



Federal Employees Deserve 5.3% Catch-Up Pay

- Having a federal workforce that is fairly compensated and provided with the tools they need to do their jobs is key to carrying out the government's important work on behalf of the American people.
- Thanks to years of pay freezes, meager wage hikes, and mandatory increases in retirement contributions, federal employees earn 6.5% less today than they did at the start of the decade when adjusted for inflation.
- Federal employees paid more than their fair share to help dig us out of the Great Recession. Now that the recovery is in full swing, it's time for Congress to help employees make up some of that lost ground by providing a 5.3% catch-up adjustment to salaried and hourly employees in 2017.
- This adjustment will help employees catch up on their credit card bills, student loan debts, home repairs, and so many of the everyday costs facing working-class Americans.
- Legislation to provide employees with this 5.3% catch-up pay has been introduced in the House and Senate. The legislation is called the Federal Adjustment of Income Rates (FAIR) Act.
- The 5.3% catch-up adjustment would help the government begin to close the widening pay gap between employees in the federal and private sectors, which now stands at 35%.
- This 5.3% wage adjustment would provide employees with the base pay adjustment they should receive in 2017 under the current pay formula (1.6%) as well as across-the-board and locality pay adjustments that were denied for the past four years.
- Federal wages were frozen for three consecutive years, followed by two years of meager 1% across-the-board increases. A six-year freeze in locality increases was lifted just this year with a scant 0.3% average increase.
- Federal employees have been forced to give up \$182 billion in wages and benefits since the start of the economic crisis – that amounts to a \$91,000 pay cut per employee.
- These cuts will continue to grow because they are permanent – even though the problems they were supposed to address were temporary.
- So-called “studies” that claim federal employees earn much more than employees in the private sector are based on flawed assumptions, misleading data, and false comparisons. In fact, about 600,000 federal employees earn less than \$50,000 per year, and about 900,000 federal employees make under \$60,000 per year, according to the most recent data from the Office of Personnel Management.
- The few federal employees at the top of the pay scale either are accomplished physicians and scientists at the National Institutes of Health and the Food and Drug Administration, or top lawyers and auditors at the Federal Deposit Insurance Corporation and the Securities and Exchange Commission.



All Working Class Americans Deserve a Raise

- America's economy has swung out of balance. It's getting harder to get by, let alone get ahead.
- Everyday Americans are working more than ever but are earning less than they did in the 1970s when adjusted for inflation.
- America now has more wealth and income inequality than any major developed country on earth, and the gap between the very rich and everyone else is wider than at any time since the 1920s.
- Corporate profits are at the highest level in 60 years, yet none of this wealth is trickling down to the average worker. In 1965, CEOs earned 20 times as much as the average worker; today, they earn 296 times as much.
- As union membership has declined, income inequality has skyrocketed. Union membership fell from 28 percent in 1968 to a record-low 11 percent in 2013. At the same time, the share of national income held by the middle 60% of households has fallen from 53% to under 46%.
- According to recent report by the Center for American Progress, about 35% of the drop in the share of the workforce that falls within the middle class is attributed to the drop in union membership.
- We will see the middle class continue to disappear if we don't stop the attacks on unions and the right of working people to bargain collectively for better wages and working conditions.
- AFGE stands with our fellow unions in opposing state laws that make it harder to join a union and fighting the proposed repeal of an existing law in the Supreme Court that would decimate public sector unions.
- AFGE is working hard to organize more employees so we can fight for better pay increases, improve our contract negotiations, and better represent employees in the workplace and on Capitol Hill.
- In October 2015, AFGE reached 300,000 dues-paying members for the first time in modern history. As part of our Big Enough to Win strategy, we are moving closer to our new goal of recruiting 500,000 active members within the next few years.