



Bill would cut over 100,000 DoD jobs

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Rep. Ken Calvert, R-Calif., introduced the Rebalance for an Effective Defense Uniform and Civilian Employees Act, which mandates a 15 percent reduction in civilian Defense Department employees. (Alex Brandon/AP)

New legislation would require the Department of Defense to cut its civilian workforce by 15 percent by 2025, a move that would result in the elimination of over 100,000 federal jobs based on current numbers.

The bill, introduced by Rep. Ken Calvert, R-Calif., Feb. 9 and titled the Rebalance for an Effective Defense Uniform and Civilian Employees Act, would enable the Secretary of Defense to use voluntary separation and early retirement incentives to encourage that reduction in the coming years.

But that voluntary grace period would be short lived, as the bill mandates that the secretary must initiate involuntary separations by October 2021 if the 15 percent reduction is not met voluntarily. The proposed legislation would only impact civilian employees, not uniformed service members.

According to Office of Personnel Management separation data, on average between 2015 and 2019, just under 82,000 employees left DoD jobs each year, meaning that a standard year's departures without any new hires would not be enough to voluntarily have the agency meet the 15 percent reduction.

The civilian Senior Executive Service positions at the agency would also be capped at 1,000, and all workforce caps would remain in place until 2029.

The coronavirus relief act authorizes agencies to reimburse contractors whose employees are on paid leave due to COVID-19 office closures.

"Our fiscal and national security challenges are intertwined, increasing every day and require immediate action by Congress," said Calvert in a news release.

"Our military spending is not the root cause of our national debt, and we should never compromise on the resources we provide our warfighters to defend us. However, we must address the unsustainable growth within the Defense Department bureaucracy which, if left unaddressed, will ultimately compromise our military training, readiness, and superiority. The REDUCE Act forces the Defense Department to right-size its civilian employee-to-servicemember ratio imbalance through attrition and thereby saving an estimated \$125 billion."

There are currently around 1.3 million active duty military personnel and over 768,000 federal employees working across the DoD components.

The legislation is based on a 2015 report produced by the Defense Business Board, which recommended that the DoD could save significant funds by reducing back-office bureaucracy and waste over the course of five years.

That document recommended pushing a modest early retirement option and limiting the backfill of positions that become vacant due to attrition and retirement.

That report was ultimately buried by agency leadership at the time, though a December 2016 [Washington Post](#) investigation uncovered the report and fears within the Defense Department that its contents would cause Congress to cut defense budgets.

According to the report, using retirement and attrition at the DoD to reduce the workforce would result in approximately \$46 billion in savings for the agency. The remaining \$79 billion in savings could be realized by making changes to federal contracts and IT practices.

Calvert's bill, though purported to save the full \$125 billion promised in the DBB report, only directly addresses the proposed workforce reduction.

The Washington Post article notes that the Army, for example employed approximately 199,661 full-time contractors at an average cost of \$189,188 per contractor at the time of the report.

At that same time period, the Army employed 253,225 civilian federal personnel, nearly 83 percent of whom made less than \$100,000 per year, according to Office of Personnel Management employment data.

Adding on the \$36,795 in benefit costs per federal employee – as determined by Cato Institute Director of Tax Policy Studies Chris Edwards using 2015 Bureau of Economic Analysis data – only around 2 percent of civilian Army employees cost the agency as much as the average contractor.

“The legislation seeks to give the secretary of defense the mandate and the tools necessary to implement cost saving measures without being overly prescriptive,” a spokesperson for Calvert told Federal Times, adding that it, “if made permanent, would affect the contracts and IT support needed within the department required to meet the full \$125 billion. This force shaping measure would allow the secretary of defense the discretion to implement many of the measures included in the report, as well as weight performance more heavily to ensure we keep the best and brightest of our civilian workforce.”

The bill is unlikely to gain White House support, as President Joe Biden has promised both before and after his inauguration to protect federal workers from the kinds of removals proposed under the Trump administration and to encourage more qualified personnel to start government jobs.