



No monthly payments till spring for qualified buyers on Silverado

PLUS 0% APR\*

LEARN MORE

\*No payments for 120 days from date of purchase through Ally only. Also requires down payment. Not available in PA, ME, or Washington, D.C. Length of contract limited. Not available with some other offers. See dealer for details. Take delivery by 1/29/11.



Autos Real Estate Jobs Classifieds Mobile Contests Place an Ad DailyNewsPix Tickets Deal of the Day

Home Services Delivery



Weather in NYC 45°F Traffic Transit

Monday, November 29, 2010

News Sports Gossip Entertainment NY Events Local Opinion Lifestyle Travel Money Tech Topics Photos Video Blogs

News Politics President Obama announces two-year pay freeze for

f t in v g+ in LOGIN REGISTER

Article Comments

Share

# President Obama announces two-year pay freeze for federal workers to save billions, cut into deficit

BY KENNETH R. BAZINET  
DAILY NEWS WASHINGTON BUREAU

Monday, November 29th 2010, 1:16 PM

Recommend

Be the first of your friends to recommend this.



Loeb/Getty

President Barack Obama speaks about a proposal to freeze most government salaries for two years in a move to trim the deficit.

WASHINGTON - Signaling a distinct shift toward austerity, [President Obama](#) announced a two-year pay freeze for federal workers Monday - saving up to \$5 billion in two years.

"The hard truth is getting this deficit under control is going to require some broad sacrifice, and that sacrifice must be shared by the employees of the federal government," Obama said.

"After all, small businesses and families are tightening their belts, the government should, too."

The pay freeze applies to all civilian federal employees, including the [Defense Department](#). It excludes men and women serving in the military, [White House](#) aides said.

White House officials said the freeze would save \$28 billion over five years and more than \$60 billion over 10 years.

The money-saving maneuver comes a day before Obama meets with Democratic and Republican congressional leaders to address the agenda for Congress' short lame duck session.

## RELATED NEWS

[Greenman: Palin's family drama won't play well in 2012 election](#)

[Obama tells GOP it's bad time for 'no'](#)

[Obama on tax cuts: I'm not giving in to GOP](#)

[Obama makes nice, calls 100+ newly-elected Republicans](#)

[Tantoros: Obama's communication conundrum](#)

[Big loser may be Obama's agenda as GOP takes control of House](#)

"We now have a shared responsibility to deliver for the American people," Obama said of the GOP's takeover of the House and gains in the Senate.

The decision went down poorly with leaders of government employee unions. John Gage, president of the 600,000-member American Federation of Government Employees, called it "a slap at working people."

"Working people's wages are not the issue with this deficit or what is going on in our country," Gage said. "To symbolically hit at federal employees I think is just wrong."

Some anti-big government activists and Republicans have targeted federal employees in recent weeks, calling, in some cases, for outright pay cuts for public workers.

Obama froze his senior staff salaries when he first took office.

"The Obama proposal would apparently save \$28 billion over five years. Hopefully, that will be the first of many budget savings that the administration and Republicans in Congress can work on together in coming months," the Cato Institute's Chris Edwards wrote on the conservative think tank's blog.

kbazinet@nydailynews.com  
Share 0 5 retweet

EMAIL PRINT

### You may also be interested in:

Selected for you by our sponsor:

[Democrats Want to Introduce Legislation to Create Jobs](#) (GoBankingRates.com)  
[Video: Michelle and Barack Tear up the Dance Floor in Mumbai](#) (GOOD)

[Democrats must fight federal workers on rising pay; it's no time for public sector salaries to soar](#) (NY Daily News - Opinions)  
[Ex-President George W. Bush rips wisdom of Barack Obama, Sarah Palin and John McCain to friends](#) (NY Daily News - Politics)  
[President Obama's deficit busters should freeze salaries of most federal workers](#) (NY Daily News - Opinions)  
[Commission Takes Aim at Measures to reduce Deficits](#) » (Mouth of the Potomac)

#### Ads by Yahoo!

**Refinance Rates at 2.7%**  
\$160,000 Mortgage: \$434/mo. No Hidden Fees. No SSN Req. Free Quotes!  
(www.lendgo.com/Mortgage)  
**LCD 42 TV for \$26.42?**  
Are these prices real? You WON'T Believe What We Found!  
(Newstoday9.com/LCDTV)  
**1 Tip To Lose Stomach Fat**  
Follow This 1 Simple Diet Tip And Lose 9 Lbs A Week  
(CDKitchen.com)

#### BE THE FIRST ONE TO COMMENT ON THIS ARTICLE

0 comments  
[CLICK HERE TO COMMENT](#)



Visit our new Travel Section!

Explore deals, hidden vacation fiestas, the best cruises and long-weekend escapes!  
[GO NOW!](#)



No monthly payments till spring for qualified buyers on Silverado

PLUS  
**0% APR\***



GET INVOLVED

REQUEST A QUOTE →

LOCATE A VEHICLE →

FIND A DEALER →

**CURRENT OFFERS** →

\*No payments for 120 days from date of purchase through Ally only. May require down payment. Not available in PA, NJ, or Washington, D.C. Length of contract limited. Not available with some other offers. See dealer for details. Take delivery by 1/31/11.



News, politics, sports, gossip and opinion in your pocket. Text **MOBILE to DNEWS** (36397) or

[CLICK HERE TO DOWNLOAD](#)



**CHEVY'S GIVING MORE**

No monthly payments till spring for qualified buyers on Traverse **PLUS 0% APR\***

\*No payments for 120 days from date of purchase through Ally only. May require down payment. Not available in PA, ME, or Washington, D.C. Length of contract limited. Not available with some other offers. See dealer for details. Take delivery by 1/3/11.

**CURRENT OFFERS** →

**EDITORS' PICKS**



**Hero pulls man from subway tracks - didn't want to be late for work**

Good Samaritan wanted to cash in on OT shift.



**Doctors rally to save baby with fluid in brain**

Baby Klaus born with hydrocephalus; his head has swollen to 130% normal size.



**New Four Loko? Whipped cream has 18% alcohol**

Flavored whipped cream is a whopping 36-proof. VOTE: Is it too much?



**PHOTOS: Disney's child stars - all grown up!**

Justin Timberlake, Britney Spears, Christina Aguilera, Zac Efron, Ryan Gosling....



**Leslie Nielsen dies, was working on 'Naked Gun' 4**

Actor dies at 84; went from dramatic star to comedic genius.



**PHOTOS: Leslie Nielsen dead at 84 - Shirley you can't be serious!**

Star of "Naked Gun" and "Airplane!" movies dies at 84.

**NEWS VIDEO**



**Arlington Mom's \$5 Wrinkle Trick**  
Dermatologists DON'T want you knowing about this Skin Care Secret!

**Arlington Mom Makes \$77/hr Online!**

| **Most Read**