

2004 Annual Report



1101 Mail Service Center
Raleigh, NC 27699-1101

Cherie K. Berry
Commissioner

1-800-NC-LABOR (1-800-625-2267)
www.nclabor.com

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2004 Annual Report of the N.C. Department of Labor

Overview

The N.C. Department of Labor, under Labor Commissioner Cherie Berry, is charged by law with the responsibility of promoting the health, safety and general well-being of working North Carolinians. The General Statutes provide the labor commissioner with broad regulatory and enforcement powers to achieve that objective.

The labor commissioner is the constitutional officer elected by the people of North Carolina to a four-year term running concurrently with the governor's. Foremost among her duties are the administration and enforcement of the occupational safety and health standards and working conditions in industry; wage and hour issues pertaining to maximum work hours and minimum wage laws; training of apprentices in the skilled trades; education, training and consultation on safe and healthy working conditions; and the administration of inspections for boilers, elevators, amusement rides, and mines and quarries.

The N.C. Department of Labor's mission is to foster a safe, healthy, fair and productive North Carolina by:

- Providing responsive, effective and efficient services
- Providing and encouraging quality education and training
- Administering consistently and fairly our regulatory mandates
- Enhancing public confidence in the Department of Labor

According to state law, the Department of Labor promotes the health, safety and general well-being of more than 4 million workers at over 230,000 places of business. The laws and programs the department administers affect every worker—and virtually every person—in the state.

Department of Labor history dates back to 1891, when the General Assembly created the Bureau of Labor Statistics. In a reorganization of labor functions in 1931, the General Assembly laid the groundwork for the department's transformation into an agency with laws and programs affecting most state citizens. Departmental divisions and bureaus carry out its principal regulatory, enforcement and informational programs.

The Safety and Health Review Board of North Carolina operates independently from the department. The review board, whose members are appointed by the governor, hears appeals of citations and penalties imposed by the Occupational Safety and Health Division.

The Department of Labor serves the workplace. Its programs, as well as the information it makes available, help industry managers, small business owners, manufacturing employees and all those who work in North Carolina perform their work safely.

The Department of Labor includes:

Apprenticeship and Training Bureau

The Apprenticeship and Training Bureau promotes and monitors a broad range of apprenticeship programs that train journeyman-level craftworkers to meet the demand for high-skilled workers. In 2004, more than 17,000 North Carolinians were served in these private industry-supported programs. Apprenticeship programs are sponsored through private employers or under joint labor-management committees.

The bureau encourages high school student apprentices and high school graduates to pursue training for career-development potential. Apprentices begin at a fixed percentage of journeyman pay and receive planned wage increases as they learn new skills.

The bureau also designs and implements other employment and training programs. These programs include developing individualized or group models, pilots of demonstration programs, and developing new processes or tools.

Boiler Safety Bureau

The Boiler Safety Bureau enforces the Uniform Boiler and Pressure Vessel Act of North Carolina. The bureau regulates the construction, installation, repair, alteration, inspection, use and operation of vessels that fall under the law. The bureau conducts periodic inspections of vessels and monitors inspection reports.

The bureau maintains records on ownership, location and condition of working boilers and pressure vessels. It also issues operating certificates to boiler owners and operators who meet requirements. More than 95,000 boilers and pressure vessels currently are on record with the bureau.

Elevator and Amusement Device Bureau

The Elevator and Amusement Device Bureau oversees, except in federal buildings, the installation and safe operation of elevators, escalators, workman's hoists, dumbwaiters, moving walks, aerial passenger tramways, amusement rides, inclined railways and lifting devices for people with disabilities. The bureau conducts more than 24,000 annual inspections. The bureau also approves plans and applications for equipment that falls under its jurisdiction.

The bureau conducts regular periodic inspections of all ride-operating equipment in the state and provides technical assistance. The bureau also will review, for architects and builders, plans for proposed elevators and related equipment.

Employment Discrimination Bureau

The Retaliatory Employment Discrimination Act protects employees who in good faith file or initiate an inquiry about workers' compensation claims or exercise their rights under state law. Investigators examine the complaints filed and, if the complaint is found without merit, advise the complainant on legal recourses. If the complaint is found to be valid, the bureau attempts

conciliation through informal means before issuing a right-to-sue letter or taking the complaint to court.

Library

The DOL Library offers more than 7,000 volumes, 50 periodical titles, and 700 audiovisual items along with other electronic resources. The library's collection includes resources on the various topics regulated by the department. Videos are free of charge, excluding return postage.

Mine and Quarry Bureau

The Mine and Quarry Bureau conducts inspections, education and training, and technical assistance on the operation of mines and quarries. The bureau helps operators to train their employees in safe working procedures. The bureau has jurisdiction over 440 private-sector mines, quarries, and sand and gravel pit operations that employ more than 4,650 citizens.

The bureau also inspects abandoned surface mines for the protection of the general public, promotes rockhound safety, and conducts an explosives safety course for anyone handling or using explosives.

Occupational Safety and Health Division

The Occupational Safety and Health Division administers workplace safety and health laws that apply to the private sector and all state and local government agencies.

The OSH Division conducts about 5,800 inspections a year. The division conducts investigations of employee complaints, investigations of work-related accidents and deaths, randomly scheduled site inspections, and follow-up inspections of companies previously cited for OSHA violations.

The division offers free services to the 230,000 private and public employers under its jurisdiction. It also offers educational and engineering assistance. Employers may contact the OSH Division to receive free aid, including technical assistance or on-site visits.

OSH Division standards parallel the federal OSHA standards. North Carolina currently conducts one of the 26 state-administered OSHA programs in the nation.

The Agricultural Safety and Health Bureau enforces the Migrant Housing Act of North Carolina, which requires the registration and inspection of housing provided to migrant agricultural workers. Migrant housing must meet federal standards plus specific standards for heat, fire protection and kitchen sanitation.

Research and Policy Division

The survey unit of the Research and Policy Division collects, processes and publishes information on workplace injuries, illnesses and fatalities for statistical purposes and educational outreach. These data are used by the U.S. Department of Labor, Bureau of Labor Statistics,

department officials, state officials, public and private industries, the media, and interested citizens.

Wage and Hour Bureau

The Wage and Hour Bureau enforces laws that cover minimum wage, maximum hours, wage payment and child labor.

Wage payment provisions—which include the payment of promised vacation, sick pay or other benefits—cover all employees except those in federal, state and local government. The bureau investigates worker complaints and collects back wages owed to employees.

The bureau also licenses and regulates private personnel and job listing services. Companies that charge their clients must obtain a license from the department.

Youth employment certificates are required for workers under 18 years of age and are available from all county social services agencies and from some school systems. This age group is prohibited from employment in certain hazardous occupations.

The bureau also monitors procedures used to test employees and job applicants for drug use.

Administration

Budget and Management Division

The Budget and Management Division is responsible for all fiscal-related areas of the agency. The division has a total of 15 employees, headed by the director of budget and management. Job responsibilities are separated into two categories as follows: budget/purchasing/payroll headed by the budget officer and accounts receivable/collections headed by the collections attorney. Reporting is done on a fiscal year basis (July 1 through June 30); therefore 2004 figures are reported on a fiscal year basis.

Budget/Purchasing/Payroll

Because of legislative-mandated reductions and reversions over the past five years to meet costs associated with natural disasters and revenue reductions, it has become necessary for the department to reduce spending. Thus the number of checks issued and purchase orders written has decreased as a result of the budget shortfall and the agency's ability to utilize e-payments. The division continues to meet its internal benchmarks by paying and/or ordering items within five working days from receipt, thereby enabling the department to become more fiscally responsible and prudent with available resources.

Accounts Receivable/Collections

The accounts receivable/collections section is responsible for all revenue received by the agency. Because two bureaus are fully receipt supported, it is extremely important that revenue is

collected and deposited in a timely and accurate measure. In addition, assessed penalties are collected and distributed to local school boards throughout the state according to state law. As noted below, past due collection cases have grown in the past five years and the caseload continues to be high even after the use of a collections agency.

Data Comparisons	2000-01	2001-02	2002-03	2003-04	2004-05
Annual Budget	\$31,460,866	\$28,184,235	\$25,795,170	\$28,123,600	\$27,903,592
Revenue	\$14,270,896	\$12,761,177	\$11,894,551	\$14,091,596	\$13,505,588
Appropriations	\$17,180,970	\$15,423,058	\$13,900,619	\$13,557,881	\$14,398,004
Mandated Reversion	\$1,147,619	\$1,004,614	\$694,011	\$271,158	\$107,945
Percentage of Appropriation	6.6%	6.5%	4.9%	2%	N/A
Average No. of Checks Written/Month	612	556	584	545	670
Average Monthly Expenses	\$2,375,376	\$2,210,064	\$2,265,780	\$2,054,877	\$2,418,606
Percentage of Invoices Rec'd/Paid Within 5 Days	96.8%	98.8%	97%	98%	97%
Average No. of Purchase Orders Issued/Month	28	25	44	41	53
Monthly Average Value of Purchase Orders Issued	\$92,232	\$67,825	\$94,116	\$111,688	\$194,699
Percentage of Purchase Orders Issued Within 5 Days	89.1%	83.4%	99%	100%	100%
Average Monthly Penalties Collected	\$473,278	\$497,344	\$604,330	\$581,292	\$583,410
Average Monthly Caseload for Collections	344	338	447	577	671

Note:
2004-05 data are only for a six-month period (July through December).

Communications

The NCDOL Communications Division provides direct support and assistance in publications work, library services and information to the general public and media outlets. Information is handled in a number of ways—through direct telephone contact with the members of the media and general public, releases, newsletters, brochures, manuals, and other publications. The division also helps with workplace accidents, training tours and other special circumstances. The division prepares speeches for NCDOL personnel, and the division’s publications staff prints the overwhelming number of workplace safety materials the department provides to the public, employers and employees.

The division responded to about 2,000 telephone calls or e-mail inquiries in 2004. The telephone calls were fielded from the general public and media outlets. The division released about 68 news releases and media advisories that included the injury and illness rates for North Carolina, the fatality rates for the state, safety award winners, and the launch of a rider safety program at local fairs. The division helped with about 40 speeches. The department's newsletter, *NC Labor Ledger*, subscription base grew from about 2,700 in December 2003 to about 4,000 subscribers at the end of 2004. The division's print shop provided 3.3 million impressions and sent 444 electronic forms.

- Media and general public inquiries: 2,000
- News releases/media advisories: 68
- Speeches/talking points: 40
- Print impressions: 3,365,123
- Electronic forms: 444

Governmental Affairs

The following items were of major interest to NCDOL Governmental Affairs during the 2004 calendar year:

General

Budget:

The Department of Labor received a supplemental appropriation of \$364,216. The department's revised budget is \$13,638,320.

The Apprenticeship and Training Bureau received a one-time appropriation of \$355,226 for implementation of the apprenticeship program.

The Consultative Services Bureau received two new positions to focus on improving assistance to Hispanic employers and workers.

Apprenticeship and Training Bureau

Apprenticeship Tax Credit—HB 1423

This agency bill was introduced in the House at the request of Commissioner Cherie Berry. The bill was not ratified during the 2004 short session but will be reintroduced in the 2005 long session.

The bill provides a tax credit for employers who participate in an apprenticeship program approved by the Department of Labor. Employers would be eligible for a tax credit of 15 percent of the wages paid to registered apprentices during the taxable year.

HB 1423 also appropriates \$5,000 to the Department of Labor for costs associated with implementing this credit.

Employment Discrimination Bureau

Strengthen Domestic Violence Laws—HB 1354

The bill was a product of the House Select Committee on Domestic Violence and was ratified July 15, 2004.

The bill prohibits employment discrimination against victims of domestic violence.

Prevent Workplace Violence—SB 916

The bill, introduced by Sen. Daniel Clodfelter, prohibits adverse employment action against an employee for absences needed to obtain relief from workplace violence.

The bill was ratified on July 17, 2004.

Information Technology

Improve State IT Efficiency and Project Management—

The bill requires the state chief information officer to develop a biennial State Technology Plan. The state chief information officer now will review all agency information technology projects in excess of \$500,000. The bill also creates a 12-member Information Technology Board located in the Office of Information Technology Services.

The bill was ratified on July 17, 2004.

Human Resources Division

The Human Resources Division chronicled new hires, separations from service and promotions within the department. A comparison of calendar years 2002 through 2004 follows:

	2002	2003	2004
New Hires	29	33	33
Separations	34	38	47
Promotions	14	16	25
Job Applications Received	1,824	1,932	2,405
Personnel Actions Processed	332	356	423
Total Positions on 12/31	444	438	438

Revised HR-related policies for 2004:

- (1) **Policy Title: N.C. Department of Labor Grievance Policy and Procedures**

The change gave additional time to the grievant and the agency in submitting documentation for review.

Individual Development Accounts Program

The Individual Development Accounts, or IDA, Program is designed to help low-wealth individuals build assets for the start-up of new businesses, post-secondary educational investments or the purchase of a home. The program seeks to provide assistance to low-income individuals toward attaining self-sufficiency.

The Department of Labor continues to play a major role in the IDA movement. The division is working in partnership with the IDA and Asset Building Collaborative of North Carolina, the N.C. Division of Community Assistance, the N.C. Housing Finance Agency, and the N.C. Division of Social Services to support and increase the number of IDA programs in North Carolina. In May 2004, Commissioner Berry convened a meeting of representatives from nine North Carolina state government agencies to discuss interagency support for IDAs across the state.

Acting as the fiduciary for funds of two Assets for Independence Act grants, the IDA Division continues to host quarterly trainings throughout the state, bringing in outside speakers as well as involving members of local program staff who are knowledgeable in various aspects of the program. The training focuses on IDA implementation, best practices, effective outreach and other critical aspects of program development. This training provides valuable information and serves as a support network for everyone involved. This year the Department of Labor provided funds to assist six local organizations in the development and expansion of IDA programs. In addition, the N.C. Department of Health and Human Services contracted with NCDOL to administer \$180,000 in TANF (Temporary Aid for Needy Families) funds for IDAs.

According to year-end statistics for 2004, the IDA Program consists of 27 sites that serve 44 counties.

Total Enrollment in NCDOL IDA Programs: The program currently has 328 account holders.

Total Graduates From NCDOL IDA Programs: At the end of 2004, a total of 246 participants had graduated from the IDA Program in homeownership, micro-enterprise or postsecondary education. These graduates purchased 197 homes, started 30 businesses and made 19 educational investments.

Total Savings, Matched Funds and Assets in NCDOL IDA Programs: As of December 2004, IDA account holders saved an aggregate \$315,226, acquired more than \$485,608 in matching grant funds, and purchased an estimated \$15,548,208 in assets.

Information Technology Division

Network and PC Support Services

- Completed training for NCMail administration.

- Set up and tested a pilot program for changing to NCMail.
- Configured and installed new GroupWise mail server.
- Configured and installed new Novell server.
- Configured and installed new intranet server.
- Configured and installed new DMZ server.
- Configured and implemented DMZ to allow for public access to data.
- Upgraded GroupWise to latest version of software.
- Upgraded to latest version of FileNet software and upgraded the server OS.
- Configured and installed hardware for increased storage capacity on the FileNet system.
- Installed and implemented improved remote access for the FileNet system.
- Installed VPN for future encryption needs of remote users.
- Configured and installed additional security hardware for office locations.
- Implemented the ITS automated authentication system for certain applications and provided administration of users.
- Substantially increased physical security of server room.
- Planned for and ordered hardware and software for Oracle upgrade and migration of data from old Oracle server.

<i>PC SUPPORT SECTION MONTHLY EQUIPMENT SERVICE & SETUPS</i>			
Month	Non-OSH	OSH	Totals
January	17	6	23
February	1	9	10
March	4	3	7
April	9	6	15
May	15	3	18
June	17	3	20
July	6	5	11
August	6	3	9
September	17	12	29
October	36	16	52
November	13	1	14
December	0	0	0
Totals:	141	67	208

<i>PC SUPPORT SECTION MONTHLY HELPDESK CALLS</i>			
Month	Non-OSH	OSH	Totals
January	110	62	172
February	173	117	290
March	99	71	170
April	103	96	199
May	75	55	130
June	96	66	152
July	108	70	178
August	188	123	311
September	164	127	291
October	116	33	149
November	101	52	163
December	27	52	79
Totals:	1,360	924	2,284

Application Services

Intranet Development

- Maintained intranet site by updating main page as needed.
- Updated Management Forum/Standards and Inspection Division data.

- Updated departmental phone lists.
- Updated Library, Human Resources and Apprenticeship Bureau pages.
- Updated safety and health program pages.
- Added minutes for OSH Consultation, Administration, Steering Committee and Boiler Bureau.
- Added policies for Administration and Elevator Bureau.
- Added MSDS spreadsheet for Administration Safety Committee.
- Maintained and updated Employee Bulletin Board.
- Configured and maintained employee auction site.
- Created database of authorized users.
- Entered items and item detail information.

NCR

- Wrote data queries for PSIM and Compliance.
- Wrote Ace reports to retrieve data for Compliance and Consultative.
- Added and configured printers for Compliance East and PSIM.
- Assisted with Consultation data reconciliation with NCR system.
- Assisted system administrators with data reject problems between federal/state systems.
- Acted as approval authority for federal Extranet site; added/deleted users; reset passwords.

Occupational Safety and Health Division:

- Maintained and enhanced Web-based OSH targeting system.
- Maintained web-based OSH Complaint Desk log intake system.
- Modified/maintained/enhanced public sector survey system.
- Prepared and generated new general schedule targeting lists for safety and health.
- Prepared and generated special emphasis targeting lists.
- Prepared and generated miscellaneous targeting lists.
- Helped PSIM plan and implement for a future OSH state database.
- Modified existing Web-based reporting programs with new data fields and reports for Agricultural Safety and Health (ASH).
- Created four new report programs for ASH.
- Rewrote client PC inspector program to include additional forms and certificate printing for ASH.

Apprenticeship Bureau

- Worked with Apprenticeship Bureau for required addition of data collection.
- Worked with contractor to set up a test environment for required testing of the modified Apprenticeship Streamline application.
- Installed/troubleshoot/fixed updated version of Streamline application on PCs and laptops.
- Maintained Web-based FIS system.

Boiler Safety Bureau:

- Maintained and modified legacy data PI/Open programs.

- Printed 18,316 invoices; 46,301 certificates; 31,610 inspection forms.

Elevator and Amusement Device Bureau:

- Created Web-based program to query inspection history and invoice payment.
- Programmed Web-accessible inspector activity program and reports.
- Created Web-based elevator device and inspection data export program.
- Wrote Web-based programs to summarize data by certificate expiration date, user county, inspector assignment and type of equipment.

Wage and Hour Bureau:

- Configured DMZ server; created youth employment certificate database.
- Programmed Web-based youth employment certificate application.
- Modified amount owed/collected program to break on SIC as well as investigator.
- Modified outreach database with addition of new data and query fields.

Legal Affairs Division

Significant Cases

Pillowtex Corporation—Bankruptcy:

On July 30, 2003, Pillowtex Corporation announced that it was filing for Chapter 11 bankruptcy protection in the U.S. Bankruptcy Court for the District of Delaware. This resulted in the largest single layoff in the state's history—nearly 5,000 employees. Many employees began filing complaints with the NCDOL Wage and Hour Bureau based upon the company's failure to pay wages owed. Specifically, the former employees alleged that they were owed vacation with pay or its equivalent as a cash bonus.

NCDOL conducted an investigation and filed a Proof of Claim with the U.S. Bankruptcy Court on behalf of the employees on Jan. 27, 2004. The Proof of Claim, in excess of \$14.6 million, covers all of the former Pillowtex employees who lost their jobs in North Carolina. After filing the Proof of Claim, NCDOL and the N.C. Attorney General's Office—Labor Section began negotiations with Pillowtex and the creditors' committee in order to resolve the wage claims and to develop a payout process. NCDOL also notified all 4,731 former Pillowtex employees of the filing and set up a Web page and an e-mail address (pillowtexinfo@mail.dol.state.nc.us) to keep employees informed of the bankruptcy activity. The Legal Affairs Division has been instrumental in fielding telephone calls and e-mails from concerned employees inquiring about the status of their claims. Although there is no definitive time frame for when these claims will be settled, NCDOL hopes to be able to send payments to these employees at some point during 2005.

Rulemaking

In 2004, the commissioner of labor initiated rulemaking for the Elevator and Amusement Device Bureau, the Occupational Safety and Health Division, and the Wage and Hour Bureau. A brief discussion of each action follows:

Elevator and Amusement Device Rules:

Technical and Administrative Changes

In order to make certain technical and administrative changes and to bring the administrative rules in conformance with the operating procedures of the bureau, NCDOL initiated rulemaking activity to adopt or amend 13 administrative rules: 13 NCAC 15 .0101, 13 NCAC 15 .0103, 13 NCAC 15 .0201, 13 NCAC 15 .0202, 13 NCAC 15 .0203, 13 NCAC 15 .0204, 13 NCAC 15 .0205, 13 NCAC 15 .0206, 13 NCAC 15 .0207, 13 NCAC 15 .0307, 13 NCAC 15 .0402, 13 NCAC 15 .0410 and 13 NCAC 15 .0429. The Notice of Text for these proposed changes was published in the *N.C. Register* on Aug. 2, 2004, and 11 of those rules became effective on Dec. 1, 2004. The remaining two rules, 13 NCAC 15 .0202 and 13 NCAC 15 .0429, became effective on Jan. 1, 2005, and Feb. 1, 2005, respectively.

Occupational Safety and Health Rules:

Communication Towers

In 2000, NCDOL began working on a uniform set of rules to protect workers during the construction, erection, installation, operation, maintenance and disassembly of communication towers. This would prove to be one of the largest rulemaking projects in the history of the NCDOL, and the Legal Affairs Division served a leading role. The impetus behind the rules was the growth of the cellular phone industry and the need for more and more towers to be constructed across the country. During 2003, the total number of towers in operation in North Carolina was in excess of 20,000. To address this growing hazard, NCDOL began working with members of the communication tower industry to compile a list of standards applicable throughout the industry to protect the employers and employees who work in the industry from the very real dangers they encounter every day.

Thereafter, NCDOL initiated rulemaking activity to adopt nine administrative rules: 13 NCAC 7F .0601—*Scope and Application*; 13 NCAC 7F .0602—*Definitions*; 13 NCAC 7F .0603—*Employer Responsibilities*; 13 NCAC 7F .0604—*Hazard Identification and Assessment*; 13 NCAC 7F .0605—*Fall Protection*; 13 NCAC 7F .0606—*Non-Ionizing Radiation*; 13 NCAC 7F .0607—*Hoists and Gin Poles*; 13 NCAC 7F .0608—*Record Keeping*; and, 13 NCAC 7F .0609—*Training*. The Notice of Text for these proposed changes was published in the *N.C. Register* on Aug. 2, 2004, and six of these rules became effective on Feb. 1, 2005. Two of these rules, 13 NCAC 7F .0605 and 13 NCAC 7F .0607, were approved at the Dec. 16, 2004, meeting of the RRC, but were subjected to legislative review during the 2005 session of the N.C. General Assembly. The final rule, 13 NCAC 7F .0606, is scheduled to be considered by the RRC in early 2005 and will hopefully become effective soon thereafter. In order to avoid confusion because of the staggered effective dates, NCDOL delayed enforcement of all of the rules for programmed inspection activity only until May 1, 2005.

Wage and Hour Rules:

Definitions Relative to ABC Restrictions

During the 2001-2002 session, the N.C. General Assembly amended N.C. Gen. Stat. § 95-25.5 to allow youths under the age of 16 to be employed by establishments holding ABC permits, provided certain conditions are met. In order to conform the rules regarding youth employment to the amended statute, NCDOL made certain changes to 13 NCAC 12 .0408, *Definitions Relative to ABC Restrictions*, including adding a definition for the term “outside grounds,” which was included without a definition in the amended statute. The Notice of Text for this proposed change was published in the *N.C. Register* on Aug. 1, 2003, and the new rule became effective on Jan. 1, 2004.

Library

The N.C. Department of Labor Library offers more than 7,000 volumes, 50 periodical titles, 700 audiovisual items and numerous other electronic resources on the various topics regulated by the department. The library staff provides information services and library resources to NCDOL staff, businesses, safety consultants, lawyers, state employees and students.

The library provides a comprehensive program of reference and informational services for employees of the department, other state employees, other libraries and the general public. Its purpose is to support the mission and goals of the department to promote the health, safety and general well-being of more than 4 million workers in the state. The library staff of two provides assistance in utilizing the resources available in the department library, other state agencies and other libraries.

To fulfill the needs of the agency and the public in 2004, the library staff answered 2,304 telephone inquiries, received hundreds of e-mail requests for information and copied 1,246 articles.

The library added 182 new audiovisual items to the collection this year, including 88 new titles. The audiovisual circulation totaled 3,861 items at an average of 322 per month. Circulation peaked in March, when 419 videos were loaned out. The continued high demand was due in part to the efforts of DOL staff members who promoted the library’s services to employers.

The library made a concerted effort to acquire Spanish-language videos and DVDs to accommodate the increased emphasis on safety training for Spanish-speaking employees. In addition to circulating a large volume of audiovisual and print material (e.g., standards) and fulfilling the informational needs of its patrons, the library also arranged the cataloging of its videos and the binding of many of its journals.

The requests for library information covered an interesting array of topics in 2004. Among the questions were requests for information on bridge demolition, combustible dust and sprays,

cotton gin noise standards, conflict resolution, manufacturers in Lenoir County, explosive powders, conductive work locations, and track hoe buckets.

Library staff supported the OSH trainers and compliance officers with various materials, including standards and information on a variety of topics. The library also assisted other state agency employees, faculty, university students, arbitrators, attorneys, librarians, law firms and schoolteachers with materials and information.

Library Statistics 2004	Total	Monthly Average	Total Change from Previous Year
Phone Inquiries	2,304	192	-480
Video Loans	3,861	322	-394
Reference Questions	855	71	+347

Research and Policy Division

The Research and Policy Division’s primary responsibility is collecting information and data for use by the commissioner of labor. The division develops and implements special programs and projects. The division also provides staff support to the commissioner and other divisions within the department. The division helps to establish policy guidelines and changes and assists all other divisions and bureaus in the department.

The division collects, reviews, refines and publishes injury and illness survey data for certification to the U.S. Bureau of Labor Statistics. The data—used by both state and federal departments of labor—provide an accurate measurement of the work-related injury and illness rates, and demographic and case characteristics data of employees in North Carolina.

The division also codes, analyzes and publishes statistical data on occupational fatalities in the state to build the BLS-sponsored Census of Fatal Occupational Injuries. The information is obtained from employers, death certificates, medical examiner reports and other sources. Fatality and injury and illness information enables NCDOL to better understand how and where accidents are occurring. The figures also are used to assist those industries with high rates of injuries and fatalities target education and training in appropriate safety and health arenas.

The Bureau of Labor Statistics released the figures for fatal occupational injuries for 2003 in September 2004. North Carolina suffered 182 work-related deaths in 2003, up slightly from 169 in 2002. Since 2000, workplace fatalities are down by 52, or 22 percent. The BLS also released

the injury and illness survey results. The state incidence rate for injuries and illnesses in the private sector was 4.0 for every 100 full-time employees in 2003, which is well below the national average of 5.0. The 2003 figure matches the rate from 2002 and marks the second consecutive year that North Carolina has recorded the lowest rate on record.

Occupational Safety and Health Division

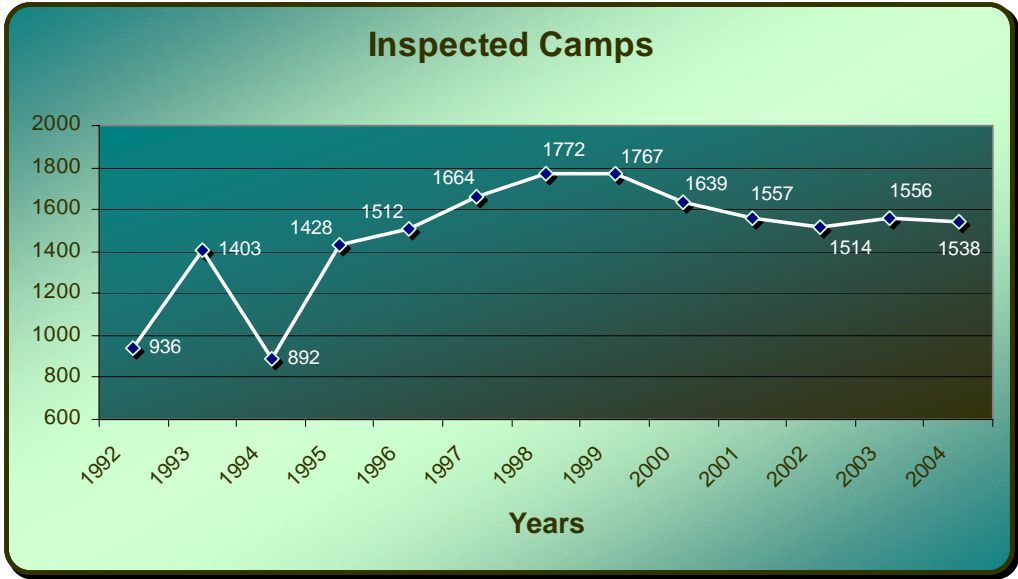
Agricultural Safety and Health

As mandated by the Migrant Housing Act of North Carolina, N.C.G.S. §95-222 through §95-229, the Agricultural Safety and Health Bureau conducted preoccupancy inspections of migrant housing. The tables below indicate the results of the annual registration of farm worker housing and the inspections and certification over a 12- year period. Four inspectors worked in 88 counties to produce the results shown for 2004. The three graphs below show the inspection trends from 1992 to 2004.

Inspections Mandated by the Migrant Housing Act, 1992-2004

Total Yearly	Registered Growers	Inspected Growers	Inspected Camps	Certified Growers	Certified Camps	Total Workers
1992	1,259	934	936	751	755	6,344
1993	1,150	1,044	1,403	829	1,123	12,718
1994	1,142	697	892	617	814	7,308
1995	1,077	1,067	1,428	920	1,240	13,696
1996	1,143	1,090	1,512	969	1,359	14,301
1997	1,249	1,216	1,664	1,028	1,400	14,885
1998	1,328	1,289	1,772	1,160	1,554	16,046
1999	1,380	1,304	1,767	1,136	1,487	15,770
2000	1,248	1,217	1,639	990	1,309	14,312
2001	1,174	1,164	1,557	1,101	1,461	16,302
2002	1,233	1,144	1,514	1,087	1,441	18,735
2003	1,194	1,146	1,556	1,091	1,468	17,504
2004	1,175	1,111	1,538	1,047	1,538	18,247

*Figures in red (or bold) include inspections conducted by ASH and USDOL.



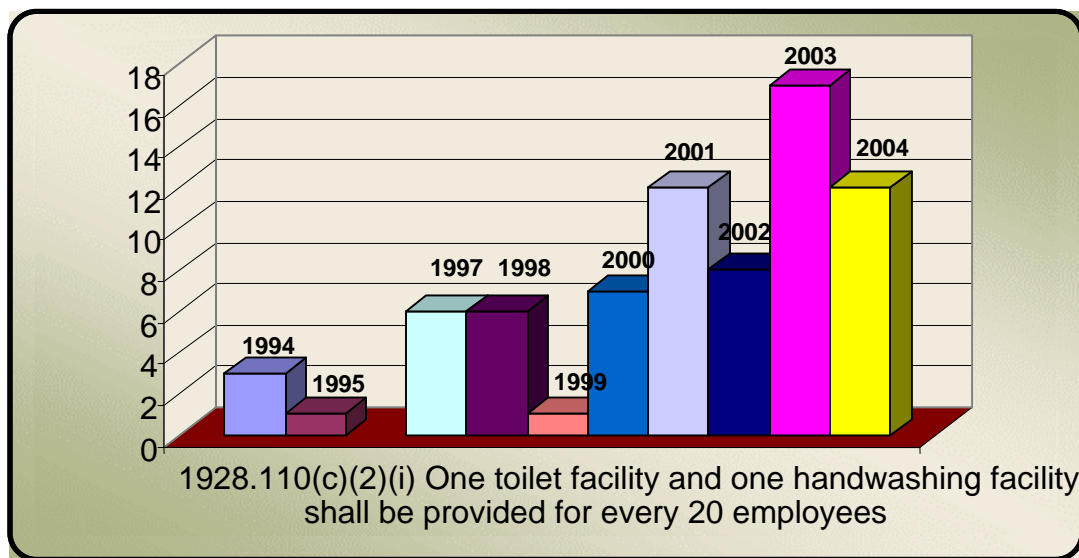
Gold Star Growers

In 2004, the bureau sponsored the 10th Annual Gold Star Grower recognition program and held luncheons in three locations across the state: Mt. Olive, Winston-Salem and Raleigh. Fifty-eight Double Gold Star Growers were selected and an additional 69 were invited as recipients of a single Gold Star. Growers receive Gold Star designation when they are in full compliance with migrant housing regulations at the time of their preoccupancy inspection. Double Gold Star Growers are eligible to conduct their own housing inspections for one year if they attend the luncheon and comply with registration and rules involving water and septic sanitation. The Gold Star Flag program was established in 2002 to recognize those agricultural employers that have established exemplary safety and health programs. To fly the Gold Star flag, an employer must have a proactive safety and health program and also must be in compliance with all OSH standards applicable to agriculture. Zelenka Nursery in Wilson County is the only Gold Star flag recipient to date.

Compliance

Seventy-nine compliance inspections were conducted in calendar year 2004. These inspections included nine complaints, 35 referrals and 35 programmed inspections focused on field sanitation compliance. One hundred ninety-three violations were issued to the 79 sites, with a penalty total of \$88,597.50. Additionally, a number of unregistered camps were discovered, inspected and found to be in violation of the minimum safety and health standards during 2004. The standard violations noted at unregistered housing included, but were not limited to: substandard housing, employee exposure to raw sewage, employers collecting/selling rain water to employees and inadequate pesticide application training. The bureau has seen an increase in compliance and in citations while conducting random field sanitation inspections—a program that began in 2001—as the graph below indicates.

Citations issued for failure to provide adequate field sanitation, 1994-2004



Formal Training and Outreach

During the late spring, summer and fall, ASH conducted outreach/training sessions for 3,000 migrant farmworkers, primarily those working with the H-2A guestworker program. Training

included prevention of heat stress, heat stroke, DOL housing regulations, ergonomics training and safe driving. More than 39,000 English and Spanish-language safety and health training materials were distributed to the migrant workforce. Formal training and outreach also was provided to both the Blueberry Growers Association and the Potato Growers Association. Construction is in progress for several new migrant housing locations across the state. Inspectors provided on-site consultative advice.

One edition of *The Cultivator*, the ASH informational news bulletin, was published. Copies were sent to all registered growers and to other interested individuals

A Spanish-language brochure was created to illustrate the safe movement of agricultural vehicles on public roadways. The Cooperative Extension Agents were using the English brochure previously created by the ASH Bureau and requested a Spanish brochure be made available.

Inspector Training

ASH inspectors—many who drive more than 500 miles a week to complete inspections—took part in a defensive driving course as part of OSH annual training. Inspectors also attended numerous week-long compliance courses. ASH bilingual inspectors assisted OSH during a construction training that focused on Hispanics working in the high-hazard construction industry. ASH employees conducted internal training for compliance OSH officers.

Agricultural Safety and Health Council

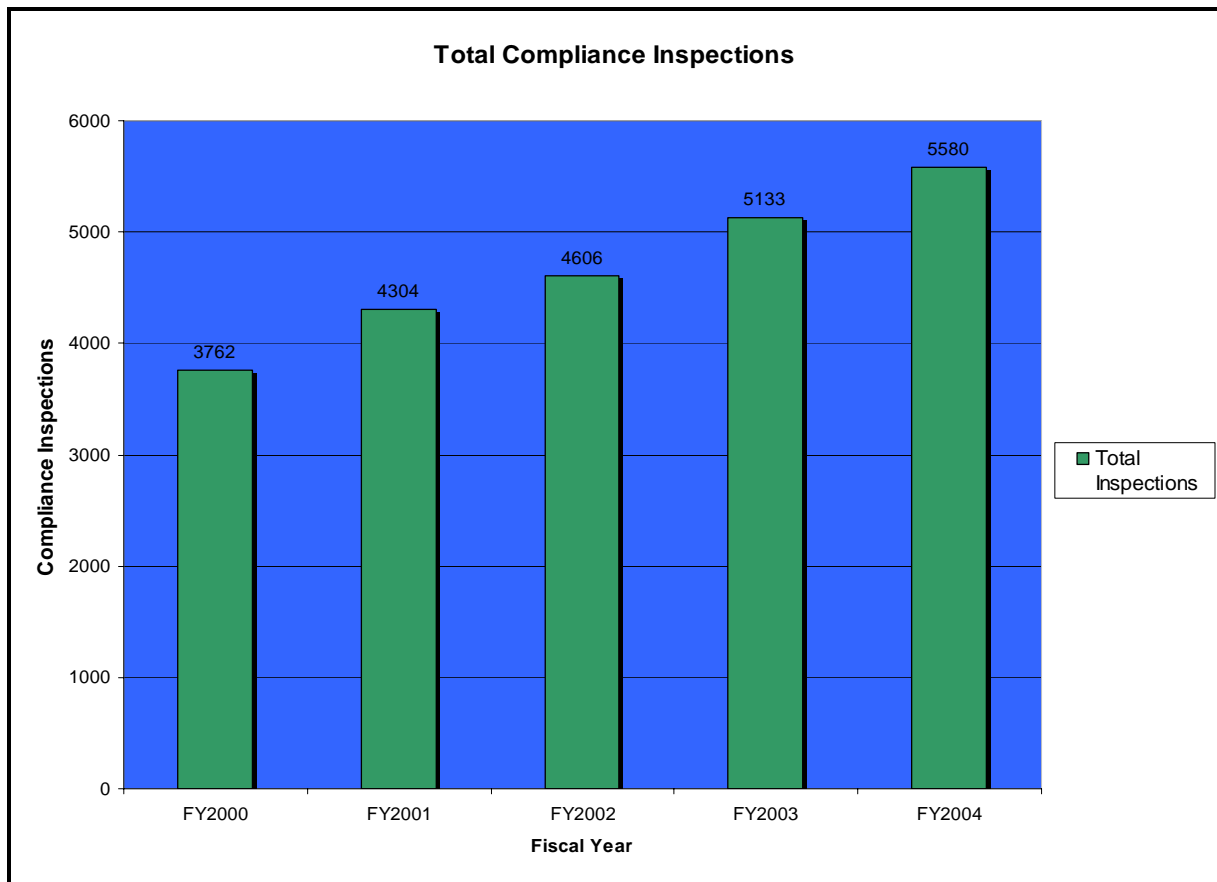
ASH conducted two Agricultural Safety and Health Council meetings.

Partnerships

Much progress was made toward strengthening partnerships with other agencies, such as the agricultural extension agency and county health departments. ASH personnel conducted training at N.C. State University, the training clinic of the N.C. Office of Rural Health, and a number of grower organizational meetings during 2004.

OSH Compliance Program

OSH Compliance ensures compliance with occupational safety and health laws, rules and regulations; employee protection in workplaces throughout North Carolina; professional industrial hygiene, safety engineering, administrative, training and technical services to all employers within the state of North Carolina. OSH Compliance identifies and analyzes workplace accidents, injuries and occupational illnesses; evaluates workplace safety methods, policies, procedures and programs; communicates workplace safety information to employees and employers; measures, analyzes and evaluates the effectiveness of safety programs, as well as effecting changes to programs to achieve optimum results in the various workplaces throughout North Carolina. The compliance activities are directly associated with the OSH Division strategic plan.



FY 2004 compliance activities included:

- 5,580 compliance inspections
- 3,860 safety inspections
- 1,720 health inspections
- 2,991 construction inspections
- 9,425 serious hazards abated
- 1,744 employer safety and health program improvements
- 119 inspections associated with the tree felling special emphasis program (SEP)
- 1,760 inspections in the construction special emphasis counties (6 counties that previously experienced multiple fatalities in the same year)
- 82 inspections in long-term care facilities
- 100 inspections associated with the lead exposure special emphasis program
- 127 inspections associated with the silica exposure special emphasis program
- 281 site-specific targeting special emphasis related inspections (specific employers with high injury/illness rates)
- 282 compliance interventions (includes speeches, training programs and program assistance)
- 122 accident investigations
- 3,336 complaint inspections/investigations

- 995 safety and health referrals inspections/investigations
- 257 public sector emphasis inspections
- 1,129 informal conferences associated with compliance inspection activity
- 111 employment discrimination investigations associated with occupational safety and health

OSH Compliance delivers quality service in an effective, efficient manner. The program delivers, in a timely manner, useful and helpful information to as many employers and employees as resources will permit. Several tools, in addition to the statewide loss workday incidence and illness rates, are used to monitor inspection quality and operational efficiency. Internal case file audits, field audits, employer/employee feedback and informal conferences are some of the tools used to measure quality and consistency of statewide work product. Following a division reorganization in FY 2002, OSH Compliance has experienced increased productivity and a decrease in time associated with report documentation. Specifically, there was a significant increase in inspections and in the time OSH personnel was able to spend helping employers during inspections. There also was a significant decrease in the time it took to produce a final report of inspection findings.

Other significant activities that occurred in OSH Compliance during FY 2004 include the following:

- Establishment of refined public sector program to target public sector establishments with higher than average injury and illness rates.
- Development of public sector inspection guidelines.
- Establishment of lumber, wood products, furniture and fixture emphasis program to better target establishments with higher injury/illness rates.
- Development of lumber, wood products, furniture and fixture inspection guidelines.
- Establishment/training of homeland security/emergency preparedness response team.
- Safety and health technical assistance was provided to first responders, employers and North Carolina citizens following hurricanes.
- Establishment of inspection guidelines for long-term care emphasis program.
- Relocation of Winston-Salem Compliance field office.
- Initiated defensive driving training for OSH Compliance field staff.

Consultation Program

During FY 2004 the Bureau of Consultative Services continued to provide services to the employers and employees in both the private and public sectors. The bureau conducted 1,168 total consultative visits:

- 803 (69 percent) safety visits; 351 (30 percent) health visits; 14 (1 percent) tree felling visits.

- 945 (81 percent) initial visits; 109 (9 percent) training/assistance visits; 100 (9 percent) follow-up visits; 14 (1 percent) tree felling visits.
- 885 (76 percent) private sector visits; 269 (23 percent) public sector visits; 14 (1 percent) tree felling visits.
- 272 (23 percent) manufacturing visits; 220 (19 percent) construction visits; 393 (34 percent) other type visits; 269 (23 percent) public sector visits; 14 (1 percent) tree felling visits.

Hazards identified and eliminated as a result of consultative visits totaled 8,381, up from 8,103 in FY 2003. Of these, 5,919 (71 percent) were serious hazards and 2,462 (29 percent) were other-than-serious hazards.

Public sector visits were down 22 percent, from 328 in FY 2003 to 269 in FY 2004.

In FY 2004 consultants also conducted 641 safety and health interventions, which included speeches, training programs, program assistance, interpretations, conference/seminars, outreach and other interventions.

The Safety Awards Program celebrated its 58th year with another successful season. The Gold Award was presented to employer sites with a total lost workday case rate (lost and restricted workdays included) at least 50 percent below the state average for its industry. The Silver Award went to employer sites with a lost workday rate at least 50 percent below the state average. Thirty safety award banquets were held—with 2,487 in attendance. There were 1,520 Gold Awards, 331 Silver Awards, and 87 Million-Hour Safety Awards for a total of 1,938 annual safety awards distributed in FY 2004.

The recognition programs also enjoyed another year of growth and success. Eleven new Carolina/Rising Star sites were recognized, 11 Carolina Star sites were recertified, and 36 first-time Star interventions were conducted. There are currently 71 companies in the Star programs.

As part of a pilot project monitored by federal OSHA (*Note: third year of pilot project*), Independent Star Assessors (ISAs) assist in the Carolina Star application process. In FY 2004, the state received its first application and report from an Independent Star Assessor performing as the team leader during a Star evaluation. The ISAs also serve as safety and health mentors to potential Carolina Star site employers and provide publicity about the program to their contacts during the normal course of their safety and health work. The recognition program staff conducted two Independent Star Assessor training sessions in FY 2004, and nine safety and health professionals were certified as ISAs. A total of 74 safety and health professionals have been certified as Independent Star Assessors since the program was established.

In addition to using ISAs as resources to assist our recognitions programs, the bureau is developing a resource program similar to the federal OSHA Special Government Employees (SGEs) Program during FY 2005. This program will utilize the services of permanent, full-time Star sites (i.e., Carolina, Rising, Building or Public Sector) that meet participation requirements established by the OSH Division and act in the capacity of a volunteer while assisting NCDOL staff in conducting onsite Star evaluations. Implementation of the program is an additional

creative approach to enable the state to leverage limited resources and improve the effectiveness of the Star sites and program. The recognition programs, while managed by the Bureau of Consultative Services, continue to utilize resources provided by the Compliance Bureau for on-site evaluations, with Compliance and Education, Training and Technical Assistance helping to promote participation in the recognition programs.

During FY 2004 the recognition programs added the Public Sector Star. This new program is better designed to meet the needs of state and local government facilities that elect to go beyond the minimum safety and health requirements. Currently there are three state agencies working on their Public Sector Star applications.

The bureau continues to reach small employers and encourage participation in the Safety and Health Achievement Recognition Program. In FY 2004 the bureau recognized 25 SHARP-related worksites, the second highest figure the state has ever recognized.

Consultative Services Bureau											
FY 2004											
COMPARISONS	FY94	FY95	FY96	FY97	FY98	FY99	FY00	FY01	FY02	FY03	FY04
Safety	434	539	431	341	443	462	636	592	661	830	803
Health	142	200	162	184	214	280	198	227	268	365	351
Tree Felling	91	43	0	11	29	19	18	37	11	27	14
Total	667	782	593	536	686	761	852	856	940	1,222	1,168
COMPARISONS	FY94	FY95	FY96	FY97	FY98	FY99	FY00	FY01	FY02	FY03	FY04
Initial	527	606	500	438	528	609	693	639	772	997	945
Training & Assistance	29	70	53	65	86	75	94	115	108	106	109
Follow-up	20	63	40	22	43	58	47	65	49	92	100
Tree Felling	91	43	0	11	29	19	18	37	11	27	14
Total	667	782	593	536	686	761	852	856	940	1,222	1,168
COMPARISONS	FY94	FY95	FY96	FY97	FY98	FY99	FY00	FY01	FY02	FY03	FY04
Manufacturing	225	334	311	272	232	207	224	321	218	294	272
Construction	39	44	35	68	89	92	209	250	250	258	220
Other	200	273	182	110	261	294	305	174	276	315	393
Public Sector	112	88	65	75	75	149	96	74	185	328	269
Tree Felling	91	43	0	11	29	19	18	37	11	27	14
Total	667	782	593	536	686	761	852	856	940	1,222	1,168
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Total	667	782	593	536	686	761	852	856	940	1,222	1,168

Education, Training and Technical Assistance Bureau (ETTA)

FY 2004 Accomplishments

The ETTA Bureau this year continued its focus on increasing efficiency in providing outreach training to workers in high-risk industries and establishing its role in the area of homeland security and emergency preparedness. The work of the bureau included areas in rulemaking, partnerships, training, outreach, homeland security and publications.

Rulemaking: The bureau work plan included rules clarifying and specifying safety requirements for communication towers as well as the adoption of other OSHA standards.

Partnerships: The bureau has a number of partners in industry. ETTA worked to develop other partnerships that will benefit the North Carolina workplace, such as those with Boat People SOS and the American Home Furnishings Alliance (formerly American Furniture Manufacturer's Association). The division signed four new partnerships and/or alliances in fiscal year 2004.

Training: During FY 2004 the bureau expanded its offerings of 10- and 30-hour courses tailored to the strategic emphasis items in North Carolina. Outreach—utilizing the bureau's mobile classroom—continued to provide training to workers in high-risk industries such as construction, logging and agriculture at their worksites. The division's fielding of two training trailers used for construction and logging/arborist training was enhanced by the acquisition of many new training aids, such as scale model and full-scale scaffolds and components, job-made ladders, etc. The OSH Division provided training for 21,169 employers and employees in FY 2004, doubling its results from the previous year. The division is well on the way to exceeding the five-year goal of 75,000 people trained by 2008.

Outreach: All areas of ETTA are involved in outreach efforts. In the standards section there were 6,367 electronic or telephone inquiries answered in FY 2004. The bureau no longer shares one position with the ASH Bureau, but has hired an additional employee with the requisite language skills to help meet the needs of the Spanish-speaking workforce.

Homeland Security: The bureau has clarified its roles, responsibilities and needs relative to homeland security and emergency preparedness. The department has become an integral part of the state's emergency response organization and can play a part in disaster response as "second responders" and trainers for "first responders." The department's State Emergency Management Plan (SEMP) is still in the draft stage, and there is still much to be investigated before all long-term goals can be set.

Publications: In FY 2004, the bureau distributed 54,635 publications in support of the division's outreach and regulatory goals. Management of the publications function has improved by acquiring better inventory/invoice management software, as well as employee training to use it

efficiently. The time from receipt of an order to shipping the publications averaged one work day during FY 2004.

Planning, Statistics and Information Management (PSIM) Bureau FY 2004 Accomplishments

The Planning, Statistics and Information Management Bureau responds to statistical data requests and requests for the release of OSH Division investigative file documents. PSIM also gathers and analyzes injury and illness data by conducting two annual surveys. The bureau also archives all OSH Compliance investigative files. PSIM Bureau maintains the OSH Division inspection targeting system and maintains statistical data in support of the OSH Division's Strategic Plan.

Highlights of PSIM Bureau for FY 2004 include:

- Completed the public sector survey (collection of calendar year 2002 injury and illness data) of 1,000 randomly selected sites with a 97 percent response rate and a 100 percent clean rate. Thirty-four non-responders referred to Legal Affairs Division.
- Revised the public sector database to reflect how each public sector employer would prefer to be surveyed in FY 2005—by department and/or establishment.
- Mailed 3,461 public sector employers the public sector survey to collect calendar year 2003 data.
- Updated and released a site-specific public sector targeting schedule.
- Analyzed private sector site-specific assignment results.
- Initiated analysis of general schedule assignments for FY 2000-2002.
- FY 2003 construction inspection data analyzed.
- Various targeting schedules were updated and assignments released:
 - SST Schedule
 - Silica and Lead Schedule
 - Public Sector Schedule
 - General Schedule
- Developed a new Special Emphasis Program (SEP) targeting schedule for Lumber and Wood Products (SICs 24-25, excluding 2411).
- Currently developing an OSH private sector database to supplement our exclusive use of the Employment Security Commission database.
- Completed OSHA Data Initiative (ODI) survey data; 11 ODI audits were completed.
- Completed collection of ODI data for calendar year 2003, with a 97 percent response rate and a 100 percent clean rate. Three survey mailings and more than 800 phone calls were made to 2,935 survey participants resulting in only 70 outstanding surveys.
- Sorted and boxed approximately 5,859 OSH closed inspection files, closed FY 1997 through mid-FY 1999; 187 boxes were prepared for shipment to an external imaging contractor.

- Received 737 disclosure requests in FY 2004, processed 622 requests during this fiscal year, and as of Sept. 30, 2004, the bureau had 123 outstanding requests for OSH file documents. Of the 123 outstanding requests, 50 were releasable and in backlog status waiting to be processed. Seventy-three of the 123 were in holding status because they were not releasable to the third-party requester as of the end of the fiscal year. Ninety of the requests processed this year were originally received in previous fiscal years. In addition to the 622 processed, 82 requests were canceled or could not be honored because it was determined that there was no OSH investigative file related to the request.

Standards and Inspections

Apprenticeship and Training Bureau

The Apprenticeship and Training Bureau is the administrator in North Carolina of the National Apprenticeship Act of 1937. The bureau approves apprenticeship programs, maintains records and issues completion certificates to apprentices who complete apprenticeship training.

The bureau's primary roles, working through its consultants, are to promote and develop new apprenticeship programs among North Carolina employers, to service existing programs, and to certify completers.

In North Carolina apprenticeship is a voluntary system of employee training combining on-the-job training and related instruction to form a quality training system for employers throughout the state. The apprentice learning a trade is taught by a skilled journeyman.

Related technical instruction, the core technical training of about 144 hours per year, is typically provided by a local community college or a local training vendor. Apprenticeship is a practical, effective and cost-efficient mechanism for the training of essential high-skilled workers needed by business and industry in the state.

Apprenticeship programs, which generally take three years to four years to complete, are established in 925 occupations in North Carolina. Wages usually begin at about half the journeyman rate, but never below minimum wage, and rise as the apprentice progresses through the program, gaining skill and competence.

Highlights from FY 2004 include:

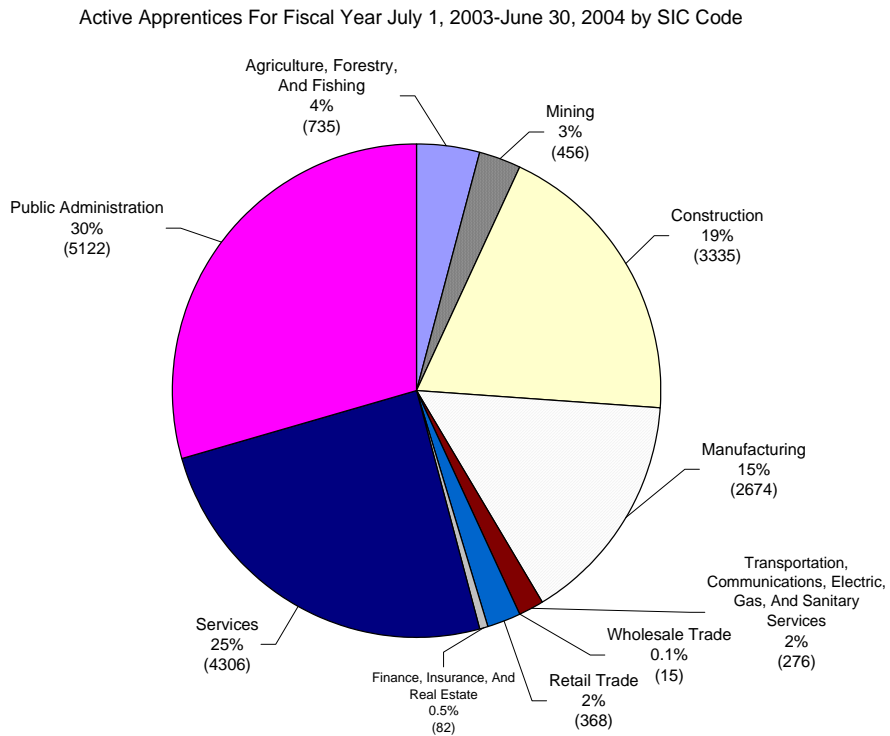
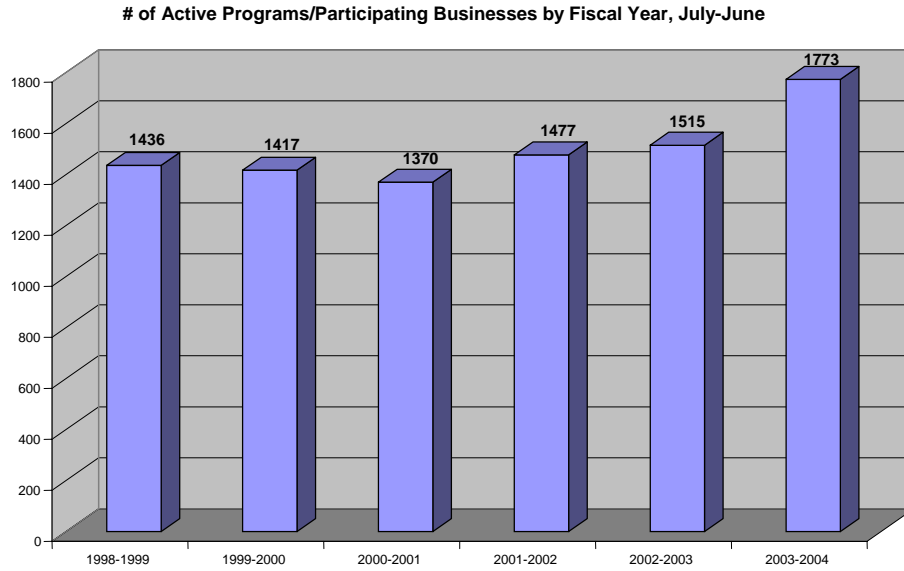
- The number of new registrations (6,383) stayed above 6,000 for the second straight year. Bureau productivity is at an all-time high.
- Completions rose 36 percent in FY 2004 to 3,180 from 2,017. The number of completions topped 3,000 for the first time in the bureau's history.
- Cancellations fell to 1,250, compared to 1,426 cancellations in FY 2003.
- The bureau served 17,369 citizens in FY 2004—a record for the bureau.

Most of Apprenticeship and Training's active registrations were in public administration (5,122), followed by services (4,306), construction (3,335) and manufacturing (2,674). The top trades among active registrants in FY 2004 were correctional officers, power line technicians, teacher assistants, fire fighters, electricians, ironworkers, elevator constructor mechanics, maintenance mechanics and chemical plant operators.

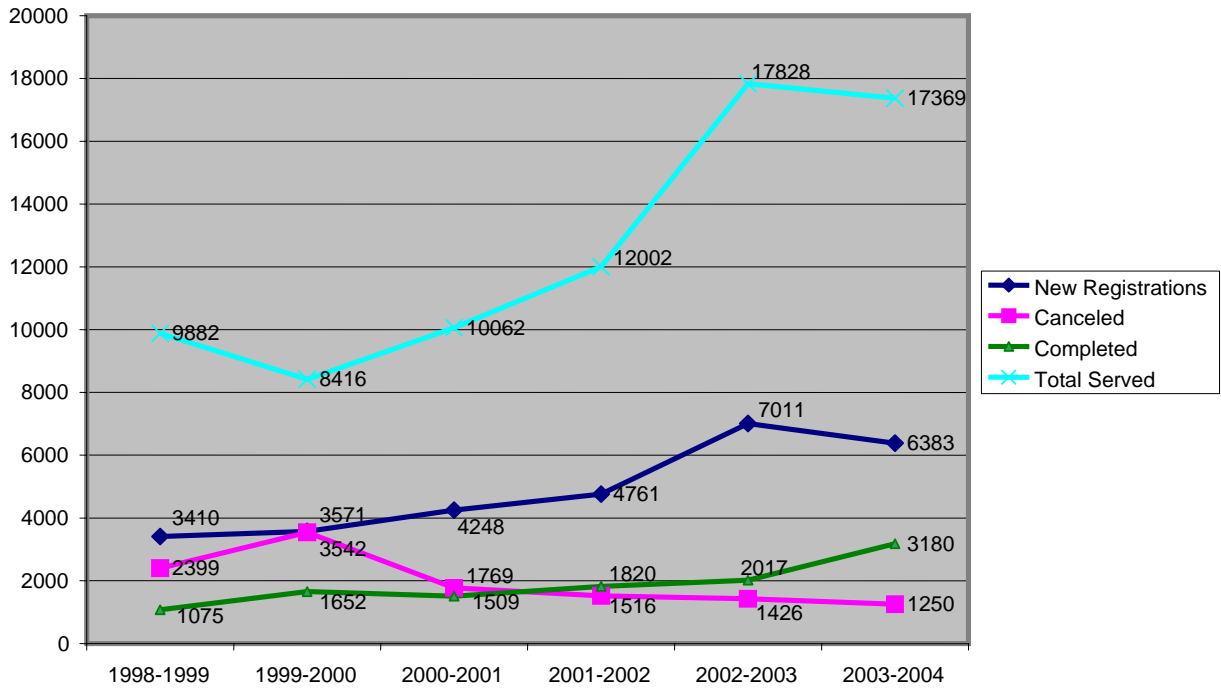
Other accomplishments of the bureau include:

- **N.C. Department of Corrections Employees:** A statewide apprenticeship program for correctional officers was developed and 52 of 79 correctional facilities in the state are registered. The remaining facilities will be registered in 2005. The bureau registered 1,937 apprentices and is working on 5,000 more.
- **N.C. Department of Corrections Inmates:** The bureau is in the process of registering more than 2,000 inmates. Two hundred sixty-nine inmates are currently registered.
- **Air National Guard:** The bureau registered 627 apprentices in 105 different occupations. The master craftsman program will register nearly 300 master craftsmen in 2005.
- **Duke Power:** The bureau completed programs for nuclear operators and nuclear reactor security officers and registered 22 apprentices. This year marks the first year of the Duke Power apprenticeship program. The program will assist veterans in receiving their GI benefits while working at Duke Power.
- **GI Bill Benefits:** The bureau is the state approving agency (SAA) for GI Bill benefits for veterans involved in apprenticeship and on-the-job training. The bureau is currently promoting that veterans are eligible for GI benefits if they are enrolled in apprenticeship and on-the-job training programs. We contact all military personnel upon release from active duty to make them aware of benefits available through apprenticeship. Mass mailings to manufacturing and construction companies also were mailed to increase awareness.
- **VA Approval:** The bureau approved 230 VA programs. As of Sept. 30, 2004, 125 apprentices were involved in the program and applying for benefits. An eligible veteran with all benefits and two dependents could receive up to \$21,037.14 during 45 months of apprenticeship training.
- **Eastern Band of Cherokee Indians:** An environmental technician apprenticeship program is now registered with the Eastern Band of Cherokee Indians Tribal Environmental and Natural Resources Office (TERO). One apprentice is currently registered. We are working to develop construction trades for tribal members. TERO plans to require construction companies working long-range projects on the reservation to sponsor apprenticeship programs to grow the construction trades and skill base of tribal members.
- **Gold Toe:** Registered a new knitter technician program with 142 participants. Twenty more are in the process of registering.
- **Statewide Fire Fighters:** Registered programs across the state for fire fighters.
- **High Schools:** Registered 496 high school apprentices across the state.
- **Occupational Course of Study Recognition:** We began a yearly recognition program for students in OCR. One hundred seventy-five students received credentials.

The bureau currently holds five apprenticeship contests at the N.C. State Fair in masonry, carpentry, electrical, plumbing, and heating and air conditioning.



Total New Registrations, Cancellations, Completions and Total Served
July 1-June 30



Boiler Safety Bureau

Vision

The Boiler Safety Bureau strives for total boiler and pressure vessel safety in North Carolina and for the prevention of catastrophic failures of pressure equipment.

Mission

The mission of the Boiler Safety Bureau is to protect life, property and the environment from the hazards of pressure equipment failures.

FISCAL YEAR 2003-04	
Number of boiler and pressure vessels registered in North Carolina	95,817
Number of new boiler and pressure vessel installations inspected	5,390
Number routine inspections	48,671

Number of follow-up inspections	1,374
Number of objects placed out of use	6,552
Number of compliance visits	2,769
Number of half day shop inspections	726
Total special inspection hours	181
Number of certificates issued	49,757
Number of violations identified	1,958
Number of boiler and pressure vessel incidents investigated	3
Number of injuries resulting from incidents	1
Total inspection fees invoiced	\$1,909,780

Summary

- 14 state inspectors and 219 insurance inspectors commissioned to file inspection reports.
- Inspections backlog maintained at just over 1 percent for insurance and state inspections.
- Two accidents resulting in death were caused by operator error.
- Boiler website updated with ALERTS to identify problems in the industry.
- Graduated two inspectors from the inspector apprenticeship program.

Elevator and Amusement Device Bureau

For fiscal years 2002, 2003 and 2004, the following inspections, by category of equipment, were made by the Elevator and Amusement Device Bureau:

In new equipment

	2001-2002	2002-2003	2003-2004
Elevators	978	889	820
Dumbwaiters	18	20	18
Escalators	45	31	24
Handicap Lifts	94	111	114

	2001-2002	2002-2003	2003-2004
Alterations	345	464	516
Hoist/Personal & Material	39	25	29
New Compliance	549	434	390

Periodic Inspections

	2001-2002	2002-2003	2003-2004
Elevators	15,430	15,058	14,890
Dumbwaiters	602	575	477
Escalators	539	534	558
Handicap Lifts	1,038	1,002	1,047
Compliance	799	1,281	979
Amusement Devices	5,567	5,708	5,507
Tramways/Ski Lifts	48	51	99
Accident Investigations	64	73	47
Total	24,087	24,282	23,604

In FY 2002, inspectors traveled 394,369 miles, inspected 19,911 units and collected fees totaling \$2,599,386. In FY 2003, inspectors traveled 416,424 miles, inspected 18,296 units and 5,708 amusement devices, and collected fees totaling \$2,673,048. In FY 2004, inspectors traveled 426,231 miles, inspected 19,862 units and 5,507 amusement devices, and collected fees totaling \$2,810,415. These numbers represent all new and periodic inspections conducted by the bureau.

This is the third year that the bureau has been fully self-supported.

Employment Discrimination Bureau

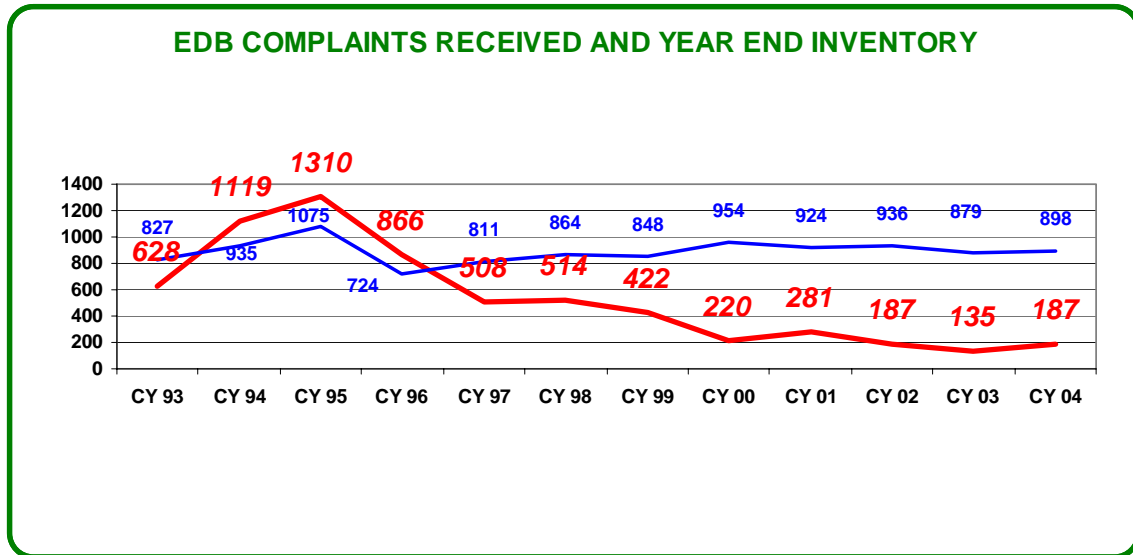
The Employment Discrimination Bureau enforces the 1992 Retaliatory Employment Discrimination Act. REDA was enacted following the disastrous fire in Hamlet. The law incorporated whistleblower protections from the Wage and Hour Act and the Occupational Safety and Health Act. Additional provisions were added to protect workers' compensation claimants, hemoglobin C and sickle cell carriers, and later, employees subject to genetic testing, National Guard service and involvement in the juvenile justice system. A new protection was added in 2004 for victims of domestic violence.

EDB receives oversight from the Occupational Safety and Health Administration under a contract that requires the bureau to be "as efficient as" the federal agency in enforcing occupational safety and health whistleblower protections.

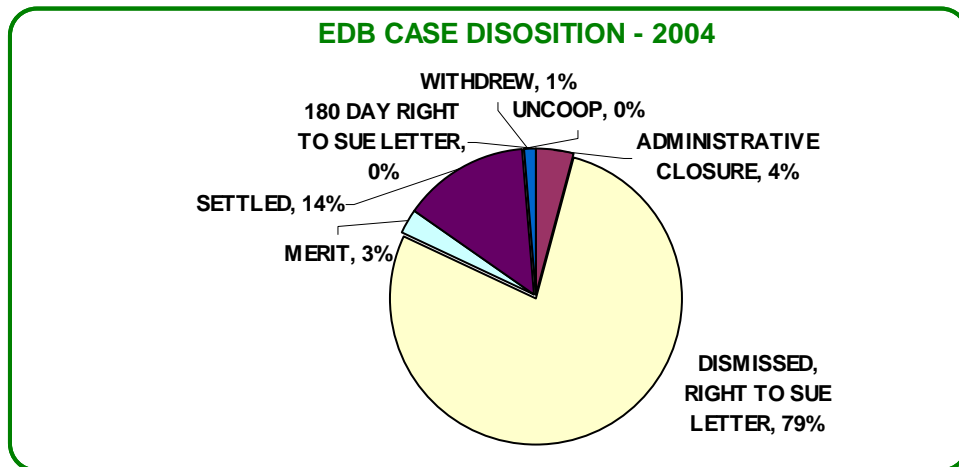
The bureau consists of eight investigators and an information officer who screens potential complaints, handles public inquiries and handles assignment of cases. There has been no turnover of the investigative staff in six years.

EDB receives approximately 75 REDA complaints each month. The bureau has revised the process for investigating complaints over the past few years, and as a result, there has been a dramatic impact on case inventory.

In CY 2004, the bureau received 898 complaints and had an ending inventory of 187 cases. The bureau continued to drastically reduce the backlog of complaints by completing 89.2 percent of all cases in 90 days.



Historically, 79 percent of REDA complaints are based on workers' compensation claims, 11 percent on safety and health concerns, and 10 percent on wage and hour matters. There were slightly higher than normal wage and hour and safety and health complaints in 2004.



The emphasis in 2004 was on early resolution and settlement of REDA complaints. The bureau continued to contact both the complainant and the respondent employer within 10 days of receiving the complaint. EDB was able to intervene in the alleged retaliatory or discriminatory act earlier. Violations were found in 17 percent of all complaints completed in 2004. The bureau was able to settle 13.9 percent of the 846 cases closed in 2004. In addition, several cases were forwarded to the attorney general for litigation.

Mine and Quarry Bureau

The Mine and Quarry Bureau has administered state laws on the operation and inspection of mines and quarries since 1897. As administrator of the 1975 Mine Safety and Health Act of North Carolina, the bureau offers a broad range of education and training programs, technical assistance, and consultative services to implement provisions of the act. Currently, more than 430 private sector mines, mills, quarries, and sand and gravel pit operations employing more than 4,580 miners and contract workers are under its jurisdiction.

The bureau also assists the minerals industry in complying with the provisions of the 1977 Federal Mine Safety and Health Act. The act requires operators to meet specific standards, including the training and retraining in safe work practices and procedures of their employees, as well as independent contractors working on mine property.

On Oct. 2, 2000, the Mine Safety and Health Administration started enforcing a new training regulation, 30 CFR, Part 46, which requires training and retraining of miners engaged in shell dredging or employed at sand, gravel, surface stone, surface clay, colloidal phosphate or surface limestone mines.

This rule also requires independent contractors working on mine property to receive the same training. In 2001 the bureau developed a Part 46 training plan and scheduled introductory seminars and training sessions across the state specifically for contractors. In 2004 the bureau continued to provide assistance with training plan development and training for contractors.

Currently, the bureau operates with a staff of nine, including a bureau chief, assistant bureau chief who also performs the duties of a mine safety and health representative, two clerical assistants, and five mine and safety health representatives. The bureau continues to operate with one vacant position. All safety and health representatives work out of their homes and are responsible for serving a specific territory in the state.

The following data compare the activities and accomplishments of the last three years. The contractor and miner training figures are combined.

Mine and Quarry Statistics	2002	2003	2004
Injury incidence rate	2.37	3.70	N/A
On-site training of miners and contractors	7,430	6,480	6,970
On-site training programs conducted	251	404	406
Number of mine safety and health instructors trained (# of sessions)	32 (2)	21 (2)	66 (3)
Number of people trained in explosives safety (# of sessions)	135 (6)	119 (7)	138 (4)

Number of Parts 46 and 48 miners/contractors trained and retrained	3,679	3,802	3,812
Number of on-site technical assistance and consultative services provided	3,861	3,773	3,885
Annual inspections and evaluations of active and abandoned mines	100%	95%	95%
Total number of inspections and evaluations conducted	623	515	545
Number of education and training programs provided	451	439	452

Wage and Hour Bureau

The Wage and Hour Bureau administers the N.C. Wage and Hour Act, which includes the minimum wage, overtime pay and wage payment (promised wages including wage benefits, such as vacation pay, sick leave, holiday pay, and bonuses and commissions). The bureau ensures employers make, keep and preserve records of hours worked, wages paid, and other conditions and practices of employment necessary for the enforcement of wage and hour laws.

The bureau issues youth employment certificates to preserve young worker’s rights. The bureau also enforces the statutes that regulate the licensure and reporting requirements of private personnel service and job listing service agencies, payment of furnishing any records as part of the hiring process, and the Controlled Substance Examination Regulation Act. The bureau is responsible for the department’s toll-free telephone system and handles about 75 percent of all calls placed to the system. Calls are referred to the appropriate bureau within the department or the appropriate local, state or federal agencies.

The bureau achieved the following milestones:

- Customer service level in the call center reached an all-time high at 94.9 percent.
- Number of investigations opened increased by 10.7 percent and the number of investigations closed increased by 27.6 percent when compared to the previous year.
- Implemented a pilot program for automated issuance of youth employment certificates in four counties: Cumberland, Guilford, Mecklenburg and Wake.
- A joint state-federal labor law seminar series was implemented and deemed highly successful based on participant feedback.
- Returned over \$1 million in lost wages to employees for the fourth consecutive year.

The bureau also continued to improve the services it offers to citizens by:

- Increasing the percentage of “factual determination” investigations involving in-state employers by 1 percent compared to last year.

- Increasing the percentage of investigations resolved without further investigation to 35 percent compared to 33 percent during the previous year.
- Decreasing the percentage of “no-response” investigations involving in-state employers to 2.3 percent compared to 5.1 percent during the previous year.
- Increasing voluntary compliance through increased training and outreach presentations and seminars.
- Increasing emphasis on partnerships with employer-representative organizations.

To improve the internal capacity of the staff, the bureau:

- Completed computer modernization efforts for all staff positions and acquired new technology to enhance automated delivery of customer service.
- Continued the “mentor” program for all positions and incorporated staff training as part of all scheduled meetings.

A comparison of calendar years 2002 to 2004 details the work of the bureau:

Work Accomplished	2002	2003	2004
Investigations Opened	5,903	5,878	6,509
Investigations Closed	5,918	5,358	6,835
Non-Complaint Investigations	743	501	206
Youth Employment Certificates Issued	71,167	68,061	71,170
Public Presentations	266	305	253
Persons Trained	3,280	7,282	5,299
Technical Assistance Visits	635	535	499
Number of Calls Received	108,422	102,089	99,052
Number of Calls Answered	99,987	96,611	94,031
Wage Assessments	\$1,220,336	\$1,341,921	\$10,283,533
Wage Collections	\$1,307,961	\$862,022	\$1,312,013
Penalties Assessed	\$61,394	\$66,016	\$50,377
Penalties Collected	\$57,341	\$36,406	\$14,780

I wish to acknowledge the cooperation of all the fine employees of the various divisions of the Department of Labor who made possible the many accomplishments and services to the people of North Carolina that are recorded in this report. The dedication shown by these employees helps make North Carolina a safe and healthy place to work and live.

*Cherie K. Berry
Commissioner of Labor*