Lab announces plans for workforce reduction

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Lab seeking up to 800 in voluntary program

LOS ALAMOS, New Mexico, February 21, 2012—Lab Director Charlie McMillan today said the Lab has submitted a plan to the National Nuclear Security Administration proposing to reduce its workforce by between 400 and 800 employees this spring through a voluntary separation program."We are taking these actions now in an attempt to reduce the risks of involuntary layoffs," McMillan said. "When combined with a suppressed attrition rate for the past three years, our current budget and future outlook require significant cost-cutting. The plan we're submitting will position the Lab to continue executing our missions today and in the future."The plan must receive NNSA approval.In a meeting with employees today, McMillan said a combination of factors has led to this proposed action:

- The Lab’s Fiscal Year 2012 budget is more than $300 million lower than 2011--$2.2 billion versus $2.55 billion.
- Future budgets are expected to be flat or lower.
- For a variety of reasons, attrition has decreased in the past few years.

"With a smaller workforce possessing the essential skills, we will be better positioned to deliver on current and future national security commitments. Allowing employees to apply for voluntary separation is a prudent step," McMillan said.Other important details:

- Certain job functions are not included in the voluntary separation program. Also, some applications may be denied to maintain a sufficient level of skills.
- Details of the voluntary program will be made available after NNSA approves the Lab’s plan.
- The Lab’s student programs will not be cut but will remain capped at 2011 levels.
- A team of senior managers, formed in late 2011, will continue other aggressive cost-curbing measures.

"I’m very hopeful we can achieve the savings we need without an involuntary workforce reduction. We were successful when we took similar action in 2008," McMillan said. "I am fully aware of the economic footprint this Lab has in Northern New Mexico, and we’re taking every possible step to minimize the impacts."

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