



## **AFGE Seeks Clarification From DoD on Derailed Insourcing Plan**

*Impact of contractor cuts, other reductions on civilian workforce unclear*

WASHINGTON, Aug. 12 /PRNewswire-USNewswire/ -- The American Federation of Government Employees is seeking clarification from the Defense Department regarding Defense Secretary Robert Gates' announcement earlier this week that the department is reversing plans to replace contractors with full-time civilian employees.

In an attempt to save money and reduce excessive reliance on expensive service contractors, Gates last year said he would cut the number of service support contractors by 33,000 during the next five years and replace them with federal employees. But on Monday, Gates said these cut contractor positions will not be replaced.

Gates said he was not satisfied with how much money DoD has saved through insourcing during the first year of implementation. However, because the department has not yet conducted a full inventory of its contractor workforce and integrated those results into the budget process, as required by law, it is unable to determine the costs and savings from insourcing.

Savings from insourcing are more than offset by new service support contracts. DoD says it spent 39 percent of its total workforce budget on service support and advisory contractors in 2009, up from 26 percent in 2000.

"The department's budget is in critical condition because of decades of excessive privatization," said AFGE National President John Gage. "Surely, we should not give up on the promising but short-lived insourcing effort after just one year."

Gage said he will be seeking clarification from the Defense Department about its insourcing plans, as well as announced plans to eliminate three Defense agencies and freeze hiring for most jobs.

AFGE will work with Congress and the department to ensure that DoD continues to be able to hire civilian employees to perform critical and sensitive functions that never should have been outsourced, as well as functions that can be performed more efficiently in-house, he said.

*The American Federation of Government Employees (AFGE) is the largest federal employee union, representing 600,000 workers in the federal government and the government of the District of Columbia.*

SOURCE: American Federation of Government Employees