

**STATEMENT BY** 

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### BEFORE

## SUBCOMMITTEE ON REGULATORY AFFAIRS AND FEDERAL MANAGEMENT

## SENATE COMMITTEE ON HOMELAND SECURITY AND GOVERNMENTAL AFFAIRS

ON

# 21<sup>ST</sup> CENTURY IDEAS FOR THE 20<sup>TH</sup> CENTURY FEDERAL CIVIL SERVICE

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American Federation of Government Employees, AFL-CIO 80 F Street, NW, Washington, D.C. 20001 **\*** (202) 737-8700 **\*** www.afge.org Mr. Chairman, Ranking Member Heitkamp, and Members of the Subcommittee: My name is J. David Cox, Sr., and I am the National President of the American Federation of Government Employees, AFL-CIO (AFGE). On behalf of the more than 670,000 federal and District of Columbia workers our union represents, I thank you for the opportunity to testify today on the modernization issues facing the federal workforce.

I am proud to speak to you today on behalf of federal employees because I believe in this workforce and I believe in the many tasks that they perform for the American public. There are several challenges that the government workforce will face in the 21<sup>st</sup> century. First, agencies will need to attract dynamic and well-qualified federal employees, including young people, into the ranks of public service. It will need to do this while much of the expertise in government is on the verge of retiring and in an environment where government salaries are stagnating. Second, government needs to retain qualified employees in an era where there is increasing competition for qualified workers and private companies are outpacing government salaries. Paying federals workers adequately is paramount to solving recruitment and retention challenges. Finally, government must rise to the challenge of managing an increasingly diverse workforce. It will need to deal with these challenges in an environment where government workers have been vilified and where their compensation has been has been subject to political battles.

### The Federal Workforce – Highly Trained and Diverse

Any discussion of modernizing the federal workforce must begin by understanding that the federal workforce is the epitome of modern. The government workforce is already highly trained, technologically literate, and ready to meet the knowledge economy challenges of the 21<sup>st</sup> century. When I get out into the field, I see the amazing work that these individuals do. They protect the safety of the traveling public, they guard dangerous criminals in our federal prisons, they provide physical and psychological care to our wounded warriors, they prevent and treat disease and epidemics, they keep our air, water and food supply safe, and I could go on. They perform the many jobs that are essential for their agencies' missions, the American way of life, and for all of us to achieve the American dream. I know that you see the same dedication and talent as you visit with federal workers in your states and when you visit your military bases, VA hospitals, or the host of government agencies and offices that exist in your states. The federal workforce represents the best of the American people in every way. It is highly diverse and includes many veterans, people of color, disabled individuals, and people of all walks of life. Federal workers are highly trained with over two-thirds having completed at least their bachelor's degree and another ten percent with an Associate's degree or skilled trade certification. This means federal employees are able to deal with challenges and the speed of change. They already manage highly technical facilities and information and processes. In fact, they could contribute to any private company but choose public service because they wish to give back to American society and to support the mission of their agency.

Federal employees are typical middle class Americans and as such embody the values of working hard to have a good life for themselves and their families. They participate in their communities and have a long-standing tradition of giving back through charitable contributions and community outreach and service. Federal employees often go that extra mile because of their public service orientation. As a result, they have the respect of their neighbors. Americans appreciate the work and the services that they deliver on a daily basis. In fact, a poll this past fall from George Washington University reported that confidence in federal workers is on the rise.

If we want to capitalize on the strengths of this workforce, we need to pay to them fairly and stop the constant effort to reduce pay and retirement benefits. We also need to have appropriate structures in place that allow our capable and committed workers to come forth safely and report serious issues. We need to have whistleblower protections that work and processes that encourage employees to participate in open dialogue about problems. It was government workers doing their jobs well, who are deeply committed to the mission and who put their careers in jeopardy to bring to light recent problems in the VA. Discussion of the VA workforce of late has focused too much on individuals who break rules and not enough on those who have put their careers and wellbeing of their families on the line to protect our veterans.

All of the qualities above position federal employees to promote the mission of our agencies, but in order to continue to attract the best workers, government must be a good employer that engages employees and develops potential.

#### Modern Government Must Stop Attacking the Federal Workforce

In light of their talents, skills, and all that they do to promote public safety and the public good, it is particularly disheartening that federal workers have had to live through years of what can only be characterized as relentless financial attacks.

The attack started with what became a three year pay freeze initiated by the Obama Administration for 2010, the same years that national pay increase averages for private sector employees topped two percent. Next were changes to employee pension contributions which effectively lowered salaries for those hired in 2013 by 2.3 percent and for those hired in 2014 by 3.6 percent. These cuts need to be repealed and full retirement benefits for <u>all</u> federal workers restored.

In the midst of these cuts, the Budget Control Act's sequestration provisions laid off hundreds of thousands of employees for as many as six days in the summer of 2013. It was during the sequestration lay-offs that the real effects of the pay freeze and retirement cuts were made apparent. The loss of one week's or even a few days' pay was enough to send many federal workers into full-blown economic crisis.

But it still wasn't over for federal workers: in the fall of 2013, the federal employees whose pay had been frozen for three years, whose retirement benefits had been cut, and who had just withstood up to six days of layoffs were now locked out of work

because of arguments over a health care policy. Regardless of which side of the debate one is on, our federal workers did not deserve to be pawns in that political showdown.

While Congress and the President did agree to back pay for all federal employees affected by the shutdown/lockout, it would be highly inaccurate to say that all were made whole. For the hundreds of thousands of federal employees who have no savings and live paycheck to paycheck, the delay in receipt of their paychecks had real consequences. Whether they had to buy groceries with a high-interest credit card, had to pawn valuables, or whether they actually fell behind on rent, car payments, daycare, child support, or other obligations; the delayed paycheck coming so soon after the reduced paychecks from sequestration furloughs put them over the edge. I heard from parents who lost their daycare slots, families who were evicted from their apartments, workers whose cars were repossessed. These are real people who suffered real harm, not pawns on a political chess board, and the leaders who were elected to represent them had let them down.

Federals workers do not deserve the relentless and continued attacks on their salaries, their retirements and their health care benefits. Since 2011, federal employees have suffered a \$159 billion cut in compensation and some legislators want to extract more by further reducing wages and benefits. This trend is evident in the recent budget resolution conference report which again attacks federal employees with \$194 billion in cuts, including increases in their pension contributions, a huge shift in health care costs to federal employees and retirees, and a ten percent reduction in the number of federal employees.

I remind you of this sequence of events and the sacrifices that federal employees have made not just because the attacks are unfair to the federal workforce but because they directly affect recruitment and retention. The more often the system penalizes federal workers and tries to solve political and economic problems on their backs, the less likely the government will recruit and retain the qualified and skilled workforce it needs. What would make a research scientist working on a cure for cancer or an electrician who repairs complex weapons choose a career adding to the public good instead of private coffers if their jobs were subject to salary cuts, furloughs, and government shutdowns year in and year out?

Recruitment and retention is also based on individual financial calculations. I have had many discussions with Secretary Bob McDonald at the VA. Secretary McDonald has had a successful business career, and he understands how to run a multibillion dollar enterprise. When he started as Secretary, he examined staffing at VA facilities and immediately noted that to recruit good medical professionals and to keep them, salaries had to be competitive. This pattern plays out across government. Unless government can compete with the salaries in the private sector, there will be no hope of keeping and attracting the best and the brightest.

Yet, the departure from private sector salary comparability has been extreme. The pay freezes have only increased the amount by which federal salaries lag behind those in

the private sector and state and local government. Each year the Office of Personnel Management (OPM) calculates pay gaps between the federal government's salaries and the salaries paid in the private sector and state and local government on a city-by-city and job-by-job basis using data from Bureau of Labor Statistics (BLS). The data tell a consistent and compelling story. Comparing salaries for the actual jobs performed by federal employees with the salaries paid by private employers (and state and local government employers) who employ workers in the same jobs shows federal salaries are an average of 35% lower. The pay freezes of 2011-2013 and the below US average increases of 1% in 2014 and 2015 have only exacerbated this problem. Federal agencies lag behind private sector, state and local government jobs.

Much has been written about the Millennial Generation and their interest in having jobs that promote the public good and are in the public service. The federal government is a natural fit for these workers and a place where they can match their values and talents. But this is also an opportunity that could easily be missed if the government is unable to recognize what Secretary McDonald has – effective services cannot be provided without competitive salaries and an end to relentless criticism and attacks from politicians.

#### Modern Government Must Promote Cost-Effective Quality

The American people are lucky to have such devotion on the part of the federal workforce after five years of relentless attacks. But as devoted as federal employees are, the budget policies of this era are making it all but impossible for this workforce to keep up productivity and efficiency on the job. This is leading to enormous stress for the workers and potential mission failure for the agency. While productivity and efficiency are important measures for any undertaking, whether it be a non-profit or a business, it is sometimes the case that efficiency and quality of service provision are at odds.

For example, a few months ago I spent several days along the U.S.—Mexico border with members of AFGE's National Border Patrol Council. Time and again, they described cases where the goal of border security and the goal of economic efficiency were in conflict. In short, the agency was rewarding managers for cutting costs, even where cost-cutting meant reductions in border security. Do Border Patrol Agents do an outstanding job of securing the border? Yes. They perform an extraordinarily challenging, dangerous, and complex set of duties and do so under the most difficult circumstances.

But the agency is highly focused on efficiency and cost reduction, and some improvements in efficiency are coming at the cost of mission. Securing the border is not the same as maximizing profit in a widget factory. The same logic should not apply. So while I can assure you that Border Patrol Agents are as angry about the pay freezes, retirement cuts, and budget cuts that threaten their pay as anyone would be, they keep a laser-focus on border security. And their biggest complaint is that their managers' performance bonuses are based on saving money, not on the number of arrests or amount of illegal drugs confiscated from smugglers or other measures of security. Efficiency, not quality enforcement, seems to be the priority, and border security suffers.

The same issue has emerged at the Department of Agriculture where changes in poultry inspections have reduced the presence of US inspectors and sped up the line to 140 birds per minute. Yes, this saves the USDA about \$90 million over three years and increases poultry corporation profits. But the safety of the food supply has been sacrificed in the bargain. Again, efficiency over quality service provision and public health suffers.

I see the same thing in Veterans' Hospitals. The VA's own handbook says that a physician should have no more than 1,200 patients, and the same standard has been extended to other independent providers such as nurse practitioners, physician assistants, and other health care providers. These standards exist to promote quality of care, so that patients are able, in a timely fashion, to obtain appointments for follow-up or preventive care. They also exist so that providers can monitor patients to make sure their conditions are not deteriorating or that medications are having the desired effect. But AFGE members tell me that caseloads for psychiatrists and other primary care physicians now routinely exceed 2,000 patients. And this can have a devastating impact on our veterans. When veterans with conditions ranging from Post-Traumatic Stress Disorder to diabetes are not able to get in to see their doctors, we all know how tragic the consequences can be. Similar situations occur for those in need of physical therapy follow-up appointments. And like Border Patrol and the USDA, the Veterans Health Administration has increasingly placed cutting costs over the health and welfare of veterans. Higher caseloads for primary care providers may be efficient, but the sacred mission and quality of care at the VA is being sacrificed in the process.

In terms of government operations, seeking cost efficiencies has been used to justify contracting out of government work. But it has been proven time and again that federal workers are more cost effective than contracting out for services. More than \$330 billion is spent annually on service contracts, and this creates an uncounted and unaccountable shadow workforce that is larger and more costly than the federal workforce. This year, the Department of Defense will spend only \$68 billion on its civilian workforce, but it will spend over \$146 billion on service contractors.

On top of the higher price tag, security concerns have emerged from using federal contractors. Not only have contractors been responsible for the tragic attack on the Navy Yard and NSA leaks, but in each case their security clearance was verified by a contractor who has since lost the right to hold US government contracts due to shoddy work and security breaches. In these cases, neither economic efficiency nor quality of service were achieved. Wouldn't those dollars have been better spent on insourcing that work and developing those functions in-house?

The government that will meet the challenges of the 21<sup>st</sup> century must grapple with the tension between quality and cost efficiency and on both of those counts, the federal workforce is the right choice.

#### Modern Government Must Promote Pay Equity

The federal workforce is the most diverse workforce in the country. The US government, like the US population, is a mix of genders, races, ethnicities, classes and physical ability levels. But these characteristics of the federal work force should not be a reason to pay someone less or more. The pay system should promote equity across demographic groups.

Several months ago, OPM published a report entitled "Government wide Strategy on Advancing Pay Equality in the Federal Government." It is the most informative, objective, and important examination of the federal pay system published by any entity in several years and deserves close attention. The OPM report was prepared in response to the President's request for a gender pay-equity analysis of federal pay systems that paid close attention to the General Schedule's classification system and its transparency. The President also asked for recommendations for administrative or legislative action that would promote "best practices" that were found to minimize inequities.

Although the report focused on just one outcome of the federal pay system – its success in advancing gender pay equity – the study provides important insight into the General Schedule system's strengths as a whole. Any pay and job classification system must be judged on attributes such as internal and external equity, as well as transparency and effectiveness. External equity refers to whether a pay system meets market standards. We know that the General Schedule fails the external equity test, but not because of any kind of systemic flaw but rather because successive Congresses and administrations have not funded it even before the pay freezes. We have the annual reports of the Federal Salary Council since 1995 to prove that.

But this OPM report on one aspect of internal equity, gender equity, is extremely telling. It compares data on federal employment over the past two decades and finds great progress on the part of women in ascending to higher-graded positions. But the most important finding was that *there is no significant gender pay difference by grade level among GS workers*. That is, at each pay grade, there was no real difference between the salaries paid to women and men doing the same jobs. This is a great virtue of the federal GS pay system.

The study showed that, depending on the methodology used, from 76 to 93 percent of the observed pay gap between federally employed men and women is attributable to women being concentrated in lower-graded occupations. *Indeed, the only real observed inequities arose where managerial discretion operates,* such as in the awarding of quality step increases, promotions, and starting salaries. While women are more frequent recipients of promotions and quality step increases, managers have exercised discretion in providing higher starting salaries to men. But even starting salaries were mostly equivalent; it was in just four occupational categories that male starting salaries exceeded those provided to women by more than ten percent. Among

members of the non-General Schedule Senior Executive Service, women's salaries were 99.2 percent of men's, a remarkable achievement.

These findings constitute a ringing endorsement of the current pay system, a system that assigns salaries to the position, not the individual. In the jargon of pay-setting, the General Schedule is oriented more toward a "rank-in-position" rather than a "rank-in-person." And that orientation is the secret to having a pay system that avoids discrimination.

The federal government has attempted other pay systems, the most problematic of which was the experience with National Security Personnel System (NSPS) in the Department of Defense. NSPS was so disastrous that it lasted only a few years and represents a cautionary tale on the dangers of abandoning an objective "rank-in-position" system like the General Schedule for federal agencies. From 2006 to 2009, 225,000 civilian workers in DoD were subject to a system that based salaries and annual salary adjustments on supervisors' assessments of employee performance. NSPS also granted managers tremendous "flexibility" on classification of jobs, hiring, assignments, promotion, tenure, and "performance management." The system's only additional funding relative to the General Schedule payroll base was for outside consultants who had a large role in designing, implementing, and training DoD managers in their new system.

Even in its brief three-year existence, NSPS damaged the federal government's excellent record of internal equity on race and gender. Data on salaries, performance ratings, and bonuses showed marked advantages to being white and male, and working in close geographic proximity to the Pentagon. Those in the Office of the Secretary of Defense, the Defense Finance and Accounting Service and Tricare were found to be higher performers, on average, than civilian employees in the Departments of the Army, Navy or Air Force.

A modern pay system cannot discriminate against women, minorities, ethnic backgrounds or disability. Not only is this intolerable morally, but it does not get the best and the brightest people hired, promoted, recognized and rewarded. Tried and true, the GS system is as close to color, crony and gender blind as it gets.

In fact, the GS system has evolved to answer many of the criticisms that have traditionally been leveled against it. Especially over the last few decades, numerous flexibilities and updates have modernized the GS system. In the 1990's, the General Schedule went from having one nationwide annual cost-of-living adjustment to a city-by-city, labor market-by-labor market cost-of-labor salary adjustment system. Special rates were authorized as well. In the 2000's, Congress passed legislation that introduced broad new hiring authorities, managerial flexibilities in salary-setting, and a program for substantial bonuses for recruitment, relocation, and retention. Congress enacted legislation to allow student-loan repayment, and new personnel system demonstration projects. This fall, phased retirement became a reality and OPM is also set to enact 12 new pay localities in 2016. The GS system continues to evolve to address 21<sup>st</sup> century

challenges. The list of new flexibilities is long, and in many cases, these new authorities have improved the General Schedule.

The flexibilities built into the improved General Schedule system are effective. In the Bakken Region of North Dakota there has been a tremendous gas and oil boom. This caused significant economic pressures on government workers at Minot Air Force Base because their salaries lagged behind wages paid to private sector workers performing similar work. Retaining and recruiting government workers became difficult because private wages drew people into the private sector. Senator Heitkamp worked tirelessly to find a solution for federal employees and has been able to use special rates and other GS system flexibilities to increase government pay and to make sure that Minot Air Force Base continues to be mission ready.

Unlike a private firm, the federal government is spending the public's money in ways that are meant to promote the public interest. NSPS was an object lesson in what happens when the Merit System Principles are undermined, particularly the principles that promise "equal pay for work of substantially equal value," and that "employees be protected against arbitrary action, personal favoritism, or coercion for partisan political purposes." Veterans Preference in hiring, retention and promotions is also inevitably undermined. These are the lessons of NSPS and should be a warning that just because something appears to be "new" does not mean it overcomes discrimination or favoritism. The OPM report demonstrates that the General Schedule's pay and classification system beats the private sector and any other type of split, "rank-in-person" system on equity time and again.

#### Modern Government Must Promote Due Process and Constitutional Rights

Just a few days ago, the Merit System Protection Board (MSPB) released a report entitled "What is Due Process in Federal Service Employment?" That report provided a detailed analysis of the rules and procedures for termination in the current federal system. The take-away message of the report was twofold: first, federal employees are not immune to termination, and second, the civil service rules exist to promote the Constitutional principles of due process. All workforces are protected by these rights and the process that has developed over the years in the federal environment protects employees from being terminated for partisan political reasons – a challenge that no private corporation has to contend with. The process has the effect of reducing litigation and assuring individuals are not targeted because of their race, gender or other protected status.

The report reminds us of a time when the civil service was not based on the merit system, meaning it did not hire people to do their jobs because they were qualified. Instead, people were hired in the spoils system and they got their jobs because of who they knew. Americans want experts to have government jobs. We want trained economists to tell us if unemployment is increasing or interest rates are slowing down economic expansion. We want trained surgeons to operate on our wounded warriors, not someone who got their job because they play golf with a cabinet secretary.

The MSPB report reminds us that the basis of due process is first, to require that a person facing termination or discipline is presented with the charges against him and has the right to defend against those charges. Second, is the right to appeal a removal decision to a neutral third party. Protections through due process that extend the few weeks it takes to terminate an employee are a small price to pay for the assurances of Constitutional rights and to assure that the federal civil service remains neutral and technocratic. In addition, they are processes protected by the US Constitution's Fourteenth Amendment.

A modern federal workplace must recognize first and foremost that the system in place reflects the work that is done. Practices in the federal government must reflect a higher set of principles. They must reflect the mission of many federal agencies to protect public health, provide assistance in times of food insecurity, homelessness, poverty and old age. The solution is to make sure our federal employees have safeguards in place to keep them from being victims in political disagreements. The solution is that government must not only respect but defend the rights of due process so that employees can defend against accusations.

Any system that removes these rights is not merely wrong it is regressive. It moves us back to a time when the civil service was not comprised of highly qualified and committed individuals, but to a time where who you know trumps what you know. Where politics trumps objective criteria for qualification or performance.

#### Modern Government Must Promote Employee Engagement and Empowerment

A considerable amount of research has been done by academics and corporate consultants on the idea of employee engagement. Based on this research, both OPM and President Obama have promoted programs to increase federal employee engagement because it increases the productivity of the government and helps agencies accomplish their mission. A modern workplace must consider employee centered policies including transparency, fairness and accountability to have an engaged workforce.

Given the treatment of federal workers in the last few years, it is not surprising that morale and employee engagement are extremely low and sinking. But federal employees are a devoted and resilient bunch. Yes, there have been declines in job satisfaction because federal employees do not believe they should be a constant target and easy place to extract money from the budget. Some are still paying off debts incurred from sequestration and the delayed paychecks of the shutdown. But they love their country, they love their jobs and they are devoted to the missions of their agencies.

Wherever I go, I hear the same story. I'm a union president, so I get an earful about cuts and sequestration and how difficult it is to accomplish the mission under these circumstances, but the mission is always first. The first concern of Border Patrol Agents is protecting Americans from drug smugglers, human traffickers, and other illegal crossings. The first concern of workers at a Veterans' Administration hospital is the welfare of wounded warriors. The first concern at our military installations is that the troops are well equipped and readiness is assured. The first concern at FEMA, TSA, and ICE is getting the job done for the American people. The first concern of our Social Security Administration members is that Americans receive all the benefits they have earned and paid for, and have access to trained representatives who can explain these benefits. The first concern of Correctional Officers is that our communities are protected from the dangerous criminals they guard in our federal prisons. And the first concern of USDA meat and poultry inspectors is that Americans have safe food to eat.

In the most recent Federal Employee Viewpoint Survey, 96% of federal employees said they are willing to put in the extra effort to get the job done. Overwhelmingly, this is a committed workforce that believes in public service and public safety and puts the mission of the agency they serve first and foremost.

For decades, the administrative philosophy behind the federal government has been that the U.S. benefits from having an apolitical civil service governed by the merit system principles. Workers are hired based on their skills and merits, not on which side of the political spectrum they fall. The pay and benefits that derived from those principles were supposed to be adequate to recruit and retain a high-quality workforce, capable of carrying out important public sector functions, from law enforcement to guaranteeing care for wounded warriors to protecting public health. The government would not be a bottom-of-the-barrel exploitative employer, paying the lowest possible wages and forgoing health care and retirement benefits, like so many of today's most profitable corporations. Likewise, the government would not be a place where anybody could get rich at the taxpayer's expense.

Moreover, the government as an employer would be a model when it came to ideals of due process, internal equity and non-discrimination, promoting fairness and seeking employees devoted to the public interest. And on pay and benefits, it would aim at "comparability," defined in the pay law as no less than 95 percent of what private and state and local government pays on a locality basis. While the current workplace has lived up to some of these ideals, others, particularly around pay comparability need to be strengthened.

The government needs to also promote a human centered workplace to capitalize on the talents, skills and commitment of the federal workforce. Employees are more engaged when they are empowered in the workplace, and workplaces with engaged employees are more likely to better achieve their mission.

Empowering workers begins with promoting collaborative bargaining for good and fair contracts. Labor management partnerships should also be forged to better accomplish goals. While some private corporations today are focused on ignoring employee input, seeking low skills and paying below a living wage, other are embracing the creativity and talents of the workforce and recognizing that collective bargaining represents the most meaningful channel for workers to provide input and for managers to learn from

front-line workers. This creates a more nimble environment for identifying and solving problems.

In addition to our collective bargaining relationships, AFGE has been actively engaged in labor-management forums and partnerships and has taken every opportunity to engage management constructively at the highest levels of government and at local workplaces. One project of note has been the Department of Defense "New Beginnings" which has been creating a performance management system through a labor management partnership. This partnership has helped each side understand the other's motives, goals and constraints. Although not finalized, the New Beginnings performance management system has great promise to enhance employee/manager discussions about performance. We anticipate it will overcome many of the problems in current performance management systems which are often based on poorly trained and overworked supervisors' perceptions of an employee's work product instead of real communication with employees regarding their performance.

Simply put, including labor/employee voices at the design phase of New Beginnings has helped build a structure that will lead to greater engagement and better outcomes. This lesson should be learned across the government: when workers see that their voices are included in policies that affect their workplace, and when they see that their concerns are being heard and acted upon, there is no question in my mind that the workforce will be more engaged and the mission will be better achieved. Labormanagement partnerships can and do lead directly to these benefits.

The 21<sup>st</sup> century manager and supervisor must understand that management techniques that promote transparency, accountability and employee empowerment will lead to better accomplishment of the mission. This type of management training is being pursued across government. It is endorsed by OPM and is helping to modernize the federal system.

## Conclusion

To attract and retain a high-quality and trained workforce, Congress must stop the economic attack on workers. Instead, it needs to pay them fairly and keep their benefits whole. A modern government must define success in terms of protecting the public interest and safety and to do that efficiently it should look to the federal employee and stop pouring money into outsourcing. A modern government must promote pay equity and the system that determines pay must be based on values that eliminate discriminatory and subjective practices in pay. A modern government must stand up for and promote the Constitutionally established rules of due process to ensure that the federal system is based on merit not spoils. A modern government must promote employee engagement and empowerment and build supervisory models based on these values because this is the most efficient way to assure mission is accomplished. AFGE strongly supports the Federal Adjustment of Income Rates (FAIR) Act (S 164) introduced by Senators Schatz and Cardin as a measure that will help the federal system recruit and retain the best employees.

That concludes my statement, Mr. Chairman. I am happy to respond to any questions.

#### J. David Cox Sr. National President American Federation of Government Employees, AFL-CIO

Jeffrey David Cox Sr. was elected National President at AFGE's 39th National Convention in Las Vegas in 2012. As National President, Cox has invested heavily in growing union membership both within AFGE and among the labor movement as a whole. Since Cox first was elected to national office in 2006, AFGE has boosted its membership by more than 71,000 employees. In fact, AFGE membership has grown every year for the past decade – even in the face of hiring freezes, budget cuts and continual attacks on the pay and benefits of government workers.

Cox galvanized AFGE members in opposition to sequestration and the 2013 government shutdown, which resulted in federal employees being locked out of their jobs for up to 16 days. To seize on public support shown government workers in the wake of the shutdown, AFGE launched a year-long nationwide campaign, "I Am AFGE," in March 2014 to increase the public's awareness and appreciation of government employees.

In September 2013, Cox convened hundreds of AFGE members at a National Leadership Conference in Orlando to chart the union's direction for the next decade. The resulting plan, "Big Enough to Win," is organized around four key strategies: Organizing and Growth, Legislative Mobilization, Political Strength, and Creating Strong Effective Locals.

As a nationally recognized labor leader, Cox was appointed by President Obama to serve on the Federal Salary Council and the Federal Prevailing Wage Council. He is a member of the AFL-CIO Executive Council and Vice President of the North Carolina State AFL-CIO, serving in the latter position since 1993. Cox was unanimously elected chairman of the Executive Committee of the Department for Professional Employees (DPE), AFL-CIO. He also chairs the AFL-CIO's Union Veterans Council, which seeks to help veterans with employment opportunities through the VA and in the building trades.

Cox began his career in healthcare in 1970. In 1983, Cox became a registered nurse and started a public-sector career with the VA that lasted until September 2006 when he became AFGE secretary-treasurer. In 2012, Cox won the Yitzhak Rabin Public Service Award from the American Friends of the Yitzhak Rabin Center. In 2013, Cox was honored with the AFL-CIO's *At the River I Stand* award, which is given annually to a national leader who has demonstrated an unyielding commitment to civil rights and workers' rights. That year he was also honored by the Rev. Jesse Jackson with the *Martin Luther King Labor Leader* award. In 2014 he received the *National Action Network Labor Award* from the Rev. AI Sharpton and the *Peggy Browning Award for Social Justice Advocacy* from the Peggy Browning Foundation.

A native of North Carolina, Cox is a graduate of North Carolina's Rowan-Cabarrus Community College and a former member of its board of trustees. He also attended Gardner Webb University in Boiling Springs, N.C.