

Mrs. NEWMAN. If I may clarify that, I think the Industrial Safety Department just has to determine whether the proper number of facilities is available, whereas the other jurisdiction is with respect to the kind of facilities it is, whether it meets your plumbing code, or whether it is a clean operation.

Mr. GUDE. Thank you.

Mr. SISK. All right, if no one has further questions, let me express my appreciation to you, Mr. Kneipp, Mr. Greene, Mrs. Newman, Mr. King. You have been very helpful, and we appreciate it very much.

Mr. KNEIPP. Thank you, Mr. Chairman.

Mr. SISK. Mr. Harry Schnabel, Jr., of the D.C. Metropolitan Subcontractors Association. If you have others accompanying you, have them come up with you. The committee will be glad to hear your statement or if you have a statement you want to make part of the record, summarize it and that will be acceptable to the committee.

**STATEMENT OF HARRY SCHNABEL, JR., REPRESENTING THE DISTRICT OF COLUMBIA METROPOLITAN SUBCONTRACTORS ASSOCIATION; ACCOMPANIED BY RICHARD L. JACKSON, OF JOHN H. HAMPSHIRE, INC.; ANTHONY J. IZZO, JR., SECRETARY, AND JOHN B. KNEIPPLE, COUNSEL**

Mr. SCHNABEL. My name, Mr. Chairman, is Harry Schnabel, Jr. I am President of Schnabel Foundation Co. Inc. I am testifying on behalf of D.C. Metropolitan Subcontractors Association, Inc., which I shall refer to as MSA, as Chairman of its Committee on Safety.

With me, also representing MSA, are its President, Mr. Richard L. Jackson, of John H. Hampshire, Inc.; its Secretary, Mr. Anthony J. Izzo, Jr., of Anthony Izzo Company, Inc.; and its counsel, John B. Kneipp, of the D.C. bar. These gentlemen are prepared to assist me in answering any questions which the members of the Committee may have when I have finished with my prepared statement.

The 160 members of MSA are building construction subcontractors operating primarily in the Washington, D.C. area. We estimate that the gross annual dollar volume of business in the D.C. area handled by our members, approximates \$500,000,000. We also estimate that the subcontractors furnish at least 80 per cent of the labor and materials required for the average construction project.

Since MSA was organized a little over two years ago, greater safety has been one of MSA's primary objectives. The reasons are obvious. The cost of workman's compensation insurance, aside from direct labor and material costs, is one of the highest items of overhead in the subcontracting business. Obviously, the cost to any particular establishment bears a direct relationship to its accident experience. Moreover, the supply of competent construction workers, regardless of trade, is so short that no subcontractor can afford to risk losing any of them through unsafe practices. Above and beyond the economic aspects, we are motivated by deep, personal consideration in promoting safe practices. The members of MSA are essentially small business establishments, and there is invariably a close personal relationship between us and the people working for us. The last thing any of us want is to have one of our employees maimed or killed. They are our personal friends, in most cases.