

DEPARTMENT

of

LABOR AND INDUSTRY

Activity Summary 1991 – 1994

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November 15, 1994

The Honorable Arne H. Carlson Governor of Minnesota State Capitol St. Paul, MN 55155

Dear Governor Carlson:

The Department of Labor and Industry is privileged to present to you, to members of the State Legislature, and to the citizens of Minnesota, this report outlining the achievements of the Department 1991-1994.

The most significant achievements of each division are described as concisely as possible. Statistical and other information not contained here-in is available on request.

Respectfully submitted,

DEPARTMENT OF LABOR AND INDUSTRY

John B. Lennes, Jr. Commissioner Minnesota Department of Labor and Industry - Activity Summary 1991-1994



Department Overview

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DOLI Mission

The Minnesota Department of Labor and Industry's (DOLI) mission is to help create a safe and productive working environment for the citizens of Minnesota.

The Department strives to help Minnesotans achieve better workforce preparedness and a commitment to workplace safety.

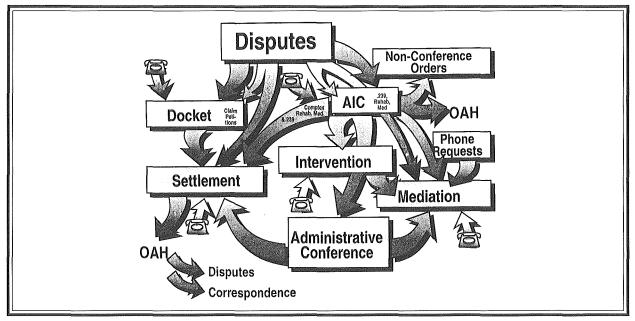
DOLI nurtures employee and customer input, the Department's senior staff wants to create a highly entrepreneurial agency.

The Department is divided into three divisions—Workers' Compensation Regulation and Enforcement, Workplace Services, and General Support. DOLI's goals are broadly defined as follows:

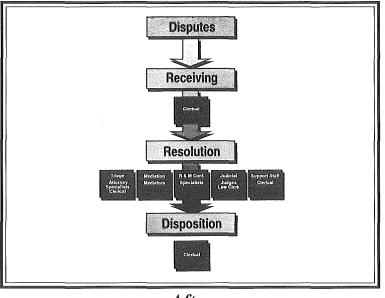
- Prevent workplace injuries and illnesses.
- Promote and maintain fair wages and working conditions as provided by law. Ensure employer compliance with state and federal labor laws.
- Regulate major portions of Minnesota's Workers' Compensation Law and help ensure the prompt and efficient delivery of statutory benefits and services. Resolve disputes equitably and in the shortest time possible.
- Establish apprenticeship programs which train employees for meaningful careers. Expand the apprenticeship program to include non-traditional occupations and increase the enrollment of women and people of color in registered apprenticeship programs.
- Make state government more efficient and responsive.

Management Philosophy

Tear Down the Bureaucracy. Too much bureaucracy can create inefficiency and stifle creativity. DOLI leadership believes that the rigid hierarchy of previous administrations is exactly the wrong approach. DOLI management has reviewed all activities and, where possible, has eliminated or restructured wasteful programs.





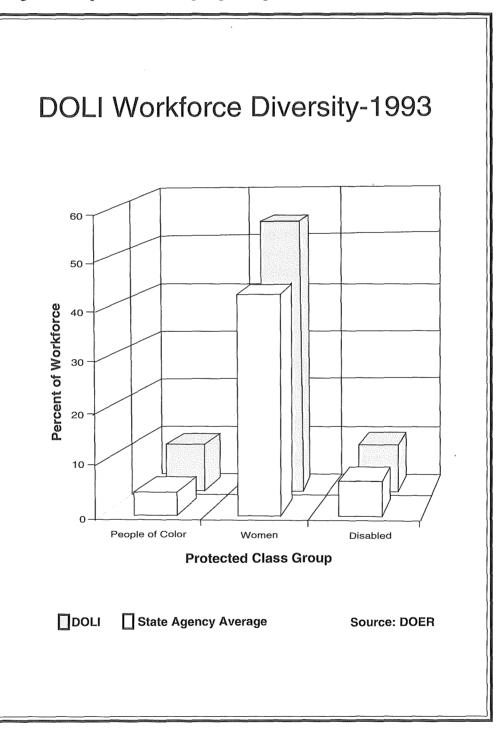


The Department has eliminated unnecessary layers of management and realigned its management structure to place the decisionmaking authority as close to the customers as possible. Some people call it reinventing government; DOLI calls it common sense.

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Strength and Pride in Diversity. The Department celebrates a great record of diversity within its organization. According to a Department of Employee Relations 1993 study, DOLI is at the forefront among state agencies in protected class group hiring.

DOLI ranks (among the agencies with more than 300 employees): #2 in employment of people of color (9.59 percent), #4 in employment of persons with disabilities (9.84)percent), it has a and workforce that is nearly 60 percent female. The data show that only does not DOLI employ a great number of protected class individugroup als, the Departemploys ment them in some of its most responsible positions. DOLI ranks: #1 in employment of people of color management in positions (22.73 percent), and #4in employment of persons with disabilities in management positions (18.18 percent).



Sound Fiscal Management. DOLI presented a 1994/1995 biennial budget proposal to the Minnesota Legislature that was five percent less than the Department's 1992/1993 biennial budget. The Department met Governor Carlson's five percent budget reduction goal, while at the same time greatly improving its customer service capabilities.

Improving service with fewer financial resources is truly a challenge. DOLI focused on its priorities and worked a little "smarter." However, the Department would not have been successful without the input and commitment of its employees.

Uustomer Service. The Department has adopted a customer-oriented approach in all services and in all policy decisions. The Department spends a great deal of time listening to its customers—the employees and employers in Minnesota. By understanding customer needs, DOLI can truly work at maximum effectiveness.

Once DOLI achieves an understanding of customer needs, the Department works with its employees to determine how to re-engineer work processes to produce the highest quality service delivery. The Department expanded services for greater access in all areas of Minnesota.

Quality of Life. Governor Carlson has made workplace safety a quality-of-life issue. No one should feel that his/her health and safety is at undue risk in the workplace. Because DOLI is responsible for helping to protect the working people of Minnesota, it must set an example by implementing important safety programs for itself.

DOLI must meet the high standards and many challenges of the modern day workplace just as it expects other employers to do. Education and consultation are the focus of DOLI's effort to help make Minnesota workplaces safer.

The Department understands and appreciates the value of labor and management working together for a common goal, and DOLI nurtures this cooperative spirit in its own organization and within all Minnesota workplaces.

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"...of the people, by the people, for the people."

The bottom-line goal of DOLI is to serve the people of Minnesota. The Department formally and informally solicits input from the citizens of Minnesota and it works within a comprehensive planning and goal setting process called Minnesota Milestones.

The Minnesota Milestones program, initiated by Governor Arne H. Carlson, seeks to achieve a better quality of life for all Minnesotans by asking citizens what they desire for the future of our state. The result of the Milestones process is a set of themes with goals, targets and indicators by which to measure achievement of these goals. The Department plays strong leading roles among state agencies on a number of Milestones.

DOLI supports the Milestones goal: "Minnesotans will have the advanced education and training to make the state a leader in the global economy," under the theme "Learning." DOLI is directed by state and federal law to establish and promote apprenticeship programs for high-skill occupations. Apprenticeship programs are among the few government-sponsored job programs that have made an actual, long-term positive impact, primarily because it is one of the few government-sponsored programs that is market-driven, rather than government-driven. Apprenticeship is increasingly important in providing alternative advanced learning and can provide greater access to quality careers for disadvantaged segments of Minnesota's population. Apprenticeship programs can positively impact the Milestones indicators that measure the percentage of high school graduates who are pursuing advanced education and training one year after high school and the percentage of technical college graduates who are employed in work related to their training.

DOLI supports the Milestones goals: "Government will be cost-efficient and services will be designed to meet the needs of the people who use them," and "Government in Minnesota will reflect the state's diverse population," under the theme "We the People." DOLI has initiated programs to decentralize decision making and position the authority as close to its customers as possible. In addition, appointments to DOLI councils, boards and commissions reflect the diversity of Minnesota's population and help to meet the Milestones target for the indicator measuring the percentage of members of state councils, boards and commissions who are female and/or of an under-represented racial group.

Under the theme "*Community*," DOLI supports the Milestones goals: "*Minnesotans will be healthy*" and "*Our communities will be safe, friendly and caring*" by developing and implementing policies to help prevent and reduce workplace injuries and illnesses.

Under the theme "A Prosperous People," DOLI supports the Milestone "All Minnesotans will have the economic means to maintain a reasonable standard of living," by enforcing fair and uniform wage standards, thereby helping to ensure that each worker will be justly compensated.

DOLI BUSINESS CLIMATE

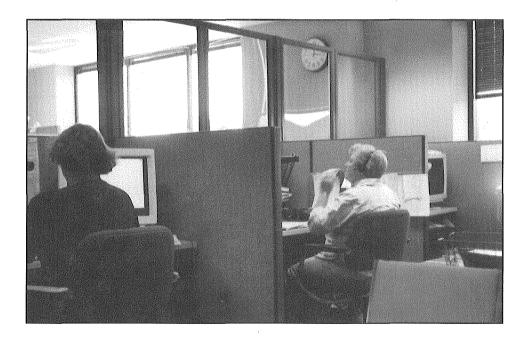
The following factors are among a number of ingredients that help to shape the development of policies and programs at the Department of Labor and Industry.

★ Workers' Compensation Reform. The 1992 Workers' Compensation Reform Law provides broad direction for the Department to implement system-wide improvements. DOLI developed and implemented several measures that streamline and create a more efficient and equitable workers' compensation system. DOLI must build on existing reforms to create a workers' compensation system that strives for further efficiencies and cost reductions.

Once one of the highest-cost states in the nation, Minnesota has quietly disappeared from the disaster list in recent years according to a leading industry expert. Although we are nearing the national average in workers' compensation costs, Minnesota's burden compared with especially low-cost neighboring states is still too high. This constitutes a serious barrier to job creation, particularly in certain fields.

The ultimate goal of the Carlson Administration is to establish a workers' compensation system that provides comprehensive protection for injured workers while at the same time eliminates unnecessary expenditures to maximize job growth.

- ★ Heightened Economic Competition. The playing field of economic competition is fierce. The states bordering Minnesota are poised to capture the state's industries and jobs. The Department must focus its efforts on providing incentives for businesses to stay and grow in Minnesota. DOLI must also remove barriers that make Minnesota less attractive for economic development when compared with American and global competitors.
- ★ Increasingly Diverse Workforce. Minnesota workplaces must be more responsive to the increasing number of women and people of color entering today's workforce. DOLI must respond by developing education and training programs that will enable women and people of color to obtain skills for productive employment and citizenship.
- ★ A Changing Workplace. The composition and tasks of the modern day workplace are changing rapidly. DOLI's regulation and enforcement activities must provide foresight and sensitivity to an evolving workplace. The new jobs and new safety challenges created by advanced technology require flexibility and future-oriented planning.



Workers' Compensation Division

Special Emphasis

DOLI's Workers' Compensation Division is charged with implementing Minnesota's complex and contentious workers' compensation laws. DOLI seeks to implement these laws without undue hardship to those involved. When a person is injured on the job, he/she should not have to be concerned with anything but getting healthy and returning work. Job growth in Minnesota should not be stymied by excessive workers' compensation costs. The Department is fully committed to providing the highest quality customer service. This is especially important when a person's life or livelihood is at stake.

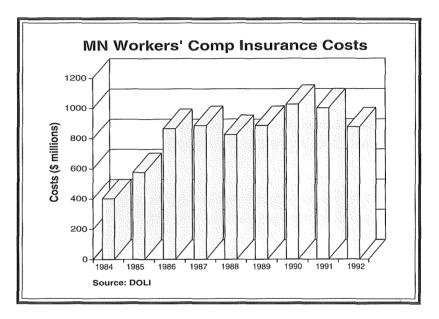
To make Minnesota's workers' compensation system work better for those involved, the Department focuses on the following key areas:

- Litigation streamline the litigation system, provide alternatives such as mediation, and provide free consultations with DOLI workers' compensation professionals.
- Health Care—eliminate excessive, inappropriate or unnecessary medical treatment, establish standards of care and customary fees for treatment under workers' compensation.
- Fraud—eliminate fraud and abuse in the workers' compensation system through aggressive prosecution and partnerships with private sector entities.
- Outreach—conduct periodic educational seminars/teleconferences for employers, employees, insurers, and organized labor.
- Reduce Costs—educate employers on successful self-initiated cost saving programs, identify and submit for approval law changes that will result in cost savings for employers while maintaining quality care for injured workers, and employ all possible administrative measures to reduce costs and system friction.

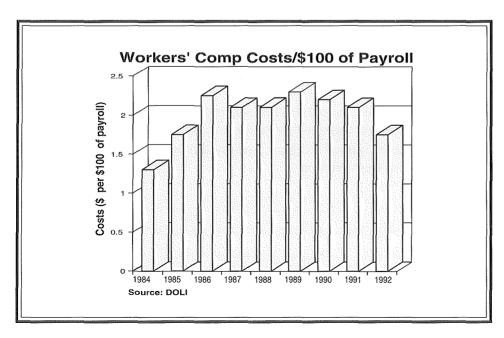
Workers' Compensation Costs. The latest available estimates show that workers' compensation costs are lower now, in real dollar terms (not adjusted for inflation), than when Governor Carlson took office. Cost saving measures of the Carlson Administration have produced the lowest workers' compensation costs in Minnesota since 1988. These cost saving programs would not have been implemented without the leadership of Governor Carlson.

The good news is that the Carlson Administration reform measures have costs headed in the right direction. The bad news is that Minnesota's workers' compensation costs are still too high.

Minnesota's workers' compensation costs are especially high when compared to those of its surrounding states. This hits rural, border communities especially hard. Further reform is needed to help restore Minnesota's competitive effectiveness.

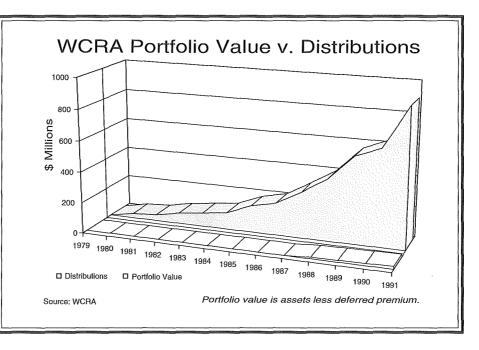


High workers' compensation costs diminish Minnesota's ability to cultivate the kinds of jobs that are the cornerstone of our economy. Minnesota's workers' compensation costs for these types



of industries remain among the nation's most expensive. For example: Workers' compensation costs add about \$6000 to the price of a new home in Minnesota—twice the amount than in Wisconsin. Workers' Compensation Reinsurance Association (WCRA) Refund. The WCRA is a statemandated reinsurance agency that provides coverage for catastrophic workers' compensation claims. All insurance companies and self-insured employers (including the State of Minnesota) are required by law to purchase coverage from the WCRA.

In spite of the resistance of the WCRA, the Department detected and proved the existence of a \$400 million overcharge caused by excessive reserving practices during prior administrations. The Department lowered the WCRA's assessment rate by 25 percent for current and future assessments. and pressed for the return of the \$400 million. Furthermore, the Carlson Adminis-



tration mandated (and the 1993 legislature concurred) that all refund proceeds be given directly to premium-paying employers (bypass insurance carriers).

The value and magnitude of this seems to get lost because the legislature chose a refund mechanism with many legal and constitutional uncertainties rather than the mechanism developed by DOLI in consultation with insurers. A consortium of insurance companies is fighting the legislation in court. Yet a refund of \$400 million represents a total cost reduction of 40 percent (albeit a one-time reduction). But for the legal wrangling, this could be the single largest "cost reduction" initiative that has been or ever will be seen in Minnesota workers' compensation.

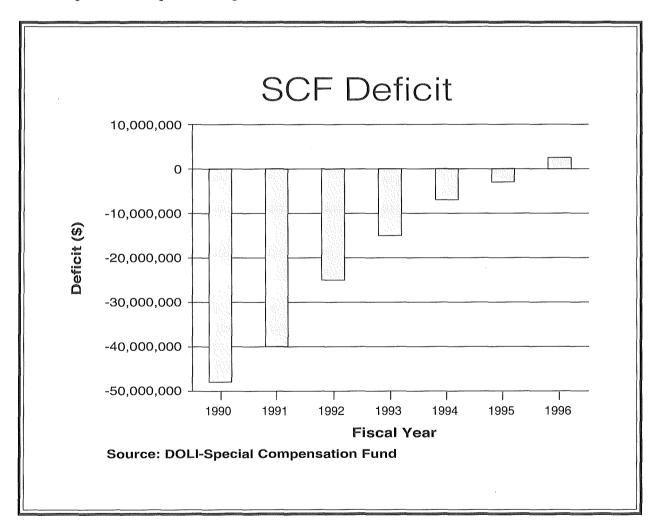
Improved Customer Service. The Department has initiated several programs aimed at providing more effective and responsive service to its workers' compensation clients. These programs are primarily designed to provide greater access to Department resources and to streamline the dispute-resolution process. The Department's goal is to schedule 100 percent of claim petitions for a settlement conference within 60 days of receipt by the Commissioner by 1997.

Outstate Workers' Compensation Judges. Judges have been assigned to travel within specific regions of Greater Minnesota to hear a variety of workers' compensation issues. This vastly improves the Department's customer-service capabilities because injured workers will no longer always have to travel to St. Paul to have their dispute resolved.

Minnesota Department of Labor and Industry - Activity Summary 1991-1994

Special Compensation Fund Deficit Reduction. In 1991, DOLI leadership inherited a \$40 million deficit in the Special Compensation Fund (SCF), a state-mandated fund to cover a variety of workers' compensation and workplace safety programs. Through effective management, the deficit was reduced to roughly \$7 million in FY 1994 with retirement of the deficit scheduled for FY 1996.

The Special Compensation Fund is funded by an assessment to insurance companies and self-insured employers against their annual workers' compensation disbursements. The current assessment rate is 30 percent. This means that for every dollar in workers' compensation indemnity benefits paid by insurance companies and self-insured employers, an additional 30 cents must be paid to the Special Compensation Fund.



The Department was not only successful in reducing the SCF deficit, but it did so while at the same time reducing the assessment rate (from 31 percent to 30 percent). Once full retirement of the deficit is achieved, the assessment rate is projected to be reduced to 28 percent. The chart above projects the Special Fund deficit assuming a 28 percent assessment beginning in FY 1995.

Workers' Compensation Health Care Reforms. The Department has developed and implemented rules that provide fundamental change in workers' compensation health care. The reforms seek to provide permanent cost savings by implementing standards or systems that help to reduce or eliminate unnecessary, excessive or inappropriate medical treatment.

Health care costs account for approximately 30 percent (\$302 million/1992) of total workers' compensation costs and have been the most rapidly increasing component of workers' compensation. *The Carlson Administration health care reform measures are projected to have saved* \$76 to \$94 million in 1993 workers' compensation health care costs.

Workers' compensation health care reform measures were developed by the Department of Labor and Industry (in consultation with workers' compensation and health care professionals) pursuant to authority granted in the 1992 Workers' Compensation Reform Law. The most significant provisions include:

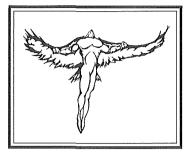
Managed Care. Employers are required to provide workers' compensation health care coverage through state-certified managed care organizations (MCOs). Because of the inherent and active case-management function of MCOs, significant savings are expected as a result of appropriate care and mandatory communication between medical providers and employers to facilitate an expeditious return to work.

A majority of Minnesota employers are now enrolled in managed care programs for workers' compensation with MCO coverage of all employers expected in early 1995. *Minnesota leads the nation in employee enrollment in managed care for workers' compensation.*

Medical Treatment Standards. The treatment standards determine and eliminate excessive, unnecessary or inappropriate medical treatments by limiting the duration of certain types of medical care for compensability under workers' compensation. The treatment standards weigh cost versus benefit, limiting payment where benefit is minimal or nonexistent.

As a common interpretation of pre-1992 law, a judge would award payment of any medical treatment of any duration as long as it made the injured worker feel better. The treatment standards give a judge tools, developed by medical practitioners, to hold the line on rising workers' compensation medical costs.

Relative Value Fee Schedule. The resource-based relative value fee schedule is patterned after the current Medicare fee schedule. Fee schedules remove incentives for high cost/high technology medical procedures. This represents a fundamental change from the way "usual and customary" medical fees are calculated by basing fees on the resources used to provide care and not on the costs providers charge (wholesale not retail).



The DAEDALUS Project. DAEDALUS is a \$10 million Governor's investment initiative to redesign the work processes in DOLI's Workers' Compensation Division. The Department will develop and implement a fully integrated electronic information environment utilizing a full imaging system. This project was undertaken at the expense of insurers, and with the approval and cooperation of employers, employees, and the insurance community.

The Department currently manages over 1.1 million paper files with over 25,000 files circulating on any given day. A full 94 percent of all the information needed and used is found only on paper. Because of the nature of the information and necessity of many different parties requiring access to the information, simply having one paper file per claim can cause needless delays in claim processing.

Under DAEDALUS, employees, employers, and their representatives will have immediate and simultaneous access to claim information. DAEDALUS will also substantially increase security of the information as well as provide effective disaster protection. The consensus among experts is that this investment will pay for itself in short order.

Aside from technology, DAEDALUS also creates a new structure within the division to focus human resources on alternative dispute-resolution practices for workers' compensation claims. Case management teams will be assigned to cases with the same DOLI staffers working on a particular claim throughout its life. Prior to implementation of the final phase, several different DOLI staffers would work on a particular claim at various stages in the process. DAEDALUS will allow for greater continuity and better customer service as the same staffer will work the claim until it is resolved.

An integral component of the staff reorganization is reducing duplication by transferring DOLI workers' compensation judges to the Office of Administrative Hearings. The Department's business process redesign consultant identified this move as vital to the success of the DAEDALUS Project.

The Minnesota Department of Employee Relations has given DOLI the authority to reclassify workers' compensation division employees to conform with the new DAEDALUS structure. DOER has delegated this authority to DOLI to enhance the efficiency of the transition that will result from redesigned work processes. DOLI has, in essence, been granted total autonomy in these matters.

The Minnesota Insurance Federation and the Minnesota Self-Insurers' Association have endorsed allocation of Special Compensation Fund moneys for this project and the reorganizations necessary to implement it. Members of both organizations sit on the DAEDALUS Board of Directors to review and approve every phase of the plan before funding is released. In addition, the Information Policy Office has reviewed and supports this project.

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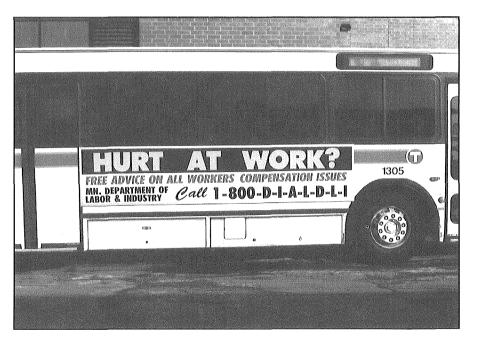
Workers' Compensation Fraud Unit. DOLI created a fraud unit to investigate fraudulent and illegal practices by health care providers, employers, employees, insurers, and attorneys. DOLI investigators track fraud leads, conduct independent investigations, and conduct investigations in cooperation with private sector entities and law enforcement agencies. Cases are developed and then referred to the appropriate prosecuting authority. Department investigators also train private sector personnel on how to spot fraud and to assist in case development leading to the prosecution of fraud.

In January 1993, the first workers' compensation fraud case in Minnesota history was charged in Ramsey County District Court. Since that time, many cases have been investigated, charges filed, and convictions secured in county courthouses across the state. The fraud unit's current case files range from theft of less than \$100 to theft of several hundred thousand dollars.

Comp Call. DOLI established a workers' compensation hotline for employers and employees seeking advice on any workers' compensation issue. The toll-free hotline, **1-800-DIAL-DLI** (1-800-342-5354), provides direct access to DOLI workers' compensation experts who are on hand

to assist callers, to respond to mail inquiries, and to assist walk-ins. DOLI personnel, fluent in foreign languages, are available to help those who need interpretive services.

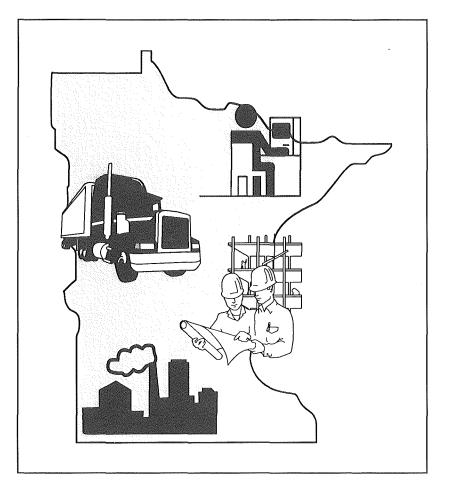
Comp Call staffers receive approximately 300 calls per day and are authorized to attempt to settle disputes on behalf of employers or employees. This project is designed to help prevent the need for costly litigation via early intervention in disputes.



The Department's goal is to reduce the number of benefit disputes and litigation by 10 percent annually through FY 1999.

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Workplace Services Division

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Special Emphasis

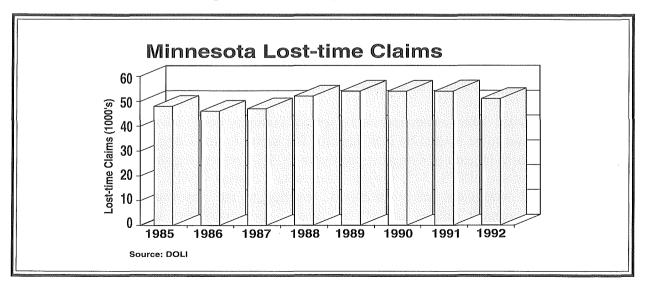
DOLI's Workplace Services Division consists of a variety of different units that primarily deal with workplace safety issues, labor laws, and apprenticeship training. The goals of the division are to help provide a safe and healthy working environment, to maintain fair wages and working conditions, and to provide career training programs through Minnesota's registered apprenticeship program. The division focuses on the following key areas to accomplish these goals:

- Injury Prevention—focus resources on effective consultation programs to prevent workplace injuries, help employers to provide safer working conditions by educating them on safety standards rather than solely issuing citations after an injury has occurred.
- Alternative Workforce Training—provide alternative workforce training programs and expand programs to include non-traditional career fields, target disadvantaged population sectors for recruitment into job training programs.

Outreach—conduct educational seminars, develop networks within community organizations, and educate employees on their rights under state and federal labor laws.

Improved safety programs reduce workers' compensation costs. DOLI occupational safety and health professionals study workers' compensation claim trends to target specific industries for consultation programs designed to help prevent injuries. This allows DOLI to better utilize human resources and to provide consultation where it is needed most.

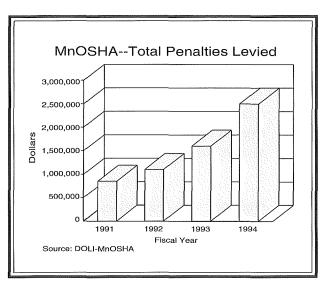
DOLI has doubled its consultation visits since 1992. The Department's goal is to reduce the lost workday case incidence to 3.7 per 100 workers by 1997.



Workplace Safety. Governor Carlson has made workplace safety a quality-of-life issue. Employees should not feel an undue safety risk on the job site. Employers must understand the importance of making a commitment to a safe and healthy workplace. Indeed, as DOLI safety experts have found across the state, the most successful workplace safety programs are those that involve cooperation and commitment from both management and employees. The Department's safety consultants emphasize the importance of joint labor/management safety committees and written safety plans for all employers, not just those in high-hazard industries.

DOLI has integrated workplace safety and workers' compensation. Beginning in 1993, Minnesota's occupational safety and health program (MnOSHA) was funded through the Special Compensation Fund. This provides a direct financial link between workers' compensation and workplace safety. OSHA fines are paid directly into the Special Fund to help reduce the overall assessment. This has the effect of lowering workers' compensation premiums for employers.

Minnesota has a "state-plan" occupational safety and health program. This means that the state, specifically DOLI, manages the OSHA program. Not all states have jurisdiction for



their OSHA programs; the federal government runs the OSHA program in about half of the states (e.g., Wisconsin). This is significant in the context that DOLI's program, or MnOSHA as it is called, is consistently judged (by the U.S. Department of Labor) to provide more extensive and higher quality services than that of OSHA programs run by the federal government.

This recognition of exemplary service also comes from Minnesota's employer community. A *recent Minnesota Department of Trade and Economic Development study rated MnOSHA as the top technical-service-providing agency in state government*. MnOSHA's service was rated as good or excellent by 69 percent of large firms and by 61 percent of small firms that participated in the study, the highest marks of any state entity.

DOLI Commissioner John Lennes received a special honor by being selected as the only "stateplan" administrator to be invited by U.S. Senator Ted Kennedy and Congressman Austin Murphy to testify before both Houses of Congress on pending OSHA reform legislation. Much of the most notable OSHA reform bill (S. 575) mirrors Minnesota's current OSHA law. Lennes highlighted successful DOLI workplace safety initiatives, testified to the importance of applying safety standards to government entities as well as private sector employers and the importance and success of safety programs that involve labor/management cooperation. Labor/management cooperation is vitally important to the success of any safety program. In 1994, DOLI and the Bureau of Mediation Services (BMS) entered into an agreement to provide on-site safety experts through the state's formal labor/management program. OSHA professionals from DOLI will be assigned to provide workplace safety consultations exclusively through labor/management cooperative ventures facilitated by BMS.

DOLI considers outreach and training as a vital component of any successful workplace safety program. As a supplement to its consultation visits and training seminars, DOLI produced a workplace safety public service announcement campaign designed to heighten awareness of safety issues and to stress the importance of safety in the workplace. The PSA series received a 1994 Northern Lights Award of Excellence, the highest possible award in government communications.

The Department has implemented several new approaches to workplace safety including:

PEER Program. The Department developed a unique approach to workplace safety in response to two workplace fatalities during the construction of the Mall of America. PEER (Promote, Evaluate, Enforce, Report) utilized peer review of workplace safety practices in all aspects of the Mall of America construction project.

Each contractor inspects the others' work with MnOSHA inspectors providing guidance. The focus is on prevention with the commonality of need for a safe workplace as the motivating factor. Following the implementation of PEER, there were no more fatalities and there was a significant reduction in workplace accidents. The program is being adjusted and applied in other jurisdictions. MnOSHA received an award from the Minnesota Safety Council for this innovative safety program.

AWAIR Program. The Department is working with both public and private employers to implement Minnesota's AWAIR (A Workplace Accident and Injury Reduction) Law. AWAIR requires employers to develop, with the input of all employees, comprehensive workplace safety plans and to form safety committees within their organization.

The Department is focused on prevention of workplace accidents and is working constructively with employers to implement AWAIR Programs. For example, DOLI inspectors found safety violations at several Park Rapids School District #309 buildings. As a condition of the settlement agreement, the school district developed a model safety program for schools that is shared with school districts across Minnesota.

DOLI'S OSHA consultation unit recently received an award from the Minnesota Electrical Association (MEA) for developing a special training program for MEA as well as for developing AWAIR safety plans for over 300 employers in MEA.

Workplace Violence. Workplace violence is growing at a rapid rate. In 1992, Minnesota experienced 13 occupational fatalities as a result of workplace violence (an 83 percent increase from 1991). Assaults and violent acts account for roughly 13 percent of occupational fatalities in Minnesota (violence accounts for 20 percent of U.S. occupational fatalities). On a national level, workplace violence is the leading cause of workplace death for women.

To address the growing problem of workplace violence in our society, DOLI convened a workplace violence task force comprised of safety experts, employer representatives, employee representatives, and law enforcement personnel. MnOSHA worked with the task force to identify high-risk occupations and to develop preventive measures.

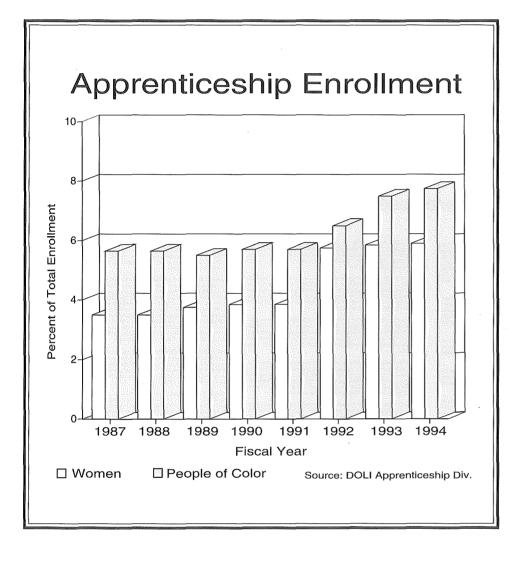
Preventive measures start with common sense practices such as limiting the amount of cash on hand, employee training—especially conflict resolution and nonviolent response, proper lighting, silent alarms, bullet proof glass, etc. MnOSHA will continue to solicit input from its customers to assist in the development of educational materials for specific industries.

According to the National Institute of Occupational Safety and Health, taxicab establishments are the most at-risk employers followed by liquor stores, gas stations, detective and protective services, justice/public order, grocery stores, jewelry stores, hotel/motel, and restaurants/bars.

Streamlining Equals Efficiency. DOLI's Workplace Services Division has maintained quality services with fewer resources. In 1992, MnOSHA was restructured to streamline its management. The result is an efficiently managed unit with responsibilities equally shared among MnOSHA's six-member management team (OMT). Utilization of a management team decentralizes decision-making authority and gives line managers a greater stake in the overall success of the unit. The publication *Public Sector Quality Report* praised the Department for its innovative management restructuring.

The Department's Code Services unit has undergone similar restructuring. In 1993 and 1994, the entire unit organization was re-evaluated and is now operating more efficiently and with fewer people. The unit provides high-quality services in the areas of boiler, pressure vessel and high pressure piping safety.

Apprenticeship Training. DOLI oversees the state apprenticeship program and all registered apprenticeships for persons 16 years of age and older. Since the program began in 1939, over 50,000 apprentices have graduated. Apprenticeship is a tried-and-true method of training highly skilled professionals for meaningful careers. Apprenticeship is the best way, and in some cases the only way, to train for certain occupations. Attorneys, airline pilots and medical doctors receive training through forms of apprenticeship. In fact, some of America's most prominent historical figures were trained through apprenticeship—Benjamin Franklin was an apprentice printer, Abraham Lincoln was an apprentice lawyer. But as America evolved, apprenticeship became a forgotten art.



During the twentieth century, as the goal of college education gained more prominence in our society, Minnesota's apprenticeship program was allowed to lapse into a very narrow inventory of occupations. But that is changing. Today, DOLI administers apprenticeship opportunities in a number of emerging career fields such as computer technology, child care, clerical/office manager and foreign language translation.

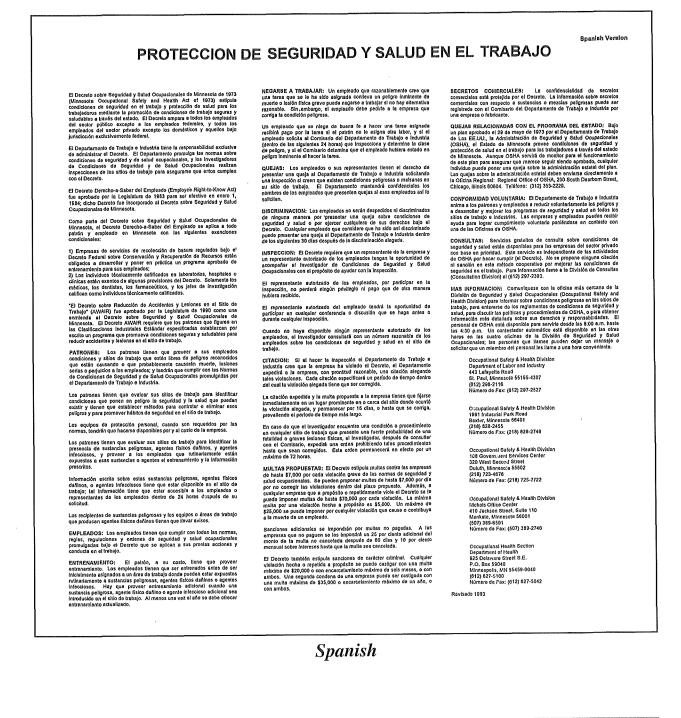
Apprenticeship has been rediscovered, and was recently praised by a national expert as one of two job training pro-

grams that work (the other was the GI bill). In Minnesota, the apprenticeship program costs taxpayers less than \$100 per year per apprentice, an unheard of bargain.

The Department, in conjunction with community organizations, held town hall style meetings to inform citizens of the benefits of apprenticeship and to spur enrollment of people of color. DOLI also administers the Labor Education and Advancement Program (LEAP). LEAP is a grant program for community development of apprenticeship opportunities for people of color.

The Department is truly fulfilling Governor Carlson's mandate to expand apprenticeship opportunities to include emerging, non-traditional career fields and to actively recruit women and people of color into apprenticeship programs. *Since January 1991, enrollment in registered apprenticeship programs has increased by 46 percent for women and 38 percent for people of color.* The Department's goal is to additionally increase by 20 percent the participation and completion of apprenticeship programs by women and people of color by FY 1998.

Foreign Language Translation for Mandatory Employee Rights Posters. The Department publishes employee rights posters for workers' compensation, minimum wage, discrimination, and a variety of state and federal labor laws. Employers are required by law to post this information. The Department has initiated a foreign language translation program for these posters and other vital documents. All publications outlining employee rights are now available in Spanish and six Asian languages.



26

The Department also initiated a special outreach program for communities and specific employers with a high proportion of workers who are people of color. DOLI staffers tour throughout Minnesota to meet with minority community organizations and individuals to bridge the language barrier and help non-English-speaking individuals to understand state and federal labor laws. DOLI workers' compensation and labor standards professionals, fluent in foreign languages, conduct meetings to help people understand their rights, to learn of working conditions, and to build lasting, cooperative relationships with community organizations.

To supplement its outreach effort, the Department produced an employee rights public service announcement targeted to Spanish-speaking individuals. DOLI staff, fluent in Spanish, served as voice talent and with the help of the Minnesota Department of Transportation, the PSA was produced at minimal cost.