OPM Says Feds Still Underpaid by 22 Percent

By Tom Shoop Monday, August 16, 2010 11:03 AM

Just a day after saying a new study to try to more accurately determine how federal salaries compare to those in the private sector was still under development, Office of Personnel Management officials backtracked Friday, standing by an existing estimate that feds are paid an average of 22 percent less.

In a press briefing, Sheldon Friedman, chairman of the Federal Prevailing Rate Advisory Committee, said the most recent Bureau of Labor Statistics data show that when occupations are compared on a job-by-job basis, factoring in geographic distribution, non-federal salaries remain higher.

The BLS comparison only involves salaries, not benefits. Friedman said there's no good data to compare benefits.

Right now, Friedman said, OPM doesn't "know of anything better" than the BLS methodology to compute the public-private pay gap.

The OPM briefing came in the wake of a *USA Today* report concluding that on average, federal pay and benefits (\$123,049) are double what private workers get (\$61,051).

Update, **9:46 p.m.**: OPM Director John Berry issued a statement Monday evening on pay gap data. Full text follows:

Recent press stories regarding pay for Federal employees compared to private sector workers are unfair and untrue. Simply put, these stories have compared apples to oranges. Federal workers are not paid double the private sector. The Cato Institute and USA Today stories quoting Cato staff (and similar statements from the Heritage Foundation) look only at gross averages, including retail and restaurant service workers and other entry-level positions that reduce private sector average pay in comparison to the Federal average, which does not include many of these categories in its workforce.

The Federal workforce today is highly specialized. Thirty years ago, over 22% of our workforce was in blue collar jobs. Now that percentage has dropped by half while the percentage of IT and Health professionals has doubled. Data clearly show that many of these highly specialized workers - doctors, nurses, cybersecurity professionals - are paid less than their private sector counterparts and are making a significant sacrifice in pay to serve their neighbors.

The wages we pay are fair and the benefits we offer are good. But working for the Federal government is about more than money. People grow up dreaming about working for NASA, or the CIA, or becoming a park ranger, or cancer researcher. We should be applauding these hard-working civil servants - not mischaracterizing them.

It is also worth noting that in this time when so many American families are struggling to make ends meet, the President is committed to making sure the Federal government is spending the taxpayers' money wisely and carefully, and cutting costs wherever possible. Like households and businesses across the country, the Federal Government is tightening its belt. That's why the President launched the Accountable Government Initiative and has pursued a variety of areas to cut waste and boost efficiency from contracting to improper payments, Federal real property, and unnecessary programs.