



**J. David Cox, Sr.**

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National Vice President  
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September 29, 2015

The Honorable Debra Lee James  
Secretary of the Air Force  
The Pentagon  
Washington, DC 20330-1000

Dear Secretary James:

On behalf of the American Federation of Government Employees, AFL-CIO, which represents more than 650,000 federal employees, including 250,000 in the Department of Defense (DoD), who serve the American people across the nation and around the world, I write to you in order to convey my concern over recent remarks made by Major General Robert McMurry at a recent conference sponsored by the American Institute of Aeronautics and Astronautics.

In both his remarks and his subsequent discussion with audience members, Major General McMurry indicated that because of ongoing budget pressures facing the Department, the Air Force may soon need to consider outsourcing satellite launches, routine military communication links, and even some space-based surveillance operations, functions currently performed by military personnel.

As you might know, there are federal statutes and policies which govern the outsourcing of work performed by military personnel.

Former DoD Comptroller Robert Hale acknowledged in 2013 testimony before the Senate Defense Appropriations Subcommittee that service contractors generally cost two to three times what in-house performance costs, particularly for long-term functions, a view subsequently affirmed by General Ray Odierno, the Army Chief of Staff, in House Armed Services Committee testimony.

In 2011, the Project on Government Oversight (POGO), which accepts no union contributions, compared the costs of federal employees and contractors in a seminal study entitled *Bad Business: Billions of Taxpayer Dollars Wasted on Hiring Contractors*, the first to compare service contractor billing rates to the salaries and benefits of federal employees. POGO determined that "on average, contractors charge the government almost twice as much as the annual compensation of comparable federal employees. Of the 35 types of jobs that POGO looked at in its new report, it was cheaper to hire federal workers in all but just 2 cases."

Given these facts, you can certainly understand why Major General McMurry's remarks are so troubling. If in fact it is budget pressures that are forcing the Air Force's hand in this area of critical importance, then the use of civilian employees is clearly the more compelling option.

Of course, the continued disparagement of civilian employees has resulted in either real or perceived constraints on their use. In fact, civilian employees are key to the Department's performance of its all-important mission.

Accordingly, has the Air Force even given any consideration to using civilian personnel for the performance of this critical mission, rather than almost reflexively moving towards outsourcing?

Are Major General McMurry's remarks regarding outsourcing symptomatic of the arbitrary constraints that have been imposed on the civilian workforce, which are driven by political considerations rather than costs?

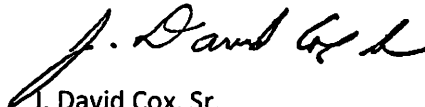
Did Major General McMurry, his staff, or the Air Force conduct any workforce mix analysis as required under 10 USC 129a and in accordance with Department of Defense Instruction 1100.22 prior to conveying his interest in outsourcing to an audience of contractors at an industry-sponsored conference?

Did Major General McMurry, his staff, or the Air Force conduct even a basic cost analysis which compared the cost of performance by military, civilian, and contractors, as is required in Department of Defense Instruction 7041.04? This Instruction requires that "(t)he business rules in this instruction will be used: (1) When performing a benefit analysis, an economic analysis, or business case analysis in support of workforce mix decisions. "

At a time when defense dollars are so precious, I know we agree how important it is that the Air Force not arbitrarily convert work from military personnel to contractors, or simply assign work to contractors, without following relevant law and guidance--which would only exacerbate the budget pressures that ostensibly prompted this decision to secure an alternative provider.

Thanks for your consideration. I look forward to your response.

Sincerely,



J. David Cox, Sr.  
National President

cc: Honorable Robert Work, Deputy Secretary of Defense  
Honorable Brad Carson, Under Secretary of Defense for Personnel and Readiness  
Honorable Frank Kendall, Under Secretary of Defense for Acquisition, Technology and Logistics  
Honorable Jamie Morin, Director, Cost Assessment and Program Evaluation