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Some Surprising Data on Federal Wages

By Tom Lindmark Aug 27, 2009, 2:43 AM Author's Website

Conor Clark <u>posted</u> one of these two graphs on his blog yesterday. They were sent to him by the <u>Cato Institute</u>. Take a look.

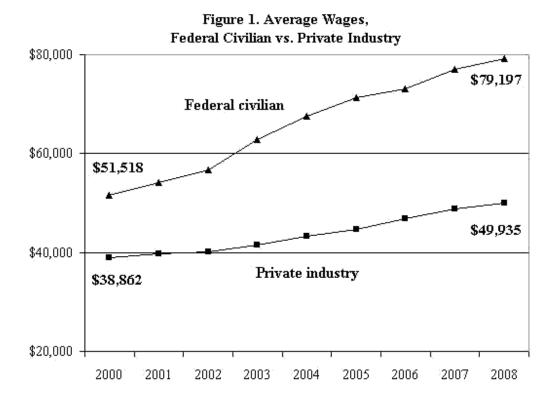
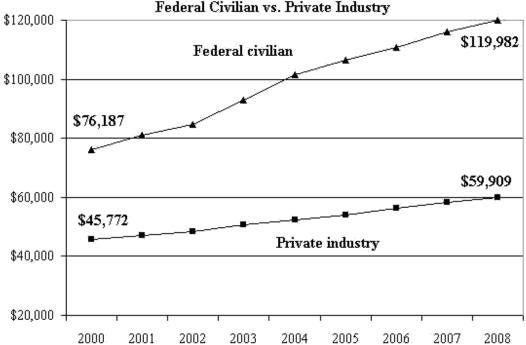


Figure 2. Average Compensation (Wages and Benefits),



Both Cato and Connor offer their interpretations. Connor makes some reasonable points about the relative skill level of federal workers and rightly points out that many live in high cost areas of the country. He also does a good job of refuting the notion that federal wages are ripe for a freeze. Maybe someday but not in the middle of a recession. I suggest that you read both posts.

As for me, I am the son of a man who worked for the federal government as a VA pharmacist all his life. Therefore, I've never fallen for the conservative notion that most are low productivity workers living off the fat of the land, when most that I grew up around were in fact honest, hard working men and women who put in their hours just like private sector workers. That doesn't mean that I take these charts lightly, however.

The meme that because of their job security and benefit packages, federal workers, or for that matter any government employee, should be paid less than a comparable private sector worker has some validity but is an overused argument in my opinion. It might hold true for, say, attorneys in the justice department who have the option and skills to transition to private practice but the same isn't true for a mid-level management worker. Nevertheless, to see both base compensation and total compensation so totally our of sync with the private sector begs the question as to whether sufficient discipline is being employed in managing the federal employment budget.

I suppose one could argue as well that this should be a wake-up call to private enterprise. If they want the best and brightest coming to them perhaps they need to reassess their compensation policies as well. Perhaps more private profits need to go to the workers who are producing them as opposed to the owners.

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