



Overpaid feds?

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Cato's Chris Edwards thinks federal employees are overpaid (h/t Alyssa Rosenberg at GovExec's blog):

In 2008, the average wage for 1.9 million federal civilian workers was \$79,197, which compared to an average \$49,935 for the nation's 108 million private sector workers (measured in full-time equivalents). The figure shows that the federal pay advantage (the gap between the lines) is steadily increasing.

This is a pretty useless comparison.

66 percent of federal employees are in higher-paid "management, business, and financial" or "professional" jobs, according to the Bureau of Labor Statistics. Only about 36 percent of private sector employees are in those categories.

That means the private sector has a much higher concentration of low-wage jobs, in areas like the service sector, which bring down average wages. The best example is Wal-Mart, the largest private-sector employer in the U.S., with more than 1.5 million employees. The most common jobs at Wal-Mart are "sales associates" and cashiers, both of them low-skill jobs that pay scarcely above minimum wage.

A more useful comparison would be to compare federal jobs directly to their private-sector counterparts. This is impossible in many cases, of course, since we don't have many private air traffic controllers or Border Patrol agents.

So instead Edwards compares FAA air traffic controllers to Wal-Mart cashiers and complains that the former group is overpaid. Not very useful.

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