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EDITORIALS

## Today's editorial: Hired by the job or hired forever

### Lawmakers prefer adding about 600 engineers to Caltrans' staff rather than going outside.



An Orange County Register editorial

To understand why state government continues to grow, look no further than last week's legislative decision to hire nearly 600 permanent state engineers rather than contracting out for the work.

Budget subcommittees in the state Senate and Assembly rejected Gov. Arnold Schwarzenegger's proposal to hire private engineers for \$20 billion of freeway construction projects approved by voters last November.

Ostensibly, the decision was to save money. "[A] Caltrans engineer costs \$103,000 per year, and an outsourced engineer costs \$212,000 per year," according to the Professional Engineers in California Government (PECG) association, which represents 13,000 engineers, architects and related state employees. PECG's Web site claims hiring permanent employees will save \$50 million.

We are unpersuaded. The comparison fails to consider long-term costs of full-time, permanent employees versus short-term, temporary contractors. When the new construction is completed, contract engineers no longer will be paid. Not so for permanent engineers, who will receive state paychecks for careers that may last decades.

Also, when considering all overhead costs, even the salaries of employees versus contracted engineers are comparable, according to Paul Meyer, executive director of Consultant Engineers and Land Surveyors of California, a statewide association of 1,200 engineering firms.

The state can enjoy other cost-cutting by contracting out because private firms have incentive to get jobs done quickly, and work more efficiently because of a wealth of expertise, Meyer told us in a telephone interview. "You don't want someone right out of college to build a new bridge," he said. "You want the best experts. In the private sector you can choose what you want."

Moreover, contracting such as done by the Orange County Transportation Authority is largely responsible for its finishing comparable projects in three to five years rather than up to 10 years for work performed by Caltrans' in-house engineering staff, Meyer said. In addition, private firms can be held accountable for the costs of errors. Even if costs were identical, we

feel it is preferable to contract out because government should be kept small and limited. But, "the votes to reject the governor's proposal to cut staff and increase outsourcing were along straight party lines," PEGC reported, "with all Democrats supporting the increased hiring and all Republicans supporting increased outsourcing."

PEGC believes last week's votes settle the matter.

But Meyer thinks Democrats may be compiling a list of items to use as budget bargaining chips with Mr. Schwarzenegger, and that the contracting issue may still survive. We believe it should. Otherwise, it will contribute to government's endless bloating.

What's your opinion?

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