## Pawlenty: Scrap FERS pension, further freeze pay

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Tim Pawlenty (Darren McCollester / Getty Images)

Former Minnesota governor and Republican presidential candidate <u>Tim Pawlenty</u> today called for scrapping the defined benefit pension in the Federal Employees Retirement System.

In a speech at the libertarian Cato Institute, which can be heard online <a href="here">here</a>. Pawlenty said that federal employees should be "transitioned" from receiving both the FERS defined benefit and defined contribution plan, aka the Thrift Savings Plan, to just the TSP. This would bring federal retirement plans more in line with what the private sector offers, he said, since the private sector has <a href="here">largely given up</a> on the defined benefit plan.

Pawlenty also said that federal employees receive far more compensation — both pay and benefits combined — than private sector counterparts, and that federal pay should be frozen further until the private sector catches up.

He also wants to take a look at the government's step increase system of awarding pay increases to federal employees based on how long they've been in their current grade. And the federal workforce must shrink, and should only hire one new employee for every two who retire, Pawlenty said.

Pawlenty's speech is a sign of the times. I can't recall a prior presidential candidate ever talking about federal pay and benefits, beyond an occasional afterthought in a policy statement or letter to federal unions. But with the deficit shaping up to be a major issue in the 2012 elections and public sympathy in short supply for federal employees, they should expect more of such talk over the next year and a half — and brace themselves for bad news.