"REORGANIZATION AND THE WORKING CITIZEN"

By

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The Congress of Industrial Organizations wholeheartedly subscribes to the concept behind the creation of the Hoover Commission, as stated in the Act establishing the Commission, that it is "the policies of Congress to promote economy, efficiency and improved service in the transaction of the public's business in the Departments, Bureaus, Agencies, etc., etc."

Every thoughtful citizen and taxpayer has tremendous concern for economy and efficiency. The elimination of wasteful operations, inefficient activity and duplication of functions is highly necessary and essential. The Hoover Commission has dealt with the general problem of efficient and effective reorganization of the Federal Government. It has not dealt with basic issues relating to policy decisions. The Commission was fully cognizant of the fact that policy decisions as to government programs were matters for the concern and consideration of the Executive and Legislative Branches of the Government and not of the Commission. At no place in the reportings of the Commission can there be found estimates of the amount of savings which would ensue from the adoption of the recommendations.

This is an extremely essential point and I, on behalf of the CIO, should like to emphasize, very strongly, the necessity for this Citizens Committee to recognize this distinction. The Citizens Committee should emphasize to the public the necessity for reorganization of governmental activities, the need for improved efficiency and elimination of wastes and duplication, and leave to the Congress the determination as to how much money can be saved through these operations.
We must all guard against discussing the Hoover Commission Report in terms in which the Commission itself did not. The public may be led into disillusionment by the preaching of savings which may result from the adoption of the Hoover Report. Let us not confuse efficiency and economy in government with budget cutting and budget balancing. If savings result from the adoption of the Hoover Report, so much to the good, but let us not promise something which may not be realizable and measurable in dollar terms but which certainly may be measurable in terms of increased efficiency of operation. Instead of having actual dollar savings it might be found more advisable to have more and better service for the same amount of dollar expenditure.

It is a plain fact that the only way to save significant sums of money in the federal establishment is to eliminate essential activities and reduce the scale of operations. The Hoover Commission made no such recommendations and, of course, had no authority to do so. This unwarranted emphasis of dollar value of economy is something which is disturbing, and may well have political overtones to which the organization which I represent cannot subscribe.

Since the Hoover Report makes no recommendations which looks toward the elimination of governmental functions, budgetary implications must be sought elsewhere. There seems to be three areas in which the recommendations of the Hoover Commission, if authorized by the Congress, and carried out by the President, may be expected to be small, but highly worthwhile, economies. They are:

(1) Avoidance of overlapping in maintenance and operation, such as the National Defense Establishments.

(2) The stabilization of personnel to minimize the waste due to excessive turnover. This could be the reintegration of personnel management with general management.
(3) The elimination of competition in public works construction projects, such as the current problem between the Army Engineers and the Bureau of Reclamation. The cause of the waste resulting from this and other rivalries is the almost complete lack of a national policy for the conservation and development of natural resources, and the undertaking of particular conservation and development projects on a catch-as-catch-can basis.

The CIO has considerable interest in many of the Hoover Commission Reports and particular interest in two specific reports: the one on the Department of Labor and the one on Welfare Activities.

The Hoover Commission, in its report on the Department of Labor, states:

"The Department has lost much of its significance. It should be given more essential work to do if it is to maintain a significance comparable to the other great executive Departments....and should have restored to it the many agencies...recommended. This would make for greater efficiency in the Government."

The Hoover Commission, in its report on Welfare Activities, states:

"We, therefore, recommend that a new Department (of Welfare) to administer the functions set forth in the Report be created and headed by a cabinet officer."

The CIO is tremendously concerned with strengthening the Department of Labor and the creation of a new Department of Welfare. We regret that Reorganization Plan No. 1 to create a Department of Welfare submitted by President Truman to the last session of Congress was rejected. It was unfortunate that an important group such as this Citizens Committee did not intervene in support of the Hoover Commission's Report. We sincerely hope and trust that this Citizens
Committee will join with us in strongly urging the Congress to put into effect these recommendations.

Might I say in conclusion that it is the working man of America who pays taxes and if waste and inefficiency and duplication can be eliminated from the activities of our Federal Government and result in reduced expenditures, the working man stands to benefit.

Many of the recommendations of the Hoover Report deserve careful consideration and action. They represent serious and, in most cases, thoughtful attempts to facilitate and expedite the improved administration of the Federal services. Our nation stands to benefit considerably from more efficient operations of Government. My only plea is to consider the Hoover Report recommendations because we believe in well-administered government and not because we have an unrealistic desire to obtain financial savings which might not materialize to any great extent.

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