

## Issa continues pursuit to stop step increases

Rep. Darrell Issa, R-Calif., is still looking for a way to temporarily halt General Schedule employees' step increases.

At a hearing on federal pay today, Issa asked Office of Personnel Management Director John Berry to help lawmakers find a way to put step increases on hold and broaden the White House's partial pay freeze.

Berry declined Issa's request, but left the door open to revisiting the issue in the future.

"At this point in time, the answer would be no," Berry told the House Oversight and Government Reform subcommittee on the federal workforce. "We're happy to take that back and discuss that with the Office of Management and Budget to see if there's any opening there."

Issa last month tried to attach an amendment to HR 1, the House spending bill that would fund the government for the rest of fiscal 2011, but his proposal was voted down.

Issa today said automatic step increases would cost the government \$500 million by the end of the year.

"There is no freeze, because with step increases, people are getting pay increases automatically this year," Issa said. "They will make more money" than they did in the previous year.

Berry said within-grade step increases are important because they allow federal employees to advance in their careers, and help the government retain vital employees.

But critics, such as the Heritage Foundation, say that automatic step increases do nothing to hold poor performers accountable and have helped inflate federal salaries. Heritage analyst James Sherk said his analysis shows federal employees earn 22 percent more on average than their private sector counterparts. Other estimates from groups such as the Cato Institute show the federal pay premium is even higher. OPM and federal unions dispute those estimates, saying they are not based on "apples to apples" comparisons.

The government estimates that federal employees earn about 24 percent less than private sector workers, and that the gap is growing. Conservative and libertarian groups say that cannot possibly be true, since the recession has put millions of private sector employees out of work and depressed the salaries of millions more.

Issa said he may ask the Government Accountability Office to investigate federal pay rates.

By the end of Wednesday's hearing, the participants were no closer to finding common ground between their positions. But Max Stier, president of the nonprofit Partnership for Public Service, noted that the participants generally agreed that some feds are probably paid more than their private-sector counterparts, and others are probably paid less.

"The next question has to be, how do we design a system that does a better job of actually ensuring that we are being as cost effective as possible to get the right talent, the best talent for the government," Stier said. "That is the conversation we should be having."