Federal Pay Reform

In our highly mobile society all employers—among them corporations, universities, and governments—are competing for the services of highly talented administrators and professional men and women. This competition has forced industrial and university salaries and fringe benefits steadily upward, and those who cannot meet the going price are likely to lose some of their most valuable employees and to be unable to recruit their fair share of the new generation of the college-trained.

Recent studies by the Bureau of the Budget, the Civil Service Commission, and the President’s Advisory Committee on Federal Pay Systems (chaired by Clarence Randall) show that the government, once in a favorable competitive position for recruiting the best, has fallen farther and farther behind in recent years. Civil Service (General Schedule) jobs are classified in 18 categories. The higher up one goes in the scale, the greater is the discrepancy between federal and industrial salaries. The average salaries for some of the federal classifications follow (comparable salaries for industrial jobs with similar requirements are in parentheses): GS-7, $5,280 ($6,648); GS-13, $11,415 ($13,152); GS-15, $14,705 ($19,348); GS-16, $15,775 ($25,900); and GS-17, $17,050 ($33,438). At present the top level for any Civil Service employee is GS-18, with a salary of $18,500. On the other hand, in 1961–62, 628 professorial positions in the United States carried salaries of $18,000 or more for a 9-month period, and the minimum salary for a full professor at Harvard is now $18,750.

The Randall Committee, the agencies mentioned above, and the President concur in thinking that the discrepancy between salaries in and out of government is a serious matter. The Administration has proposed that salary structure be made to conform to two principles: (i) the principle that federal salaries should be comparable to salaries paid by private enterprise for work at the same level and (ii) the principle of internal alignment—equal pay for equal work in different branches of the government, and pay distinctions appropriate to the level of the work and the merit of the employee.

Last week the House Committee on Post Office and Civil Service began hearings on Representative Tom Murray’s bill (H.R. 10480), which embodies the Administration’s views. Among the specific proposals are the creation of two new top-level grades, GS-19 and GS-20, and orderly increases in salaries in all grades over a 3-year period. In general, the largest increases, both absolute and proportional, would be at the higher levels, where the discrepancies are greatest. By January 1965, the top salaries in several grades would be as follows: GS-7, $7,550; GS-13, $15,835; GS-15, $21,615; GS-16, $22,935; GS-17, $23,930; GS-18, $24,500; GS-19, $27,290; GS-20, $28,000.

The bill also provides that the Bureau of Labor Statistics shall regularly collect information on salaries in private industry, and that the President shall report these data to Congress, with recommendations for revisions in government salaries or policy.

It is difficult to estimate the chances for passage of the bill at this session of Congress. But the studies clearly indicate that Congress must pass this or some similar bill, or the federal government will find it more and more difficult to obtain the services of the competent and the talented. The salary scale for government blue-collar workers has long been based on the principle of comparability; extension of the principle to all classified employees is both feasible and desirable.—G.DuS.