

**Testimony of Mr. J.P. Nauseef
Vice President
Aerospace, Defense & Technology
Dayton Development Coalition**

**Before a Field Hearing of the Senate Subcommittee on Oversight of Government
Management, the Federal Workforce and the District of Columbia**

**“An Overlooked Asset: The Defense Civilian Workforce”
May 12, 2003**

**United States Air Force Museum
Wright-Patterson Air Force Base, Ohio**

Mr. Chairman and members of the subcommittee, my name is Ron Wine. I am President & CEO of the Dayton Development Coalition. Our mission is to be a catalyst to unite industry, academia, and government to make this region one of the most livable and economically prosperous in the Midwest.

On behalf of the Coalition and the entire Dayton business community and the twelve county area we serve, please allow me to welcome you back to Wright-Patterson Air Force Base and to the Dayton area. It is an honor for the community to host you and the members of your subcommittee.

I want to extend my personal thanks to you, Senator Voinovich, for holding this hearing on the topic of our defense civilian workforce. The Coalition is deeply grateful for your consistent leadership in looking after Wright-Patterson Air Force Base and the thousands of talented and dedicated men and women who work here.

This is a wonderful time to visit Wright Patterson Air Force Base and the Air Force Museum. The Dayton Region is hosting the world’s celebration of the 100th anniversary of manned, powered flight which was invented in a bicycle shop only a few miles from here and tested at Huffman Prairie flying field just down the street on another part of the Base.

As the leading economic development agency in the Dayton area, the Coalition’s single most important Federal issue is this base where we sit today. We allocate considerable resources here and in Washington monitoring the health of the Base, advocating its invaluable contributions, and offering solutions to problems that might affect the Base. In fact, you might say that for us, national defense is a local issue. JP Nauseef, our Vice President for Aerospace, Defense and Technology—and his team—are focused on supporting Wright Patterson with the long term needs of strengthening the Air Force, industry, academia and community at heart.

So great is the magnitude of this Base on our region’s economy, statistics barely tell the story. About 26,000 civil service, military, and contract employees work on the Base. Putting it in another way, nearly one out of every 18 jobs in the entire metropolitan area is physically located within the fence of the Base. It is the largest employer in a single location in the entire state.

The Base is by far the largest employer in the metropolitan area. In fact, it is almost three times larger than the second largest employer. In addition, about 27,000 Base retirees have settled in the area. These are people who also make enormous contributions to the community every day. Because of Wright-Patterson, the Dayton area has one of the highest concentrations of Federal civil service workers outside the Washington area.

Last year, the Base contributed an estimated \$2.3 billion to the region through the total value of jobs created directly and indirectly.

Wright-Patterson is more than just an economic engine to the region. It represents a solid base of citizens in the community. Its workers contribute to local charities through the Combined Federal Campaign. They are Boy Scout troop leaders, hospital volunteers, and school tutors.

The workforce of the Base is very special. It is a highly stable, educated, and active group of motivated people. They are the kind of workers every community wants. Few places are as lucky as the Dayton region.

That's why we care so much about Wright-Patterson and its people.

Not only are civil service employees Wright-Patterson large in number, they are diverse in function. That means that if there is a problem with any aspect of civil service law or regulation, that problem is going to show up at Wright-Patterson. In fact, Wright-Patterson might be a microcosm of most of the challenges that face civil service reforms.

The acquisition workforce has often been singled out as an area in need of change. Acquisition is a major mission of the Base.

Scientists and engineers have unique personnel requirements. We are proud that Wright-Patterson probably has more employees in the science and engineer classifications than any other Federal installation. Recent pilot programs authorized by Congress, again, with your help, Mr. Chairman, have made important contributions to workforce flexibility in these important areas.

We even have a major defense educational institution on the Base—the Air Force Institute of Technology (AFIT). The educators and researchers at AFIT require personnel rules appropriate to an academic institution.

Unfortunately, not all is well with Wright-Patterson and the workforce. Our biggest challenge is the sheer decline in workers. Through the 1980s, the workforce increased slowly, hitting a peak of 30,543 civilian and military employees in 1989. We have seen a steep, steady decline since then.

We understand that Dayton's loss is largely the result of America winning the Cold War and facing the requirement for a smaller military. This is good for our nation and we embrace the change.

However, the sharp decline in the civilian workforce has created additional burdens that could be handled through the application of civil service laws and regulations. Hiring freezes and last-hired, first-fired rules have created an aging workforce. We risk losing enormous institutional memory when large groups of senior employees leave at once. Managers don't have the flexibility they need to give the workforce a healthy combination of young vigor and senior wisdom.

Thanks to your efforts, Mr. Chairman, Congress began to tackle this problem a few years ago, and some progress has been made. But more is needed.

These are national challenges that adversely impact our country's defense. The civilians in the Defense Department are a critical part of our war fighting effort. Now, more than any other time in a generation, we must address the needs of the defense civilian workforce and their essential contribution to our national security.

Mr. Chairman, sadly, the title of this hearing, “An Overlooked Asset: the Defense Civilian Workforce,” is all too appropriate from a national perspective. However, I can assure you that here in the Dayton area, we are proud of our civilian workers and the unselfish contributions they make to our national defense. They are not overlooked by our local leaders and our representatives in Washington.

Thank you again for your leadership and dedicated service and especially for holding this important hearing here at Wright Patterson Air Force Base, the birthplace and future of aviation.