



FACT SHEET

DEPARTMENT OF DEFENSE (DOD) PERSONNEL SYSTEM LEGISLATION (RUMSFELD PLAN)

House and Senate conferees on the FY 2004 Defense Authorization bill will be meeting in September to reconcile differences in each chamber's legislation. One of the most contentious issues will be Department of Defense (DOD) Secretary Donald Rumsfeld's plan to create a new civilian personnel system for DOD's 746,000 civilian employees.

In the name of "national security," the Rumsfeld plan would give DOD sweeping managerial control by eviscerating various civil service rights and protections for workers, including those involving regular and premium pay, due process and appeal rights for disciplinary actions, and collective bargaining rights.

IBEW Position: Strongly oppose the Rumsfeld plan contained in H.R. 1588.

Status: The House bill (H.R. 1588), which contains most of the Rumsfeld plan, passed the House on May 22, 2003. Labor attempted to round up bipartisan support for a floor amendment, to be offered by Rep. Jim Cooper (D-TN), which would have required any new DOD personnel system to include certain employee rights. It was rejected on a party-line vote in the House Rules Committee.

There was another procedural vote to send the bill back to the House Armed Services Committee with an instruction to add Rep. Cooper's pro-employee rights provision, but it was defeated on a near party-line vote of 204-224.

The Senate Defense Authorization bill (S. 1050), passed the Senate on May 22, 2003 and does not include the Rumsfeld Plan. On June 3, 2003, Senators Susan Collins (R-ME) and George Voinovich (R-OH), along with Senators Carl Levin (D-MI) and John Sununu (R-NH), introduced a free-standing bill (S. 1166) to protect DOD civilian employees collective bargaining rights and effectively maintain their due process and appeal rights for disciplinary actions. Senator Collins is also interested in replacing the General Schedule and the Federal Wage System with a management-controlled pay-for-performance system that the IBEW strongly opposes. The Senate Governmental Affairs Committee passed S. 1166 on June 17, 2003, but there has been no Senate floor action scheduled. Senators Collins and Levin will use S. 1166 as an alternative to the House-passed Rumsfeld plan when the House and Senate conferees meet to reconcile their different versions of the FY 2004 Defense Authorization bill in September.

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Key Points:

- **The Rumsfeld plan erases decades of social progress in federal employment standards.** The Rumsfeld plan would: take away or curb the already narrow collective bargaining rights of the DOD employees; discard the federal pay systems; and eliminate employee protections such as seniority.
- **If Congress feels there is need for reform then it should deal with it separately.** Legislation on such an important topic should warrant a separate stand-alone bill that can be more carefully considered.
- **Why are we punishing a federal employee workforce that has just made a crucial and extraordinary contribution to our nation's victory in Iraq?** This plan is an insult to these hard working, patriotic Americans as well as indefensible.
- **The proposal from Secretary Rumsfeld takes away the opportunity federal employees and Congress now possess to have a voice in crafting and approving the DOD personnel system.** The House plan lets Secretaries of Defense decide whether DOD civilian employees will have due process protections and appeal rights. It lets managers suspend, demote, or fire employees, but it doesn't let them go to the MSPB or EEOC with evidence that decisions were based on prejudice, politics, or a distortion of the facts.
- **The House lets Secretaries of Defense decide whether DOD civilian employees will be able to have union representation and collective bargaining.** Even if employees hold an election and decide to have a union, under the House-passed legislation the Defense Secretary can effectively negate this election by refusing to allow collective bargaining.
- **S. 1166 maintains basic democratic rights for DOD's employees.** We commend the Senate for recognizing that hostility to employees' rights is the most basic evidence of mismanagement, and that employees desire to have a meaningful communication and an enforceable collective bargaining agreement goes hand in hand with our nation's democratic traditions and the standards of good government.
- **IBEW strongly discourages the inclusion of a "pay for performance" system in any legislation.** These plans create more problems than they solve. They are cumbersome to operate, eating up enormous managerial resources and usually making most employees unhappy; and they promote competition and political intrigue rather than teamwork and devotion to mission. It's not that federal employees don't perform well and will only do so if their annual raise depends on it; it is that federal salaries are too low across the board. More money needs to be put into federal pay so that federal salaries are competitive with salaries paid in the private sector.