

Feds overpaid? OPM launches study to get at truth

By STEPHEN LOSEY | Last Updated: August 18, 2010

The federal government, smarting from months of accusations that its employees are vastly overpaid, in September will begin reconsidering the way it determines the gap between federal and private-sector employees' pay.

Office of Personnel Management Director John Berry said Wednesday that pay and economic experts from his agency, the Office of Management and Budget, and the Labor Department will review the method the government uses to measure pay — which consistently finds federal employees earn 22 percent less on average than their private-sector counterparts — and decide whether any changes are needed.

"I think the [current] pay gap numbers are good ones, and the process is accurate," Berry said in an interview with Federal Times. "But all that being said, [the process] is over 20 years old. My sense is it's time to get folks together to look at this and say, 'Are improvements in order?'"

For example, Berry said that tight budgets have forced Labor in recent years to rely less on direct job-to-job comparisons and more on statistical modeling to estimate the pay gap for certain jobs. That may be one area the panel will look at in September.

Berry has strongly refuted **recent news stories and reports** from the Cato Institute and Heritage Foundation that have found feds are paid much more than private-sector workers. Those stories are inaccurate and based on "apples to oranges" comparisons of salary data, he said.