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Federal Worker Pay Trails Private Sector Pay Increases

  Washington, D.C.—Government figures released today provide more evidence that federal employee pay is falling further behind as private-sector wages increase with the improving economy.

  "With a healthier overall job market, federal agencies will have a tougher time recruiting and retaining talented workers," said National Treasury Employees Union (NTEU) National President Colleen M. Kelley. "We need to get federal pay back on track. Federal employees have lost too much ground when compared with other workers."

  The September Employment Cost Index (ECI), released by the U.S. Bureau of Labor Statistics (BLS), shows that wages and salaries in the private sector rose by 2.3 percent for the 12-month period ending Sept. 30–the biggest jump since 2008. In the last six years, private sector wages have increased by 10.6 percent.

  In sharp contrast, federal employees received no raises in 2011, 2012 and 2013. The pay freeze was broken in 2014 when federal employees received a 1 percent hike.

  "With these latest figures, assuming federal employees receive a 1 percent raise in January, they will be facing an 8.6 percent deficit in 2016," Kelley said.

  The federal workforce has contributed $138 billion toward deficit reduction through the three-year pay freeze and increased pension contributions for newly-hired federal employees.

  "Congress and the White House need to fund agencies so they can hire and maintain a professional workforce," said the NTEU leader. "Like all Americans, federal employees face rising food, health and other day-to-day living costs and their salaries need to keep pace."

  The ECI is used in the formula for setting pay under the 1990 Federal Employees Pay Comparability Act (FEPCA).

  As the largest independent federal union, NTEU represents 150,000 employees in 31 agencies and departments.

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