

Summary of Testimony
Mine Safety and Health Administration's (MSHA)
Inspection Practices and Accident/Injury Reporting System
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GAO is presenting preliminary results on mechanisms that MSHA uses to (1) assess and ensure the quality of legislatively mandated mine inspections and (2) verify the accuracy and completeness of accident and injury reporting by mine operators. Also presented is information on how MSHA has reduced its shortfall in conducting mandated inspections.

GAO's comparison of fiscal year 1985 and 1986 MSHA resource allocations shows that time spent on mandated inspections has increased by about 31 percent while it has decreased by about 18 percent on other enforcement activities. Total enforcement time nationwide increased by about 10 percent and the average time spent on each mandatory inspection did not change substantially. While inspectors GAO spoke with generally said that inspection quality has not declined, some feel it has.

Although MSHA has some elements of a quality assurance system, the mechanisms being used are not adequate to fully determine inspection quality. GAO found that:

- inspectors are well trained and appear to have needed skills,
- supervision of inspectors and documentation describing supervisory observations varies significantly, and is sometimes inadequate for judging inspection quality,
- documentation describing inspection activities also varies significantly and is sometimes inadequate to determine the coverage of inspections,
- evaluations of inspection quality are not done throughout MSHA and occur only every three years,
- feedback from unions and mine operators is regularly obtained by MSHA, and
- reports generated by the agency's management information system are useful as part of a quality assurance system but they do not and cannot, in themselves provide information on the quality of individual inspections.

The mechanisms MSHA uses to verify the accuracy of accident and injury data do not fully assess the extent to which mining companies are reporting as required. GAO's limited comparison of state workers' compensation records with accident reports showed that state records are a workable tool for identifying previous unreported accidents.



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BEFORE THE
SENATE COMMITTEE ON LABOR AND HUMAN RESOURCES

ON

MINE SAFETY AND HEALTH ADMINISTRATION'S
INSPECTION PRACTICES AND ACCIDENT/INJURY
REPORTING SYSTEM

Mr. Chairman and Members of the Committee:

I am pleased to be here today to discuss preliminary results of our work, requested by Senator Metzenbaum, on (1) the quality of legislatively mandated mine safety and health inspections by the Department of Labor's Mine Safety and Health Administration, (MSHA), and (2) the extent of accident and injury reporting by mine operators. This work is a follow-up to two GAO reports¹ describing MSHA's problems and progress in conducting the required number of mine inspections and concerns that have been raised by others about the reliability of MSHA's accident and injury reporting system.

¹ Strong Leadership Needed to Improve Management at the Department of Labor, GAO/HRD-86-12, October 21, 1985 and Mine Safety: Labor's Progress in Doing Required Inspections, GAO/HRD-86-65BR, March 7, 1986.

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Our work thus far and my testimony today focuses principally on the mechanisms MSHA told us it uses to (1) assess and ensure the quality of mine inspections and (2) verify the accuracy and completeness of accident and injury data reported by mine operators. I will also present information we developed that Senator Metzenbaum subsequently requested regarding the means MSHA has used to reduce its shortfall in conducting mandated inspections.

To consider inspection quality we did not attempt to make independent judgements of the quality of inspections performed because we believe we are unqualified to do so. Instead we examined the agency's means of assuring quality inspections by obtaining the views of various mining experts and obtaining and analyzing available data and documents related to inspection procedures, activities, and practices.

We spoke with MSHA headquarters and field officials, mine operators, mining associations, and United Mine Workers of America officials. In April 1986, we convened a panel of coal mining experts to discuss mine safety and health issues. The panel consisted of officials from MSHA, the Bituminous Coal Operators Association, National Independent Coal Operators Association, United Mine Workers of America, and academicians from the University of Kentucky and Pennsylvania State University.

Regarding accident and injury reporting we also obtained data from two state workers' compensation offices to test the

completeness of data reported to MSHA by mine operators. Our study covers MSHA activities in Colorado, Kentucky, Ohio and Pennsylvania and was performed from February to September 1986.

In summary, our work is showing that:

- with regard to relieving the shortfall in conducting mandated mine inspections, MSHA attributes its progress to better use of existing resources, establishing performance incentives for its managers, and updating its management information system to reflect an accurate mine inventory. Our comparison of fiscal year 1985 and 1986 MSHA resource allocations shows that time spent on mandated inspections has increased by about 31 percent while it has decreased by about 18 percent for other enforcement activities. Total enforcement time nationwide increased by about 10 percent,
- although the agency has some elements of a quality assurance system, the mechanisms being used by MSHA are not adequate to fully determine the quality of its mandatory mine inspections, and we believe such a system is needed, and
- the mechanisms used to verify the accuracy of accident and injury data do not fully assess the extent to which mining companies are reporting all required information and there is potential for the agency to strengthen its means of verifying reported statistics.

I will elaborate on these points momentarily but would first like to provide some background information.

BACKGROUND

The Federal Mine Safety and Health Act (Public Law 91-173, as amended by Public Law 95-164) was enacted in 1977 to protect the health and safety of the nation's miners. The 1977 Act requires that the Secretary of Labor promulgate health and safety standards and conduct safety and health inspections of coal and other mines (commonly referred to as metal/nonmetal mines). The Act specifies that MSHA conduct at least four regular inspections annually of underground mines and at least two regular inspections per year of surface mines. These mandatory regular inspections involve a thorough check of mines in their entirety.

The Act also requires mine operators to maintain records and submit reports specified by the Secretary of Labor. Under this authority the Secretary promulgated regulations establishing a common system of mandatory reporting and recordkeeping of mining incidents and injuries.

MSHA, is comprised of two administrations--one for coal mines and one for metal/nonmetal mines. It operates largely in a decentralized manner, delegating oversight of inspection activities and company accident reporting to its district, subdistrict, and field offices for both the coal and metal/nonmetal administrations. There are currently 16 districts, 28 subdistricts, and 115 field offices.

Although mining fatalities and injuries have decreased sharply since 1969, Bureau of Labor Statistics data shows

mining continues to be one of the most dangerous occupations in the United States. In 1985, the mining industry had the fewest number of fatalities (124) and lowest lost time injury rate (4.84 for coal and 2.73 for metal/nonmetal) in its history. However, as of June 30, 1986 fatalities increased to 80 compared to 70 during the first six months of 1985 and the injury rate has increased to 6.56 for coal and 4.57 for metal/nonmetal.

I will now elaborate on our findings.

INCREASED EMPHASIS ON
MANDATED INSPECTIONS

MSHA has placed greater emphasis on completing mandated regular inspections and has made significant progress. In fiscal year 1984 MSHA completed about 60 percent of its required metal/nonmetal inspections. For the first nine months of fiscal year 1986, the agency completed 96 percent of the required inspections. During this period, there were no significant shortfalls in required coal mine inspections. Because the shortfall in inspections was concentrated in metal/nonmetal mines, we limited our analysis of MSHA's efforts to relieve the shortfall to these mines.

MSHA attributes the increase in completing mandatory inspections to (1) better use of existing resources, (2) establishing performance incentives for district managers, and (3) updating its management information system to reflect an accurate mine inventory. The metal/nonmetal administration has made these improvements without increasing its existing resources.

Our comparison of fiscal year 1985 and 1986 MSHA resource allocations shows that time spent on mandatory regular inspections increased by about 31 percent, while time spent on other enforcement activities decreased by about 18 percent. Total enforcement time, which includes mandatory inspections, increased by about 10 percent, while the average time spent on each mandatory inspection did not change substantially.

Table 1

Metal/Nonmetal Resource Allocations^a
FY 1985 vs 1986

Activity	Number of Events		Percent of Change	Number of Hours		Percent of Change	Hours Per Event	
	FY 1985	FY 1986		FY 1985	FY 1986		FY 1985	FY 1986
Regular								
Inspections	9,632	13,647	+41.7	182,438	238,476	+30.7	18.9	17.5
Other								
Enforcement ^b	<u>13,985</u>	<u>10,795</u>	-22.8	<u>138,196</u>	<u>112,861</u>	-18.3	9.9	10.5
Total	<u>23,617</u>	<u>24,442</u>	+ 3.5	<u>320,634</u>	<u>351,337</u>	+ 9.6	13.6	14.4
Enforcement	<u>23,617</u>	<u>24,442</u>		<u>320,634</u>	<u>351,337</u>			

^afigures reflect completed events for the first 9 months of fiscal year 1986 compared to the same period in fiscal year 1985.

^bincludes 21 enforcement activities such as checking to see if previously noted violations were corrected, efforts to assist mines in reducing the number of accidents, investigations resulting from complaints, and "spot" inspections of mines with records for emitting excess gases.

Decreases in time spent on other enforcement activities occurred in 15 of the 21 categories. The most significant of these were efforts to assist companies in reducing the number of accidents and efforts to assist companies to comply with health and safety standards.

At the three metal/nonmetal field offices we visited, we discussed with inspectors and, where possible, with their supervisors whether the increased emphasis on completing mandated inspections had affected their ability to perform quality inspections or other important activities. Inspectors and supervisors in two of the three offices told us that the quality of their inspections had not changed.

In one of these offices, Pittsburgh, inspectors told us it was difficult to complete the required number of inspections but with the support of their district managers, supervisors and specialists they felt they were continuing to do high quality work in all areas.

Inspectors and supervisors in the Denver field office said that the quality of their work had not been adversely affected either. At the time of our visit this particular office had two more inspectors than its staffing authorization called for.

In Ohio, inspectors expressed a different view. All seven inspectors expressed concern that the emphasis on completing required inspections had sometimes forced them to compromise the quality of their inspections and other activities. As a result, they believe the safety and health of miners may be in jeopardy. For example:

--one inspector stated that he was directed by his supervisor to charge the time spent (27 hours) on a complaint investigation as a mandatory regular inspection even though he did not inspect any operating section of the mine,

--one inspector said that he is no longer making on-site visits to those mines participating in the Program in Accident Reduction (PAR)--a safety program targeting mines that experience high accident/injury rates. Normally, the inspector would make monthly site-visits to collect safety information, observe work practices of miners and discuss with operators ways to reduce accidents and injuries. He is now collecting needed safety information by telephone in order to save time. He believes this practice will hurt the effectiveness of the PAR program,

--one inspector said that he has reduced the time spent on regular inspections at some mines by not thoroughly inspecting all electrical equipment. At one large mine in particular he said it would take him 3 weeks to complete the regular inspection if he checked all electrical equipment. Rather, he is now taking approximately one week to complete this inspection.

As of July 1986 this field office had operated without a supervisor for the previous 4-1/2 months and was staffed two inspectors below what its authorized level called for. Senior MSHA officials told us that a new supervisor and one more inspector have already been assigned to the office and they are planning to add another inspector.

QUALITY OF INSPECTIONS

In discussions with a variety of MSHA officials, we were told that to ensure the quality of inspections they relied upon the:

- training and experience of their inspectors,
- supervisory on-site visits while inspections are being conducted,
- supervisory review of inspection documentation,
- periodic program evaluation,
- feedback from operators and unions, and
- the agency's management information system.

After studying these mechanisms we concluded that although portions of this system are or could be important elements of a quality assurance system they are currently inadequate for the agency to monitor and draw conclusions on the quality of their mandatory regular mine inspections. While there are components of a quality assurance program in various parts of the agency, they are used inconsistently.

The coal and metal/nonmetal administrations operate independently, with each establishing its own means of monitoring inspector performance and providing much discretion and responsibility for oversight to local offices. This has resulted in significant differences in the type and extent of individual offices' efforts to monitor the quality of inspections. In examining the various mechanisms the agency uses we found that:

- inspectors are well trained and appear to have the needed skills and experience to do their job,

- the frequency of supervisory site-visits made and the extent of documentation describing supervisory observations vary substantially, from providing a good basis for judging inspection quality to inadequate,
- the thoroughness of inspectors' documentation of their inspection activity, coverage, and observations on particular inspections vary significantly, sometimes providing good descriptions of what they inspected and found but in other cases inadequate to determine the extent of their inspection,
- the metal/nonmetal administration conducts reviews of its district offices every three years that, in part, evaluate inspector performance in some of its field offices. The coal administration has no similar evaluations explicitly addressing inspection quality,
- MSHA regularly obtains information from operators and unions regarding inspection activities. However, we have not evaluated the agency's responsiveness to the matters brought to its attention, and
- management information generated from automated data bases provides a wide range of data and statistics and can be thought of as a useful element of a quality assurance system, but the reports generated do not in themselves, nor could they provide information on the quality of individual inspections.

Experience and Training of Inspectors

The 1977 Act requires newly hired inspectors to have at least 5 years or the equivalent in practical mining experience. At the six field offices we visited, we were told that the majority of MSHA inspectors had 10 or more years experience. Inspectors often advanced to key company positions such as mine foreman, superintendent, and/or safety director before coming to MSHA.

Inspectors, during their first year with MSHA, must participate in a comprehensive 9 to 13 week entry-level training program followed by a 6 to 9 month on-the-job training program. Following their first year, inspectors participate in refresher training programs and local seminars to keep them current on new mining technology and equipment as well as MSHA policy changes.

Our review of training data showed that inspectors have generally received the training required by MSHA regulations. However, according to the coal and metal/nonmetal administrators, formal refresher training has been reduced because of budgetary restrictions and the increased emphasis on completing the mandatory regular inspections. Coal inspector refresher training has been reduced from 2 weeks every year to 2 weeks every 2 years and starting in fiscal year 1987, metal/nonmetal inspectors will be provided 2 weeks of formal training every 3 years instead of every 2 years.

While there are clear indications that MSHA inspectors currently have the necessary skills and experience to do their

job, there is a large potential number of inspectors that may retire over the next several years which we and senior agency officials believe is a matter for concern. Presently, the average age of MSHA inspectors is 52 years old with 11 percent (119 of 1,047) eligible for retirement at the end of this calendar year. Within the next 5 years, about 42 percent (449) of the current inspector workforce will be eligible for retirement.

In December 1985, Congress provided MSHA with money to hire 90 additional inspectors in fiscal year 1986. MSHA officials told us that they did not hire the additional inspectors as authorized but instead used the funds to help prevent possible furloughs (4 days) brought about by the Gramm-Rudman-Hollings budget cuts. The Senate Appropriations Committee recently approved a fiscal year 1987 spending measure, again providing money for an additional 90 inspectors. The Department of Labor has announced plans to begin hiring new inspectors, reinstating some inspectors who left the agency voluntarily, and converting some employees who formerly were inspectors back to inspector positions. In total, Labor plans to increase MSHA's inspector force by 174, with 130 on board by January 30, 1987.

Supervisory Visits

Although considered an aspect of its quality assurance system, MSHA does not require its supervisors to accompany and evaluate its inspectors during regular inspections. However, some district and local managers set their own requirements.

In June 1982, the Department of Labor Inspector General reported that inspectors were rarely accompanied by supervisory personnel and supervisors' observations of their performance were not being documented. Our review of five district and 14 local offices showed wide variations in (1) the frequency of supervisory visits made during regular inspections and (2) the amount of documentation prepared by supervisors to record their observations. As a result, some supervisors seem to have a good basis for commenting on inspection quality but others do not. For example:

--The supervisor at one metal/nonmetal field office told us that he rarely made on-site visits during regular inspections because he was the only supervisor and had no administrative support staff. The bulk of his time was spent on administrative matters such as preparing office correspondence, answering the telephone, filing and processing the mail. One of the inspectors at this field office commented that the supervisor had not accompanied him on a regular inspection for 6 1/2 years. In fiscal year 1985 this office conducted nearly 350 regular inspections. According to the Assistant Secretary, the workload in small field offices does not support full time clerical help.

--At another metal/nonmetal field office a supervisor had not made an on-site visit during regular inspections in 2 years and the other supervisor of six inspectors did not make any

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supervisory visits over the last year. In the first three quarters of fiscal year 1986 this office conducted more than 400 regular inspections.

--At a third metal/nonmetal field office, the inspectors told us that their supervisors accompany them on regular inspections three to four times per year.

--One coal district manager required field office supervisors to make on-site visits with each inspector for a minimum 3 days per year and supervisors routinely recorded their observations. The deficiencies found during these on-site supervisory visits were compiled quarterly with all inspectors being informed that such deficiencies should be corrected in future inspections. In addition, the supervisors used their recorded observations to prepare annual performance evaluations.

Inspection Reports and Notes

One of the tools MSHA says its supervisors have available to them as a means of monitoring the quality of inspections is documentation inspectors prepare describing their inspection activities and findings. This documentation consists of inspection reports, which list the violations found, and inspector notes which serve as the support for the violations cited. MSHA requires its inspectors to prepare clear, concise, and factual notes.

We found a wide variation in the extent to which inspection reports and notes together describe the depth and breadth of

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inspections, in terms of what was inspected, tested, and found. In some instances the documentation provides a good description of inspection activity but in other cases is inadequate for supervisors to determine the extent of the inspection. Inspectors and supervisors told us that they generally limit their documentation to describe the violations which they found.

Evaluations conducted by the metal/nonmetal administration, (which I will describe in more detail momentarily), have found similar situations. Inadequate note taking was identified in all six metal/nonmetal districts with the findings ranging from no note taking in instances where no violations were found to notes not being interpretable because they were written in "shorthand".

Program Evaluation Reviews

Since 1983, the metal/nonmetal administration has been conducting program evaluation reviews to determine how effectively, efficiently, and uniformly districts carry out their mission. A headquarters team made up of representatives from various agency divisions and offices evaluates two of the six districts each year. As part of this review, team members accompany inspectors on inspections and evaluate them on a wide range of health and safety inspection practices and procedures as well as the inspector's knowledge and application of health and safety standards.

Although the evaluation reports do not indicate the number of inspectors evaluated they do describe inspector

deficiencies. For example, in the six reports completed to date inspectors were cited for things such as inadequate note taking and a lack of thoroughness in doing inspections. Five of the reports criticized some inspectors for failing to issue citations on violations they observed during inspections. Four reports criticized some supervisors for not making enough supervisory visits during inspections. The reports do not however, contain conclusive statements on the quality of inspections.

In contrast the coal administration conducts internal control reviews which focus primarily on administrative functions. These reviews do not explicitly address the quality of inspections. In our judgement the metal/nonmetal evaluations seem useful as a tool to monitor inspection quality. We believe that the agency should consider using similar evaluations of its coal offices as part of quality assurance system.

Management Information

The agency's management information system is comprised of three distinct data bases--coal, metal/nonmetal, and accident and injury. Approximately 90 different reports are routinely generated on a monthly, quarterly, and annual basis. The system includes data on such things as

- the number and type of inspections completed, safety violations and citations issued,
- the amount of time spent on inspection activities,
- the number and type of accident and injuries at mines, and
- mine characteristics.

These reports provide a broad range of data and statistics which can be used by managers at all levels to monitor the extent of inspection coverage, inspector productivity and many other indicators. Although this system can be thought of as a useful element in a quality assurance system the reports it generates do not in themselves provide, nor could they, explicit information on the thoroughness of individual inspections. That is, it cannot substitute for supervisors' visits to the inspection sites or some explicit mechanism for documenting inspection coverage.

Operator and Union Views

MSHA regularly obtains information from operators and unions regarding inspection activities. We have not evaluated the agency's responsiveness to all the matters brought to its attention. However, we did find that MSHA investigates written complaints regarding safety concerns in mines, as required by law. MSHA officials believe that most of the matters which unions bring to their attention have some basis and that they are sensitive to union concerns. To obtain some perspective on how inspector performance is perceived, we solicited the views of mine operators, (11 coal and 12 metal/nonmetal) and union officials, specifically the United Mine Workers of America, at the national and local levels.

The general consensus of the mine operators is that inspectors are dedicated, highly professional individuals who perform quality inspections. They believe that the inspectors serve as

an "extra set of eyes" and have a positive influence on safety and the behavior of the company workers.

Operators have one common concern, however. In their opinion, inspectors are not always consistent in their interpretation and application of the safety and health standards--what is considered a serious or citable violation by some inspectors is not by others.

In contrast, United Mine Workers officials we talked with had mixed views on the quality of inspections. At the national level, a top union official expressed the view that inspectors need to strengthen their enforcement practices especially when dealing with small mines (less than 50 employees). This official believes that MSHA promotes a "go easy" enforcement attitude toward small mines which has resulted in inspectors not holding small operators to the same safety and health standards as large mine operators.

A representative at the local level stated that the particular MSHA district office having responsibility for his mines was the best enforcement district and had very good inspectors. He attributed this in part, to the strong management philosophy currently in place in that MSHA district. Another local union official, in a different district, believes that inspection quality is decreasing, that inspectors are neglecting to check important parts of mines such as airways and beltways; and that only 25 to 30 percent of violations are cited by inspectors.

ACCIDENT AND INJURY REPORTING

Under the authority of the 1977 Act the Secretary of Labor has promulgated regulations establishing a common system of mandatory recordkeeping and reporting of mining accidents and injuries. Information on accidents and injuries forms the basis for many important statistical analyses for tracking the effectiveness of health and safety programs and as a measure of industry safety and health. Given the importance of these data MSHA has developed a program to promote and verify the accuracy of reporting and has established a penalty system for underreporting.

Our preliminary analysis shows that MSHA's mechanisms used to verify the accuracy of accident and injury data do not fully assess the extent to which mining companies are reporting all required incidents. In relation to the number of mines, few compliance audits are conducted, and where they are performed, some are deficient. An agency analysis of compliance audit findings over a two year period shows overall underreporting of 10 to 13 percent of all reportable accidents and injuries. For those injuries which caused lost work days they found about 9 percent underreporting. However, a limited analysis we made of lost work day claims filed with two state workers' compensation offices showed that at least 13 percent of reportable lost day incidents had not been reported to MSHA. We believe therefore that these workers' compensation records provide potential for the agency to strengthen its means of verifying statistics reported by mine operators.

Our discussions surfaced a number of concerns and issues related to accident and injury reporting, namely:

- some inspectors view compliance audits as unimportant especially in light of the emphasis on completing mandatory mine inspections,
- some underreporting may result from operator unfamiliarity with reporting criteria, and
- penalties for underreporting are viewed by some as not significant and serve as an incentive not to report.

Compliance Audits

The primary tool MSHA uses to measure the accuracy of accident and injury reporting is a compliance audit. Compliance audits are conducted by inspectors on mine property. MSHA instructions for conducting compliance audits specify that inspectors need to examine all the information concerned with injuries experienced at the mine during the period being audited. The instructions state that such records may consist of reports prepared by foremen, nurses, and doctors, company insurance and workers' compensation reports, and employee files.

Compliance audits are not routinely performed, but rather, are triggered by some occurrence or event such as a fatal accident, a noticeable change in the mine's accident and injury rate, or a complaint brought by a miner or union representative. Over the two year period, 1984 and 1985, 510 compliance audits were conducted, or about one audit for every 61 mines per year.

Our discussion with inspectors, supervisors and mine operators indicates, and an MSHA study confirms, that there are wide variations in the quality of compliance audits made by inspectors. For example:

- at one coal and one metal/nonmetal field offices, inspectors do not review company records but instead compare only incident reports that the operator sent to MSHA with the (same) reports the operator has on file, and
- one coal operator told us that inspectors have never examined or even sought company records in the eight years he has had responsibility for company reporting.

Extent of Underreporting

A February 1986 MSHA report presenting an analysis of a sample of compliance audit findings over a four year period shows coal and metal/nonmetal operators report about 87 and 90 percent of all required incidents, respectively. For lost work day injuries, the analysis shows coal operators underreporting about 9 percent of the incidents. (A similiar analysis was not reported for metal/nonmetal operators.) The analysis covers 433 compliance audits conducted during 1984 and 1985 but the report cautions that the actual extent of underreporting could not be precisely determined because the mines audited did not constitute a valid sample of the industry.

For our study, we made a limited comparison and analysis of lost work day incidents reported by 18 mines in Colorado and Ohio with the states' workers compensation records of claims made by employees in calendar year 1985. In those instances where we identified discrepancies between state records and company incident reports we discussed that matter with the mine operators. Our analysis does not permit us to estimate the extent of underreporting. However, the mines selected for analysis were a mixture of large and small ones, with high and low accident and injury rates, and union as well as nonunion mines.

We found that 10 of the 18 mines underreported lost work day incidents to MSHA and in total 13 percent of the lost-day accidents were not reported.

Table 2

LOST WORK DAY INCIDENTS NOT REPORTED TO MSHA

<u>Mines Reviewed</u>	<u>Mines Underreporting</u>	<u>Type of Mine</u>	<u>State</u>	<u>Number of Incidents Requiring Reporting</u>	<u>Number of Incidents Not Reported</u>	<u>Percent Not Reported</u>
5	2	Metal/nonmetal	Ohio	35	9	25
8	3	Metal/nonmetal	Colo.	26	3	12
5	5	Coal	Ohio	177	20	11
<u>18</u>	<u>10</u>			<u>238</u>	<u>32</u>	<u>13</u>

Generally, operators attributed the underreporting to administrative errors or oversights.

None of the MSHA offices we visited had working relationships with state workers' compensation offices. Therefore, we believe, based on our analysis, that MSHA should explore opportunities to use state workers' compensation records as a means of strengthening its verification of reported data.

Issues, Concerns and Other Matters
About Accident and Injury Reporting

Many inspectors as well as the MSHA study expressed concern over the extent to which company records such as workers' compensation reports, medical reports and employee attendance reports must be made available to inspectors during a compliance audit. Some inspectors told us they have been denied access to this information and therefore they no longer request it when doing audits. MSHA officials, the MSHA study and operators noted that the courts have ruled that companies only have to provide inspectors with records specified in the Act and implementing regulations. They also said that neither the Act nor the regulations specifically require companies to maintain workers' compensation records, medical reports, or employee attendance reports and therefore companies do not have to provide this information to inspectors. It is clear that the usefulness of compliance audits is limited when detailed company records are made available.

The MSHA study as well as our discussion with operators indicates that some underreporting also occurs because some operators are unfamiliar with the reporting criteria established by MSHA. In response to these views, MSHA has provided each

operator with a full copy of its requirements and reemphasized to inspectors their responsibility to discuss the importance of reporting with operators as part of regular inspections. These positive steps could help improve reporting.

Almost all of the inspectors we spoke with pointed to the emphasis on completing mandatory inspections as an inhibitor to performing more compliance audits. Some expressed the view that compliance audits were unimportant and do not believe an increased number of audits is warranted. MSHA believes that efforts to ensure a perfect, or near perfect system would entail a very large commitment of resources, involving many more audits, more comprehensive checks of other sources of data, more training, and more time spent administering the citation process. MSHA feels that an informed decision can only be made after sufficient time has elapsed to evaluate the impact of its recent actions. Determining the "right" number of compliance audits is a resource issue that we believe MSHA needs to address.

Lastly, the general view of MSHA supervisors and union officials we spoke with is that the penalty for not reporting an accident or injury is too small and serves as an incentive for nonreporting. Operators feel differently, believing that current penalties are significant. A \$20 fine is imposed for each nonreported incident with provisions for supervisors to impose special assessments for willful underreporting. (Prior to January 1986, the penalty was \$20 for all underreporting found during a compliance audit.)

To sum up our results pertaining to accident and injury reporting, we believe that the mechanisms MSHA uses to verify statistics do not fully assess the extent to which companies report all required incidents and that the agency should explore the use of state workers' compensation records as a means of strengthening its verification process.

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Mr. Chairman this concludes my prepared statement. I and my colleagues will be glad to answer any questions you may have.