

HEARINGS ENDED
7/18/57

STATEMENT OF HONORABLE JOHN E. FOGARTY, M.C., 2nd DISTRICT OF RHODE ISLAND, BEFORE THE COMMITTEE ON POST OFFICE AND CIVIL SERVICE OF THE HOUSE OF REPRESENTATIVES, URGING AN IMMEDIATE SALARY INCREASE FOR FEDERAL CLASSIFIED EMPLOYEES.

JULY, 1957.

**Salary Increases
for Federal Classified Employees**

Mr. Chairman and Members of the Committee on Post Office and Civil Service.

It is a real satisfaction to have the opportunity to submit my reasons why I believe Federal Classified employees deserve an increase of the salaries they now receive. I thank the Committee for the opportunity to submit my statement.

It is imperative in my opinion that the pay rates of these employees are raised at once. Delay only compounds an inequity which already has become burdensome. It was with this thought that I introduced a Bill which would revise existing salary schedules in the Classification Act, as amended. The Bill, H.R. 4568, provides higher classified salaries on the basis of the graduated formula which would bring the entire General Schedule of the Classification Act somewhat nearer to the salary levels needed to restore purchasing power of 1939.

I am greatly interested in this problem of providing adequate salaries for Federal classified employees because there are many of them in my own District. In the entire State of Rhode Island there are approximately 13,000 Federal workers, according to the latest figures of the Civil Service Commission, and of this number, more than 9,000 are in the Providence area.

It is obvious that Federal employees as a group are at least entitled to the same consideration as workers in private industry. Since they are engaged in conducting the public business, it is only reasonable that the Federal Government should assure its classified employees of salaries which compensate them adequately for their responsibilities. However, the Government should ~~revise these~~ salaries from time to time so as to maintain the level of earlier purchasing power.

It is disturbing to find that classified salaries have to varying degrees failed to keep pace with the rise of living costs which began at the start of World War II and was accelerated after the ending of hostilities. A comparison of the current salaries of this group of Federal employees with the pay they were receiving prior to the 1945 Pay Act reveals the extent to which they have been trailing the forward movement of consumer prices. The entrance salary of Grade GS-5, for example, was increased 84 per cent in contrast to the advance of 102 per cent in the Consumer Price Index since 1939. The GS-7 salary was increased 74 per cent, and the GS-9 salary only 70 per cent.

To overcome this loss to all classified employees would require an overall increase of salaries in somewhat the same amounts as I have proposed in my own Bill. In the first six grades that Bill would bring these salaries a little ahead of the rates required to equal the rise of the price level. The increase proposed for the GS-7 salary would raise it to the cost-of-living level, while salaries in GS-8 and above would fall below that level.

The Government owes its classified employees as much consideration as it has shown employees under other pay systems. This policy has not always prevailed. During the last several years the wage rates of Federal blue-collar workers have gone ahead at a more rapid pace than the salaries of Federal white-collar employees. There is of course no criticism implied of the good fortune of the hourly-paid employees, but it shows clearly the inconsistency in the wage and salary practices of the Federal Government.

If salaries of one group of employees are permitted to lag behind the rates of pay of other employees it means that the group that has been overlooked is being made to absorb a portion of the loss of purchasing power which has resulted from rising prices. This is not fair to those employees, and in time such a situation becomes harmful to the public service as a whole. The pay of governmental employees must be maintained, if we are to have an efficient body of employees to conduct the many varied operations of the Government.

There are, in my opinion, Mr. Chairman, and Members of this Committee, many sound reasons for a pay increase for classified employees. There should be no delay in reaching a decision as to the conditions of such an increase.

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