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Statement of President Colleen M. Kelley On Administration's Alternative Pay Plan

The alternative pay plan issued by the White House calling for an average 2.2 percent federal pay raise, but changing the formula for how the locality portion is distributed, is very disappointing. The president has put in place a plan—opposed by me and all of my colleagues on the Federal Salary Council—that will give roughly half the federal workforce a raise of only 1.8 percent. Those employees are located in what is called the “Rest of the U.S.” locality area and will bear the brunt of what is the smallest federal raise in 18 years.

In mid-October the Federal Salary Council joined with me in rejecting this change in formula because the full range of information from a newly reconstituted survey process on the wage gap done by the Bureau of Labor Statistics is not yet available. Our rejection of this approach coupled with the small amount of money in the overall raise should have indicated to the White House that this was not the year to change the formula but the administration apparently was uninterested in this reasoning.

The president's pay plan also ignores congressional action on the federal increase. NTEU's efforts at securing a higher 2007 increase resulted in approval by both the House of Representatives and the Senate Appropriations Committee of a 2.7 percent raise for federal civilian workers. NTEU will continue to pursue a fair 2007 pay raise for civilian employees and members of the military— who also received only a 2.2 percent increase —when Congress completes its 2007 appropriations work early next year. At that time we will also begin to address the question of federal pay for 2008.

Overall, yesterday's action by the White House is a disservice to the talented, dedicated and experienced federal employees who serve the public every day. When you consider the sacrifices military families are making and the important contributions of the civilian workforce in the fight against terrorism, this 2.2 percent pay raise is simply unacceptable.