

“An Overlooked Asset: the Defense Civilian Workforce”

My name is Michael Durand, and I'm Deputy Treasurer of Local 1138 of the American Federation of Government Employees (AFL-CIO).

Senator Voinovich, on behalf of the members of Local 1138, I want to thank you for this opportunity to make a statement today to you and the members of this Oversight Subcommittee.

First, I will address the four major concerns that you outlined in your letter of April 12th. Then I will offer some solutions to these personnel challenges for your consideration.

#1. It is my opinion that the civilian workforce at Wright-Patterson Air Force Base has been severely demoralized because of the continued reduction-in-force to which we have been subjected nearly every year for the past decade. This is especially true among the younger population, who no longer see employment at Wright-Patt as a long-term option. This continuous downsizing affects how they view their future. It affects how they perform their jobs. It affects their motivation because opportunities for advancement become fewer with each surplus action. In better times they would be on a fast track. Today their government careers are dying on the vine.

#2. It is my perception that the DOD 2001 and 2002 fiscal year authorization bills which offered early retirements and separation incentives gutted the civilian workforce of its knowledge base. Furthermore, in conjunction with the downsizing, the remaining employees have been stressed by the additional workload imposed on them and upset (once again) by the lack of promotional opportunities and mobility in their careers.

#3. The proposed reductions for fiscal years 2003 and 2004 will continue this cycle of despair. This is the worst time, as we ponder our fate--before the first wave of notices are sent out. The questions begin. Will I lose my job this round, or just be transferred again? Will I be down-graded this time? Managers and supervisors worry about losing their key employees-- the ones with the most knowledge, the most dedication. They also face the possibility of being displaced, downgraded, or laid off themselves. Every reduction-in-force I have witnessed has created an atmosphere of complete turmoil and confusion, in spite of the fact that it has become an annual ritual at Wright-Patt. It just gets worse, not better. In a Memorandum dated October 25, 2002 the Air Force Materiel Command announced the new reductions, with the caveat that there is virtually **no chance** that the projections will decrease, but decisions by the Air Force **may very well increase** the Command's total share of the 2004 reduction mandate as well as those of the out-years. That's hardly encouraging news for the workforce here.

#4. Possible changes to the law that would enhance the Department of Defense's ability to manage its civilian workforce should include the following:

- a.** Require agencies to identify what happens to the workload from

positions subject to proposed surplus actions. For example, will the work be distributed to other positions of like kind and grade? If not, what affect will eliminating the workload have on the mission of the organization?

b. Require payoffs and voluntary retirement incentives to be separate from the downsizing process. Vacancies resulting from incentives (usually targeted for the older population nearing retirement age) will provide promotional opportunities for the remaining workforce. This would have a positive effect on moral and offset the negative impact of surplus actions. If surplus actions are deemed necessary, they should be determined by factors other than the fact that a position was voluntarily vacated by the incumbent.

Now I would like to discuss a corollary issue that is directly related to workforce moral and stability for your consideration. It is the issue of contract services. During the past decade, the Pentagon has **decreased** its civilian workforce by nearly 300,000 while **increasing** its cost of contract services by 40%. I would like to propose the following legislation to provide a level playing field for the civilian workforce when our jobs are on the chopping block.

#1. Place a moratorium on contracting out jobs traditionally performed by civilians until an accounting is completed which identifies the number of contract employees which have been hired to replace civilian employees, the cost of such contracts, and the work being performed. Statistics from this database should be accessible to the public as well as other governmental agencies, labor organizations, the media, etc. The civilian workforce should be allowed to bid on these contracts as they are renewed.

#2. Free agencies from privatization quotas (whether self-imposed or imposed by the Office of Management and Budget). This will take the pressure off of agency managers to contract out services that are more efficiently performed in-house by knowledgeable career employees.

#3. Allow federal employees to compete for their own jobs as well as for new work in order to save money for taxpayers. This would eliminate the discretion by DOD managers to simply give most work to contractors without any public-private competition.

#4. Make the competition process more equitable and more accountable by providing federal employees with the same legal standing enjoyed by contractors.

In closing, I believe the Air Force should slow down its downsizing in view of what is happening internationally. With all the challenges facing our country -- the constant threat of more terrorist attacks, and a possible pre-emptive attack on Iraq by our military forces -- it defies reason for the Air force to carry out its arbitrary manpower reductions for the current fiscal year and beyond. During this time of uncertainty and insecurity, downsizing the civilian workforce should be put on hold.

Furthermore, more than 5,000 federal employees have already been called into active duty and deployed to overseas locations. How many of these 5,000 civilians work at Wright-Patterson? Who will do their jobs while they are gone? Will their absence from the workplace be considered in the current downsizing equation? These questions need to be addressed before any further manpower reductions are even considered.

For now, thank you for listening and giving me this opportunity to make a statement on behalf of the members of AFGE Local 1138. I hope we can do this again.