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GOVERNMENT PRINTING OFFICE SCANDAL

Who will win the battle? Ronald Reagan in his valiant attempt to make the federal government less costly? Or the bureaucracy that wants to perpetuate its sinecure of high pay, vast power, and generous perks? A classic confrontation, pitting these two irreconcilable goals against each other, is taking place today in the Government Printing Office.

Danford L. Sawyer, Jr., a successful Florida businessman and cost accountant, was appointed by President Reagan to head the GPO. He moved swiftly to make this $700 million agency with 6,200 employees more efficient and economical. The bureaucracy has counterattacked with a vengeance.

What brought the issue to a head was Sawyer's decision to reduce some of the agency's losses by furloughing GPO employees for six days during the last seven months of 1982. Since some nine million Americans are currently "furloughed" indefinitely (laid off and unemployed), it doesn't seem unreasonable for some government employees to take six days without pay, especially when the six days are spread over seven months and tied to periods when the GPO printing plant will be shut down for lack of work.

Many other good reasons exist for requiring GPO employees to bite the bullet during this recession, as so many other U.S. workers have had to do. The Government Printing Office has raised wages so high that it has priced itself out of the printing market.

The average hourly earnings of GPO employees are $11.78, as compared to $8.39 in the printing industry as a whole. GPO compositors receive $14.35 per hour; but private-sector compositors receive only $11.91 per hour. GPO employees get an average wage of $25,000 per year, more even than their counterparts in other federal departments.

The Government Printing Office can hire private-sector printers to do the government's printing at about 50% of the GPO's printing cost. As a result, about 70% of the GPO's printing volume is contracted out to private printing companies.

Sawyer says that the GPO is "overpriced, overstaffed, overpaid and inefficient." He doesn't understand why the GPO should pay the highest wages in the world for work that can be done in the private sector at half the cost.

When Public Printer Sawyer started to implement his cost savings, the nine unions that represent GPO employees ran to their friends in Congress and got the Congressional Joint Committee on Printing to pass a resolution on May 11 forbidding Sawyer to impose any "furloughs, reductions in force, or other adverse personnel actions." The Committee didn't bother to consult with Sawyer before passing this resolution.

Sawyer believes that the resolution is illegal because it amounts to a Committee resolution attempting to contravene two Congressional statutes. The Civil Service Reform Act of 1978 permits the GPO management to implement a furlough, and 44 U.S.C. #305 prohibits the Public Printer from employing more persons than are absolutely necessary.

Others have challenged the propriety of the Committee action because of an alleged "incestuous" relationship between the Joint Committee and the GPO's unions. The Joint Committee has wage-setting authority, and the unions make heavy campaign contributions to the Congressmen on the Committee.

Sawyer has already implemented other cost savings since he took command. After discovering a heavy abuse of overtime, he cut overtime costs by $500,000 to $900,000. He reduced the number of GPO employees through a hiring freeze, attrition and retirement. He thinks the GPO force should be reduced by another 800 to 2,000 employees. He raised the sales price of publications that were underpriced.

The Government Printing Office has three main functions. It does in-house printing of documents for Congress (such as the Congressional Record); it arranges to have printing done for other federal agencies; and it sells some documents through the Superintendant of Documents division.

The sales program is mandated to operate on a break-even basis, but it lost $20 million in the last three years of the Carter Administration. Under Sawyer's efficient management, it made a $2 million profit in the first four months of fiscal 1982. Sawyer cleaned out the GPO warehouses of publications that were not selling and sold them as wastepaper for $760,000.

When private businesses experience a decline in orders and an excess of personnel, they reduce employees or they go bankrupt. When the Government Printing Office experiences these problems, they should not be permitted to load their deficits onto the taxpayers.