

GAO Highlights

Highlights of [GAO-19-235](#), a report to congressional committees

Why GAO Did This Study

DOD is the largest contracting agency in the federal government, obligating about \$320 billion for contracts in fiscal year 2017. Some DOD contracts—including some in the manufacturing and construction industries—involve work that can be dangerous, and questions have been raised about working conditions for these workers.

The National Defense Authorization Act for Fiscal Year 2018 includes a provision for GAO to review issues related to the safety and health records of DOD contractors. This report examines: (1) the incidence of prior serious safety or health violations among selected companies with DOD manufacturing and construction contracts, and (2) how DOD and selected DOD components address contractor workplace safety and health during the acquisition process. GAO matched federal contracting data for fiscal year 2017 to OSHA inspection data for fiscal years 2013-2017 (most recent available); interviewed officials from OSHA, DOD, selected military departments, and selected DOD components; reviewed documentation from six selected DOD contract files; and reviewed relevant federal laws and regulations, policy, and guidance.

What GAO Recommends

GAO is making one recommendation to OSHA and two recommendations to DOD to enhance available information on contractor workplace safety. OSHA neither agreed nor disagreed with GAO's recommendation, but planned to take action to address it. DOD agreed with the recommendations.

View [GAO-19-235](#). For more information, contact William T. Woods at (202) 512-4841 or woodsw@gao.gov, or Chelsa Gurkin at (202) 512-7215 or gurkinc@gao.gov.

February 2019

DEFENSE CONTRACTING

Enhanced Information Needed on Contractor Workplace Safety

What GAO Found

Some selected companies with Department of Defense (DOD) manufacturing or construction contracts in fiscal year 2017 were previously cited for serious safety or health violations, according to GAO's analysis of federal data. Of the 192 companies with DOD contracts GAO selected for review, 106 had been inspected by the Department of Labor's (DOL) Occupational Safety and Health Administration (OSHA) or state occupational safety and health agencies during fiscal years 2013 through 2017. These inspections resulted in 83 companies being cited for at least one violation, including 52 with at least one serious violation (see figure). However, available data do not allow a determination of whether these violations occurred during work on a DOD contract because OSHA inspection data do not include that information.

Number of Selected Defense Contractors Previously Cited for Occupational Safety or Health Violations, Based on Inspections Conducted from FY 2013 to 2017



Source: GAO analysis of federal procurement data and OSHA inspection data. | GAO-19-235

The incidence of violations among all inspected companies with DOD contracts cannot be determined because OSHA does not require its staff to obtain and enter a corporate identification number in its inspection data, which is needed to match contracting data to inspection data. As a result, OSHA's data do not consistently include these numbers, and users of OSHA's website cannot use these numbers to search for companies' previous violations. According to federal internal control standards, management should share the quality information necessary to achieve the entity's objectives. Unless OSHA explores the feasibility of requiring a corporate identification number in its inspection data, website users will likely have difficulty obtaining accurate information on individual companies' previous violations.

DOD contracting officials have opportunities during the acquisition process to address contractor workplace safety and health. For example, before awarding certain types of contracts, officials may consider workplace safety and health information when they evaluate prospective contractors' performance on past contracts. However, the past performance information that is available for officials to consider varies by DOD component. One component has a practice of requiring construction contractors to be rated on workplace safety at the completion of the contract, but DOD does not require a safety performance rating department-wide. As a result, contracting officials in other components may lack readily accessible information on contractors' past safety performance, and DOD may miss opportunities to consider safety concerns when awarding new contracts, particularly those in high-risk industries with relatively high rates of occupational injuries, such as manufacturing and construction.