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## Workforce cuts might be inevitable

House bill spurs debate on reducing the federal workforce by 10 percent

- By Alyah Khan
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A House bill that would shrink the federal workforce by 10 percent and freeze civilian employee for an additional year is raising concern among experts who say that such cuts could hurt the government's ability to do its jobs. However, advocates and opponents say the proposal, or one like it, has a good chance of succeeding.

"The cuts are likely," said Chris Edwards, editor of the CATO Institute's website <u>downsizinggovernment.org</u>. "They are the low-hanging fruit for Republicans who need a lot of spending cuts this year."



House GOP members had previously pledged to reduce domestic government spending by \$100 billion in a year, but that promise has been revised in recent weeks to possibly \$50 or \$60 billion, according to media reports.

But if the cuts happen, they should be planned judiciously or they could cause chaos in agencies, some observers said. Instead of non-discriminately slashing the workforce, some sources suggested that the Obama administration should begin examining what government services or programs should be eliminated or scaled back.

The "Cut Unsustainable and Top-Heavy Spending" (CUTS) Act introduced by Rep. Kevin Brady (R-Texas) on Jan.7 includes recommendations made by the president's bipartisan debt commission last month, including a workforce reduction and the three-year pay employee freeze.

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Labor unions have rejected the debt commission's workforce proposals and are already criticizing the bill (H.R. 235).

"This bill would reduce agencies' abilities to meet their missions and would likely result in administrative delays, fewer staff to handle increasing workloads, longer phone waits and lines, and fewer resources to handle everything from food safety to social security disability claims," said National Treasury Employees Union President Colleen Kelley.

The Brady legislation calls for the existing pay freeze to extend to 2013 and would require federal agencies to reduce their number of full-time employees by 10 percent over the next decade.

Agency leaders would implement the reduction by hiring "no more than 2 employees in that agency for every 3 employees who leave employment in that agency during any fiscal year," according to the bill's language.

Sources said they think it's unlikely the bill will advance in its current form. But, regardless of what happens with it, Edwards said he

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thinks the workforce decrease and the pay freeze provisions will eventually be proposed by House Republicans.

Edwards said he expects GOP lawmakers to include the workforce cuts as part of a spending package that will likely be proposed when the current continuing resolution expires in March. He added that he sees the cuts as a good move.

"Private companies improve efficiency because they face intense competition and they've got to compete," he said. The federal government never faces such pressure ... I think that cutting the budget is a good thing because it will force efficiencies through the federal bureaucracies."

But Max Stier, president and CEO of the Partnership for Public Service, said in a July 2010 editorial published in Politico, "As history shows, any small, short-term budgetary gains from work force cutbacks are likely to be offset by serious regulatory missteps, more after-the-fact finger-pointing and a continuation of the cycle of failure and mistrust."

John Palguta, vice president for policy and research at the Partnership, added that an across-the-board workforce decrease is unfeasible for some agencies, such as the Veterans Affairs Department.

It would be unacceptable for the VA not to replace doctors or nurses who leave, Palguta explained. Even if the government were to eliminate entire departments, the decrease in the number of fulltime employees would still not be anywhere near 10 percent, he said.

"It's a less than thoughtful way to reduce expenditures," Palguta said. "Our elected representatives should be focusing on getting agreement on what government should stop doing and what government services and benefits should be decreased."

He said extending the existing pay freeze for another year will disproportionately affect some federal employees and could hurt government retention and recruitment.

Palguta and others said lawmakers and White House officials might consider the Clinton administration's effort to reform the way the federal government worked.

Clinton's "reinventing government" campaign ultimately eliminated hundreds of thousands of federal jobs by the end of his administration. But, even though these cuts were done carefully, they still left some agencies short on staff and led to an increase in the contracting workforce, Palguta said.

Jon Desenberg, senior policy director at the Performance Institute, similarly recalled the Clinton hiring freeze and said there are lessons the Obama administration can learn from that effort, including ensuring the workforce cuts are structured properly.

"Across the board cuts treat every program the same, it's an abdication of management," Desenberg said. "It's not the way any wellrun organization would behave."

However, Desenberg said he does believe the government could absorb a three to five percent reduction in force and he applauded Brady for bringing the issue to the table. He also suggested that it might make the most sense for the White House to spearhead a downsizing in the federal government, instead of Congress.

As for extending the federal employee pay freeze, Desenberg said he thinks it will do little to reduce the national deficit, but it will show federal workers are willing to share the country's economic burden.

## About the Author

Alyah Khan is a staff reporter covering IT policy.

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