

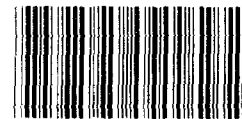
**GAO**

Briefing Report to Congressional Requesters

June 1987

# DOD CIVILIANS IN EUROPE

## Information on Increases Between Fiscal Years 1982 and 1986



133290

039267

\_\_\_\_\_

\_\_\_\_\_



National Security and  
International Affairs Division

B-226948

June 24, 1987

The Honorable John C. Stennis  
Chairman, Subcommittee on Defense  
Committee on Appropriations  
United States Senate

The Honorable Ted Stevens  
Ranking Minority Member  
Subcommittee on Defense  
Committee on Appropriations  
United States Senate

This briefing report responds to congressional concern about the growth in the number of civilian personnel working for the Department of Defense (DOD) in Europe since 1982, as discussed in Senate Report 99-446. As a result of our discussions with your offices, this briefing report also contains information on the cost of DOD civilian personnel in Europe, the number of civilian workyears expended, and trends in outside contracting for services in Europe.

We found that statistics provided to the Committee by DOD and included in Senate Report 99-446 overstated the growth of DOD civilian personnel in Europe. The actual number of DOD civilian personnel in Europe grew from September 30, 1982, to September 30, 1986, by nearly 14,000--an increase of over 14 percent. Personnel costs, the number of civilian workyears expended, and the cost of outside contracting also increased. The DOD components having the largest increases in the number of civilian personnel in Europe were the Army, Air Force, Navy, and the DOD Dependent School System (DODDS), and most of this growth occurred in Germany. More information on these matters is contained in the sections that follow, as well as in appendixes I to V.

DOD STATISTICS INACCURATE

DOD classifies civilians in three categories.

1. U.S. direct hires--U.S. civilians hired by DOD.
2. Foreign national direct hires--citizens of other countries hired by DOD.

3. Foreign national indirect hires--citizens of other countries assigned to support DOD through contracts or agreements with foreign governments.

Statistics in Senate Report 99-446 showed that the number of direct hire (both U.S. and foreign national) personnel in Europe had increased 52 percent from September 30, 1982, to September 30, 1985. These statistics were obtained from the September 30, 1982, and the September 30, 1985, editions of the DOD Worldwide Manpower Distribution by Geographical Area report.

In analyzing DOD's September 30, 1985, statistics, we found that the 52-percent figure was inaccurate. According to DOD and Army officials, an error in the automated selection process used to determine the numbers of personnel by geographic area caused an inaccurate distribution of the Army's U.S. direct hire personnel between the United States and overseas areas in 1985. This error resulted in an overstatement of the number of the Army's U.S. direct hires in Germany as of September 30, 1985, by 5,964. The actual increase in direct hires in Europe from September 30, 1982, to September 30, 1985, was about 34 percent.

We found no significant errors in the other Worldwide Manpower Distribution by Geographical Area reports we used during the course of our work. DOD is currently establishing improved quality-control procedures to ensure that future reports contain accurate data.

In the 1986 report, we noted that between the end of fiscal year 1985 and the end of fiscal year 1986, the number of direct hire personnel in Europe decreased slightly, so that the number of DOD direct hires in Europe from September 30, 1982, to September 30, 1986, increased by about 33 percent.

INCREASE IN DOD CIVILIANS IN EUROPE BETWEEN  
SEPTEMBER 30, 1982, AND SEPTEMBER 30, 1986

Based on information DOD components provided, the overall increase in DOD civilians (both direct and indirect hires) in Europe was about 14.4 percent from September 30, 1982, to September 30, 1986. (See table 1.)

Table 1: Growth in DOD Civilian Personnel in Europe, September 30, 1982, to September 30, 1986

<u>DOD component</u>	<u>Growth</u>	
	<u>Number</u>	<u>Percent</u>
Army	9,675	14.1
Air Force	2,131	15.1
Navy	457	11.2
DOD Dependent Schools	1,402	17.8
All other	103	a
Overall	13,768	14.4 <sup>b</sup>
	=====	

<sup>a</sup>Includes other components represented in Europe, such as the Army Material Command, the Troop Support Agency, and the Corps of Engineers, which had no significant growth during this period. For presentation purposes, we show their total growth, but not their relative growth.

<sup>b</sup>This growth was greater than for DOD in the United States and territories (7.6 percent) or worldwide (8.1 percent). (See app. I.)

The largest increase in DOD civilian personnel in Europe occurred in U.S. direct hires, as opposed to foreign national direct or indirect hires. For example, the number of Army civilians in Europe increased by 9,675 civilians, 7,277 of whom were U.S. direct hires. (See app. II.) We noted similar civilian growth patterns in Europe in the Air Force, Navy, and DODDS. (See app. III to V.)

Over 70 percent of the DOD civilian growth in Europe has taken place in the Army, mostly in Germany. Secretarial and clerical positions were responsible for a large number of the direct hire increases. We also noted that 54 percent of the Army's new direct hires during this period were dependents of U.S. military personnel already located in Europe. (See app. II.)

#### REASONS FOR CIVILIAN INCREASES

Army officials attributed its civilian increases in Europe primarily to

- the use of civilians in base operations support functions to replace military personnel previously diverted from combat and combat support positions, and

- the conversion of military positions in support units to civilian positions to release the military manpower spaces for reallocation to combat units.

The Army also attributed some of its growth to additional support for new or increased missions and improvements in services provided by family centers and continuing education programs. (See app. II.)

The Air Force said that its increases were the result of

- a conscious effort to convert positions from military to civilian personnel, in response to congressional and DOD direction; and
- more civilians being needed to support an increase in force size and the introduction of the ground-launch cruise missile. (See app. III.)

According to the Navy, its increased use of civilian personnel in Europe was the result of a need for more civilians to support expanded operations at its Mediterranean bases. (See app. IV.)

DODDS said that it needed additional staff to handle higher student enrollment of approximately 14 percent and the introduction of additional special education programs mandated by recent laws. (See app. V.)

PERSONNEL COSTS, WORKYEARS  
EXPENDED, AND CONTRACTING

No central source exists within DOD for compiling data on the cost of civilian personnel, civilian workyears expended, or the extent to which the various DOD components in Europe contract for services. We were, therefore, unable to obtain information on these matters that was as comprehensive as the information on the number of civilian employees contained in the Worldwide Manpower Distribution by Geographical Area reports.

The limited information we were able to obtain from the DOD components on the cost of civilians and the expenditure of workyears in Europe is contained in appendixes II to V and shows an overall increase during the period September 30, 1982, to September 30, 1986. In addition, our limited analysis of the change in the unadjusted dollar amount of DOD contracting activity in Europe from fiscal year 1982 to fiscal year 1986 as reflected in DOD's contracting data base showed that this element also increased by about one third. Service officials in Europe informed us that, overall, contracting for services

that would otherwise be performed in-house by military or civilian personnel had not expanded significantly since 1982 and that there were few new contracts for services. These officials specified three areas as having new or significantly expanded contract activity:

- an Army contract for depot-level maintenance at the Mainz Army Depot that has doubled since 1982 from 270 million Deutsche Marks to 540 million Deutsche Marks in fiscal year 1986 (an increase of about \$135 million at a 2.0 exchange rate);
- about 65 new Army contracts for security guard services at sites throughout Europe, employing an estimated 1,300 guards at an annual cost of about \$15 million; and
- new Air Force contracts at an annual cost of about \$3.8 million for the maintenance of flight simulators.

OBJECTIVES, SCOPE, AND METHODOLOGY

Our objectives were to

- determine the change in the number of DOD civilians in Europe from September 30, 1982, to September 30, 1986;
- identify the types of positions that had increased;
- obtain explanations for the increases from DOD components;
- obtain information on the cost of DOD civilian personnel in Europe during the period, as well as the workyears these personnel expended; and
- obtain information on DOD initiatives in Europe for contracting for services that DOD personnel would otherwise have performed.

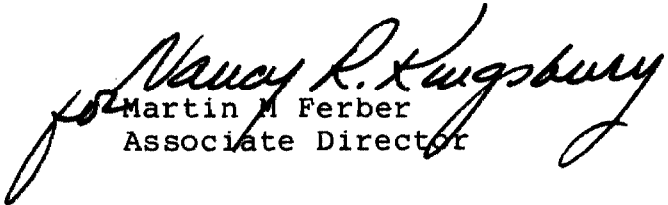
We interviewed officials and obtained relevant documents at the Office of the Assistant Secretary of Defense (Force Management and Personnel), service headquarters, and DODDS headquarters in Washington, D.C.; the U.S. European Command; the European headquarters for the U.S. Army, U.S. Air Force, U.S. Navy, Army Material Command, Information Systems Command, Corps of Engineers, and Troop Support Agency; and the DODDS regional offices in Europe.

In addition, we reviewed and analyzed information submitted on increases in civilian employees by DOD components and their major commands in Washington, D.C., and in Europe. Due to time constraints, we did not independently verify this information.

- - - - -

As requested, we did not obtain official agency comments on this report. We discussed a draft with officials in the Office of the Secretary of Defense and the four DOD components and have incorporated their comments where appropriate. The comments we received agreed with the material presented herein.

We are sending copies of this report to the Chairmen, Senate Armed Services Committee, House Armed Services Committee, and House Appropriations Committee; the Secretaries of Defense, the Army, the Navy, and the Air Force; the Director, Office of Management and Budget; and other interested parties. If you have any questions, please call me on 275-8412.

  
Martin M Ferber  
Associate Director



C O N T E N T S

	<u>Page</u>
<u>APPENDIX</u>	
I TOTAL GROWTH IN DOD CIVILIANS IN EUROPE FROM SEPTEMBER 30, 1982, TO SEPTEMBER 30, 1986	9
II ARMY CIVILIAN GROWTH IN EUROPE FROM SEPTEMBER 30, 1982, TO SEPTEMBER 30, 1986	11
Army Explanation for Increases	13
Army Positions That Have Increased	14
III AIR FORCE CIVILIAN GROWTH IN EUROPE FROM SEPTEMBER 30, 1982, TO SEPTEMBER 30, 1986	16
Air Force Explanation for Increases	18
Air Force Positions That Have Increased	19
IV NAVY CIVILIAN GROWTH IN EUROPE FROM SEPTEMBER 30, 1982, TO SEPTEMBER 30, 1986	21
Navy Explanation for Increases	23
Navy Positions That Have Increased	24
V DODDS CIVILIAN GROWTH IN EUROPE FROM SEPTEMBER 30, 1982, TO SEPTEMBER 30, 1986	25
DODDS Explanation for Increases	27
DODDS Positions That Have Increased	28

Tables

I.1 Growth in DOD Civilians in Europe by Type, September 30, 1982, to September 30, 1986	9
I.2 Growth in DOD Civilians in Europe by DOD Component, September 30, 1982, to September 30, 1986	10
I.3 Growth in DOD Civilians in Selected Locations, September 30, 1982, to September 30, 1986	10
II.1 Army Civilian Employees in Europe	11
II.2 Cost of Army Civilians in Europe	12
II.3 Workyear Equivalentents of Army Civilians in Europe	12
II.4 Army Civilians in Europe by Country	13
II.5 Army Functions Where Major Increases Have Occurred in Europe (September 30, 1982, to September 30, 1986)	15

II.6	Increases in Army Full-Time Permanent U.S. Direct Hire Positions in Europe, September 30, 1982, to September 30, 1986	15
III.1	Air Force Civilian Employees in Europe	16
III.2	Cost of Air Force Civilians in Europe	17
III.3	Workyear Equivalentents of Air Force Civilians in Europe	17
III.4	Air Force Civilians in Europe by Country	18
III.5	Air Force Positions That Showed the Most Significant Increases From September 30, 1982, to September 30, 1986	20
IV.1	Navy Civilian Employees in Europe	21
IV.2	Cost of Navy Civilians in Europe	22
IV.3	Workyear Equivalentents of Navy Civilians in Europe	22
IV.4	Navy Civilians in Europe by Country	23
IV.5	Navy Positions That Showed the Most Significant Increases From September 30, 1982, to September 30, 1986	24
V.1	DODDS Civilian Employees in Europe	25
V.2	Cost of DODDS Civilians in Europe	25
V.3	Workyear Equivalentents of DODDS Civilians in Europe	26
V.4	DODDS Civilians in Europe by Country	27

#### ABBREVIATIONS

DOD	Department of Defense
DODDS	Department of Defense Dependent School System
FNDH	Foreign National Direct Hires
FNIH	Foreign National Indirect Hires
USAFE	United States Air Force Europe
USAREUR	United States Army Europe
USDH	United States Direct Hires

TOTAL GROWTH IN DOD CIVILIANS IN EUROPE  
FROM SEPTEMBER 30, 1982, TO SEPTEMBER 30, 1986

The DOD civilian workforce in Europe is made up of

- (1) U.S. direct hires--U.S. citizens hired directly by a DOD agency;
- (2) foreign national direct hires--citizens of other countries hired by DOD to support activities in their home countries; and
- (3) foreign national indirect hires--citizens of other countries assigned to support U.S. forces through contracts or agreements with foreign governments. These employees are not employees of the U.S. government.

As reported in DOD's report on Worldwide Manpower Distribution by Geographical Area, DOD civilians in Europe increased by 13,768 (14.4 percent) between September 30, 1982, and September 30, 1986. (See table I.1.)

Table I.1: Growth in DOD Civilian Personnel in Europe by Type, September 30, 1982, to September 30, 1986

<u>Type of employee</u>	<u>As of</u>	<u>As of</u>	<u>Growth</u>	
	<u>Sept. 30, 1982</u>	<u>Sept. 30, 1986</u>	<u>Number</u>	<u>Percent</u>
United States direct hires	27,988	38,336	10,348	37.0
Foreign national direct hires	5,681	6,372	691	12.2
Foreign national indirect hires	<u>61,888</u>	<u>64,617</u>	<u>2,729</u>	4.4
Total	95,557 =====	109,325 =====	13,768 =====	14.4

Source: DOD's Worldwide Manpower Distribution by Geographical Area

DOD's report also shows the distribution of the civilian growth for DOD components in Europe. (See table I.2.)

Table I.2: Growth in DOD Civilians in Europe by DOD Component,  
September 30, 1982, to September 30, 1986

<u>DOD component</u>	<u>Growth</u>	
	<u>Amount</u>	<u>Percent</u>
Army	9,690	14.2
Air Force	2,131	15.1
Navy	483	12.0
Other components (primarily DODDS)	<u>1,464</u>	16.3
Total	13,768 =====	14.4

Source: DOD's Worldwide Manpower Distribution by Geographical Area.  
(Figures differ slightly, but insignificantly, from those reported by the DOD components themselves and used in other sections of this briefing report.)

The 14.4-percent growth in DOD civilians in Europe is higher than that reported in other parts of the world. (See table I.3.)

Table I.3: Growth in DOD Civilians in Selected Locations,  
September 30, 1982, to September 30, 1986

<u>Location</u>	<u>Percent growth</u>
Europe	14.4
All foreign countries	10.7
United States and territories	7.6
Non-European foreign countries	4.9
Worldwide	8.1

ARMY CIVILIAN GROWTH IN EUROPE  
FROM SEPTEMBER 30, 1982, TO SEPTEMBER 30, 1986

Army civilians in Europe grew by 9,675 (14.1 percent) from September 30, 1982, to September 30, 1986. Of the 9,675 increase, 7,277 were U.S. direct hires, about 4,000 of whom were dependents of U.S. military or civilian personnel. (See table II.1.)

Table II.1: Army Civilian Employees in Europe

<u>Type of employee</u>	<u>As of</u>	<u>As of</u>	<u>Change</u>	
	<u>Sept. 30, 1982</u>	<u>Sept. 30, 1986</u>	<u>Number</u>	<u>Percent</u>
United States				
direct hires	16,235	23,512	7,277 <sup>a</sup>	44.8
Foreign national				
direct hires	1,649	1,760	111	6.7
Foreign national				
indirect hires	<u>50,528</u>	<u>52,815</u>	<u>2,287</u>	4.5
Total	68,412	78,087	9,675	14.1
	=====	=====	=====	

<sup>a</sup>Nearly 4,000 of the U.S. direct hires were dependents of U.S. military or civilian personnel.

The Army increase in Europe was greater than Army civilian growth in other geographical areas. According to DOD's Worldwide Manpower Distribution by Geographical Area, the Army experienced the following overall growth in its civilian workforce during the period: worldwide, 9.3 percent; United States and territories, 8.8 percent; non-European foreign countries, 2.6 percent.

Table II.2 compares the estimated expenditures for Army civilian personnel for the year ended September 30, 1982, with the year ended September 30, 1986. Due to foreign currency fluctuations, the expenditure figures for foreign national hires are not consistent with changes in the numbers of these employees.

Table II.2: Cost of Army Civilians in Europe

<u>Type of employee</u>	<u>For the year ended</u>		<u>Change</u>	
	<u>Sept. 30,</u> <u>1982</u>	<u>Sept. 30,</u> <u>1986</u>	<u>Amount</u>	<u>Percent</u>
		(000)		
United States				
direct hires	\$ 388,796	\$ 675,576	\$ 286,780	73.8
Foreign national				
direct hires	19,772	15,977	(3,795)	(19.2)
Foreign national				
indirect hires	<u>842,496</u>	<u>654,760</u>	<u>(187,736)</u>	<u>(22.3)</u>
Total	\$ <u>1,251,064</u>	\$ <u>1,346,313</u>	\$ <u>95,249</u>	<u>7.6</u>

As table II.3 shows, workyear equivalents (i.e., the number of workyears expended in a given year) increased by an estimated 13.6 percent.

Table II.3: Workyear Equivalents of Army Civilians in Europe

<u>Type of employee</u>	<u>For the year ended</u>		<u>Change</u>	
	<u>Sept. 30, 1982</u>	<u>Sept. 30, 1986</u>	<u>Number</u>	<u>Percent</u>
United States				
direct hires	15,295	19,693	4,398	28.8
Foreign national				
direct hires	1,356	1,560	204	15.0
Foreign national				
indirect hires	<u>45,563</u>	<u>49,394</u>	<u>3,831</u>	<u>8.4</u>
Total	62,214	70,647	8,433	13.6

Table II.4 shows the change in Army civilians in Europe by country.

Table II.4: Army Civilians in Europe by Country

Country	As of Sept. 30, 1982				As of Sept. 30, 1986			
	USDH	FNDH	FNIH	Total	USDH	FNDH	FNIH	Total
Germany	15,684	15	49,615	65,314	22,619	12	51,643	74,274
Belgium	242	4	591	837	324	5	835	1,164
Italy	178	1,016	0	1,194	325	1,089	0	1,414
Netherlands	60	3	307	370	107	2	335	444
United Kingdom	31	545	0	576	39	586	0	625
Other European countries	40	66	15	121	98	66	2	166
Total	16,235	1,649	50,528	68,412	23,512	1,760	52,815	78,087
	=====	=====	=====	=====	=====	=====	=====	=====

Change From September 30, 1982, to September 30, 1986

Country	USDH		FNDH		FNIH		Total	
	No.	Percent	No.	Percent	No.	Percent	No.	Percent
Germany	6,935	44.2	(3)	(20.0)	2,028	4.1	8,960	13.7
Belgium	82	33.8	1	25.0	244	41.3	327	39.1
Italy	147	82.6	73	7.2	0	0.0	220	18.4
Netherlands	47	78.3	(1)	(33.3)	28	9.1	74	20.0
United Kingdom	8	25.8	41	7.5	0	0.0	49	8.5
Other European countries	58	145.0	0	0.0	(13)	(86.7)	45	37.2
Total	7,277	44.8	111	6.7	2,287	4.5	9,675	14.1
	=====		====		=====		=====	

Legend: USDH--U.S. direct hires, FNDH--foreign national direct hires, FNIH--foreign national indirect hires.

ARMY EXPLANATION FOR INCREASES

Army officials said that over 60 percent of the increases were due to two initiatives:

1. The use of civilians in base operations support functions to replace military personnel previously diverted from combat or combat support positions. In the fiscal year 1981 Budget Supplemental, the Congress specifically provided an increase in Army civilian strength levels of

17,193 to support this initiative. Of this total, nearly 8,200 were allocated directly to Europe.

2. The conversion of military positions in support units to civilian positions to release the military manpower spaces for reallocation to combat units.

Army officials do not attribute either initiative to the imposition of a ceiling on troop strength in Europe. They maintain that the efforts were begun in order to respond to congressional desires to have military members in Europe performing only military functions and that the civilian increases were planned and programmed before the troop strength ceiling was imposed in fiscal year 1983. According to Army officials, both initiatives were aimed at increasing unit readiness. In connection with this, we were asked in 1981 to provide information to the House Armed Services Committee concerning the additional civilians the Congress had authorized the Department of Defense, many of whom were to replace borrowed military manpower.

The Army said that the remaining increases were due to quality-of-life initiatives (19 percent of the total), such as family service center programs to provide counseling, advice, and information, and programs for continuing the education of dependents and active-duty members; and increases in support functions (21 percent of the total), such as base operations, logistics, supply, and administrative support.

Officials at U.S. Army Europe (USAREUR) headquarters cited similar reasons for the increase in civilians. The reasons they gave, in order of importance were, (1) civilians replacing military, (2) additional support for new or increased missions, and (3) increased support for improving the quality of overseas living conditions.

#### ARMY POSITIONS THAT HAVE INCREASED

The Army identified 48 functions in which the number of civilian employees increased by 13,076 positions, and 20 functions where the number of civilian employees decreased by 3,401 positions for a net overall increase of 9,675 positions in Europe from September 30, 1982, to September 30, 1986. Table II.5 lists the functions that grew by more than 225 positions each.



Table II.5: Army Functions Where Major Increases Have Occurred in Europe (September 30, 1982, to September 30, 1986)

<u>Function</u>	<u>Increase</u>
Other tactical support-logistics unit	2,378
Directorate of resources management	1,352
Quality-of-life improvements	1,138
Communications (tactical/installation) support	1,060
Administrative support	1,008
Alcohol and drug abuse	546
Directorate of plans, training, and mobilization	535
Supply operations	503
Fire prevention and protection	458
Army continuing education	386
Northern Army Group	383
Force-related training (foreign and command)	330
Food service program	322
Station hospitals/medical clinics	294
Morale support activities	277
Army family housing operation	254
Support maintenance (general and direct)	253
Child development services	226

Table II.6 presents the Army full-time permanent U.S. direct hire positions in Europe that showed the most significant increases over the period. Similar information was unavailable at headquarters for increases in foreign national direct and indirect hires.

Table II.6: Increases in Army Full-Time Permanent U.S. Direct Hire Positions in Europe, September 30, 1982, to September 30, 1986

<u>Position</u>	<u>Increase</u>
Secretary	635
Supply clerk	325
Clerk-typist	234
Computer specialist	225
Clerk	208
Management analyst	192
Food service worker	159
Auditor	159
Nurse	153
Civil engineer	149
Equipment specialist	143
Education and training technician	141
Logistics manager	126
Budget clerk	125
Student aid	122
Social science worker	108

AIR FORCE CIVILIAN GROWTH IN EUROPE  
FROM SEPTEMBER 30, 1982, TO SEPTEMBER 30, 1986

Air Force civilians in Europe grew by 2,131 (15.1 percent) from September 30, 1982, to September 30, 1986. Of the 2,131 increase, 1,093 were U.S. direct hires. (See table III.1.)

Table III.1: Air Force Civilian Employees in Europe

<u>Type of employee</u>	<u>As of</u>	<u>As of</u>	<u>Change</u>	
	<u>Sept. 30, 1982</u>	<u>Sept. 30, 1986</u>	<u>Number</u>	<u>Percent</u>
United States direct hires	3,649	4,742	1,093	30.0
Foreign national direct hires	2,001	2,375	374	18.7
Foreign national indirect hires	<u>8,472</u>	<u>9,136</u>	<u>664</u>	7.8
Total	14,122 =====	16,253 =====	2,131 =====	15.1

The Air Force increase in Europe was greater than that in other areas. According to the DOD Worldwide Manpower Distribution by Geographical Area report, the Air Force experienced the following overall growth in its civilian workforce during the period: worldwide, 6.4 percent; United States and territories, 5.8 percent; non-European foreign countries, 6.9 percent.

Table III.2 compares the estimated expenditures for Air Force civilians in Europe for the year ended September 30, 1982, with the year ended September 30, 1986. Due to foreign currency fluctuations, the expenditure figures for foreign national hires are not consistent with changes in the numbers of these employees.

Table III.2: Cost of Air Force Civilians in Europe

<u>Type of employee</u>	<u>For the year ended</u>		<u>Change</u>	
	<u>Sept. 30, 1982</u>	<u>Sept. 30, 1986</u>	<u>Amount</u>	<u>Percent</u>
	(000)			
United States				
direct hires	\$ 81,651	\$130,843	\$49,192	60.2
Foreign national				
direct hires	35,866	30,307	(5,559)	(15.5)
Foreign national				
indirect hires	<u>132,807</u>	<u>121,687</u>	<u>(11,120)</u>	(8.4)
Total	\$250,324 =====	\$282,837 =====	\$32,513 =====	13.0

As table III.3 shows, the workyear equivalents of Air Force civilians increased by an estimated 16.6 percent.

Table III.3: Workyear Equivalents of Air Force Civilians in Europe

<u>Type of employee</u>	<u>For the year ended</u>		<u>Change</u>	
	<u>Sept. 30, 1982</u>	<u>Sept. 30, 1986</u>	<u>Number</u>	<u>Percent</u>
United States				
direct hires	3,798	4,994	1,196	31.5
Foreign national				
direct hires	1,843	2,277	434	23.5
Foreign national				
indirect hires	<u>8,617</u>	<u>9,350</u>	<u>733</u>	8.5
Total	14,258 =====	16,621 =====	2,363 =====	16.6

Table III.4 shows the change in Air Force civilians in Europe by country.

Table III.4: Air Force Civilians in Europe by Country

Country	As of Sept. 30, 1982				As of Sept. 30, 1986			
	USDH	FNDH	FNIH	Total	USDH	FNDH	FNIH	Total
United Kingdom	916	35	1,224	2,175	1,352	58	1,400	2,810
Germany	1,968	1	5,912	7,881	2,278	0	6,225	8,503
Italy	106	591	0	697	218	878	0	1,096
Belgium	17	0	2	19	52	0	196	248
Spain	231	0	819	1,050	312	0	851	1,163
Other European countries	411	1,374	515	2,300	530	1,439	464	2,433
Total	3,649	2,001	8,472	14,122	4,742	2,375	9,136	16,253
	=====	=====	=====	=====	=====	=====	=====	=====

Change From September 30, 1982, to September 30, 1986

Country	USDH		FNDH		FNIH		Total	
	No.	Percent	No.	Percent	No.	Percent	No.	Percent
United Kingdom	436	47.6	23	65.7	176	14.4	635	29.2
Germany	310	15.8	(1)	100.0	313	5.3	622	7.9
Italy	112	105.7	287	48.6	0	0.0	399	57.2
Belgium	35	206.0	0	0.0	194	9700.0	229	1205.0
Spain	81	35.1	0	0.0	32	3.9	113	10.8
Other European countries	119	29.0	65	4.7	(51)	(9.9)	133	5.8
Total	1,093	30.0	374	18.7	664	7.8	2,131	15.1
	=====		====		=====		=====	

Legend: USDH--U.S. direct hires, FNDH--foreign national direct hires, FNIH--foreign national indirect hires.

AIR FORCE EXPLANATION FOR INCREASES

Air Force officials identified two major causes for the increases in civilians in Europe. The first was an Air Force program to convert positions in Europe from military to civilian. This program came about for a variety of reasons, including the need to respond to

-- a fiscal year 1984 DOD Inspector General report that criticized the Air Force for not using more civilians;

- a 1985 Air Force Chief of Staff directive instructing U.S. Air Forces Europe (USAFE) to begin using civilians in lieu of military personnel for base operations support; and
- Senate Appropriations Committee Report 99-176 in 1985, which encouraged using more civilians in Air Force operations in Europe.

The second cause was an overall increase of 4,088 in the number of Air Force military personnel stationed in Europe from fiscal year 1982 to fiscal year 1986. This increase in troops led to an increase of 698 civilian positions in USAFE in such areas as base operations support, real property maintenance, and medical activities. USAFE officials pointed in particular to the introduction of the ground-launch cruise missile system in Europe as a significant factor in increasing the civilian work force.

Air Force records for fiscal years 1982 through 1986 show that 518 of the 698 increase in authorized civilian positions occurred as a result of the increased troop strength due to the ground-launch cruise missile. The positions involved a wide variety of job types, but our review of personnel records showed that the most frequently authorized positions included (1) real property maintenance technicians in such specialties as engineering, plumbing, electrical, air conditioning, and inventory management and (2) base operating support positions for food services, traffic management, contracting, financial services, personnel support, and vehicle maintenance.

#### AIR FORCE POSITIONS THAT HAVE INCREASED

A comparison of Air Force civilian positions in Europe as of September 30, 1982, with those as of September 30, 1986, showed that the types of positions listed in table III.5 experienced the most significant increases.

Table III.5: Air Force Positions That Showed the Most Significant Increases From September 30, 1982, to September 30, 1986

<u>Position</u>	<u>Increase</u>
Secretary	350
Storekeepers and warehouse workers	156
Clerks	103
Housing managers	99
Kitchen workers	94
Auditors and accountants	63
Groundskeepers and maintenance workers	54
Drivers	41
Communications workers	35
Security guards and firefighters	34
Inspectors	20

NAVY CIVILIAN GROWTH IN EUROPE FROM  
SEPTEMBER 30, 1982, TO SEPTEMBER 30, 1986

Navy civilians in Europe grew by 457 (11.2 percent) from September 30, 1982, to September 30, 1986. Of the 457 increase, 322 were U.S. direct hires. (See table IV.1.)

Table IV.1: Navy Civilian Employees in Europe

<u>Type of employee</u>	<u>As of</u>		<u>Change</u>	
	<u>Sept. 30, 1982</u>	<u>Sept. 30, 1986</u>	<u>Number</u>	<u>Percent</u>
United States				
direct hires	883	1,205	322	36.5
Foreign national				
direct hires	1,845	2,069	224	12.1
Foreign national				
indirect hires	<u>1,336</u>	<u>1,247</u>	<u>(89)</u>	<u>(6.7)</u>
Total	<u>4,064</u>	<u>4,521</u>	<u>457</u>	<u>11.2</u>
	=====	=====	=====	

The Navy increase in Europe was greater than that in other areas. According to Worldwide Manpower Distribution by Geographical Area, the Navy experienced the following overall growth in its civilian workforce during the period: worldwide, 7.3 percent; United States and territories, 7.2 percent; non-European foreign countries, 7.6 percent.

Table IV.2 compares the estimated expenditures for Navy civilians for the year ended September 30, 1982, with the year ended September 30, 1986. Due to foreign currency fluctuations, the expenditure figures for foreign national hires are not consistent with changes in the numbers of these employees.

Table IV.2: Cost of Navy Civilians in Europe

<u>Type of employee</u>	<u>For the year ended</u>		<u>Change</u>	
	<u>Sept. 30, 1982</u>	<u>Sept. 30, 1986</u>	<u>Amount</u>	<u>Percent</u>
	----- (000) -----			
United States				
direct hires	\$23,337	\$39,060	\$15,723	67.4
Foreign national				
direct hires	41,860	36,768	(5,092)	(12.2)
Foreign national				
indirect hires	<u>27,254</u>	<u>17,549</u>	<u>(9,705)</u>	(35.6)
Total	\$92,451	\$93,377	\$ 926	1.0
	=====	=====	=====	

As table IV.3 shows, the workyear equivalents of Navy civilians increased by an estimated 12.1 percent.

Table IV.3: Workyear Equivalents of Navy Civilians in Europe

<u>Type of employee</u>	<u>For the year ended</u>		<u>Change</u>	
	<u>Sept. 30, 1982</u>	<u>Sept. 30, 1986</u>	<u>Number</u>	<u>Percent</u>
United States				
direct hires	945	1,351	406	43.0
Foreign national				
direct hires	1,979	2,170	191	9.7
Foreign national				
indirect hires	<u>1,386</u>	<u>1,309</u>	<u>(77)</u>	(5.6)
Total	4,310	4,830	520	12.1
	=====	=====	=====	

Table IV.4 shows the change in Navy civilians in Europe by country.



Table IV.4: Navy Civilians in Europe by Country

Country	As of Sept. 30, 1982				As of Sept. 30, 1986			
	USDH	FNDH	FNIH	Total	USDH	FNDH	FNIH	Total
Italy	428	826	1	1,255	584	1,008	0	1,592
Spain	173	0	1,125	1,298	246	0	1,112	1,358
United Kingdom	160	221	61	442	220	273	0	493
Greece	12	3	118	133	31	0	128	159
Iceland	83	752	0	835	103	741	0	844
Other European countries	<u>26</u>	<u>43</u>	<u>31</u>	<u>101</u>	<u>21</u>	<u>47</u>	<u>7</u>	<u>75</u>
Total	883	1,845	1,336	4,064	1,205	2,069	1,247	4,521
	===	=====	=====	=====	=====	=====	=====	=====

Change From September 30, 1982, to September 30, 1986

Country	USDH		FNDH		FNIH		Total	
	No.	Percent	No.	Percent	No.	Percent	No.	Percent
Italy	156	36.4	182	22.0	(1)	(100.0)	337	26.9
Spain	73	42.2	0	0.0	(13)	(1.2)	60	4.6
United Kingdom	60	37.5	52	23.5	(61)	(100.0)	51	11.5
Greece	19	158.3	(3)	(100.0)	10	8.5	26	19.5
Iceland	20	24.1	(11)	(1.5)	0	0.0	9	1.1
Other European countries	<u>(6)</u>	<u>(22.2)</u>	<u>4</u>	<u>9.3</u>	<u>(24)</u>	<u>(77.4)</u>	<u>(26)</u>	<u>(25.7)</u>
Total	322	36.5	224	12.1	(89)	(6.7)	457	11.2
	=====		=====		=====		=====	

Legend: USDH--U.S. direct hires, FNDH--foreign national direct hires, FNIH--foreign national indirect hires.

NAVY EXPLANATION FOR INCREASES

The Navy identified expanded operations in the Mediterranean as the major reason for its civilian increases in Europe. New missions added during the period included intermediate level maintenance for the P-3 and C-130 aircrafts and the addition of a heavy lift helicopter unit to provide supply transportation to ships. Although no civilian positions were directly associated with these new missions, Navy officials told us that the increased level of military effort necessitated an increase in civilian personnel for support

operations at four stations in or near the Mediterranean--Sigonella, Rota, La Maddalena, and Naples.

In addition, civilians were hired to

- improve physical security for people and facilities in response to the escalation of terrorist activities;
- provide additional counseling, advice, and support to dependents and active-duty members to help them adjust to the difficulties of living in a foreign country; and
- implement various procurement programs to improve buying practices.

#### NAVY POSITIONS THAT HAVE INCREASED

Table IV.5 shows the most significant increases in Navy civilians in Europe.

Table IV.5: Navy Positions That Showed the Most Significant Increases From September 30, 1982, to September 30, 1986

<u>Position</u>	<u>Increase</u>
Security guards	93
Quality of life (family service center personnel, counselors, etc.)	77
Procurement and contracting	54
Clerical	40

DODDS CIVILIAN GROWTH IN EUROPE FROM  
SEPTEMBER 30, 1982, TO SEPTEMBER 30, 1986

DODDS civilians in Europe grew by 1,402 (17.8 percent) from September 30, 1982, to September 30, 1986. The number of U.S. direct hires increased by 1,533. (See table V.1.)

Table V.1: DODDS Civilian Employees in Europe

<u>Type of employee</u>	<u>As of</u>		<u>Change</u>	
	<u>Sept. 30, 1982</u>	<u>Sept. 30, 1986</u>	<u>Number</u>	<u>Percent</u>
United States				
direct hires	7,044	8,577	1,533	21.8
Foreign national				
direct hires	96	102	6	6.3
Foreign national				
indirect hires	<u>718</u>	<u>581</u>	<u>(137)</u>	<u>(19.1)</u>
Total	7,858	9,260	1,402	17.8
	=====	=====	=====	

The DODDS increase in Europe was greater than that in other areas. The DODDS experienced the following overall growth in its civilian workforce during the period: worldwide, 14.7 percent; United States and territories, 3.2 percent; non-European foreign countries, 5.6 percent.

Table V.2 compares the estimated expenditures for DODDS civilians in Europe for the year ended September 30, 1982, with the year ended September 30, 1986. Due to foreign currency fluctuations, the expenditure figures for foreign national hires are not consistent with changes in the numbers of these employees.

Table V.2: Cost of DODDS Civilians in Europe

<u>Type of employee</u>	<u>For the year ended</u>		<u>Change</u>	
	<u>Sept. 30, 1982</u>	<u>Sept. 30, 1986</u>	<u>Amount</u>	<u>Percent</u>
	----- (000) -----			
United States				
direct hires	\$177,657	\$267,542	\$89,885	50.6
Foreign national				
direct hires	1,285	959	(326)	(25.4)
Foreign national				
indirect hires	<u>14,934</u>	<u>8,822</u>	<u>(6,112)</u>	<u>(40.9)</u>
Total	\$193,876	\$277,323	\$83,447	43.0
	=====	=====	=====	

As table V.3 shows, the workyear equivalents of DODDS civilians increased by an estimated 16.5 percent.

Table V.3: Workyear Equivalents of DODDS Civilians in Europe

<u>Type of employee</u>	<u>For the year ended</u>		<u>Change</u>	
	<u>Sept. 30, 1982</u>	<u>Sept. 30, 1986</u>	<u>Number</u>	<u>Percent</u>
United States				
direct hires	7,044	8,567	1,523	21.6
Foreign national				
direct hires	96	102	6	6.3
Foreign national				
indirect hires	<u>718</u>	<u>482</u>	<u>(236)</u>	<u>(32.9)</u>
Total	<u>7,858</u>	<u>9,151</u>	<u>1,293</u>	<u>16.5</u>
	=====	=====	=====	

Table V.4 shows the change in DODDS civilians in Europe by country.

Table V.4: DODDS Civilians in Europe by Country

Country	As of Sept. 30, 1982				As of Sept. 30, 1986			
	USDH	FNDH	FNIH	Total	USDH	FNDH	FNIH	Total
Germany	5,367	0	528	5,895	6,425	0	392	6,817
United Kingdom	545	0	83	628	807	1	79	887
Italy	408	67	0	475	487	71	0	558
Turkey	105	22	0	127	164	20	0	184
Netherlands	93	0	15	108	125	0	9	134
Other European countries	<u>526</u>	<u>7</u>	<u>92</u>	<u>625</u>	<u>569</u>	<u>10</u>	<u>101</u>	<u>680</u>
Total	<u>7,044</u>	<u>96</u>	<u>718</u>	<u>7,858</u>	<u>8,577</u>	<u>102</u>	<u>581</u>	<u>9,260</u>

Change From September 30, 1982, to September 30, 1986

Country	USDH		FNDH		FNIH		Total	
	No.	Percent	No.	Percent	No.	Percent	No.	Percent
Germany	1,058	19.7	0	0.0	(136)	(25.8)	922	15.6
United Kingdom	262	48.1	1	100.0	(4)	(4.8)	259	41.2
Italy	79	19.4	4	6.0	0	0.0	83	17.5
Turkey	59	56.2	(2)	(9.1)	0	0.0	57	44.9
Netherlands	32	34.4	0	0.0	(6)	(40.0)	26	24.1
Other European countries	<u>43</u>	<u>8.2</u>	<u>3</u>	<u>42.9</u>	<u>9</u>	<u>9.8</u>	<u>55</u>	<u>8.8</u>
Total	<u>1,533</u>	<u>21.8</u>	<u>6</u>	<u>6.3</u>	<u>(137)</u>	<u>(19.1)</u>	<u>1,402</u>	<u>17.8</u>

Legend: USDH--U.S. direct hires, FNDH--foreign national direct hires, FNIH--foreign national indirect hires.

DODDS EXPLANATION FOR INCREASES

DODDS headquarters and Europe regional office officials cited two factors as having significantly influenced the increase in the DODDS civilian workforce in Europe: increased pupil enrollment and legislatively mandated special education programs. DODDS student enrollment in Europe increased approximately 14 percent (around 14,500 pupils) during the period in question. As an organization that exists to serve the DOD-dependent school-age population overseas, DODDS has no control over the size of its enrollment and does not maintain information on why the overseas student

population increased. However, Army and Air Force officials in Europe and headquarters told us that the following reasons have contributed to this growth in overseas student enrollment:

- The number of married soldiers increased.
- The size of the average military family increased.
- In 1981 and 1982, the government began leasing houses, which led to an increase in the amount of available housing and accompanied tours. (USAREUR family housing units grew by approximately 24,910 units [30 percent] from fiscal year 1982 to fiscal year 1986.)
- Army regulations were changed to permit E-1s, E-2s, E-3s, and single parents to be eligible for accompanied tours, and Air Force housing policy was changed to allow family members to be stationed at three bases in Italy where previously only military members were allowed.

According to DODDS, this increase in student enrollment necessitated a 953-position (13.1 percent) increase in traditional program staffing in Europe.

The other major factor DODDS cited was the need to staff additional program requirements as a result of Public Law 94-142, which required it to provide for special education and related services, and Public Law 95-561, which required it to provide for compensatory education, vocational education, English as a second language, and gifted and talented programs. According to DODDS, these additional education requirements were responsible for an increase of 483 positions in special education program staffing in Europe.

#### DODDS POSITIONS THAT HAVE INCREASED

Teacher and school-related positions (such as teaching specialists, teacher's aides, and guidance counselors) were responsible for most of the civilian growth in DODDS in Europe, according to DODDS headquarters and regional officials. Although the number of clerical, administrative, and maintenance and repair positions have also increased, DODDS officials indicated that the increase in teacher and school-related positions were responsible for most (over 90 percent) of the increases.

(391063)

---

Requests for copies of GAO reports should be sent to:

U.S. General Accounting Office  
Post Office Box 6015  
Gaithersburg, Maryland 20877

Telephone 202-275-6241

The first five copies of each report are free. Additional copies are \$2.00 each.

There is a 25% discount on orders for 100 or more copies mailed to a single address.

Orders must be prepaid by cash or by check or money order made out to the Superintendent of Documents.

---

United States  
General Accounting Office  
Washington, D.C. 20548

Official Business  
Penalty for Private Use \$300

Address Correction Requested

---

First-Class Mail  
Postage & Fees Paid  
GAO  
Permit No. G100