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## [The Truth Behind The Public/Private Pay Debate](#)



The perfect storm of a struggling economy, little private sector wage growth, a substantial government deficit and a contentious midterm election has fixed the public vs. private pay gap debate on the tongues of American taxpayers. But, depending on who conducts the studies, findings will skew both ways, with some showing higher wages for public employees and some showing higher wages for the private sector.

A recent report from the Bureau of Labor Statistics put the salaries of federal employees at an average of [24%](#) behind those of their private counterparts. According to the Bureau's report, this marks a [2.1%](#) drop, on average, across the country. But, findings from conservative think tanks and the [USA Today](#) show an opposite pattern in the pay gap. They [determine public sector salaries to be 45% more](#) than private salaries; these statistics are then used to decry the supposed inflated pay of federal employees. Conservative think tanks and their political adherents have used this information to attack the Obama administration and certain Federal agencies during this past election cycle.

The culprit of this statistical disparity lies in unreliable and unregulated research methods. Both sides of the spectrum view the others' methodologies as flawed. Critics of the Cato Institute and Heritage

Foundation's research cite the need to [compare federal jobs](#)—which are white collar and require higher education, often up to the Masters level—to their counterparts in the private sector. The main gripe of the “federal-pay-is-too-high” camp is rooted in the current recession and the decimation of private sector jobs and pay. According to Chris Edwards, Director of Tax Policy Studies at Cato, federal job stability in the wake of economic decline is proof of a profligate public sector.

In spite of these assertions, the Bureau of Labor Statistics still continues to put out statistics placing the public sector in the lower pay bracket. John Berry, the Director of the Office of Personnel Management, is taking steps to improve measurements and solidify standards for assessing federal pay.

While OPM Director Berry insists that the core of the issue is in comparing similar jobs and education levels, the American public and the key members of Congress have made clear that their true concern is lack of accountability and rigorous performance assessments for all Federal employees. With the demise of the National Security Personnel System (NSPS) last year, performance-based pay has seemingly disappeared from OPM's radar. Mr. Berry is never going to be able to meet the public's concerns without addressing the perceived lack of connection between pay and performance. Annual pay increases for all Feds no longer make sense given our current deficit and the millions of Americans struggling to simply hold on to their current income.



### About Jon Desenberg

Jon has authored articles in Washington Technology, Government Computer News, and the Washington Post. He is co-author of the textbook, Knowledge Management: A Foundation for E-Government.

## Comments

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