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Expanding the Decennial Census
Applicant Pool

Statement of
Gene L. Dodaro, Director,
General Management Issues
General Government Division

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Subcommittee on Census and Population
Committee on Post Office and Civil Service
House of Representatives



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EXPANDING THE DECENNIAL CENSUS APPLICANT POOL

SUMMARY OF STATEMENT BY GENE L. DODARO DIRECTOR, GENERAL MANAGEMENT ISSUES GENERAL GOVERNMENT DIVISION

GAO supports H.R. 1860, which would enable federal retirees to work on the 1990 decennial census without reductions to their annuities or salaries. This legislation could help the Bureau address its severe staffing problems by potentially enlarging the pool of applicants for census employment.

Attracting and retaining a large temporary census workforce historically has been a major problem. During the 1980 decennial census, the Bureau was unable to fill 30 percent of its enumerator positions during peak operations and suffered from high turnover in some offices. Similar difficulties now plague early 1990 census activities. For example, during prelist, when the 1990 address list for suburban and rural areas was developed, about 28 percent of areas reported problems meeting recruiting and staffing goals. Overall, the Bureau predicts it must recruit at least 1.6 million applicants for district offices in 1990, due to increased workload and expected attrition. This is about 45 percent more than in 1980.

Federal retirees are a potentially large source of applicants. For example, over 1.6 million federal retirees are below the age of 70. Retirees could be particularly helpful in areas where the Bureau has experienced severe staff shortages. Retired postal workers who are familiar with neighborhoods and recognized by residents would be especially valuable.

Retirement-age individuals have shown a willingness to work on the census. For example, over 23 percent of the field employees during the 1988 prelist were age 55 or above. These employees are valued because of their experience and quality work.

H.R. 1860 is consistent with the three previous exemptions to federal retiree offsets granted to meet important government hiring needs. These temporary exemptions were extended to federal retirees who worked for the Immigration and Naturalization Service to help administer the recent amnesty program; the air traffic control system to respond to the controller strike in the early 1980s; and for certain retired military officers to help during the 1980 decennial census.

If Congress chooses to grant the exemption, the Bureau will need to ensure that it takes maximum advantage of the legislation. For example, the Bureau must pursue recruitment strategies that target federal retirees. The Bureau also needs to monitor the number of exempted retirees it hires to have information should the exemption be considered for subsequent decennials.

Mr. Chairman and Members of the Subcommittee, I am pleased to be here today to testify in support of H.R. 1860.

In previous testimonies before this Subcommittee, we discussed the need to consider exemptions to annuity and salary offsets for federal retirees because the Bureau's staffing difficulties demonstrate the need to increase the supply of potential applicants for the census.¹ The current requirement that federal retirees' annuities or salaries be reduced is a disincentive for those individuals to accept census employment.

My comments today are based on our reviews of the Bureau's recruitment efforts, previous exemptions to annuity and salary offsets, federal civilian and military retiree statistics, and on discussions with officials from the Bureau and organizations that represent federal retirees.

H.R. 1860 WOULD EXEMPT FEDERAL
RETIREES FROM TITLE 5 OFFSETS

H.R. 1860 would exempt federal annuitants and retired members of the uniformed services who work in temporary positions on the 1990 decennial census from the offset provisions of title 5 of the United States Code. Title 5 generally requires that federal civilian annuitants and retired members of the uniformed services

¹Status of Plans for the 1990 Decennial Census: An Update (GAO/T-GGD-89-15, Mar. 23, 1989); Status of the 1990 Decennial Census (GAO/T-GGD-88-53, Sept. 27, 1988).

who are reemployed by the federal government receive reduced annuities or salaries.

Some reemployed military retirees receive a reduced annuity, while reemployed civilian retirees receive a reduced salary. Retired enlisted personnel are affected by the offset only to the extent that their combined government pay and annuity exceeds the basic pay rate for Executive Schedule Level V, currently \$75,500. Retired officers of the uniformed services who accept federal employment have their annuities reduced based on a formula established in title 5. Civilian retirees who are reemployed by the federal government have their federal salaries reduced by the amount of their annuities.

The bill provides the Secretary of Commerce with the authority to define the temporary decennial census positions that will be exempt from the offsets and requires that an exemption for any individual can not exceed 6 months.

In considering the legislation, we believe Congress should give particular attention to three issues:

-- the extent to which the legislation is needed to expand the pool of available applicants for the decennial census,

- the extent to which the legislation is consistent with previous exemptions to annuity or salary offsets, and
- actions the Bureau will need to take to ensure that it takes full advantage of the exemption.

I will comment on each of these issues.

EXPANDING THE LABOR POOL

H.R. 1860 has the potential of enlarging the pool of applicants for census employment, which would help the Bureau address its severe staffing problems. Attracting and retaining a quality census workforce traditionally has been a major problem. For example, in 1980 many of the Bureau's district offices were unable to attract and retain a sufficient number of temporary employees. The Bureau was unable to fill 30 percent of its enumerator positions during peak operations and suffered from high turnover in some offices.

The Bureau faces equally severe challenges in 1990. To help ensure sufficient staff, the Bureau anticipates that it will need to recruit at least 1.6 million applicants for district offices in 1990, or about 45 percent more than the Bureau needed in 1980. This increase is due to several factors, including anticipated job refusal and turnover rates, an estimated increase in the

number of housing units, and an expected mail response rate lower than in 1980.

Early 1990 decennial census activities demonstrate the staffing problems the Bureau could face in 1990. For example, during the 1988 prelist, when the 1990 address list for suburban and rural areas was developed, about 28 percent of prelist areas reported difficulties in meeting staffing and recruitment goals.

Turnover rates were about 60 percent, according to a Bureau official, or more than twice what had been expected. As a result of its staffing problems, the Bureau increased enumerator pay rates by 45 percent in six east coast areas to complete the activity.

Given its staffing difficulties, the Bureau needs to recruit adults of all ages. Retirement-age individuals have shown a willingness to work on the census. For example, during the 1988 prelist over 23 percent of the Bureau's field employees were age 55 or above, according to the Bureau's personnel records. Over 30 percent of the field employees in each of three regions-- Boston, New York, and Atlanta--were in that age group. These employees are valued by the Bureau because of their experience, stability, and quality of work.

Federal retirees represent a potentially large additional source

of employees for the Bureau. For example, nationally, over 1.6 million federal retirees are below the age of 70.

Federal retirees could be of particular assistance to the Bureau in meeting staff needs in areas where it has experienced severe employee shortages. For example, as I noted earlier, the Bureau raised pay rates in six east coast areas to complete prelist. The numbers of federal retirees residing in those areas were significantly greater than the Bureau's staffing needs. About 209,000 retired federal civilian employees and military officers reside in or near those six areas, as shown on the chart on the next page.² While there certainly was no guarantee that federal retirees would have come to work for the census, if even a small percentage had accepted census employment it would have aided the Bureau in overcoming its prelist staffing difficulties.

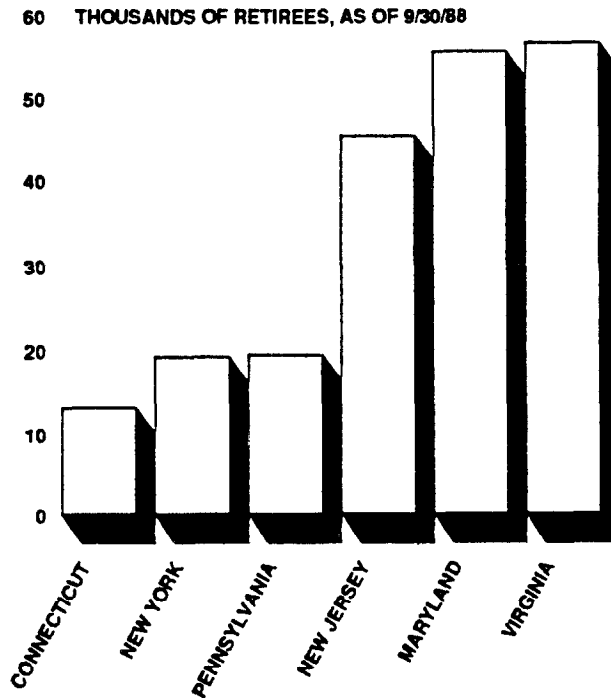
In addition, because of their skills and commitment, federal retirees could be a valuable asset to the Bureau over and above what is generally expected of temporary census employees.

Federal retirees have demonstrated a lifetime commitment to the values of the public service. Retired postal workers who are

²The prelist pay increase areas included all of New Jersey and Connecticut and parts of New York, Pennsylvania, Virginia, and Maryland. The chart includes non-disabled civilian and military officer retirees. Thus, the number of retirees shown for New Jersey and Connecticut represents all those retirees living in the state. For the other four pay increase areas, however, the number of retirees represents only those living in or near the parts of the state that received the pay increase.

familiar with neighborhoods and recognized by the people who live there would be particularly valuable. According to a Bureau official, the Bureau's regional offices report that several hundred federal retirees already have contacted the Bureau and expressed an interest in working on the census. However, once the offset provisions were explained, the retirees apparently decided against seeking employment on the census.

**RETIRES LIVING IN OR NEAR
PRELIST PAY INCREASE AREAS**



PRELIST PAY INCREASE AREAS

Note: Connecticut and New Jersey include all retirees in the state. Other states include only retirees living in or near pay increase areas.

SOURCE: OPM Retirement and Insurance Group and DOD Statistical Report on the Military Retirement System.

H.R. 1860 CONSISTENT WITH
PREVIOUS OFFSET EXEMPTIONS

The proposed legislation is consistent with previous exemptions granted when federal employees were needed to meet important government hiring needs. Offset exemptions have been approved three times in the last 10 years to allow federal retirees to work for the government without reductions in their salaries or annuities.

- Most recently, in the Immigration Reform and Control Act of 1986, Congress authorized the Immigration and Naturalization Service to employ, under certain restrictions, retired military and civilian employees without reductions to their annuities or salaries for a period not to exceed 18 months. The exemption was provided to assist in the alien amnesty program.

- In October 1982, Congress amended title 5 to allow federal retirees to work for the air traffic control system or to train others to work on the system, without reductions in their annuities or salaries, subject to certain restrictions. The exemption was provided in response to the controller strike and expired at the end of 1984.

-- The third exemption, and the one most directly related to the 1990 census, was granted for the 1980 decennial census. The Office of Personnel Management authorized an exemption to the annuity offset provisions for military officers who worked on the decennial census. Unfortunately, the Bureau did not monitor the numbers of retired officers hired as a result of the exemption.

The Bureau's 1980 exemptions covered employees in 12 different occupations. The exempted occupations ranged from enumerator to district office manager and represent the vast majority of the Bureau's field positions. The Bureau's 1980 exemptions were extended only to those military officers who retired on or before January 11, 1979, because the Civil Service Reform Act of 1978 does not allow the Office of Personnel Management to grant exemptions for officers who retired after that date.

BUREAU NEEDS TO ENSURE

THE EXEMPTION IS FULLY USED

The Bureau will need to ensure that it takes maximum advantage of the exemptions provided in the legislation. For example, specially targeted recruitment efforts to attract federal retirees will be needed. Field recruitment strategies that focus on attracting individuals who are actively seeking employment may not be useful for notifying federal retirees of census employment

opportunities. Those retirees who are not in the labor market, will not be reached through classified advertising and contacts with state employment centers.

At the headquarters level, the Bureau has made outreach efforts to a number of national organizations, including those that represent senior citizens. However, the Bureau needs to continue to ensure that its district offices pursue recruitment strategies that attract individuals, such as many retirees, who are not actively seeking employment. For example, the Bureau needs to promote a coordinated strategy of follow-up with local chapters of national retiree organizations contacted by Bureau headquarters.

The Bureau also will need to design and implement a system to monitor the number of exempted retirees it hires. Such information is critical for the Bureau and Congress to determine the success of the exemption and for determining whether the exemption is justified for subsequent decennial censuses.

As I noted earlier, the Bureau did not evaluate the results of the exemption for the 1980 census. As a result, it does not know how many, or in what positions, retired officers contributed to decennial activities in 1980. Data on the number of retired military officers that worked on the census could have assisted

the Bureau in developing and supporting a legislative initiative earlier in the 1990 census cycle.

In closing, when we testified before this Subcommittee in March, we discussed two major staffing challenges confronting the Bureau for 1990--ensuring that its pay rates are competitive and expanding the pool of applicants. By eliminating a financial disincentive to accepting census employment, H.R. 1860 may help expand the pool of applicants. We believe that federal retirees could be an important recruitment source for the Bureau, and H.R. 1860 could contribute to an improved 1990 census. However, the Bureau must continue to make progress on implementing competitive pay rates to ensure it is able to attract needed staff in 1990.

This concludes my remarks, Mr. Chairman; I would be pleased to answer any questions.