

# OSHA Inspections can Co-Exist with Business Interests

OSHA's workplace inspections are designed to reduce the likelihood of on-the-job injuries. However, since OSHA's instatement, critics have made claims that their inspections are bad for business, leading to profit loss and potential layoffs. In spite of these charges, the latest research seems to suggest that OSHA inspections can co-exist quite peacefully with business interests.

Researchers recently looked at data from 409 California businesses that had been randomly inspected by OSHA and 409 similar workplaces that were not inspected. Their aim was to compare worker safety and corporate bottom lines in high-hazard industries.

Michael Toffel, an associate professor at Harvard Business School who headed up the research project, said that workplace inspections seemed to work the way they were intended to. In his words "They improved safety, and they did not cost firms enough that we could detect it." Specifically, the OSHA inspections were not so disruptive or costly that they affected sales, led to layoffs, caused financial instability or induced firm closure, as critics might suggest.

On the contrary, the research indicated that in high-hazard industries, inspections reduced worker injury claims by 9.4 percent and cut workers' compensation costs by 26 percent in the four years following inspection, compared with similar uninspected plants. Because of the decrease in workers' compensation claims following an inspection, companies saved an average of \$355,000 in injury claims and compensation for lost work, with no apparent impact on profits.

It is likely that the inspected firms learned of weaknesses

and were able to correct deficiencies related to worker safety at their firm. Moreover, the inspections probably reminded firms to follow existing safety programs and to meet existing safety standards set by OSHA.

While the Occupational Health and Safety Act was put into place more than 40 years ago to help promote workplace safety, it is not a fail-proof guarantee that workplace accidents and injuries will not occur. In fact, workers are injured on the job or disabled from an occupational disease every day in the United States.

Luckily, the [Workers' Compensation Act](#) provides benefits to Pennsylvania workers in these circumstances. Although no one wants to experience the physical and emotional trauma that can result from workplace injuries, employees may be entitled to benefits as compensation for their suffering and lost earnings.