

Reductions in strictly domestic civilian expenditures - By programs within major functions
(In millions of dollars)

Functions and categories	Fiscal years				
	1946 actual	1950 actual	1951 estimate	Truman request 1952	Byrd pro- posal 1952
H. Labor					
Placement and unemployment-insurance activities:					
77. Department of Labor	\$146	\$214	\$165	\$165	\$75
78. Railroad Retirement Board	13	13	7	10	10
Labor standards and training:					
79. Department of Labor	1	11	14	14	100
80. Mine safety (Interior)	6	4	4	4	4
81. Labor relations	18	13	13	13	13
82. Labor information, statistics, etc.	8	8	9	9	9
Total labor	192	263	212	215	211

Source: Mr. Byrd, Senator from Virginia, Congressional Record, February 5, 1951, p. 958.

DEPARTMENT OF LABOR

"...Specifically, a realistic budget would ignore every new program; for instance, such items, which are included in the budget now submitted to us, as...plans to increase Federal control over State-administered unemployment compensation systems...."

Savings: Amount unspecified.

Source: Mr. Bridges, Senator from New Hampshire, Congressional Record, January 23, 1951, p. 593.

General Government

GENERAL GOVERNMENT

GENERAL

"...With respect to General Government: Provision is made for increased immigration control costs. It is assumed that some of the civilian controls incident to current conditions will be reflected in the cost of General Government functions. The suggested reduction takes into account increased costs of Federal civilian retirement."

Savings: \$130,000,000 (as derived from table on next page).

Source: Mr. Byrd, Senator from Virginia, Congressional Record, February 5, 1951, p. 956.

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"...Reduce by \$100,000,000 the 1952 budget estimate for general government. I can assure you that these reductions will not return us to the horse-and-buggy days...."

Savings: \$100,000,000.

Source: Statement by Mr. Robert C. Hendrickson, Senator from New Jersey, March 31, 1951, p. 3.

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"...under other major Budget functions, the Hoover Commission estimates its type of savings would total \$5.5 billion. In general, these...proposals...are administrative in nature, designed to economize through greater operating efficiency and changes in procedures while still supplying essentially the same services...."

"At the time the commission originally made its study, the budgetary savings estimated as then possible were placed at about \$3 billion. The \$5.5 billion now held realizable does not result from another analysis of federal operations, but is essentially an upgrading of the previous estimate from the basis of the 1949 \$40-billion budget to a \$71-billion program. The commission believes such savings are still possible, even though about 50% of its reforms have already been adopted and some savings are already being realized."

Savings: \$5,500,000,000.

Source: Commission on Organization of the Executive Branch of the Government, as reported in "How to Streamline the Federal Budget," The Conference Board Business Record, Vol. VIII, No. 5, May, 1951, p. 195.

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	1946 actual	1950 actual	1951 estimate	Truman request 1952	Byrd pro- posal 1952
I. General Government					
83. Dispersal of government facilities	-	-	\$ 6	\$ 164	-
Federal financial management:					
84. Bureau of Internal Revenue)		\$227	248	254	\$254
85. Customs collection, debt management and other)	\$350	129	139	134	120
86. General Accounting Office and other	47	35	33	31	31
Other central services:					
87. Central property and records management (mainly GSA)	152	118	139	164	164
88. Civil Service Commission	9	16	18	20	9
89. Legal Services (Justice)	5	8	9	10	5
90. Government Printing Office	9	9	10	11	10
91. Government payment toward civilian employees general retirement system	245	302	305	320	(4) 315
92. Executive direction and management	8	7	12	8	100
Other general government:					
93. Immigration control (Justice)	35	31	33	36	35
94. Public buildings construction (GSA)	-	9	38	9	(5)
95. Weather Bureau	25	24	25	26	25
96. Claims and relief acts (Treasury)	50	71	96	50	50
97. Other	33	58	67	41	30
Total general government	968	1,044	1,178	1,278	1,148

4. Includes emergency civilian defense funds for Government agencies.

5. Included in item I (87).

Source: Mr. Byrd, Senator from Virginia, Congressional Record, February 5, 1951, p. 956.

Interest

INTEREST ON THE PUBLIC DEBT

TREASURY DEPARTMENT

Item	Proposal
"Interest on special issues: While rates on OASI and unemployment trust funds are set by law at public debt average, those for railroad retirement are set by law at 3 percent. Other funds receive interest at administratively determined rates, up to 4 percent.	Set all rates at average for public debt, except for postal-savings deposits."

Savings: \$40,000,000 annually (as shown in table in source).

Source: Staff of the Joint Committee on the Economic Report, Report of the Joint Committee on the Economic Report, Senate, 82d Cong., 1st Sess., January 1951 Economic Report of the President, p. 95.

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INTEREST ON REFUNDS OF RECEIPTS

TREASURY DEPARTMENT

Item	Proposal
"Interest on refunds: Law specifies rate of 6 percent. This may tempt some to overpay. This is same as rate paid on taxes paid late.	Reduce to average for public debt. Taxes paid late should pay a penalty rate."

Savings: \$50,000,000 annually (as shown in table in source).

Source: Staff of the Joint Committee on the Economic Report, Report of the Joint Committee on the Economic Report, Senate, 82d Cong., 1st Sess., January 1951 Economic Report of the President, p. 95.

PART III

Classified by Object

PERSONAL SERVICES

"In recommending the deletion of the Jensen amendment, the committee took action, later extended by action of the Senate in recommitting the bill, which it is believed will result in definite and direct savings, instead of the uncertain and contingent savings which may have been effected by the Jensen amendment. The committee adopted a proposal to reduce each appropriation recommended by not less than 5 percent of the estimate for personal services, and to add a limitation to each appropriation item specifying by amounts representing 95 percent of the budget estimate for personal services that not more than such amounts shall be available for that purpose. The action of the Senate in recommitting the bill extended the proposal to reduce each appropriation recommended by not less than 10 percent of the estimate for personal services, and added a limitation to each appropriation item specifying by amounts representing 90 percent of the budget estimate for personal services that not more than such amount shall be available for that purpose."

Savings: Not less than 5 per cent of the estimates for personal services.

Source: Report of the Committee on Appropriations, Senate, 82d Cong., 1st Sess., Independent Offices Appropriation Bill, 1952, Report No. 418, June 13, 1951, pp. 15-16.

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"...during the month of January, our draft quota was 80,000. During the same month, military agencies hired 58,388 civilians. For every four men inducted, three others were hired to do civilian jobs connected with military service. Our total civilian personnel working for the Federal Government reached 2,245,275 when January ended. Sixteen new agencies have been set up in the last 6 months to deal with the national emergency, with an increase in the number of men and women working for Uncle Sam amounting to 219,000 since July 1, 1950.

"This record of mushrooming departments and new divisions within departments helps us to understand what goes on with the taxpayer's hard-earned dollar...."

Savings: Amount unspecified.

Source: Mr. Bender, Representative from Ohio, Congressional Record, March 15, 1951, p. A1534.

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"Just to keep things moving along on a fine, high level, your Federal agencies added 15,697 men and women to the rolls in June, from civilian offices alone, and the military departments hired 27,952 civilians to keep them company, for a grand June total of 43,649 new names on the payroll.

"If you are wondering what these people are all doing, you have many folks right alongside you. Some of these who are wondering are included in the lists of those employed. They are put to work at trivial tasks which many of them find impossible to justify. Others simply sit around waiting for assignments. A filing clerk employed in one office tells me that she is paid \$50 a week for work that a 10-year old could do and she is ashamed to take the money."

Savings: Amount unspecified.

Source: Mr. Bender, Representative from Ohio, Congressional Record, August 9, 1951, p. A5247.

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"...if we are to save the taxpayers' money the one place we can do it is to place a limitation on the propaganda machine of the Federal Government. I do not have the recent figures of the publicity and propaganda activities of the Government. The latest that are available are 1946. But the Budget Bureau shows that in 1946 the total expenditures in the Executive branch for publicity and propaganda amounted to \$75,000,000. That probably was raised, from the information I have been able to get from the various departments, amounting to an increase in appropriations of something over \$100,000,000 as of today.

"Back in 1946 there were 45,000 Federal employees engaged in information and publicity and propaganda activities of the Federal Government where you could put your finger on them, but the greater bulk of the publicity and propaganda that goes on within the executive departments of our Government is not conducted by those who are listed as information specialists but those who are drawing salaries under some other heading and going out to organize their influence on the Congress throughout the country. In 1946 it was \$74,000,000; today it is probably \$100,000,000, but just 10 years ago the figure for publicity and propaganda in the United States was \$27,770,000; or, in other words, there has been an increase over the past ten years of over three hundred-fold in the amount of the taxpayers' money that is being used for that purpose."

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"...the one place we certainly can save the taxpayers' money is the adoption of this amendment and amendments similar to it in all future appropriation bills to cut out this illegal expenditure which amounts to something over \$100,000,000 a year."

Savings: Over \$100,000,000 annually.

Source: Mr. Bow, Representative from Ohio, Congressional Record, April 18, 1951, pp. 4207 - 4208.

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"Recently...an item in the press...[showed] that executive departments which, by the greatest stretch of the imagination, have nothing to do with national defense, were asking for increased personnel, in commission after commission, department after department. That certainly is not moving in the right direction, but in the wrong direction....also... many agencies of Government are coming forward saying, 'We must do certain things because of the war effort,' when as a matter of fact, their proposals were not for the war effort at all. Those are matters which must be scrutinized."

Savings: Amount unspecified.

Source: Mr. Budge, Representative from Idaho, Congressional Record, February 12, 1951, p. 1234.

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"That there are important opportunities for improvement in the Government's use of its civilian manpower is no secret either to the Executive Branch or to Congress. Each year brings a new stream of reports from Congressional Committees telling of overstaffing, duplication and other waste of precious man-years in agency after agency."

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"The House Committee on Post Office and Civil Service... found, for example, widespread waste of man-hours in the personnel management functions of the departments and agencies under study."

Although the Budget Bureau has fixed a standard or 'optimum' ratio of one personnel employee to every 103 persons employed by an agency (the Hoover Commission suggested a ratio of 1 personnel employee to every 130 workers) the Committee found that:

"The Federal Security Agency has one personnel employee for every 68 persons on its payroll. The Bureau of the Mint 1 for every 59. The Southwestern Power Administration 1 for every 28. The Bureau of Reclamation 1 for every 83. The General Counsel's Office in the Treasury Department 1 for every 44; and so on."

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"Vacation and Sick Leave a Big Factor"

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"The Committee studied the 1949 employee attendance record of 48,000 headquarters employees in four departments and found that the average leave of these employees was 35½ days, which is equivalent to 7 work-weeks per year. Of these 22.5 days were taken for annual or vacation leaves, 10.2 days for sick leave and 2.9 days for other causes.

"The Committee's study thus underscores a condition to which others have repeatedly called attention--the overly liberal vacation and sick leave privileges accorded to classified employees in the Government. It has been estimated that a reasonable paring of these privileges could result in the elimination of more than 60,000 unnecessary jobs from Federal payrolls."

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"Multiplicity of Departmental Units Leads to Overmanning"

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"For example, so small an agency as the Prices and Cost of Living Division of the Department of Labor contains 5 branches composed of 10 sections, and one of these latter, the Statistical Services Section, is in turn broken down into 3 units, 6 subunits and 17 supervisory units. One of the divisions of the Federal Supply Service of the General Services Administration was found to be divided into 4 branches, 17 sections, 27 units, 24 subunits, 13 groups and 1 'inquiry office.' These examples are not isolated instances."

Waste: Amount unspecified.

Source: Alvin A. Burger, Research Director, Council of State Chambers of Commerce, "The Nation's Manpower Problem and Uncle Sam's Civilian Payroll," Federal Spending Facts, Bulletin No. 79, February 14, 1951, pp. 1, 2, 3.

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"It [Congress] can approve bills recommended by the Hoover Commission and others which would eliminate or reduce waste of funds and personnel in many governmental functions."

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"A recent survey by the House Committee on Post Office and Civil Service indicated excessive use of manpower throughout the Federal establishment in such activities as purchasing, personnel management, fiscal activities, field services and public relations work. The Committee concluded that 'in general, executive agencies could do a better job with fewer employees.'"

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"...A bill introduced by Rep. Charles W. Vursell (Illinois) providing for a reduction in the excessive vacation leave privileges now given to Federal classified personnel would lead to the elimination of thousands of unnecessary jobs."

Savings: Amount unspecified.

Source: Alvin A. Burger, Research Director, Council of State Chambers of Commerce, "How and Where the Federal Budget Can be Cut," Federal Spending Facts, Bulletin No. 80, March 5, 1951, pp. 2, 3, 5.

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"...at least 500,000 Federal employees can be laid off, saving nearly \$2,000,000 annually."

Savings: \$2,000,000,000 annually.

Source: Mr. Byrd, Senator from Virginia, Congressional Record, June 27, 1951, p. A4096.

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"The purpose of this amendment is to correct one of the greatest abuses in our governmental services. Since 1913 it has been illegal by virtue of an act of Congress, for governmental agencies to employ any publicity experts unless appropriations are specifically made for that purpose. Notwithstanding that, every agency of the Government has publicity agents. It is true they are not called by that name, but they are scattered throughout the departments. I am presenting an amendment which is the only way by which the question can be reached, which provides that for the purpose of information functions only 75 percent of the money recommended by the Bureau of the Budget shall be available for expenditure under this bill."

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"Later, in 1947, the House committee headed by Representative Harness said:

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"The issue is far broader than the merits of any particular piece of legislation. The record reveals clearly the manner in which Government lobbyists operate on the Federal payroll, how they are always at work to expand their fields of interests, to perpetuate themselves in office, and to impose their ideas and systems upon the American people by organized propaganda paid for entirely by the diversion of public funds from their true purpose to the secret purposes of top bureaucrats and planners."

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"For these reasons in the present state of the Federal budget and accounting procedures, a precise itemization of Government expenditures in this broad field is almost impossible.

"For this reason the language of the pending amendment is directed to functions performed, no matter what the title may be, or at what station in civil-service ranks and grades the employees may be.

"In this bill, and in the Government, now it is still virtually impossible to determine how many people there are engaged in so-called information work in the Federal Government, but the Civil Service Commission admits to 4,199 who can be positively identified in these positions. A check of the appendix to the budget document reveals that of this number there are more than 100 such positions covered by the Independent Offices Appropriation Bill, and that the salaries run to nearly three-quarters of a million dollars. Undoubtedly there

are others in high positions who cannot be identified in the detailed personnel tables, and still others engaged in clerical, mechanical, and transportation jobs connected with publicity which would more than double -- probably treble -- both the number of people involved and the personal-service cost."

Waste: Amount unspecified.

Source: Mr. Byrd, Senator from Virginia, Congressional Record July 27, 1951, pp. 9195, 9196.

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"Today, I am introducing in the Senate a companion bill to that introduced...in the House of Representatives to make the annual leave privileges of regular Federal employees the same as that of postal employees during the declared national emergency.

"This bill will save from \$200,000,000 to \$250,000,000 per year during the national emergency.

"The terms of the bill cut back the present 26-day annual leave for non-postal employees to the 15-day leave rights of the postal employees. It does not affect the 500,000 postal workers who have never had more than 15 days annual leave with pay. It does not affect sick leave.

"When one remembers that the 15 days leave means the working days of three 5-day weeks, this does not seem an unfair request to make during a national emergency. This bill does not affect existing law which provides increased pay for overtime above 40 hours.

"The accumulation of accrued leave from year to year has created a liability against the Government of \$581,000,000 today. That is a real national debt not shown in Treasury figures. It is a bill the Government must pay under the law. The proposal...would prevent that amount from growing by requiring that annual leave must be taken in the year for which it accrues. The purpose of establishing leave was to increase efficiency. The Government does not get that increased efficiency when leave is permitted to pile up and become simply a new debt."

Savings: \$200,000,000 - \$250,000,000 per year.

Source: Mr. Case, Senator from South Dakota, Congressional Record, February 8, 1951, p. 1141.

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"At the time when the bill ^{to} reduce annual leave of Federal officers and employees to 15 days during the continuance of the existing national emergency⁷ was introduced, it was estimated that the reduction from the annual leave granted under existing leave laws to a uniform 15 days would save approximately \$250,000,000. The report on the bill indicates that the bill as now proposed to be amended represents a potential saving of \$175,000,000. The reason for the difference is that, instead of reducing the leave of all Government officers and employees to 15 days, some leave is to be 20 days, as would be the case under the Douglas amendment to the independent offices appropriation bill, and some leave is to remain at 26 days, for those who have 15 years or more of service."

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"This bill--for the first time, within my knowledge of governmental affairs--will apply a uniform system to leave for Federal officers and employees, will eliminate inequities, and will establish a system which will be fair and will be fitted to the needs of the Federal Government."

Savings: \$175,000,000.

Source: Mr. Case, Senator from South Dakota, Congressional Record, July 17, 1951, p. 8467.

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"I believe that every appropriation request can be cut 10 percent without hurting the efficiency of the Government. Such a cut should be made at this time. Let me give...an illustration, which can be multiplied thousands of times....we have established several new emergency agencies. I have been asked by people in my own State for permanent positions in such emergency agencies. Persons now holding a civil service classification of grade 8 have expressed a desire to be transferred to a new agency, not with their present classification of grade 8, but with a change in their classification to grade 11 or grade 12. Does the Senator feel it would be fair to the American people to grant such requests, particularly under present conditions?"

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"...the persons to whom I refer do not wish to be transferred to an emergency agency unless their classification is raised by three grades. That is the point I desire to make. For instance, a person who is connected with a permanent agency of the Federal Government wishes to be transferred to an emergency agency, but he insists that before he is transferred to such emergency agency his classification be raised by three grades. It would be all right to change his employment from one agency to another agency if he retained the same classification. When we established the new agencies we did not have in mind increasing salaries. When we established the Office of Price Stabilization, for instance, we did not intend to increase the salaries of the Federal employees who would be employed by such agency."

Savings: 10 per cent.

Source: Mr. Chavez, Senator from New Mexico, Congressional Record, February 5, 1951, p. 968.

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"I am today introducing a bill that will save between \$200,000,000 and \$250,000,000 a year.

"The bill...would cut back the present 26 days' annual leave for all Federal civilian employees to 15 days' annual leave. When we consider that Government employees are on a 40-hour week of 5 days at 8 hours it is not unreasonable that the paid vacation be set at 15 days. This is in line with the 15 days of annual leave with pay enjoyed by postal workers.

"Our country is being called upon to sacrifice and the place to begin is right with the Government. At the present time we have about 2,000,000 Federal civilian employees. This is costing the taxpayers about \$7,500,000,000 a year. Such government is too expensive."

Savings: \$200,000,000 - \$250,000,000 a year.

Source: Mr. Curtis, Representative from Nebraska, Congressional Record, March 5, 1951, p. 2004.

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"During the month of March 1951, the Federal civilian payroll totaled \$693,000,000...."

"The figures I have just cited comprise only one small example of wasteful spending....This is the kind of spending which must be stopped...."

Savings: Amount unspecified.

Source: Mr. Dondero, Representative from Michigan, Congressional Record, June 22, 1951, p. 7112.

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"As a means of 'frying out the fat' in government payrolls, he [Senator Douglas] suggested that government departments be forbidden to hire more than one person to replace every two that quit or retired. He figured that with normal turnover, this would cut the number of civil servants by about 6% in a year's time. And there would have to be no blanket firings...."

Savings: 6 per cent of civil servants.

Source: "Paul Douglas, Senator of Distinction," Changing Times, The Kiplinger Magazine, Vol. 5, No.1, January, 1951, p. 20.

* * *

"...I now offer another amendment,...'Provided further, That no part of any appropriation contained in this act shall be used for the payment of remuneration for annual or sick leave of classified or Wage Board employees in excess of 20 days of annual leave per year or 12 days of sick leave per year.'"

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"...this amendment in regard to annual leave has solid merit behind it....all of us know the circumstances in regard to annual leave for Wage Board and classified employees, with the exception of employees in the postal service. They are entitled to 26 days of annual leave a year. On the surface that provision would seem to be all right. However, it has been interpreted to mean 26 working days; and inasmuch as Government employees are on a 5-day week, that amounts to 5-1/5 weeks of annual leave a year.

"Similarly, the 15 working days of sick leave amount to 3 weeks a year.

"If we add to that the eight holidays - in other words, 26 working days, plus 15 working days, plus 8 holidays, - and then add unstated holidays for ceremonial occasions, such as when a Brazilian President or a French President comes to Washington and the Government offices are let out in order to provide such celebrities with an audience. Then add the days in summer when the temperature rises to such an extent that the Government employees are let out from work, and if we add to all that the 'coffee time', I think it can be seen that at the present time the employees of the Federal Government in Washington are not subjected to excessive labor."

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"...this amendment is simply a proposal to make the annual leave of Government employees 20 working days, which would amount to 4 weeks, which with week ends would be 1 month; and to reduce sick leave from 15 working days, or 3 weeks, to 12 working days, or 2½ weeks. As a result, this amendment would probably save \$5,000,000 a year, ultimately, in connection with this bill. If all annual and sick leave were taken, the saving would be nearly five and a half million. If the amendment were applied to all governmental service, it would result in saving approximately \$150,000,000."

Savings: About \$150,000,000 annually.

Source: Mr. Douglas, Senator from Illinois, Congressional Record, June 8, 1951, p. 6471.

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[Consideration of the bill (S.832) to reduce the annual leave of Federal officers and employees to 15 days during the continuance of the existing emergency.]

"I have only one suggestion to make, but it involves a saving of approximately \$40,000,000. I hope the committee will accept an amendment providing that this measure will go into effect, not on the 6th of January, 1952, but on the 30th of September, 1951. Such a change will save 14 weeks of the present year.

"If this change is not made, the present system, with all its waste and inequities, will continue throughout the present calendar year. On the other hand, if we substitute the 30th of September, 1951,

for the 6th of January, 1952, the reform will be instituted 14 weeks earlier and will result in a consequent saving of about \$40,000,000. Inasmuch as the Government's payrolls are based on 2-week pay periods, it seems to me that such a change could be handled administratively, and would result in a saving of \$40,000,000."

Savings: \$40,000,000.

Source: Mr. Douglas, Senator from Illinois, Congressional Record, July 17, 1951, p. 8468.

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"I would like to ask a few questions...about Federal employment of civilian personnel. We are hearing much these days about the lack of office accommodations in the Capital. Yet we are employing about 50,000 or 60,000 civilians every month, with four or five thousand influx into Washington every month. It is recognized that we are facing an emergency of a kind. Yet I wonder if the Bureau of the Budget is doing everything within its power to stabilize Federal civilian employment...."

Savings: Amount unspecified.

Source: Mr. Dworshak, Senator from Idaho, in Hearings before the Committee on Expenditures in the Executive Departments, Senate, 82d Cong., 1st Sess., To Create A Joint Committee on the Budget, p. 135.

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"...in view of the fact that the Comptroller General has been able to cut down a lot of positions, we would like to see the other bureaus of the Government get into a position where they could eliminate several hundreds of positions, too. I think that is about the only way you are ever going to get this cost down...."

Savings: Amount unspecified.

Source: Mr. Ecton, Senator from Montana, in Hearings before the Subcommittee of the Committee on Appropriations, Senate, 82d Cong., 1st Sess., Treasury and Post Office Departments Appropriations, 1952, pp. 296-297.

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"It has been said frequently that the American Armed Forces have a disproportionate number of personnel engaged in rear echelon activities compared to the numbers actually available for combat. More effective management of supply and replacement of military by civilian personnel in many duties will serve to reduce the military forces stationed far behind the fighting forces.

"In this connection, the subcommittee notes that the President has recently emphasized the importance of manpower conservation in the military and other agencies of government.

"The subcommittee concludes that there is much evidence of civilian and military overstaffing. Military personnel is being used in capacities where civilian employees might better serve.

"In line with the President's directive, the Assistant Secretary of Defense for Manpower and Personnel and the Munitions Board should institute a program of staffing standards to produce economy and uniformity in utilizing supply personnel."

Savings: Amount unspecified.

Source: Sixth Intermediate Report of the Committee on Expenditures in the Executive Departments, House of Representatives, 82d Cong., 1st Sess., Federal Supply Management (Military and Related Activities), p. 26.

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"...the amendment intended to be proposed by Mr. Ferguson (for himself, Mr. Byrd, Mr. Wherry, Mr. Taft, Mr. Bridges, Mr. Williams, and Mr. Dirksen) to the bill (H.R. 3709) making appropriations for the Department of Labor, the Federal Security Agency, and related independent agencies, for the fiscal year ending June 30, 1952..."

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"It cuts the amounts for personal services specified in the bill by an amount corresponding to 5 percent of the budget request for such personal services."

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"It is applied to these money items:

"First. Those appropriations which include personal services;
and

"Second. The amounts specified therein as being available
for personal services.

"This is not a double cut. It is necessary to apply the cut to both items, however, since otherwise we would be cutting the amount available for personal services but leaving that amount still in the appropriation and free for expenditure as other expense.

"It does not apply to items which the committee had ~~already~~ reduced for personal services, by 5 percent or more. It does not apply to such items because they do not appear in the bill as specified for personal services under the language the committee incorporated in making its reduction through a limitation."

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"Ten percent of the amount for personal services requested in the budget [will be cut]. The committee cut personal services appropriations item by item 5 percent of the budget estimates. We are repeating that process but in a single package rather than item by item. The final result will be a cut of 10 percent in the amount for personal services requested in the budget."

Savings: 10 per cent.

Source: Mr. Ferguson, Senator from Michigan, Congressional Record,
June 7, 1951, p. 6391.

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"...if those in the field are not actually driving a bus or ambulance for the veterans, they can be spared. For example, the superintendent of a hospital may have a Government-owned car. He may have a publicly-paid chauffeur serving full time in that position. He may do nothing but sit in the car, or keep it clean, and handle it in the way an ordinary chauffeur does. If he is not a full-time chauffeur, he may be an employee who is taken away from other work to act as a chauffeur.

"The object is to try to eliminate those positions, whether they be in the field, in Detroit, or in Washington. The object is to eliminate unnecessary employees during an emergency such as we have

now. The Senator from Michigan is not trying merely to take jobs away from men. Many of these men would be hired by those for whom they now drive, and who would be entitled to a chauffeur if they wanted to pay for him with their own money....the fact that the Government spends money to furnish a Government official with a car is a great help to him. There has grown up, without any authorization from Congress, the practice of furnishing automobiles to thousands of Government employees. After they got the cars we went a step further and furnished them with chauffeurs. It is very difficult to identify who is a chauffeur and who is not.

"The employees for whom cars and chauffeurs are furnished become a privileged class. They are not spending their own money for the privilege of having a chauffeur but the taxpayers' dollars are being used to provide chauffeurs to drive public officials around.

"I am sure that the Senator from New York, who has a car in Washington, has seen various Government cars being driven around by paid chauffeurs. Many of them are uniformed chauffeurs. All we want to do is to eliminate paid drivers for public officials. They can drive their own cars or hire their own chauffeurs."

Savings: Amount unspecified.

Source: Mr. Ferguson, Senator from Michigan, Congressional Record, June 18, 1951, p. 6825.

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"Mr. Ferguson's 'chauffeur' amendment specifically excludes the men who drive the automobiles for President Truman. The Senator said his economy group intended to cut from the payroll all Government chauffeurs except those for the President, the Vice President and the Speaker of the House."

Savings: Amount unspecified.

Source: Mr. Homer Ferguson, Senator from Michigan, as reported in New York Times, June 19, 1951, p. 21.

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"...The importance of a department is usually gauged by the number of persons employed rather than by the volume of essential work performed, with the consequent inducement to over-staffing.

"The number of persons on the Federal payroll in the last two decades has increased from around 600,000 to 2.2 million. This represents a gain of 261 percent, or eleven times the rate of increase in the population of the United States during this period. Classified Federal employees are entitled to five and one fifth weeks' vacation and three weeks' sick leave each year, or about twice the allowance to the workers in private enterprise.

"There are several thousand highly competent employees in the Federal Government and many of them are underpaid. The situation could be substantially improved by upgrading the deserving and cutting down on the labor force. Without entailing any hardship or sacrifice on the part of those employed, this could be brought about by vigorous adherence, whenever possible, to the 'no hiring' policy when vacancies occur and to transferring workers now employed in the less essential Federal services to the needed defense agencies instead of recruiting help from a tight labor market. More than 500,000 workers leave the Federal service each year for one reason or another. By pooling the available personnel and assigning the workers wherever they could be most effectively utilized, it would be possible in the course of a comparatively short period to bring about a substantial reduction in the number of Governmental workers without sacrifice of essential services. Since Federal payrolls of civilian workers exceed \$7 billion, it is obvious that the taxpayers' bill could be considerably reduced under such a reorganization plan. Similar action should be taken in state and local governments."

Savings: Amount unspecified.

Source: First National Bank of Boston, New England Letter, Boston, February 28, 1951.

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"...The non-military government bureaus that ought to be reduced are actually expanding fast. Their personnel now equals the total number in the military services. The Federal civilian payroll now numbers 2,300,000, according to civil service; the total in all of our military services is about 2,500,000.

"Never has any government found it necessary to maintain one civilian worker in the administrative bureaus for each man in the military service. At the employment peak of World War II, in 1943-45, there was 1 civilian employee on the Federal payroll for every 6 men in the Armed Services. Today, this ratio is roughly 1 for 1."

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"Bureau expansion began with the Korean incident. In the 250 days since then -- up to March 1, 1951 -- the Federal agencies on the non-military side of government made war the excuse to add 266,000 persons to their civilian payrolls; an average of well over 1,000 new payrollers per day!"

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"The average cost in the Bureau of the Mint is \$13.98 per purchase order, and in the Coast Guard it is \$23.94. In the Office of Education, the personnel spend \$10,293 on themselves every time they send \$31,148 in Federal Aid back to the people it came from in the first place."

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"Senator Byrd of Virginia says that a sweeping reduction of 150,000 in the civilian personnel of the military departments would strengthen, rather than weaken, the whole defense effort. It is all so bad that if President Truman's 1952 budget of \$71½ billions should be approved by Congress, 500,000 more civilian payrollers would be added during the next sixteen months. The average wage is \$3,678 per year. There are other advantages too. If a payroller approves loans made by RFC, and his wife is a stenographer to the Secretary of the President in the White House, she may get a \$9,500 mink coat. Few borrowers from politicians fail to show generous appreciation."

Savings: Amount unspecified.

Source: Ralph W. Gwinn, "Wasting Manpower", Your Congressman Reports, Release No. 207, March 8, 1951.

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"Objections to economy that rest on the vested interest of government workers in their jobs are weak under present conditions. A period of high activity with plenty of jobs available is a time when employees who have to be dismissed can find other jobs readily."

Savings: Amount unspecified.

Source: Albert G. Hart and E. Cary Brown, Financing Defense, New York: The Twentieth Century Fund, 1951, p. 29.

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"I wonder if the Senator has had the experience which I have repeatedly had with respect to the difficulty of fighting traffic up and down Rock Creek Parkway because of the number of Government cars, either soldier driven or chauffeur driven, which use the parkway. I notice that these cars, which I assume are paid for by the Government, are not occupied by male public officials at all. They seem to be full of women and children...."

Savings: Amount unspecified.

Source: Mr. Hickenlooper, Senator from Iowa, Congressional Record, September 14, 1951, p. 11586.

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"...A recent report of a House Investigating Committee showed a very large amount of overstaffing in all the agencies of the executive branch of our Federal Government. The report stated that there are a minimum of 500,000 unnecessary Government employees. Discharging of these unnecessary civilian employees would bring a saving of at least \$2,000,000,000 a year. At the same time it would give to our economy 500,000 much needed workers...."

Savings: \$2,000,000,000 a year.

Source: Address of Rev. E. A. Keller, Director of Bureau of Economics Research, University of Notre Dame, as inserted in Congressional Record, February 27, 1951, p. A1069.

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"...Then comes the inefficiency, the duplication and overlapping of Government activities, the red tape, and the dead timber among Federal employees. Here, according to the Hoover reports and Senator Byrd's recommendations, at least another \$2,000,000,000 can be saved."

Savings: \$2,000,000,000.

Source: Mr. Mason, Representative from Illinois, Congressional Record, March 7, 1951, p. 2149.

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"...many Federal employees are needed and many are doing a good job, giving dollar service for the dollar received. However, I believe that we have many on the Federal payroll who are not essential and who are not rendering the service for which they are paid.

"With this thought in mind,...we should call a halt to increasing Federal payrolls with employees not absolutely essential to our war effort, and removing from the payroll those not giving the services required."

Savings: Amount unspecified.

Source: Mr. McGregor, Representative from Ohio, Congressional Record, March 13, 1951, p. A1421.

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"GENERAL AREAS FOR ECONOMY

"Last year the Government Spending Committee estimated that \$200 million could be saved if the existing vacation and sick leave policy of the government was adjusted. In view of the additional number of civilian employees now on the federal payroll, this economy might save between \$200 and \$250 million."

Savings: \$200,000,000 - \$250,000,000.

Source: National Association of Manufacturers, Cut Non-Defense Spending Now, Economic Policy Division Series, No. 40, New York, February, 1951, p. 18.

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"...the Williams subcommittee investigating the Treasury Department discovered that the average employee took 37 days leave per year....that is entirely too much, but...it is the personnel law that all classified Federal employees earn 26 working days leave annually. They fit 5 of those days into 5 separate weeks. 7 times 5 is 35. Then they have one additional day, which makes 36 days. That is the law. Of course the classified Federal employees take advantage of it."

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"...get down to something serious and eliminate the demagoguing and go back to the basic law and amend that. Let us cut Federal leave back to 20 days and then let the Federal employees divide that into 4 weeks and have a month's vacation with pay. By doing that you would save approximately \$286,000,000 annually...."

Savings: \$286,000,000 annually.

Source: Mr. Passman, Representative from Louisiana, Congressional Record, March 20, 1951, p. 2781.

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"... we observe daily the wasteful expenditure of money by the administrative agencies of Government. We observe the reluctance to reduce personnel. We observe the continued inefficiency and the continued sponsorship of pet nonessential projects."

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"My constituents demand that such practices be stopped.... I subscribe to their demands...."

Savings: Amount unspecified.

Source: Mr. Patterson, Representative from Connecticut, Congressional Record, June 22, 1951, p. 7119.

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"It is apparent that in the great majority of the cases in which poultry products and meat are purchased by the military, those poultry products and meat products are either subjected to Department of Agriculture inspection and grading or could readily be subjected thereto. In those cases in which the product is actually inspected by both Agriculture and the Army, we consider this to be an outright waste of manpower and money. Both of the inspectors work for the United States Government, both of the functions are exercised to accomplish the same purpose--namely, the protection of the consumer of the product. The similarity of the function is clearly illustrated by the fact that many individuals have been interchangeably Army inspectors and Department of Agriculture inspectors. We have been informed from the Bureau of Animal Industry of the Department of Agriculture that 27 veterinary meat inspectors, 28 laymen meat inspectors, and 33 other veterinarians, or a total of 88 personnel experienced in this line, have returned to active duty from the above Bureau alone. The Veterinary Corps of the United States Army has informed us that 82 officers on duty with the corps were formerly connected with the Bureau of Animal Industry, and 44 of them came directly from the Bureau of Animal Industry to the corps.

"The Veterinary Corps has 384 officers, and utilizes about three times as many enlisted men, in the States. Their principal function is the inspection and grading of animal food products purchased by the Army. We believe most of these men could be utilized elsewhere in our defense effort. Two hundred sixteen of the officers are Reserve officers, presumably from civilian life."

Savings: Amount unspecified.

Source: Thirty-second Report of the Preparedness Subcommittee of the Committee on Armed Services, Senate, 82d Cong., 1st Sess., Standardization of Specifications and Inspections of Agricultural Commodities, pp. 8-9.

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"We have more people on the Federal payroll right now than we have ever had before, excepting during a very brief period in World War II. The total employment on the Federal payroll...has reached a figure of 2,200,000 of which approximately 1,200,000 are in civilian agencies. No agencies should be permitted to employ any more people than they absolutely require, except and until a definite show-

ing of a need is made, and it must be for national defense only. Furthermore, if every agency would cut out activities unnecessary in consideration of the tremendous cost of Government and the need to carry on the defense program, a saving could be made in that field alone of between \$1,500,000,000 and \$2,000,000,000."

Savings: \$1,500,000,000-\$2,000,000,000.

Source: Mr. Rees, Representative from Kansas, Congressional Record, March 21, 1951, p. 2900.

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"...this amendment seeks to strike out the paragraph in this bill that appropriates an extra \$40,000 to be used to pay certain appointees as much as \$100 per day....The item is not small. Furthermore, I do not think its expenditure is justified.

"Furthermore,...this is not the only item of this kind in this bill. There are more right in this bill....you are going to find similar provisions in other bills. This comes about because an act was approved 2 or 3 years ago that said in substance, persons outside civil service may be hired on per diem basis at salaries at a not higher rate than those receiving highest salaries under classified service. This is about \$43 or \$44 per day. It also provides, and here is where you break the ceiling, the Appropriations Committee could approve payments of as much as \$100 per day. Of course, all expenses are in addition thereto. I remind you these appointees are not required to qualify under civil service. They are clear outside of jurisdiction of civil service. The Civil Service Committee of the House did approve legislation permitting employment of a limited number of persons above ceilings but made definite requirements that had to be met by such persons."

"...nothing in this bill...says one word about the qualifications or requirements with respect to those who may be paid as much as \$100 per day...."

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"...My amendment provides that little extra clause in it that you must not go above the highest amount paid under civil service, which is between \$43 and \$45 a day. I think this is fair. I do not think either the committee or the Bureau has made a case to support the payment of \$100 to the extra individuals. If this extra employment is really needed, we should know in what particular places their