

12

STATEMENT OF  
COMMISSIONER PATRICIA P. BAILEY

BEFORE THE HOUSE OF REPRESENTATIVES COMMERCE, CONSUMER  
AND MONETARY AFFAIRS SUBCOMMITTEE OF THE  
COMMITTEE ON GOVERNMENT OPERATIONS APRIL 22, 1982  
CONCERNING THE

FEDERAL TRADE COMMISSION REGIONAL OFFICES

Mr. Chairman, and members of the Committee, as you know, the Commission voted last Friday to designate its regional offices in Boston, Seattle, Los Angeles and Denver for closing this fiscal year in order to meet anticipated budgetary reductions in FY 1983. It was, for me, an unusually difficult decision.

When it became obvious last fall that the Administration's proposed budget reductions were going to necessitate a reduction in personnel and programming, I voted to close four of our ten regional offices. I did so with great reluctance because our regional offices are a vital and valuable component of the Commission's work. It is not only that they bring important antitrust and consumer protection cases to us, but also that the regional offices handle thousands of business and consumer complaints and inquiries every year which we are otherwise ill-equipped to deal with. There is no doubt in my mind that a reduction in our regional office presence will limit our vision, our perspective and our ability to respond to the real needs of business and consumers.

As for the mechanics of how the closings will be accomplished, Chairman Miller has developed a plan for carrying them out which contemplates offering transfers to Washington to all employees in the four designated offices. I have been told, first, that the offer of a transfer will not deprive any of these employees of their right to full severance pay should they decline a transfer and, second, that the transfers will

not result in any necessity for Reductions-in-Force at headquarters. I did not object to the Chairman's plan because of that information. It is also my understanding that the Commission will make every effort to assist the employees at those four offices to find other jobs should they decline or be unable to transfer to Washington for any reason.

Mr. Chairman, I have joined the Commission in making these decisions out of budgetary necessity. I know that the Congress, and particularly your Committee, takes a strong interest in our regional offices. I wish there were a way for us to keep them open indefinitely, but the truth is many of them, due to attrition and months of uncertainty about their future, have reached or are reaching seriously unproductive levels. Action by the Commission was necessary both to bring some stability to the situation and to insure that we could reach the budget and personnel ceilings set for October 1, 1982. With no intention to be disrespectful of Congressional concerns in this matter, the Commission is in an exquisite dilemma regarding the timing of this decision, and I did not feel it would be administratively responsible to prolong it much further.

Thank you. I will be glad to answer any questions.