the recovery of such expenses by an employer who prevails on this issue. This bill and others, call for the elimination of the notice requirements. The law has traditionally provided for statutes of limitation in all fields. Why is it that the concept that there must be an end to litigation at some point should not apply to workmen's compensation, as it does elsewhere. Stale claims are stale claims, in workmen's compensation cases or in personal injury litigation generally.

The elimination of the waiting period is incorporated in this and other bills. This has been part of the chapter for good and salutary reasons. We seriously question whether the reasons are any less valid today than they were when written into the act. Human beings are no less subject to temptation than they were ten or twenty years ago.

The waiver provision is to be eliminated in this bill also, in section 27. The committee should give this matter its serious consideration. The effective results of such elimination would be to prevent substantially all of these people from working. We do not advocate such wholesale elimination of people from the labor market and their means of livelihood.

There are additional elements of Senate Bill 979 which we should like to refer to, besides the foregoing.

We do not believe it necessary or advisable to provide that the board of directors of a corporation shall be liable for any damage suffered by an injured employee. After all one of the reasons for incorporation is to limit the liability of individuals who own stock in, and manage the corporation (section 3).

We do not believe it wise to place within the discretion of the commissioner or anyone else, the power to award "such additional compensation as he deems reasonable". Such a provision places too great a burden on him without any guideposts except for a ceiling of 200 weeks.

In the same category stands the section which would allow "travel time" (section 10). There is no limitation to the amount stated nor any restrictions which would make the section capable of administration.

Section 11 contains a provision that during the period an employee is being rehabilitated, he is to receive weekly payments of \$15 a week without regard to what his pay received amounts to.

As to the other bills being considered today, we do not believe "chiropractors" should be included within the definition of "physician" as provided by Senate Bill 816. Chiropractors' services do not appear to be properly within the type of services contemplated by the act.

Senate bill 821 and House Bill 3083 provide respectively for free choice of physician by the employee and selection of a physician from an approved panel. As to the first bill, we believe that the employer, who is footing the bill, should have the right to select a competent physician, pointing out the act already provides an option for an employee to choose another doctor, at his expense. Nor do we think that the listing of a panel of physicians would necessarily include the most qualified men in the various fields of medicine.

We oppose the retroactive application of workmen's compensation benefits, contemplated by House Bill 2427. Such legislation would mean that a reserve could never be set on a case and it would be almost impossible to set insurance rates covering such unforeseeable events as future legislative enactments.

House Bill 2587 provides that the employee or his attorney shall receive a copy of the medical examination report. This provision is unnecessary in view of the act as it now stands (section 31. 157).

Since, as stated above, Connecticut and its industries must remain competitive in workmen's compensation rates, as in all other costs, we object to House Bill 2928, which would raise the maximum weekly benefit to the average weekly earnings at the time of injury.

In summation, we hope that this committee will apply the sense of Governor Ribicoff's message to workmen's compensation as well as to the program of the state. If, as we are advised, the current economic posture calls for caution in expanding state services and requires holding the line on pay increases for state personnel, the reasons for holding the line on already

out of line benefits paid exclusively by the employers of the state are at least equally valid.

Ernest Goff:
Associated
Spring

Chairman, Members of the Committee, I represent Associated Spring in Bristol, a substantial employer in the State of Connecticut. Right now, it seems to me like we're in about the last half of the ninth inning-half of the spectators gone home, half of the opposing team has gone home but there are a few umpires here and I appreciate the opportunity to get up and bat. I saw this happen a week ago and I know you're going to have some serious hearings coming up on other matters which have the same tendencies to do some of the things that have been mentioned here today. I, personally, have been connected with labor in the State of Connecticut with one company for 33 years. I have dealt with many compensation cases. I have been instrumental in having the commissioner re-open cases which have been closed and I do not wish to leave any inference that I am in dispute with labor, organized or unorganized. I am simply here in the interest of trying to bring unemployment back to what it was, for instance in 1954. At present, we're off 680. There are many factors coming into the picture. I do not wish to say unemployment compensation, workmen's compensation, anything alone will hurt. I leave it to you to use your best judgment to help us restore the 680 people we have now out or that we are down on employment, restored to their jobs. We think they're interested in our company. We hate to see them go elsewhere in the State of Connecticut to work. They have their security with us and that's what we would like to protect. Thank you.

Chr. Miller: Thank you, sir. There's a question, sir.

Rep. Tracy:
Rocky Hill

Sir, of all the people who spoke this afternoon you seemed to be kind of familiar with compensation, I would say, throughout the country. Sir, the limit now for a man, wife and child is \$46.00 a week here in the State of Connecticut? \$45.00? Oh! Allright \$45.00. If a man were out of work for ten weeks, man, wife, he had a child he was sending to school. We know today with the standard of living we have here that \$45.00 a week would not support him, how else would you say he should get the money to pay the rest of his bills or should he become a welfare case or what?

Mr. Lombard: It seems to me that at the last Session of the Legislature, I proposed to some people in answer to that problem.

Rep. Tracy: Well, I'm anxious to know it because I've

heard these people all afternoon speak against any raise at all and I wondered how they would feel if they were in the same situation and seeing as you said you were so familiar with it, I was anxious to know just how a person living on \$45.00 a week today. We know that would hardly feed a family of three, let alone pay their rent and insurance and everything else and I just wondered how you'd handle the rest of the situation.

Mr. Lombard: Well, in my particular plant, it doesn't come up because we pay them more than that. We pay them \$60.00.

Rep. Tracy: Then you're not talking against these bills at all because they speak in terms of paying \$60.00.

Mr. Lombard: I think I made a statement that here is an area that organized labor has not used and they could to provide better benefits for their people. Now this is something that I see no reason why couldn't be negotiated. I think it's a perfect out for them and, after all, the reason that people pay dues is to have the union officials improve conditions and I'm not anti-union by any means because there is no question by what organized labor has done a tremendous job in in improving benefits in many--and I call these people marginal employers. He's the guy that wants to squeeze the last ounce of blood out of a guy and--

Rep. Tracy: Who is?

Mr. Lombard: This marginal employer that I speak of, see? But, they're not the majority. There are thousands and thousands of people that are injured every year and relatively few of them go before the commissioner. We realize, in our plant, that \$45.00 is not adequate but I don't think we can speak for the whole industry.

Rep. Tracy: But you do pay \$60.00 in your plant? Oh! Sir, I'm sorry. I thought you were talking in terms of \$45.00 but if it's \$60.00, it's different.

Mr. Lombard: As I said for an employer relation's valuing the thing, as soon as the Bullard Company gets back--this man's lost 600 people--we've lost 2000 and my company is real upset about the fact that we've got 2000 people on the street and many of them don't have jobs.

Rep. Tracy: Well, I just wondered how, sir, if you were talking about \$45.00 a week the country over you said about using Connecticut as a pattern.

Mr. Lombard: I said I'd use Connecticut and I said that the Connecticut law was a good one and if you take a look at---

Rep. Tracy: But it still should be improved to what your company pays?

Mr. Lombard: I don't think I can make that statement.

Rep. Tracy: Okay. Allright. Thank you, sir. You satisfied me enough.

Chr. Miller: Thank you.

S. Jankura: Bridgeport Brass Company, self-insured. I agree with the statements made by Mr. Waterhouse and Mr. Snoke. I'm not going to take up much of your time just to call attention a few things on the experience I've had especially on S. B. No. 521 (Sen. Caldwell) PAYMENTS OF WORKMEN'S COMPENSATION and and H. B. No. 2770 (Rep. Vernovai) WORKMEN'S COMPENSATION-PENALTIES, on the penalties. Now, on penalties, sometimes it's not the result of the action of the employer. Many times, it's the action of the doctor. You send a man to a doctor, especially some of these specialists doing orthopedic work. It takes two or three weeks before you can get a report out of him but in our case, where it's a hardship case, we go a little further. We ask our group insurance carrier to pay him the weekly benefits and then when we get the report or when the Commissioner has agreed to it, we reimburse the group insurance carrier so the man is not in hardship while he is out of work.

Now, on the free choice of physicians, of course much has been said about that. All I can say is that our experience—we are self-insured. Of course, we have a doctor, full time on duty and he is one of the outstanding men for industrial surgery and we have very little chance that an employee would ask for free choice but I've known cases in other plants where they had free choice and I know one particular person, a very close friend of mine. He worked in a small company and he chose his own doctor. A grinding wheel hit him in the face—in fact, his cheek bone and that's about ten years ago and that fellow is disabled. He can't get a job. Mentally, he's gone. Now, if he had been sent to a specialist in that, chances are that he would have made a much better recovery.

On the medical reports given to employees, you have that right in your law now. You've got it in Section 504-1D. That sentence: "medical report concerning employee's health shall be furnished the employee or his attorney provided it's at the request of the employee or his attorney". It's done every day. You've got it in there. Why put it back in there?

You're trying to repeat what you already have in there.

On this limitation-I think as it stands now it's very fair because most-if an employee is out seven days, he's going to stay out the ten days-no question but here's where the injustice may come. Say a person is injured on a Thursday. Friday is only one day left to work so he's not coming in until Monday. So he's going to be paid for Saturday and Sunday which is not his working day anyway. He's going to get three days for staying out one day. I think you can stay out four days. In our case, if they stayed out seven days, we'd tell them to stay out the other three so we can pick up the first day. It's been done.

Now, in H. B. No. 3494 (Rep. Mulreed) WORKMEN'S COMPENSATION-PARTIAL INCAPACITY, I'm not going to argue too much about that but if you look through the provisions of that, on the loss of a leg, you're paying more than the loss of a hand and your hand is more productive than the leg is. In the proposals for 100% for the loss of a leg, it's 290 weeks. Yet, for loss of a hand, it's proposed for 244 weeks and your hand is more productive than your leg in any case. I think it's got to be looked over pretty carefully before you make a decision.

Now, on your percentage of 66 2/3. That's true that most states have that but when they do have that their maximum benefits are lower than ours. We had an instance of one of our subsidiary companies in Illinois. They pay 75% of earnings but because he's single, his maximum is \$39.00 a week and with dependents he gets \$45.00 so it isn't the percentage. Our \$45.00 I'll say, at the present time, may be low but that's for your Committee to decide whether you're going to increase or not but we still have to look at the value to the industry. Thank you very much.

Chr. Miller: Thank you, sir. Are there any other speakers?

Robert Asch: I'd like to prevail upon you just for a second Belding-Heminway - Putnam to talk about the bills that I'm particularly opposed to and state my reasons. S. B. No. 821 (Sen. Relihan) THE WORKMEN'S COMPENSATION ACT, your free choice of physicians, there again I feel that the panel of physicians would be better. The elimination of the waiting period which is a house and a senate bill both. I feel strongly that the-starting with the first day, you're going to throw a

tremendous load on the employer-where the seventh day-give them a chance to get out and find out what's the matter with them. If they've got something wrong, we'll take care of them. If they haven't, we want them to come back to work. We don't want to have an opportunity-to give them an opportunity just to stay out for the sake of being paid.

On S. B. No. 979 (Sen. Miller) REVISING THE WORKMEN'S COMPENSATION LAW, on the Commissioner being allowed to give an additional 200 weeks of benefits arbitrarily I feel that that should be scaled by this Committee where there is a minimum and a maximum for a particular rather than coming out and saying that they can flatly give them 200 extra weeks of compensation if they feel it's necessary.

On the 15% penalty for the employer contesting a certain case if he's found wrong, I feel that's not justified if the employer does it in good faith and if its-- It's the exception rather than the rule. There are some companies, undoubtedly, who would give the Commissioner a hard time just to try to keep from paying it. We haven't had that experience. We've had, I think, two cases before the Commissioner where the employee tried to get additional benefits and in both cases they were disallowed. We have had no adverse affairs with the Commissioner. Our relationship has always been very amiable. So, those are the things that--and there's one other thing--the transfer of suitable work with rehabilitation of \$15.00 per week. Now, into that the bill states that if a person is disabled, the employer must find him extra work or should find him extra work, other work that he can do, compensable or commensurate with his ability. Now, say we have a person who has been out with some type of an injury. He's back and his physical condition allows him to work twenty hours a week. The employer has found a job that the man can do for twenty hours a week, profitably for the employer and the employee. Now, this employee is entitled to unemployment compensation, a partial payment of unemployment compensation. In addition, is this \$15.00 a week going to be considered his earned wages. Is it going to be considered as free gratis or how is it going to fit into the unemployment compensation picture? In other words, if the employer can pay him, say \$50.00 a week, his benefit is so much more, he's entitled to partial payment. In addition, he gets \$15.00 a week for rehabilitation work. I think that should be clarified--whether that is

CONSIDERED earned pay or not earned pay
for unemployment compensation work. Thank
you.

Chr. Miller: Thank you. If there are no other speakers,
I declare the hearing closed.