



For Immediate Release
November 1, 2011

Contact: Dina Long
(202) 572-5500, ext. 7058

NTEU President Says Workforce Reduction Bill Undermines Essential Government Services; Shifts Work to Costly Contractors

The leader of the nation's largest independent federal employees union today called on members of Congress to reject legislation that proposes an ill-advised reduction of the federal workforce threatening vital government services.

"This bill is simply wrongheaded, misguided and based on false assumptions," said Colleen M. Kelley, president of the National Treasury Employees Union (NTEU). "Every day, federal employees guard our borders, protect our food supply, safeguard our nuclear plants, assist taxpayers, and complete critical tasks for the American people. This legislation undercuts their important work and endangers the public."

In a letter to the members of the House Committee on Oversight and Government Reform, Kelley asked them to reject H.R. 3029, sponsored by Rep. Mick Mulvaney (R-S.C.), which calls for reducing the federal workforce by 10 percent by 2015. The bill is expected to be marked up by the committee on Thursday.

"[H.R. 3029] is based on the erroneous assumptions that the federal workforce is too large and that reducing staff will save the taxpayers' money. The bill is wrong on both counts, and will lead to a significant reduction in services to the taxpayers," Kelley wrote. "Furthermore, the bill's language purports to limit shifting work to private sector contractors, but there is a huge loophole that will not, in fact, prevent such a shift. Private contractors generally cost more, are less accountable, and are unable to do the work as well or as efficiently as federal workers."

In the letter, Kelley noted that the federal workforce is already significantly smaller than it was decades ago. In 1953, there was one federal worker for every 78 residents, while in 2009 there was only one for every 147 residents, according to Office of Personnel Management (OPM) data. Moreover, OPM reports there were 200,000 fewer non-postal executive branch employees in 2009 than in 1968.

The NTEU leader warned that this proposal would even further slash the number of employees that provide critical services. Kelley noted that the Internal Revenue Service (IRS) has 94,346

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employees administering tax law and processing approximately 236 million complicated tax returns, down from 114,018 employees for 205 million returns in 1995. H.R. 3029 would exacerbate this staff shortage by cutting more than 9,400 additional jobs at IRS, causing a loss of taxpayer services and slowing tax returns, Kelley wrote.

She added that Customs and Border Protection (CBP) would have 6,000 fewer employees to handle national security duties; Food and Drug Administration (FDA) would lose 1,250 employees who screen against food poisoning and drug fraud; and Patent and Trademark Office (PTO) would have 1,000 fewer staff to help inventors and small businesses.

“The fact is that federal employees touch our lives in innumerable ways, but this imprudent proposal disregards those contributions and ignores the negative consequences for the American people,” Kelley said.

The NTEU president also pointed to the testimony of Congressional Budget Office Director Doug Elmendorf, who warned of reduced levels of service and that job cuts will not contribute to additional cost reductions as agencies are already operating under caps that provide those savings. Additionally, Kelley warned that H.R. 3029 could actually cost money as it would allow work to be transferred to expensive contractors.

“While the bill claims to limit a shift to private contractors who account for an estimated 10.5 million jobs in the government’s “hidden workforce,” the bill’s language is inadequate,” Kelley wrote. “Under Sec. 2 (h), private contractors are offered an enormous loophole to allow new contracts when there is a claim of ‘financial advantage.’ This will allow agency heads to continue contracting out to expensive firms, a practice that has exploded since 2001.”

NTEU represents more than 150,000 employees in 31 agencies and departments.