Pay freeze possible at Letterkenny Army Depot

By BRIAN HALL Staff writer Chambersburg Public Opinion

As many as 1,700 civilian employees at Letterkenny Army Depot could be affected by President Obama's proposal to freeze parts of federal employees' pay for two years to address the deficit.

Judy Trego, Civilian Personnel Advisory Council human relations officer, said the number does not include uniformed military personnel or contract employees.

The Defense Information Systems Agency, or DISA, is a tenant at the depot, and could have affected employees.

"From what we've discussed in the CPAC office, it's a proposal. Nothing has officially been passed through legislation at this time," said Lindsay Washabaugh, Letterkenny public affairs officer. "When something is officially passed, the personnel office will inform all of our employees."

Across the board, the proposal would save \$2 billion in the 2011 fiscal year ending on Sept. 30, and \$5 billion at the end of two fiscal terms, according to the White House.

Letterkenny was the county's top employer in 2010, with approximately 3,715 workers. Summit Health (3,110) was second.

In a June report, Chris Edwards of the Cato Institute announced that federal civilian workers had an average annual wage of \$81,258 in 2009, compared with \$50,464 for the nation's private sector workers. The report also said average federal salaries rose 58 percent from 2000 to 2009 compared to 30 percent in the private sector.

The average pay for a Letterkenny Army Depot civilian employee is \$51,479 according to Washabaugh.

The National Federation of Federal Employees Local 1442 president decried the proposal.

"Why one sector of the workforce gets a pay freeze is very unfair and very discriminating to the federal work force," Deb Witherspoon said. "Congress and the president aren't freezing their pay. If they did that, then I think everyone would follow suit. But they didn't, and they're making way more money than we are.

"I haven't heard anything in the private sector of a company pay freeze like this across the board. It would be like freezing the pay of employees in every company in America. I've been employed with the federal government for 31 years. It's the first time I ever remember a pay freeze. There's no talk about contractors getting a pay freeze. They're doing the same work and working alongside federal employees."

If a civilian has been employed with the federal government long enough, they've faced a previous pay freeze, Trego said.

Ronald Reagan was the last president to freeze across-the-board pay hikes, in 1986. Bill Clinton tried in 1994, but Congress wouldn't approve it.

Obama's pay freeze proposal erased plans for a 1.4 percent raise for 2.1 million federal civilian employees, including those working at the Defense Department, and it would mean no pay raise in 2012.

Civilian workers who are promoted will still receive the higher pay that is paired with a higher grade.

"It's something I don't want to see, not just as the head of the local NFFE, but as a federal employee," said Jerry Mellott, NFFE Local 1429 president. "What's going to happen if gas prices go up another 50 cents or a dollar? That's really going to affect people. We may have people get to the point where they have to go out and get a part-time job to make ends meet. We have some employees who drive a considerable distance to get to work."

L. Michael Ross, president of the Franklin County Area Development Corp., didn't expect the freeze to have a major impact on the local economy.

"I think the net effect will not be real detectable in the local economy," Ross said. "For the employees at Letterkenny, it's a sacrifice. With wages being frozen, there won't be as much disposable income and spending by federal employees. The net effect is we won't be able to notice anything. There's growth in the private sector. We might see some restoration in wages, new job growth and additions to payrolls."

Chambersburg Post office spokesman Clark Lockwood didn't anticipate area postal employees encountering the same problem.

"We're considered federal, but yet we're really not," Lockwood said. "It affects Letterkenny more than us. It doesn't affect us right now -- at least, not that I'm aware."

At Letterkenny, reaction hasn't been good according to Witherspoon.

"Everybody says employees of the federal government are being overpaid," Witherspoon said. "For a majority of employees, few are making anywhere near \$100,000 per year. It's a good living for what we do, but it's not the \$150,000 check everyone thinks we're getting. Benefits keep going down and costs are going up. After the increase in benefits, last year my pay raise ended up being about \$6.50 every pay period."

Ross hasn't heard other area employers widely use the phrase "freeze," but little wage change is expected in the private sector in 2010.

"What I've heard pretty consistently is they would like to be able to provide increases, but our conversations suggest wages are going to stay pretty level," Ross said. "Being flat for them is a lot better than it being reduced."

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