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Kelley: Senate Legislation Would Override Key Feature Of Law Intended to Make Agencies More Competitive

Washington, D.C.—Legislation introduced by Senator George Voinovich would have a detrimental impact on pay comparability measures aimed at making federal pay competitive with the private sector, and fails to hold managers accountable for performance management responsibilities.

Under the current system, said President Colleen M. Kelley of the National Treasury Employees Union (NTEU), within-in grade pay raises and career ladder increases are tied directly to employee performance. They are not given to employees who have received an unacceptable performance evaluation. The Senate subcommittee is taking up S. 3492.

Tying annual and locality pay increases to appraisals would override an essential feature of a law designed to help federal agencies compete with the private sector for the most talented workers.

“The annual across-the-board and locality pay increases were created in the Federal Employees Pay Comparability Act (FEPCA) with the express purpose of achieving comparable pay between federal employees and their counterparts in the private sector,” Kelley told the Subcommittee on Government Management, the Federal Workforce and the District of Columbia.

“These increases are tied to the position and location—not to the individual in the position,” she added, “and withholding these increases based on the performance of the individual in the position completely drops the goal of comparability.”

(MORE)

Senate Proposal Would Undercut FEPCA—Add One

FEPCA, effective in 1994, established federal locality pay and set a structure for increasing federal pay over 10 years to match that of private sector employees. It has yet to be fully implemented as designed. Prior to FEPCA, employees paid under the federal General Schedule all received the same annual pay increase, regardless of labor costs in their locality.

President Kelley was also critical of a provision in S. 3492 dealing with members of the Senior Executive Service (SES). Even as rank-and-file employees would be newly denied across-the-board and locality pay increases based on their individual performance, she said, the portion of the legislation dealing with SES members would provide for increased pay totally unrelated to any new individual performance standards.

“I was quite surprised to see this,” the NTEU leader said, “and I believe it is not a sound message to be sending rank-and-file employees who are being told that new performance appraisal systems will be fair and based only on performance.”

Kelley questioned that “if the goal is to make federal pay comparable to the private sector, why focus on just the senior executives and not the entire workforce?”

The subcommittee also is examining the question of management training. Part of the managerial problem, she said, could be addressed by companion Senate legislation designed to improve supervisor training in implementing performance appraisal systems. “Anything we do in that specific regard would be a major and much-needed step forward,” Kelley said.

NTEU is the largest independent federal union, representing some 150,000 federal workers in 30 agencies and departments