

LEGISLATIVE COUNCIL
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91ST CONGRESS } HOUSE OF REPRESENTATIVES { REPORT
1st Session } { No. 91-480

FEDERAL SALARY COMPARABILITY ACT OF 1969

SEPTEMBER 9, 1969.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. DULSKI, from the Committee on Post Office and Civil Service, submitted the following

REPORT

together with

SUPPLEMENTAL AND MINORITY VIEWS

[To accompany H.R. 13000]

The Committee on Post Office and Civil Service, to whom was referred the bill (H.R. 13000) to implement the Federal employee pay comparability system, to establish a Federal Employee Salary Commission and a Board of Arbitration, and for other purposes, having considered the same, report favorably thereon with an amendment and recommend that the bill as amended do pass.

The amendment is as follows:

Strike out all after the enacting clause and insert in lieu thereof the matter that appears in the reported bill in italic type.

PURPOSE

There are two basic purposes to this bill:

1. The setting up of a permanent method of adjusting the pay of Federal employees who are paid under one of the four statutory pay schedules (General Schedule, Postal Field Service Schedules, Foreign Service Schedules, and the schedules relating to physicians, dentists, and nurses in the Department of Medicine and Surgery of the Veterans' Administration).

2. The elimination of the long-standing inequity requiring postal employees to serve 21 years before reaching maximum pay for their work. This legislation will allow the vast majority of postal employees to reach the top pay step in 8 years instead of the present 21 years.

In addition, this legislation makes other changes of lesser importance which concern themselves with compensation of Federal employees under special circumstances.

GENERAL STATEMENT

BACKGROUND FOR A PERMANENT PAY SYSTEM

With the passage in December 1967, of the Federal Salary Act of 1967, a precedent was set. For the first time, Federal salaries of employees under the four statutory pay systems were to be adjusted automatically in 1968 and 1969. This meant that Congress would not have to become intimately involved in the annual squabble over the question of raising Federal employees' pay. Instead, Congress reviewed the decisions reached by the Executive and maintained overall control of the process.

The Federal Salary Act of 1967 provided that the President would adjust salaries in 1968 and 1969 so that all Federal employees would have full comparability with private industry pay rates by July 1969.

At the same time, the 1967 act was to be a test. The procedures and mechanisms used would be reviewed and analyzed by the Congress so that corrections could be made in any future legislation.

The effectiveness of this legislation over the 2-year period would give Congress valuable and needed information as to the necessity for proceeding in this direction. Accordingly, during this period, the concerned departments in the executive branch and the Compensation Subcommittee reviewed this process.

In 1968, the Chairman of the Civil Service Commission testified that—

There is need for continuing authority to permit * * * adjustments of salaries in the four statutory system [while] at the same time, providing for essential congressional reviews at appropriate intervals.

In 1969, the newly appointed Chairman of the Civil Service Commission said that—

The ideal role of Congress in Federal salary administration is to set the policy and principles for the executive branch to follow and to establish a proper system for congressional review of the actions taken.

It is clear that there is widespread agreement for some method that will allow for annual review and adjustments of the pay rates for Federal employees. The administration wants it, the Federal employees need it, and this Congress will have an opportunity to pass it.

After 2 years of intensive studies, hearings and consultations with hundreds of organizations, individuals, and representatives from the executive, the committee made the following determinations:

1. The best way to set pay on a permanent basis would be to set up a Federal Employee Salary Commission, composed of executive branch and employee representatives, with the opportunity for arbitration if conflicts developed.

2. It was important that Congress participate in this area, therefore, an arbitration board would have important representation on it by Members of the House and Senate.

FEDERAL EMPLOYEE SALARY COMMISSION

Given these two basic conclusions, the committee noted that a key ingredient was the makeup of the Salary Commission and the faith that would reside in the members of the Commission by all those affected.

It is vital that Congress continue its primary role of setting the policy and continuing review of the Salary Commission. The Congress has set the policy in the Salary Acts of 1962, 1967 and in the first section of this legislation. The Salary Commission will make the studies, and draw the salary schedules with rates of pay conforming to the policy guidelines of the Congress. This is the purpose of the Commission—to set the rates of pay so they conform to the policy directives of the Congress. Thus, the role of the Salary Commission is to fulfill the policy outlined by the Congress, which will continue to review and revise, if necessary, such policy.

The Salary Commission is composed of four representatives of the executive branch and four representatives of employee organizations.

For purposes of voting, however, the employee groups have three votes. Thus, the executive branch has a voting majority. It is the conviction of the committee that the executive branch should have the necessary votes to implement the personnel policy outlined by the Congress. By following the policy outlined in the law and by implementing a fair and unbiased program for determining the annual pay adjustments, the executive will be able to exercise its judgments through its majority on the Salary Commission.

If, on the other hand, there is capricious and arbitrary behavior on the part of the executive branch in the implementation of this program, there will be recourse through the Board of Arbitration for the aggrieved employees. It is the potential for such problems, based on the last 2 years experience, that called for the creation of the Board of Arbitration.

It was apparent from the testimony presented to the committee during the period 1967-69 that one basic criticism overwhelmed all others. The semiautomatic adjustments that were effected in 1968 and 1969 were based on a survey done by the Bureau of Labor Statistics under the control of the Civil Service Commission and the Bureau of the Budget. All of the employee representatives testifying before the Compensation Subcommittee were unanimous in their criticisms of the premises, structure and interpretation of the Bureau of Labor Statistics Survey.

It was made clear that the criticisms were not directed toward the Bureau of Labor Statistics, but rather to the bias that were built into the survey by the Civil Service Commission and the Bureau of the Budget. The criticisms pointed out that Federal employees were not being paid amounts comparable to their private enterprise counterparts, as was required under the Federal Salary Act of 1967.

The evidence presented by all Federal employee representatives, both in 1968 and 1969 was persuasive and raised such serious questions that the committee believes their criticism may be justified. However, this committee does not have to pass judgment on this matter because such actions are unlikely to happen under the new procedures to be followed by the Federal Employee Salary Commission.

Accordingly, the committee intends that this legislation correct such criticism by placing on the Salary Commission, representatives of the employees along with representatives from the executive branch. In this way, the employees will know exactly how the survey will be structured, what criteria will be applied, and what procedures will be followed.

It is felt that the jurisdiction of the Commission will include overall control of the entire process of deciding the structure of the annual survey of private industry and that the survey will reflect large, unionized, industrial centers which are comparable to the Federal Government as a large employer.

Another concern of the committee is the frequent position of the executive branch that the congressional policy of comparability be implemented only when a budget surplus permits. The Federal employee is always the first to suffer the effects of budget limitations. While it is necessary to prevent unwarranted increases in personnel, it is also felt that adequate compensation is necessary to maintain a high level of competency among the Federal Establishment. Therefore, the committee believes that regular adjustments of Federal salaries should be considered as an automatic cost of Government, similar to the cost of interest on the national debt, and that such adjustments should not be considered as a departmental, line item, adjustment, or as an act of generosity in time of budget balance.

The committee is also concerned that the pay schedules provide the necessary incentives for career development among the Federal employees. Therefore, it believes that the Commission should concern itself with such factors as the following when devising new pay schedules for the Federal employee:

(a) A review of the difference between the minimum rates in adjacent grades to ascertain if there is a large enough grade differential for proper incentive.

(b) The possibility that a broader range of rates within each grade may be called for. It may be necessary that the difference between the minimum and maximum rate within each grade be increased to provide for greater incentive.

The above recommendations are not inclusive and many others can certainly be considered by the Salary Commission in their deliberations.

BOARD OF ARBITRATION

If disagreement arises over the decision of the Salary Commission on the adjustments of the rates of pay for Federal employees, the Board of Arbitration will be called upon to act. This Board, composed of four Members of Congress (two each from the House and Senate), one representative each of the executive and the employees, and an impartial chairman selected by the other six, will have the authority to review the operation of the Salary Commission, so as to ascertain the procedures that were followed in reaching the decision under arbitration. The Board will decide whether or not the decision of the Salary Commission is in agreement with the policy directives in the law and if they are found wanting, will make the necessary changes.

In reviewing its decision, the Board may hold hearings, invite any

interested parties to testify, and shall do whatever it can to allow a broad range of opinions to be heard. The committee is especially concerned that the Board of Arbitration allow evidence to be presented by the group(s) bringing the issue to arbitration so as to demonstrate the validity of their position.

Similarly, the Board shall hear from the executive branch concerned that the recommendations be accepted.

It is not necessary that all recommendations of the Salary Commission be brought to arbitration. In any one annual report, there will be four recommendations corresponding to the four statutory pay schedules. Any one or combination of the four may be brought to arbitration by a concerned group.

ACCELERATION OF STEP INCREASES FOR POSTAL WORKERS

One of the myriad problems facing the Post Office Department is the high turn-over rate of its employees. In 1967-68 the separation rate was approximately 45 percent. In a comparable period for all of Government, the separation rate was 23 percent.

The reasons for this turnover are many and varied. Some of the more important include the level of pay and the iniquitous system of advancement which requires a postal employee to remain in the service for over 20 years before he reaches the top for his position.

The pay of the postal employee, while it has increased substantially in the past few years, is still below the national standard.

At the present time, according to the statistics published by the Bureau of Labor Statistics, the best the postal employee can hope for, after 21 years of service, is \$1,864 less than the minimum standard for a moderate standard of living. By moderate, the BLS means that the family may own a 2-year-old car and the father in the family may buy a new suit every 4 years. No allowance is made for savings nor for credit charges, even though most families in this category buy on credit.

Even worse, the present midrange of the postal employee schedule at PFS 5, step 4, is but \$111 more than the standard set by the Bureau of Labor Statistics for a low standard of living. It is the strong feeling of this committee that these problems need to be overcome and overcome fast.

Therefore, in order to create new incentives in the postal recruitment and retention program; in order to allow the full-fledged postal employee to enjoy the fruits of this labor within a reasonable time period; and to increase the ability of the postal employee to maintain his family at a reasonable standard of living, the committee has recommended the following:

1. The present system of instep promotion that requires 21 years (minimum) for a postal employee to reach the top step in his grade will be reduced to 8 years.

2. As the first step in this process of reducing the amount of time required to become a full-fledged postal employee, all lower grade employees (PFS 1-11) are given a two-step advancement effective October 1, 1969. Higher level employees (PFS-12 and above) will be given earned step advancement on July 1, 1970, as their first step in the acceleration program.

It is important to remember that the problems facing the postal employee in terms of career advancement are limited and unique. In contrast to all other Federal agencies, over 71 percent of the postal employees are locked into one grade level. The distribution clerks and the letter carriers, the backbone of the Post Office Department, must spend their entire careers in PFS-5. Thus, the only meaningful career advancement open to them is through the within-grade step increase program. Thus, it is vital that the postal employee know that he will be able to move up the ladder rapidly and be able to earn enough money to care for his family responsibilities. It is patently unfair to have a man work more than 10 years in one level, with no hope of advancement, and not be making the maximum amount for the same amount of work.

This incentive program is designed to help the postal employee because of his unique situation. It is not a program which creates an unfair advantage over other Federal employees. Most other employees are offered ample opportunity to move into other, more skilled occupations within the Federal service as their skills increase. The recent report by the Civil Service Commission, Grade Trend of Federal Civilian Employment (June 1969), pointed out that the definite trend among Federal employees is on the upgrade. In fact, the report clearly stated that the "principal reductions in new hiring [among General Schedule employees] occurred at the basic entry grades of GS-1, 2, 3, and 5." These are precisely the areas, especially GS-5, where the postal employees are situated. Thus, where the problem is greatest among postal employees, it is decreasing among all others.

It is the intent of this committee that the Federal Employee Salary Commission review this entire area and maintain patterns that are consistent with the policy of comparability between private industry and within the Federal Government for like work.

According to the Post Office Department, the estimated cost of this two-step increase which is effective in October 1969, will be \$244 million for fiscal year 1970. While any estimates for the total accelerated program cannot be precise, the Post Office Department estimates that the ultimate cost, after 8 years, would be \$780 million.

MISCELLANEOUS PROVISIONS

In addition to the two main provisions of this legislation, the committee has considered and approved three nonrelated items concerning specific problem areas affecting Federal employees.

1. Section 7 would authorize the payment of an allowance, not to exceed \$10 per day, to defray the commuting expenses of civilian employees of executive departments and independent establishments assigned to duty at remote worksites. This section is identical to H.R. 12881, which passed the House unanimously during the 90th Congress.

2. Section 8 provides for the payment of an allowance to employees in the Corps of Engineers engaged in floating plant operations on vessels when the employees are prevented from

boarding the vessels under circumstances beyond their control, such as hazardous weather conditions or while the vessel is in a shipyard for repairs. This section is identical to H.R. 7406, which was reported favorably by the committee during the 90th Congress.

3. Section 6 removes an inequity from existing law to permit the payment of premium compensation for certain employees for Sunday, night, holiday and overtime pay. The major groups affected include border patrolmen, deputy U.S. marshals, customs and internal revenue personnel, and members of the Federal Bureau of Investigation. The administration strongly endorses this legislation.

The Compensation Subcommittee also heard testimony concerning the implementation, by the Department of Defense, of Public Law 89-391, amending the Defense Department Overseas Teachers Pay and Personnel Practices Act, now 20 U.S.C. 901-907. It was disclosed that administrative practice in the Department of Defense results in teachers of overseas dependent children being paid on salary schedules which are 1 year out of date at the time of implementation.

Public Law 89-391 (20 U.S.C. 902(a)) provides that teachers employed by the Department of Defense for schools for overseas dependent children are to be paid "at rates equal to the average of the range of rates of basic competence for similar positions of a comparable level of duties and responsibilities in urban school jurisdictions in the United States of 100,000 or more population."

The Department of Defense, however, bases its September salary schedule on rates paid in the comparable districts on the previous December, rather than on the actual rate paid in accordance with salary schedules negotiated by the comparable school districts, usually in the spring, to be effective the following September.

As an example, the salary offered beginning teachers in comparable districts for the school year beginning September 1969 is \$6,590. The Department of Defense schedule provides only \$6,120. The subcommittee sees no flaw in the basic legislation, but rather in the failure of the Department of Defense to properly implement it.

A further problem results from the failure of the Department of Defense to grant prior service credit to experienced teachers at the time of initial employment. For the comparable school districts the average practice is to give teachers up to 7 years credit for prior service of 7 years or more. In the DOD schools, all teachers, regardless of years of experience, receive credit on the salary schedule for only 2 years of prior service. This practice discriminates against experienced and more mature teachers and contravenes Public Law 89-391, which provides for basic compensation at rates equal to the average of the range of rates of basic compensation for similar positions of a comparable level of duties and responsibilities.

The committee believes the Department of Defense should correct these inequities through administrative action.

EXPLANATION OF THE BILL BY SECTIONS

The first section of the bill provides that the act may be cited as the Federal Salary Comparability Act of 1969.

Section 2 rewrites sections 5301 and 5302 of title 5, United States Code, relating to the congressional policy and the procedure for the pay comparability system for the Federal statutory pay systems.

Section 5301(a) sets forth the policy of the Congress that rates of pay for Federal salaried employees shall continue to be based on the principle that there be equal pay under each pay system for substantially equal work, that pay distinctions be maintained in keeping with work distinctions, and that the rates of pay shall be comparable, on a national basis, with private enterprise rates of pay for the same levels of work.

There are two changes in this congressional policy. The words "on a national basis" are included in order to remove any possible interpretation that these provisions would permit the fixing of rates of pay under this policy on an area wage basis. It is intended that the rates of pay for employees covered by these provisions shall continue to be fixed on a national basis.

The second change is the elimination of the specific requirement that the pay systems "be interrelated." This language was used under the old system as the basis for the linkage between the pay systems—for example, GS-5, is linked to PFS-5. The language was removed in order to give the Commission complete discretion in prescribing the rates of pay under each pay schedule within the policy guidelines of section 5301(a). It may be that the Commission would want to continue some form of linkage, but it should be on a comparability basis.

It is expected that under these provisions there will be comparable pay between and among the various pay systems when related matters affecting pay are similar.

A clerk in the postal system doing the same work as a clerk in the general schedule system should get the same pay. An employee in the general schedule system doing the same work as an employee in the Foreign Service system should get the same pay. The nurse in the Public Health Service under the general schedule doing the same work as a nurse in the Department of Medicine and Surgery in the Veterans' Administration should get the same pay.

However, in determining whether the pay is the same, all elements affecting that pay under the several systems, such as opportunities for advancement, premium pay, and within-step progression, should be considered. This is what the committee believes should be comparability within and between the Federal pay systems.

All Federal employees working under the pay systems covered by this legislation should receive, as nearly as practicable, the identical pay for the identical work.

As indicated above, there are many elements that affect comparability of pay such as opportunity for advancement, premium pay, or within-grade step advancement requirements of the various pay systems. The committee expects the Commission to evaluate and consider all matters that may affect comparability of pay within and

between the systems. If changes in legislation are needed in any particular areas to achieve such comparability, it is expected that the Commission will make such recommendations as authorized by section 5302(c)(5).

Section 5301(b) identifies the pay systems covered by this legislation and requires that the rates of pay for the systems be adjusted annually in accordance with the policy set forth in subsection (a) and the procedures prescribed by section 5302 of title 5, United States Code, as amended by this act.

The employees covered by this legislation are general schedule employees under 5 U.S.C. 5332; postal field service employees under part III of title 39, United States Code; staff officers and employees in the Foreign Service of the United States covered by 22 U.S.C. 867 and 870; and physicians, dentists, and nurses in the department of Medicine and Surgery, Veterans' Administration, covered by 38 U.S.C. 4107.

Subsections (a), (b), (c), and (d) of the new section 5302 establish a Federal Employees Salary Commission, and prescribe the functions for the Commission.

The Commission will be composed of four members representing the executive branch, four members representing employee organizations, and three associate members representing employee organizations other than organizations having members on the Commission. For voting purposes, however, the employee groups have only three votes. Thus, the executive branch, having four members, will have the voting majority to implement the personnel policies outlined for the Commission. The associate members will not have a vote, but shall be entitled to attend all meetings and be heard by the Commission on all matters.

The primary function of the Commission is to prescribe, and revise from time-to-time, the comparability pay survey to be performed annually by the Bureau of Labor Statistics, which will develop the valid comparisons of rates of pay for Federal employees with the rates of pay for the same levels of work of private industry. The Commission is required to use the data disclosed by the comparability pay survey, and prepare annually a comparative statement of the rates of pay for employees covered by this system and the rates of pay for the same levels of work in private industry. The Commission is required to determine and prescribe the exact national rates of pay for the employees as may be necessary to effect the policy set forth in section 5301(a) of title 5, United States Code.

The functions of the Commission referred to above are now performed by the Director of the Bureau of the Budget and the Chairman of the Civil Service Commission as the agents of the President, in accordance with the existing provisions of 5 U.S.C. 5302. This delegation of authority is contained in Executive Order Nos. 11073 and 11173. Hereafter, these functions will be performed by the Commission.

The Commission also is required (sec. 5302(c)(4)) to review annually the comparability of the rates of pay and step increase policies within and between the various pay systems for employees subject to the provisions of this section, taking into consideration

such matters as the differing length of service requirements for step increases, the different number of within-step increases, the fact that there may be different rates of pay under the different pay systems for the same type of work, and the fact that a supervisor under one pay system frequently receives a lower rate of pay than some of the employees whom he supervises.

The Commission also is required (sec. 5302(c)(5)) to prepare and submit annually to the Congress a report setting forth the comparison of the rates of pay; the exact national rates of pay for each of the salary systems governed by this legislation; and such recommendations as they may deem necessary, for changes in legislation, in order to effect full comparability of pay within and between the various pay systems.

The Commission is required to seek and give full recognition to the views of employee organizations in connection with their deliberations and determinations.

Subsection (e) sets forth the procedure permitting a member of the Commission to seek arbitration when he determines that the rates of pay proposed by the Commission applicable to "the appropriate pay system" are not in conformity with the comparability policies set forth in section 5301(a). In the case of members of the Commission representing the executive branch, the appropriate pay system could include any one of the pay systems, but in the case of a member of the Commission representing an employee organization, the appropriate pay system would be only the pay system or systems which apply to members of the organization. When a request for arbitration is made, the Commission is required to submit the proposed rates to the Board of Arbitration not later than February 1 following the date of such determination.

Subsection (f) establishes the Federal Employees Board of Arbitration to consider the rates of pay submitted to it by the Commission when a determination is made under subsection (e) that the proposed rates do not conform with the pay comparability policy.

The Commission is composed of four Members of Congress, two from the Senate and two from the House, one from the executive branch, designated by the Chairman of the Civil Service Commission, one from the employee organizations, and a chairman designated by the other members from the membership of the American Arbitration Association. The voting majority of the Board will rest with the Members of Congress.

The Board will have the sole function of determining whether the proposed rates of pay submitted to it do or do not conform with the comparability policy. If the Board determines that the rates of pay do not so conform, the Board shall advise the Commission of its decision, the reason for the decision, and prescribe such rates of pay as the Board determines are necessary to conform with the comparability policy.

Subsection (g) sets forth the procedure for the Commission to submit the proposed rates of pay to the Congress. The rates proposed by the Commission, if finalized, are to be submitted to the Congress by February 1 each year, starting in 1970, and in those cases where submission is made to the Board, immediately upon receipt of the final and conclusive decision of the Board.

Subsection (h)(1) provides that the rates of pay submitted to the Congress shall become effective at the beginning of the first pay period which begins on or after the first day of the year in which such rates of pay are submitted, but only to the extent that, within 30 days after such rates of pay are submitted, the Congress has not enacted legislation, or neither House of Congress has adopted a resolution specifically disapproving, all or part of such recommendations.

Under subsection (h)(2) the recommendations of the Commission may be made operative on a date earlier than such date after the first of the year in which rates are submitted.

Subsection (h) (3), (4), and (5) permit the granting of retroactive salary increases to correspond to increases initiated by the Commission, effective in January each year, for employees whose rates of pay or salary are normally set by administrative action pursuant to law. These are the usual provisions included in salary legislation without which administrative rates of pay may not be fixed retroactively effective. These provisions do not apply to rates fixed in accordance with prevailing rates or practices, nor do they affect any authority in existing law to fix compensation or salary by administrative action.

Subsections (i) through (l) contain the usual provisions for the administration of a commission or a board, such as are established by this section.

Authority is given for an allowance of travel expenses for each member and each associate member of the Commission and for each member of the Board, including per diem, and for the payment to each member or associate member who is not an employee or a Member of Congress, a daily rate of pay equal to the per diem equivalent to the maximum rate of basic pay of the General Schedule for each day the member or associate member is engaged in the performance of services for the Commission or the Board, except that the member from the American Arbitration Association may be paid the usual fees.

Provisions are made under subsection (j) for the Commission and the Board to appoint the necessary personnel and an executive director at a rate of basic pay provided for level V of the Executive Schedule, and to obtain personnel from other Government agencies on a reimbursable basis. The Administrator of General Services is required under subsection (l) to furnish administrative support.

Subsection (m) provides that any rates of pay which become effective as a result of action by the Commission shall modify, supercede, or render inapplicable prior provisions of law or prior recommendations and adjustments which have the effect of law.

Under subsection (n) the rates of pay which become effective are authorized to be printed in the Statutes at Large, the Federal Register, and the Code of Federal Regulations.

Subsection (o) makes it clear that increases in rates of pay which become effective under these provisions are not an equivalent increase for step increase purposes under either 5 U.S.C. 5335 in the case of General Schedule employees, or 39 U.S.C. 3552 in the case of postal field service employees.

Subsection (p) authorizes the President to prescribe conversion rules for the initial adjustment of rates of pay that may become effective under the provisions of this section.

Subsection (q) authorizes increases to be granted, retroactively effective, in the judicial branch, and by the Secretary of Agriculture, with respect to Agricultural Stabilization and Conservation County Committee employees, by amounts which are equal insofar as practicable to the increases of rates of pay which become effective under the provisions of this section.

Section 3 of the bill makes the necessary technical adjustments in the table of contents of subchapter I of chapter 53 of title 5 of the United States Code to conform with the adjustments made in the heading of section 5302 of title 5 by section 2 of the bill.

Section 4 of the bill rewrites subsection (a) of section 3552 of title 39, United States Code, to reduce the within-grade waiting period for advancement, to steps 2 through 7, of employees subject to the Postal Field Service Schedule or the Rural Carrier Schedule, from 52 calendar weeks to 26 calendar weeks, and the period for such employees in steps 8 and above from 156 calendar weeks to 52 calendar weeks. This section will become effective on July 1, 1970, under section 9 of the bill.

Subsection (a) of section 5 of the bill provides that each employee in levels 1 through 11 of the Postal Field Service Schedule and each employee under the Rural Carrier Schedule shall be advanced the equivalent of two within-level steps. Each employee who is in either of the two top steps of his level shall receive basic compensation at a rate equal to his rate of basic compensation plus the amount of two step increases of his level. This provision becomes effective under section 9 on the first day of the first pay period which begins on or after October 1, 1969.

Subsection (a) also provides that changes in levels or steps which would otherwise occur on the effective date shall be deemed to have occurred prior to the adjustments. It also provides that an employee who receives such an adjustment shall commence a new full waiting period for further step increase purposes under 39 United States Code 3552(a), on the first day of the first pay period which begins after July 1, 1970, and shall not receive credit for any of the intervening period between October 1969, and July 1970, for step increase purposes.

Subsection (b) of section 5 provides a special conversion rule for the initial application to employees in levels 12 or above of the new within-grade waiting periods provided by section 4 of the bill, which becomes effective in July 1970. These employees will be credited for satisfactory service performed since their last step increase prior to the effective date (July 1970) in an amount not in excess of the service required by the new provisions for a one-step increase applicable to the step category of the employee. The credit for service under this section will offset in part the exclusion of these employees from the two-step increase authorized for employees in levels 1 through 11 by section 5 of the bill.

Subsection (c) of section 5 is intended to maintain the junior-senior relationship for employees in levels 12 and above who will not receive the two-step increase under this section. This subsection will require the Postmaster General to advance each employee in level 12 whenever an employee in the same post office who received the two-step

increase is promoted to the same level and is junior with respect to total postal service. The advancement shall be to the highest step which is held by any such junior employee. The usual savings provisions are included so that the senior employee will not lose time for step increase purposes because of the junior-senior advancement requirements of this section.

Section 6 amends section 5545(c)(2) of title 5, United States Code, relating to premium pay for administratively uncontrollable work.

Existing law authorizes the head of an agency to grant additional compensation on an annual basis to employees who perform substantial amounts of irregular, unscheduled overtime duty and duty at night, on Sundays, and on holidays. This authority is applicable only where the nature of the employment is such that the employee is generally responsible for recognizing, without supervision, circumstances that require him to remain on duty. The annual rate of additional pay may not be less than 10 percent, nor more than 25 percent, of that part of the employee's base pay that does not exceed the minimum rate for GS-10. No other premium pay may be granted to these employees except for regularly scheduled overtime duty.

In some occupations where employees are being paid additional annual premium rates under this authority, the operations must be carried on around the clock 7 days a week. This is especially true in the case of border patrolmen, deputy U.S. marshals, and certain Customs and Internal Revenue personnel, where the employees have regularly scheduled tours of duty that include Sunday, night, and holiday work as a part of the basic 40-hour workweek.

Under the present law, they do not receive any form of premium pay for this duty while most other Federal employees are paid a 25-percent differential for regularly scheduled, nonovertime Sunday work (5 U.S.C. 5546(a)); a 10-percent differential for regularly scheduled night duty (5 U.S.C. 5545(a)); and doubletime for work on a holiday (5 U.S.C. 5546(b)). They do receive the same premium compensation as other employees for regularly scheduled overtime duty.

The amendment to section 5545(c)(2) provides that the additional annual pay under this authority will compensate employees only for irregular, unscheduled overtime duty. Consequently, the other applicable premium rates will be paid for regularly scheduled Sunday, night, and overtime duty and for duty on holidays.

Section 7(a) of the bill rewrites section 5942 of title 5, United States Code, to remove the references to specific remote worksites at which a daily commuting allowance will be paid, and to provide general legislation authorizing the payment of a commuting allowance for travel to remote worksites.

The new provisions of section 5942 entitle an employee of an executive department or independent establishment who is assigned to duty, other than an employee on temporary duty, at a remote worksite, to an allowance of not to exceed \$10 a day. The allowance is to be paid under regulations prescribed by the President, establishing the rates at which the allowance will be paid, and defining and designating those sites, areas, and groups of positions to which the rates apply. The site must be so remote from the nearest established communities or suitable places of residence as to require an appreciable amount of expense,

hardship, and inconvenience on the part of the employee in commuting to and from his residence and the worksite. The provisions of this section do not apply to Government corporations by reason of the use of the defined terms, "executive department" or "independent establishment," which do not include Government corporations.

Section 5942 specifically provides that the allowance authorized by this section, may be paid notwithstanding the provisions of section 5536 of title 5, United States Code, in order to overcome the requirement of section 5536, for a specific appropriation for the payment of the allowance.

Section 7 (b) of the bill is a savings clause, to permit the continuation of the payment of the allowance authorized by the existing provisions of title 5, United States Code, section 5942 for employees on one of the California offshore islands, or at the U.S. Atomic Energy Commission, Nevada test site, including the Nuclear Rocket Development Station, until regulations by the President are issued under the new provisions enacted by this legislation.

Section 7(c) of the bill makes the necessary technical adjustments in the table of contents of subchapter IV of chapter 59 of title 5, United States Code, to conform with the change in heading of section 5942, as amended by subsection (a) of the first section.

Section 8 of the bill adds a new section 5947 to subchapter IV of chapter 59 of title 5, United States Code.

The new section 5947 rewrites and makes technical conforming changes to include in title 5, United States Code, the basic authority previously contained in Public Law 84-35.

Subsection (a) of the new section 5947 continues the present authority for an employee of the Corps of Engineers, engaged in floating plant operations, to be furnished quarters or subsistence, or both, on vessels without charge when the furnishing of the quarters or subsistence, or both, is determined to be equitable to the employee and necessary in the public interest. The rewriting of this provision is not intended to make any substantive change from the authority under existing law for the Corps of Engineers to furnish such quarters or subsistence "on vessels."

Subsection (b) of the new section 5947 contains additional authority for the Corps of Engineers to furnish an appropriate allowance in place of the quarters or subsistence when adverse weather conditions or similar circumstances prevent the transportation of the employee from the shore to the vessel, or quarters or subsistence or both are not available on the vessel while it is undergoing repairs.

The language "notwithstanding section 5536 of this title," is used in this subsection in order to remove any doubt, that the allowance may be paid regardless of whether there is a specific appropriation for the payment of the additional allowance. The provisions of section 5536, prohibit the payment of any additional allowances to a Federal employee, "unless specifically authorized by law, and the appropriation therefor, specifically states that it is for the additional pay or allowance."

The new subsection (c) continues the existing authority of the Secretary of the Army, to issue regulations relating to the furnishing of quarters or subsistence on such vessels, and extends such authority to issue regulations, to cover the furnishing of the allowance, which may be furnished in place of the quarters or subsistence.

Section 8(b) of the bill makes the necessary technical adjustments in the table of contents of such subchapter IV, to include the reference to the new section 5947.

Section 8(c) of the bill repeals the provisions of Public Law 84-35. Similar provisions are included as a part of the new section 5947, which is added to title 5, United States Code.

Section 9 of the bill provides the appropriate effective dates.

Subsection (a) provides that the first section, prescribing the title of the act, section 9, and sections 2 and 3, relating to the Federal Employees Salary Commission and Board of Arbitration, shall become effective on date of enactment.

Subsection (b) provides an effective date of the first day of the first pay period which begins on or after October 1, 1969, for section 5, relating to a two-step increase for postal employees in levels 1 through 11, and time-in-grade conversion provisions for postal employees in levels 12 and above; for section 6, relating to the premium pay provisions for employees performing irregular and unscheduled duty; for section 7, relating to the allowance for employees at remote worksites; and for section 8, relating to quarters or subsistence allowance for floating plant operations employees.

Subsection (c) provides an effective date of the first pay period which begins on or after July 1, 1970, for section 4, relating to the time-in-step requirements for automatic step increases for postal field service employees.

COSTS

It is expected that there will not be any substantial additional costs under sections 1 through 3, which create the Federal Employee Salary Commission and the Federal Employee Salary Board of Arbitration, since the major part of the activities to be performed by these two agencies now are being performed by the Bureau of the Budget and the Civil Service Commission, and such activities will be performed hereafter by the Commission.

The fiscal year 1970 additional cost will be \$244 million, and fiscal year 1971 additional cost will be \$554 million, for the accelerated step increases for postal field service employees, under section 4 which becomes effective in October 1969, and section 5 which becomes effective in July 1970.

The annual costs of the miscellaneous benefits under sections 6, 7, and 8 will not exceed \$100,000.

AGENCY REPORTS

There are set forth below the agency reports on this legislation as follows:

1. Letters dated July 23, 1969, on H.R. 12823 (which is similar to the provisions of sections 1 through 5 of the reported bill) from the Bureau of the Budget, the Postmaster General, and the U.S. Civil Service Commission and letter dated July 18, 1969, from the General Accounting Office.
2. Report dated June 16, 1969, from the Bureau of the Budget, and report dated June 17, 1969, from the U.S. Civil Service Commission on H.R. 10052, the provisions of which are included in section 6 of the reported bill.

3. Report dated June 16, 1969, from the Bureau of the Budget, and report dated June 17, 1969, from the U.S. Civil Service Commission on H.R. 524, the provisions of which are similar to the provisions of section 7 of the bill.

4. Report dated June 16, 1969, from the Bureau of the Budget, report dated June 17, 1969, from the U.S. Civil Service Commission, and report dated June 23, 1969, from the Department of the Army on H.R. 2784, the provisions of which are similar to the provisions of section 8 of the bill.

EXECUTIVE OFFICE OF THE PRESIDENT,
BUREAU OF THE BUDGET,
Washington, D.C., July 23, 1969.

HON. THADDEUS J. DULSKI,
*Chairman, Committee on Post Office and Civil Service,
House of Representatives, Washington, D.C.*

DEAR MR. CHAIRMAN: This is in reply to the committee's request for the views of the Bureau of the Budget on H.R. 12823, a bill to implement the Federal employee pay comparability system; to establish a Federal Employee Salary Commission and a Board of Arbitration, and for other purposes, H.R. 12124, a bill to implement the Federal employees' pay comparability system; to establish a Federal Management-Labor Salary Survey Board, and for other purposes, and H.R. 12538, a bill to provide emergency salary adjustments for certain employees in the postal field service to offset the increase in the cost-of-living index.

H.R. 12823 would restate, in essence, the principles of the Federal Salary Reform Act of 1962. We recognize these principles and have supported their application to pay administration in the Federal Government. However, H.R. 12823 would also establish a Federal Employee Salary Commission to determine statutory salary system pay rates in accordance with the principles, and it would create a Federal Employee Salary Board of Arbitration to review the determinations of the proposed commission. The board would make the final determination of rates should employee unions or their representatives on the commission appeal the commission's findings. The Congress would be given an opportunity to disapprove the findings of the commission and the board.

The bill would require the Bureau of Labor Statistics (BLS) to submit its annual national pay survey report not later than July 31 and the submission of the proposed commission's report to the Congress not later than the following February 1. The new rates would become effective at the beginning of the first pay period which begins on or after the first day of the year in which the commission's report would be submitted. Finally, the bill would accelerate the advance of Postal Field Service employees in their within-grade salary range.

The Civil Service Commission is submitting a report on H.R. 12823, H.R. 12538, and H.R. 12124 in which it indicates why these bills are undesirable. We endorse the comments of the Commission.

In addition to the comments of the Civil Service Commission, we are particularly concerned about H.R. 12823 because the organizations and procedures which the bill would establish would remove the

President from pay determinations. Although the Congress would be given the opportunity for review of the commission's pay determinations and those of the board through procedures similar to those contained in the reorganization statute (chapter 9 of title 5 of the United States Code), the President would not have the role he has under reorganization procedures and would have no authority or responsibility to deal with this vital executive function. We believe this would be highly objectionable and unwise. Moreover, the composition and functions of the proposed commission and board raise serious constitutional questions. Federal salary increases require expenditures of too great a magnitude to be determined other than by legislation or by the President. With more than 2 million employees in the four civilian pay systems affected, and with the pay of 3,500,000 military personnel moving in accordance with the civilian salary adjustment, each 1 percent of a pay increase now carries an annual cost of \$433 million.

In addition, the time schedule for BLS survey reports and salary adjustments as provided in the bill would do little or nothing to eliminate time lag in the adjustments. By requiring BLS reports not later than July 31, the BLS would be forced either to a data collection calendar with a reference date of January or to a virtually complete divorce of the national survey from the BLS area wage surveys in order to have a reference date later than January. Such a divorce would require substantial additions to the BLS staff and would gain no more than 2 or 3 months.

Sections 4 and 5 of H.R. 12823 pertain to the salaries of postal field service personnel. Section 4 of the bill would accelerate within-grade progression to three times the current speed. We believe this would be exorbitant, entailing added costs which build up in time to \$800 million a year. Moreover, this provision completely disregards the purpose of within-grade salary provisions. Within-grade salary increases are intended to reward (1) improved performance and (2) continued and faithful service. Increases every 6 months have no realistic relation to the degree of improvement in performance; and if the rewards for faithful service are to be exhausted in the short time span provided by the bill, there is no longer a reasonable basis for a within-grade range as great as the 37 percent currently provided. Postal employees now move more rapidly through the within-grade range than do General Schedule employees. There is no reasonable basis for a further speedup.

Section 5 of the bill would provide a two within-grade step increase for postal field service employees. This would have an annual cost of \$324 million, and would grossly discriminate in favor of those employees and against other Federal employees. The postal employee pay increase in the July 1969 adjustment was less on the average than that of general schedule employees because (1) the 1967 salary act gave postal employees larger increases in 1967 and 1968 and thus placed them closer to comparability and (2) the populous upper grades of the general schedule were always caused to lag far behind comparability in legislative adjustments between 1962 and 1967. Postal employees were simply brought even with other Federal employees (except for the one grade bonus given postal employees in linkage of PFS-5 with GS-5) by the 1969 adjustment. We believe that they should not receive favored treatment.

This committee is now considering legislation—H.R. 11750—which would, if enacted, create a Government-owned postal corporation charged with responsibility for maintaining comparability of compensation and benefits of postal workers with the non-Federal sectors of the economy. Enactment of that bill, which we strongly recommend, would eliminate the postal field service from the coverage of this and other statutory pay systems, and would enable postal employees to negotiate their pay rates, through collective bargaining with postal management, on an up-to-date comparability basis.

H.R. 12124, like H.R. 12823, would remove the President from Federal pay determinations. In addition, it would lay down statutory requirements relative to intergrade differentials and comparability payline construction and would provide pay increases effective in January 1970 which amount to as much as 17 percent for some grades. We object to H.R. 12124 for the same reasons as those cited above for H.R. 12823. In addition, it would provide for practices which would be contrary to the general schedule position classification plan and which would force misinterpretation of BLS survey data.

H.R. 12538 would provide an increase of 5.4 percent for the first 10 grades of the postal field service, to be effective retroactively to July 1, 1969. We oppose enactment for the reasons cited relative to the pay increase provisions in H.R. 12823.

For the reasons cited, the Bureau of the Budget is strongly opposed to enactment of H.R. 12823, H.R. 12124, and H.R. 12538. We are developing an alternative approach to the setting of Federal pay which we believe would assure equity for all Federal employees with appropriate executive and congressional involvement. We expect to have this ready for consideration soon. Accordingly, we urge the committee delay action until we have an opportunity to present our proposal.

Sincerely,

PHILLIP S. HUGHES,
Deputy Director.

THE POSTMASTER GENERAL,
Washington, D.C., July 23, 1969.

HON. THADDEUS J. DULSKI,
*Chairman, Committee on Post Office and Civil Service,
House of Representatives, Washington, D.C.*

DEAR MR. CHAIRMAN: I have your letter of July 15, 1969, requesting reports on H.R. 12124, H.R. 12538, and H.R. 12823. All of these bills relate to salaries of postal field service employees and except for H.R. 12538 contain provisions relating to other employees as well.

As you know, I did not have an opportunity to testify on any of these proposals. H.R. 12823 was not introduced until July 14, and I regret that the committee could not see its way clear to accede to my verbal request that committee action on the bill be deferred to enable the Department to give it more meaningful consideration.

The increased costs that would be imposed on the Department under all of these bills are, of course, very substantial. H.R. 12538 would subject the Department to an additional cost of more than \$300 million annually. H.R. 12823 would cost the Department \$244 million for the current fiscal year, \$554 million for fiscal year 1971 and would have an ultimate cost to the Department of \$780 million annually, exclusive of any costs involved in future increases of compensation to maintain comparability. H.R. 12124 would increase postal costs by \$521.6 million in the current fiscal year and \$1,043 million annually thereafter. These increases would be superimposed on a net operating loss already estimated to amount to \$1.31 billion in fiscal year 1970, assuming no increase in postage rates and no increase in wages beyond the 4.7 percent increase that became effective this month. Public service costs account for \$747 million of this loss, which means that for rate making purposes we are starting from a net deficit position of \$563 million.

In the second supplemental appropriations act the Congress has placed an overall ceiling on expenditures of the government during this fiscal year. As an integral part of the executive branch the Post Office Department is required to operate within this limitation, and, like other executive departments, may well be affected by the \$3.5 billion cut in Federal spending that the President was compelled to order yesterday. It would not be feasible for the Department to maintain the present level of service within the funds available to it for the balance of the fiscal year and absorb the increase in costs that H.R. 12124, H.R. 12538, or H.R. 12823 would generate.

It is also clear that enactment of any of these three pay bills would disrupt the interrelationship which exists between pay scales of the postal field service employees and the pay scales of other employee groups for whom Congress has established specific classification systems. Thus, in view of the constraints on the postal service as it operates as an executive department I must oppose enactment of the increases in compensation contained in the legislation under consideration.

I must point out, however, that if the Congress enacts the Postal Service Act of 1969, the pay of rank and file postal employees will be set through collective bargaining, which is inherently more flexible than the current pay setting procedures.

Phase III adjustments under Public Law 90-206 did result in bringing postal pay to a level comparable with pay in the private sector, as determined under the guidelines of the statute, subject to a 1-year timelag. I have been concerned with the length of this lag and would support legislation to keep postal pay at comparability with a reduced timelag if such legislation could be accommodated to existing budget limitations.

The Bureau of the Budget has advised that there is no objection to the submission of this report to the committee from the standpoint of the administration's program.

Sincerely,

WINTON M. BLOUNT.

U.S. CIVIL SERVICE COMMISSION,
Washington, D.C., July 23, 1968.

Hon. THADDEUS J. DULSKI,
*Chairman, Committee on Post Office and Civil Service,
House of Representatives.*

DEAR MR. CHAIRMAN: This is in response to your request for the Commission's views on H.R. 12823, a bill to implement the Federal employee pay comparability system; to establish a Federal Employee Salary Commission and a Board of Arbitration, and for other purposes. This report also includes a statement of the Commission's position on H.R. 12124, a bill to implement the Federal employees' pay comparability system; to establish a Federal Management-Labor Salary Survey Board, and for other purposes, and H.R. 12538, to provide emergency salary adjustments for certain employees in the postal field service to offset the increase in the cost-of-living index.

H.R. 12823 would establish a new procedure for implementing the Federal employee pay comparability policy. It would establish a Federal Employee Salary Commission which would make the salary comparisons now made by the Director of the Bureau of the Budget and the Chairman of the Civil Service Commission as agents of the President, and determine salary schedules which would be subject to revision by a Federal Employee Salary Board of Arbitration and subject to disapproval in whole or in part by either House of Congress. H.R. 12823 would, in addition, accelerate within-grade increases in the postal field service effective in July 1970 and grant a two-step bonus increase to postal employees effective in October 1969.

The Civil Service Commission is strongly opposed to the enactment of H.R. 12823 for the following reasons:

1. The bill's denial of a role for the President in fixing the salaries of some 2 million civilian employees and some 3.4 million members of the Armed Forces is totally inconsistent with his constitutional position as head of the executive branch.
2. The bill's procedures are undesirably complex.
3. The accelerated within-grade increase provisions for postal employees are unneeded, inequitable, and costly.
4. The two-step bonus proposed for October 1969 is neither needed nor justified.

H.R. 12823 would govern the adjustment of salaries for some 2 million Federal employees. In addition, under the terms of Public Law 90-207 of December 16, 1967, the adjustments would apply also to military personnel. An increase of only 1 percent now costs some \$433 million a year. It is unthinkable that the President would be denied a role in this process. It is entirely inconsistent with his constitutional responsibilities. It clearly runs counter to the dictates of good management. The Commission finds this feature of the bill to be quite unacceptable.

The Commission considers the procedures proposed by the bill to be undesirably complex. The bill sets up two new agencies, a Salary Commission and a Board of Arbitration. After the seven-member Commission completes its deliberations it makes its recommendations.

These recommendations can, and we think will, be taken to the seven-member Board for review and possible revision, before they go to Congress where either House may not only disapprove them in their entirety but may, if it chooses, disapprove parts of them.

Contributing to the complexity is the fact that the nature of the procedure is such that it seems inevitable that each salary adjustment proposed by the Salary Commission will be taken to the Board. This will result because it could appear that there would be no advantage in reaching agreement at the Salary Commission level. Therefore each recommended adjustment probably would go to the Board in the hope of a more favorable decision.

One might indeed question whether the procedure, seen from this point of view, will really serve the purpose we all want—the Congress, the unions, and the administration—that is, to reach a meeting of the minds between employee representatives and management through back-and-forth discussion of the issues.

Section 4 of H.R. 12823 would amend section 3552(a) of title 39, United States Code, so as to provide that postal employees will advance to the next higher rate of the rate range after each 6 months of service up to the seventh rate of the rate range and then after a year to the eighth rate and above. Postal employees are now advanced to the next rate after each year of service up to the seventh rate and then after 3 years' service to the eighth rate and above. There are 12 rates.

Section 4 of the bill would provide a much more rapid rate of progression than is afforded to General Schedule employees. They qualify for an increase after 1 year to the next higher rate up to the fourth rate, after 2 years, up to the seventh rate, and, after 3 years, up to the 10th rate. There are only 10 rates. Taking GS-5 and PFS-5 as examples, the first 10 rates are identical. PFS-5 has two additional rates. The postal employee today progresses to the 10th rate after 15 years of service, and the General Schedule employee progresses to the 10th rate after 18 years of service. If H.R. 12823 were enacted, the postal employee would reach the 10th rate after 6 years of service. The Commission knows of no rationale for giving such preferential treatment to postal employees.

It should be understood that the extended rate range—12 rates—provided for postal employees in levels up through PFS-6 is justified on the grounds that many postal employees have little opportunity for promotion and there should be a continuing opportunity for pay increases. The Commission sees no justification for the drastically accelerated increases to the top of a 12-rate range.

It is assumed that the accelerated increase provisions rest on the premise that the salaries for postal workers should progress reasonably quickly to the level which is considered to be appropriate for the jobs in terms of their relationship to private enterprise salaries. It is necessary to review the basis for the postal salaries established by the adjustment recently authorized by the President pursuant to the Federal Salary Act of 1967 to show that no acceleration in within-level advancement is necessary to achieve this. For the 1969 adjustment and for each of the comparisons between Federal and private enterprise salaries made since the Salary Reform Act of 1962, the clerk/carrier

level of the postal schedule has been linked with GS-5. This linkage was based upon the conclusion that although in terms of job evaluation the positions can best be compared with the GS-4 level in the General Schedule, they would be linked with GS-5 because of limited promotional opportunities. This linkage was recognized by your committee in reporting the Federal Salary Act of 1967. Consistently, the fourth rate of the rate range in the general schedule grades has been based upon the payline which represents the industry average for the grade. On the basis of the linkage and on the basis of the BLS survey then, it is the fourth rate of PFS-5 that best reflects the average for the clerk/carrier jobs. It takes only 3 years to progress to that rate.

Because of the limited opportunities for promotion, the median regular employee is in the eighth rate of PFS-5. The fact that most employees are well above the rate that is based on the payline, however, affords no basis for arguing that employees should progress rapidly to that eighth rate. To provide such an accelerated advancement would clearly be giving the employee a double advantage.

Section 5 of H.R. 12823 would provide for a two-step increase for each employee in levels 1 through 11 in October 1969. The Commission finds this increase, which would amount to about 5.4 percent, to be entirely inappropriate.

Postal unions have made many charges regarding the adjustment ordered by the President for July 1969. We answered some of these in our letter of July 11, 1969, in response to your request. Let me repeat here that the Bureau of the Budget and the Commission did not bias the survey. I should like to make two points regarding the July adjustment. It was appropriately made in accordance with the requirements of the Federal Salary Act of 1967 and living-cost changes since July 1968 do not form the basis for any other adjustment.

It was the objective of the Federal Salary Act of 1967 to reach comparability by 1969. The law prescribed that the 1969 adjustment was to be based upon the 1968 BLS survey. The fact that the 1969 increase for postal employees was less than that for general schedule employees is due to the fact that the statute granted postal employees larger increases in 1967 and 1968 than were afforded general schedule employees.

At the clerk/carrier level the increases were 6 percent in 1967 and 5 percent in 1968. For GS-5, the increase was only 4.5 percent in 1967 and 3 percent in 1968.

It should also be remembered that prior to the increases of 1967 and 1968 the clerk/carrier and the GS-5 salary schedules were the same. As was the intent of the law, the 1969 adjustment made them, once again; the same.

The fact that living costs have increased since the 1968 adjustment is not a basis for additional increase for postal employees. The solution is to reduce the timelag as recommended in the Commissions' testimony of June 17, 1969. The timelag affects not only postal employees but the employees of all the salary systems. In addition it affects the pay of military personnel. It is the established policy to fix salaries on the basis of salaries paid in the private sector—not on the basis of living costs. We are very much aware, at the moment, of living cost increases but it is unfair to judge the salary policy by a short term change. Let us

look at what happened in the years from 1957 through 1968. Using the base period of 1957-59 upon which the current consumer price index is based, while there was an increase of 21.2 percent in the CPI there was an increase of 47.6 percent in the average annual salaries for the fourth step of the clerk/carrier position (see attached chart). This shows clearly how postal salaries have over a period of time outstripped living-cost increases.

The Commission is opposed to the enactment of H.R. 12124 because it fails to give the President the powers which are essential for him to carry out his constitutional duties; because it provides by statute rules for constructing a payline; because the specific rules provided are not in accord with the general schedule position classification plan, and would result in a misinterpretation of the private enterprise pay data; and because there is absolutely no basis for the increase provided by the proposed salary schedules.

The Commission is opposed to the enactment of H.R. 12538 for the same reasons that it is opposed to section 5 of H.R. 12823.

For the reasons stated above, the Commission is strongly opposed to the enactment of H.R. 12823, H.R. 12124, and H.R. 12538. Instead the Commission urges that the committee defer action pending the development of a proposal to carry out the objectives outlined by the Bureau of the Budget and the Civil Service Commission in hearings before the Compensation Subcommittee on June 17, 1969. Such a proposal would be designed to provide a sound, simple approach which will give appropriate roles to the President, to the Congress, and to the employee organizations.

The Bureau of the Budget advises that there is no objection to the submission of this report.

By direction of the Commission:

Sincerely yours,

J. E. JOHNSON,
Acting Chairman.

COMPTROLLER GENERAL OF THE UNITED STATES,
Washington, D.C., July 18, 1969.

B-167266.

HON. THADDEUS J. DULSKI,
*Chairman, Committee on Post Office and Civil Service,
House of Representatives.*

DEAR MR. CHAIRMAN: We refer to your letter of July 15, 1969, requesting our report upon H.R. 12823, 91st Congress, which, upon enactment, would be cited as the "Federal Salary Comparability Act of 1969."

The manner of fixing and adjusting the pay of the employees to whom the bill applies on a basis comparable with rates paid by private enterprise for the same levels of work is a matter of policy for determination by the Congress. Similarly the additional pay increase for postal service employees, as provided for in the bill, involves a matter of congressional policy. We, therefore, offer no recommendation upon the merits of the bill.

In general the provisions of the bill appear adequate to accomplish the purposes of the bill.

As a technical matter we note that the term "employee" is one which is defined in title 5 (sec. 2105) and does not include elected officials. Also, the term "Member of Congress" is defined in such title (sec. 2106). In view thereof, we suggest changing the language appearing on lines 15 and 16, page 9 of the bill to read as follows: "of this title and each such member who is not an employee or Member of Congress shall be paid at the rate of \$100 for each day,".

Sincerely yours,

ROBERT F. KELLER,
(For the Comptroller General of the United States.)

EXECUTIVE OFFICE OF THE PRESIDENT,
BUREAU OF THE BUDGET,
Washington, D.C., June 16, 1969.

Hon. THADDEUS J. DULSKI,
*Chairman, Committee on Post Office and Civil Service,
House of Representatives, Washington, D.C.*

DEAR MR. CHAIRMAN: This is in reply to the committee's request for the views of the Bureau of the Budget on H.R. 10052, to amend title 5, United States Code, to correct certain inequities with respect to the premium pay of certain employees performing irregular and unscheduled duty, and for other purposes.

The bill would adjust the pay of certain employees who now receive additional annual premium pay for uncontrollable overtime work but who are denied regular premium pay for nonovertime Sunday duty, for regularly scheduled work at night or for work on a holiday.

The Bureau of the Budget concurs with the amendments which the Civil Service Commission is proposing in its report to your committee on this bill.

There would be no objection to enactment of H.R. 10052 if it is amended as suggested by the Civil Service Commission.

Sincerely yours,

WILFRED H. ROMMEL,
*Assistant Director for
Legislative Reference.*

U.S. CIVIL SERVICE COMMISSION,
Washington, D.C., June 17, 1969.

Hon. THADDEUS J. DULSKI,
*Chairman, Committee on Post Office and Civil Service,
House of Representatives.*

DEAR MR. CHAIRMAN: This is in further response to your request for a report on H.R. 10052, to amend title 5, United States Code, to correct certain inequities with respect to the premium pay of certain employees performing irregular and unscheduled duty, and for other purposes.

Enactment of this measure will provide more equitable treatment for border patrol inspectors and other employees who are now receiving additional annual premium pay for uncontrollable overtime work. Under present law, these employees may not be given any additional

compensation for regularly scheduled nonovertime Sunday duty, for regularly scheduled work at night or for work on a holiday. They do, however, receive premium compensation for overtime hours that are regularly scheduled.

The Civil Service Commission strongly endorses the purpose of H.R. 10052 and urges that it be given favorable consideration with the amendments suggested in this report.

Section 5545(c)(2) of title 5, United States Code, which would be amended by this bill, authorizes agency heads to grant additional compensation on an annual basis to employees who perform substantial amounts of irregular unscheduled overtime duty and duty at night, on Sundays, and on holidays. This authority is applicable only where the nature of the employment is such that the employee is generally responsible for recognizing, without supervision, circumstances that require him to remain on duty. The annual rate of additional pay may not be less than 10 percent nor more than 25 percent of that part of the employee's base pay that does not exceed the minimum rate for GS-10. No other premium pay may be granted to these employees except for regularly scheduled overtime duty.

In some occupations where the employees are being paid additional annual premium rates under this authority, the operations must be carried on around the clock 7 days a week. This is especially true in border work where the employees have regularly scheduled tours of duty that include Sunday, night, and holiday work as part of the basic 40-hour workweek. Under the present law they do not receive any form of premium pay for this duty while most other Federal employees are paid a 25-percent differential for regularly scheduled nonovertime Sunday work, a 10-percent differential for regularly scheduled night duty, and double time for work on a holiday. They do, however, receive the same premium compensation as other employees for regularly scheduled overtime duty.

To lessen this inequity, H.R. 10052 amends 5 U.S.C. 5545(c)(2) to provide that additional annual pay under this authority will compensate employees only for holiday and irregular unscheduled overtime duty and that otherwise applicable premium rates will be paid for regularly scheduled Sunday, night, and overtime duty.

The Commission supports the amendment in H.R. 10052 but finds no apparent justification for not extending the regular premium pay provisions to cover holidays on which the employees are assigned to work. Accordingly, it is recommended that H.R. 10052 be amended as follows:

On page 1, line 8, strike out "and duty on holidays".

On page 2, line 5, immediately after "Sunday duty", insert ", and for holiday duty".

On page 2, line 11, strike out "holiday and".

Due to the relatively small groups of employees who are being paid additional annual compensation under 5 U.S.C. 5545(c)(2), it may reasonably be assumed the cost of this legislation would not be substantial. The major groups affected will be border patrolmen and deputy United States marshals in the Department of Justice and certain customs and internal revenue personnel in the Treasury Department.

The Bureau of the Budget advises that from the standpoint of the Administration's program there is no objection to the submission of this report.

By direction of the Commission.

Sincerely yours,

ROBERT E. HAMPTON, *Chairman.*

EXECUTIVE OFFICE OF THE PRESIDENT,
BUREAU OF THE BUDGET,
Washington, D.C., June 16, 1969.

HON. THADDEUS J. DULSKI,
*Chairman, Committee on Post Office and Civil Service,
House of Representatives, Washington, D.C.*

DEAR MR. CHAIRMAN: This is in reply to the Committee's request for the views of the Bureau of the Budget on H.R. 524, "To authorize the payment of allowances to defray commuting expenses of civilian employees of executive agencies assigned to duty at remote work-sites, and for other purposes."

The purpose of the bill is to authorize a daily allowance of not to exceed \$10 for employees assigned to duty at remote worksites.

In commenting on similar bills in the last Congress, the Bureau noted the absence of factual background to support legislation along the lines proposed. The Civil Service Commission is presently conducting a special study to determine what the facts are with respect to employees at remote worksites.

Accordingly, until the study is completed and the facts evaluated, we cannot recommend enactment of the legislation.

Sincerely yours,

WILFRED H. ROMMEL,
Assistant Director for Legislative Reference.

U.S. CIVIL SERVICE COMMISSION,
Washington, D.C., June 17, 1969.

HON. THADDEUS J. DULSKI,
*Chairman, Committee on Post Office and Civil Service,
House of Representatives.*

DEAR MR. CHAIRMAN: This is in reply to your request for the views of the Civil Service Commission on H.R. 524, to authorize the payment of allowances to defray commuting expenses of civilian employees of executive agencies assigned to duty at remote worksites, and for other purposes.

This bill, if enacted, will provide authority to pay an allowance not to exceed \$10 per day to defray the commuting expenses of employees of executive agencies assigned to duty at remote worksites. Present regulations will be in effect until new regulations can be issued.

The Civil Service Commission supported legislation to provide a special travel allowance for employees assigned to the California offshore islands and the Nevada Test Site. It also suggested that a special travel allowance would be appropriate for those employees assigned to Fort Irwin, Calif. The basic question is whether the Congress should continue to deal with these situations one at a time, or whether general legislation, such as proposed in H.R. 524, should be enacted allowing the executive branch to pay such allowances whenever justified.

The Bureau of the Budget is primarily responsible for all travel matters but the Commission has an interest in the personnel management aspects of travel problems. Recruitment and retention of competent employees is naturally made more difficult by unfavorable circumstances such as the need to travel unusually long distances to and from the job. The Commission is currently cooperating with the Bureau in conducting a special study on this subject. When this study is completed we will be in a position to advise you further regarding the need for the general legislation proposed. Therefore the Commission believes it would be premature to recommend that favorable action be taken on H.R. 524 at this time.

The Bureau of the Budget advises that from the standpoint of the Administration's program there is no objection to the submission of this report.

By direction of the Commission.

Sincerely yours,

ROBERT E. HAMPTON, *Chairman.*

EXECUTIVE OFFICE OF THE PRESIDENT,
BUREAU OF THE BUDGET,
Washington, D.C., June 16, 1969.

HON. THADDEUS J. DULSKI,
*Chairman, Committee on Post Office and Civil Service,
House of Representatives, Washington, D.C.*

DEAR MR. CHAIRMAN: This is in reply to the committee's request for the views of the Bureau of the Budget on H.R. 2784, "To amend title 5, United States Code, to authorize the payment of an appropriate allowance, in lieu of quarters and subsistence, to employees of the Corps of Engineers, Department of the Army, engaged in floating plant operations."

The Bureau of the Budget concurs in the amendment which the Department of the Army is proposing in its report to your committee on this bill.

Accordingly, there would be no objection to enactment of H.R. 2784, amended as suggested by the Department of the Army.

Sincerely yours,

WILFRED H. ROMMEL,
Assistant Director for Legislative Reference.

U.S. CIVIL SERVICE COMMISSION,
Washington, D.C., June 17, 1969.

Hon. THADDEUS J. DULSKI,
Chairman, Committee on Post Office and Civil Service,
House of Representatives.

DEAR MR. CHAIRMAN: This is in further reply to your request for the views of the Civil Service Commission on H.R. 2784, a bill "To amend title 5, United States Code, to authorize the payment of an appropriate allowance, in lieu of quarters and subsistence, to employees of the Corps of Engineers, Department of the Army, engaged in floating plant operations."

This bill would authorize the payment of an allowance to employees of the Army Corps of Engineers engaged in floating plant operations in instances, when the Corps is unable to furnish subsistence or quarters or when employees are unable to board because of bad weather. It further provides that allowances granted be given in accordance with regulations prescribed by the Secretary of the Army.

At the present time, these employees are entitled to subsistence and quarters on vessels without charge whenever messing and quartering are considered equitable and necessary in the public interest.

Situations do arise, however, when the corps determines that it would be uneconomical to maintain stewards' facilities, or when repair work or bad weather will not permit living on board. In these instances employees must provide food and lodging at their own expense.

The Commission feels that this situation is neither equitable nor proper. When Government employees travel for the convenience of the Government they are allowed per diem allowances. The Commission feels these employees of the Corps of Engineers are in a similar situation when they are displaced from their living quarters afloat and should receive the same benefits.

We understand that the Department of the Army is submitting a report recommending an amendment clarifying the situation in which an allowance would be paid. The Commission supports H.R. 2784, if amended as suggested in the Department of the Army report.

The Bureau of the Budget advises that from the standpoint of the administration's program there is no objection to the submission of this report.

By direction of the Commission.

Sincerely yours,

ROBERT E. HAMPTON, *Chairman.*

DEPARTMENT OF THE ARMY,
Washington, D.C., June 23, 1969.

Hon. THADDEUS J. DULSKI,
Chairman, Committee on Post Office and Civil Service,
House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: Reference is made to your request to the Secretary of Defense, for the views of the Department of Defense, for the views of the Department of Defense on H.R. 2784, 91st Congress, a bill to amend title 5, United States Code, to authorize the payment of an appropriate allowance, in lieu of quarters and subsis-

tence, to employees of the Corps of Engineers, Department of the Army, engaged in floating plant operations. The Department of the Army has been assigned responsibility for expressing the views of the Department of Defense on this bill.

This bill provides that quarters, or subsistence, or both, may be furnished without charge to employees of the Corps of Engineers who are engaged in floating plant operations. Similar authority is presently contained in the act of May 13, 1955, ch. 38, (69 Stat. 48). In addition, the bill provides authority for the furnishing of an appropriate allowance, when circumstances beyond the control of the Corps of Engineers or the employee prevent the furnishing of quarters, or subsistence, or both.

In certain circumstances, Corps employees have been unable to obtain the benefits provided by the existing law. This occurs, for example when a dredge is undergoing periodic or emergency overhaul, or when employees reporting for duty at the beginning of their tour of duty at a specified point on shore for transportation to the dredge cannot be transported because of adverse weather conditions. In such a case, the employees must provide subsistence and quarters at their own expense, as no authority exists to pay them an allowance in lieu of subsistence and quarters.

In order to clarify the circumstances under which an allowance would be payable, it is recommended that section 5947b as set out in the bill be revised as follows:

"(b) Notwithstanding section 5536 of this title, an employee of the Corps of Engineers, Department of the Army, engaged in floating plant operations who would be entitled to quarters or subsistence, or both, under subsection (a) of this section if on a vessel may be paid an allowance for quarters or subsistence, or both, if—

"(1) adverse weather conditions or similar circumstances beyond the control of the employee and the Corps of Engineers prevent transportation of the employee from shore to the vessel; or

"(2) quarters or subsistence, or both, are not available on the vessel because it is undergoing repairs.

However, an allowance for quarters or subsistence may not be paid under this subsection if section 5702 of this title is applicable, or if quarters and subsistence are not authorized under subsection (a) of this section."

Under the above wording, it would be clear that allowances would be payable only if (a) adverse weather conditions or similar circumstances beyond the control of the employee and the Corps of Engineers prevented transportation to the floating plant where the quarters and subsistence would otherwise have been available, (b) the unavailability of quarters and subsistence is due to repairs (as opposed to regular seasonal layup) of the floating plant, (c) the employee is not receiving travel per diem in lieu of subsistence and quarters under section 5702 of title 5, and (d) the employee is entitled to receive quarters or subsistence, or both, under regulations issued pursuant to subsection (a) of this section.

With the suggested amendments, the Department of the Army, on behalf of the Department of Defense, recommends that the bill be favorably considered.

This report has been coordinated within the Department of Defense in accordance with procedures prescribed by the Secretary of Defense.

If this bill is enacted, it is estimated that the annual cost to the Department of Defense will be \$65,000.

The Bureau of the Budget advises that, from the standpoint of the administrations program, there is no objection to the presentation of this report for the consideration of the committee.

Sincerely,

STANLEY R. RESOR,
Secretary of the Army.

CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

In compliance with clause 3 of Rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman):

TITLE 5, UNITED STATES CODE

* * * * *

Chapter 53.—PAY RATES AND SYSTEMS

SUBCHAPTER I.—PAY COMPARABILITY SYSTEM

Sec.

5301. Policy.

[5302. Annual reports on pay comparability.] 5302. *Federal Employee Salary Commission; Federal Employee Salary Board of Arbitration.*

5303. Higher minimum rates; Presidential authority.

5304. Presidential policies and regulations.

* * * * *

SUBCHAPTER I.—PAY COMPARABILITY SYSTEM

[§ 5301. Policy.

[It is the policy of Congress that Federal pay fixing be based on the principles that—

[(1) there be equal pay for substantially equal work, and pay distinctions be maintained in keeping with work and performance distinctions; and

[(2) Federal pay rates be comparable with private enterprise pay rates for the same levels of work.

Pay levels for the several Federal statutory pay systems shall be inter-related, and pay levels shall be set and adjusted in accordance with these principles.]

§ 5301. Policy

(a) *It is the policy of Congress that rates of pay for employees within the purview of this section be based on the principles that—*

(1) *there be equal pay under each pay system for substantially equal work;*

(2) *pay distinctions be maintained in keeping with work distinctions; and*

- (3) rates of pay be comparable on a national basis, with private enterprise rates of pay for the same levels of work.
- (b) Rates of pay shall be adjusted annually, in accordance with the policy set forth in subsection (a) of this section and the procedures prescribed by section 5302 of this title, for those employees subject to—
 - (1) section 5332 of this title, relating to employees under the General Schedule;
 - (2) part III of title 39, relating to employees in the postal field service;
 - (3) sections 867 and 870 of title 22, relating to officers, staff officers, and employees in the Foreign Service of the United States; and
 - (4) section 4107 of title 38, relating to physicians, dentists, and nurses in the Department of Medicine and Surgery, Veterans' Administration.

§ 5302. Annual reports on pay comparability.

[In order to carry out the policy stated by section 5301 of this title the President shall—

[(1) direct such agency as he considers appropriate, to prepare and submit to him annually a report which compares the rates of pay fixed by statute for employees with the rates of pay paid for the same levels of work in private enterprise as determined on the basis of appropriate annual surveys conducted by the Bureau of Labor Statistics; and

[(2) after seeking the views of such employee organizations as he considers appropriate and in such manner as he may provide, report annually to Congress—

[(A) this comparison of Federal and private enterprise pay rates; and

[(B) such recommendations for revision of statutory pay schedules, pay structures, and pay policy, as he considers advisable.]

§5302. Federal Employee Salary Commission; Federal Employee Salary Board of Arbitration

(a) There is established, as a permanent agency of the Government, a Federal Employee Salary Commission, referred to as the "Commission".

(b) The Commission shall be composed of 8 members and 3 associate members, as follows:

(1) the Chairman of the Civil Service Commission or, in his absence, his designee, who shall be Chairman;

(2) 1 designated by the Director of the Bureau of the Budget;

(3) 1 designated by the Secretary of Defense;

(4) 1 designated by the Postmaster General;

(5) 1 designated by the organization of employees having the largest number of members in the General Schedule;

(6) 2, one designated by each of the 2 employee organizations having the largest number of members in the postal field service;

(7) 1 designated by an employee organization, other than an organization designating a member pursuant to paragraph (5) or (6) of this subsection, selected each year by the Chairman of the Civil Service Commission on a rotating basis after consultation with representatives of such employee organizations as the Chairman determines appropriate; and

(8) 3 associate members, one each designated by employee organizations, other than organizations designating members pursuant to paragraph (5), (6), or (7) of this subsection, selected each year by the Chairman of the Civil Service Commission on a rotating basis after consultation with representatives of such employee organizations as the Chairman determines appropriate.

A member of the Commission has—

- (A) 1 vote, if designated under paragraph (2), (3), (4), (5), or (7) of this subsection;
- (B) one-half vote, if designated under paragraph (6) of this subsection; or
- (C) 1 vote to be cast only to break a tie vote of the Commission, if serving under paragraph (1) of this subsection.

Each associate member of the Commission is entitled to attend all meetings of, consult with, and be heard by, the Commission, on all matters, but does not have a vote.

(c) The Commission shall, in accordance with the policy set forth in section 5301(a) of this title, after consultation with representatives of such agencies and employee organizations as it determines appropriate—

(1) prescribe, and revise from time to time as it deems appropriate a comparability pay survey—

(A) which will develop valid comparisons of (i) the rates of pay for employees within the purview of section 5301(b) of this title and (ii) the rates of pay for the same levels of work in private industry; and

(B) which shall be conducted annually by the Bureau of Labor Statistics in the Department of Labor;

(2) prepare annually a comparative statement of the rates of pay for such employees and the rates of pay for the same levels of work in private industry as disclosed by the comparability pay survey;

(3) determine and prescribe, on the basis of information and data disclosed by the annual comparability pay survey, the exact national rates of pay for such employees which are necessary to effect the policy set forth in section 5301(a) of this title;

(4) review, annually, the comparability of the rates of pay and step increase policies within and between the various pay systems for such employees, taking into consideration such matters as the Commission determines have affected or may affect such comparability, including, but not limited to—

(A) within-grade rates of pay employees are receiving due to differing length of service requirements for step increases, step increases without regard to length of service, or different number of within-grade steps;

(B) different rates of pay under the various pay systems for the same level of work;

(C) pay distinctions not being maintained in keeping with work distinctions, the degree of responsibility placed, the scope and variety of tasks involved, or the extent of decision making authority required; and

(D) premium pay policies; and

(5) except as provided in subsection (e) and subsection (g) of this section, prepare and submit annually to the Congress a report setting forth—

(A) the comparison of rates of pay prepared pursuant to paragraph (2) of this subsection;

(B) the exact national rates of pay for such employees prescribed by the Commission in accordance with paragraph (3) of this subsection; and

(C) recommendations for legislation as may be necessary to achieve the comparability policy set forth in section 5301(a) of this title or to achieve comparability within and between pay systems for employees within the purview of section 5301(b) of this title.

(d)(1) In the exercise of the authority and the performance of the duties vested in and imposed upon the Commission by this section, the Commission—

(A) shall seek the views, in such manner as the Commission may provide, of such employee organizations as the Commission considers appropriate; and

(B) give thorough consideration to those views.

(2) All decisions of the Commission shall be by a majority vote. The votes shall be recorded. A record shall be maintained of the views, assenting or dissenting, of the members of the Commission. The record of votes and views shall be available for public inspection and copying pursuant to section 552 of this title.

(e) If a member of the Commission determines, and advises the Commission, that the rates of pay applicable to the appropriate pay system, as the rates are prescribed by the Commission, are not in conformity with the policy set forth in section 5301(a) of this title, the Commission shall submit, not later than February 1 following that determination, the rates of pay to the Board established by subsection (f) of this section for consideration by the Board.

(f)(1) There is established, as a permanent agency of the Government, a Federal Employee Salary Board of Arbitration, referred to as the "Board", which shall be composed of 7 members as follows:

(A) 2 Members of the United States Senate designated by the President pro tempore of the Senate, each from a different political party;

(B) 2 Members of the United States House of Representatives designated by the Speaker of the House, each from a different political party;

(C) 1 designated by the Chairman of the Civil Service Commission;

(D) 1, who may serve not more than 2 consecutive years, designated by a majority vote of the presidents of the four employee organizations which have designated members currently serving on the Commission under paragraph (5), (6), or (7) of subsection (b) of this section with each president of the employee organization under paragraph (5) or (7) having one vote and each president of the organizations under paragraph (6) having one-half vote; and

(E) 1 designated by a majority of the members of the Board referred to in paragraphs (A) to (D), inclusive, of this subsection from the membership of the American Arbitration Association, who shall be Chairman of the Board.

(2) The Board shall consider the rates of pay submitted to it by the Commission pursuant to subsection (c) of this section and determine whether or not the rates of pay conform with the policy set forth in section 5301(a) of this title. If the Board determines that the rates of pay do not so conform, the Board shall prepare the rates of pay as will conform with that policy. The Board shall transmit to the Commission not later than the 30th day following the date the Board received the rates of pay submitted to it by the Commission, a report setting forth--

(A) the decision of the Board with respect to the rates of pay submitted by the Commission;

(B) the reasons for the decision of the Board; and

(C) such rates of pay as the Board shall have determined to be necessary to conform with the policy set forth in section 5301(a) of this title.

The decision of the Board, and such rates of pay as it may prepare in accordance with this paragraph, shall be final and conclusive.

(g)(1) Except as provided in paragraph (2) of this subsection, the Commission shall submit to the Congress the first report pursuant to paragraph (5) of subsection (c) of this section, based on the 1969 national survey of professional, administrative, technical, and clerical pay, not later than February 1, 1970, and subsequent reports pursuant to such paragraph (5) not later than February 1 of each year thereafter.

(2) In the case of the submission of rates of pay by the Commission to the Board pursuant to subsection (c) of this section, the Commission, immediately upon receipt of the final and conclusive decision of the Board, shall submit to the Congress the decision of the Board and such rates of pay as the Board shall have determined to be necessary to conform with the policy set forth in section 5301(a) of this title.

(h)(1) Except as provided in paragraph (2) of this subsection, all or part (as the case may be) of the rates of pay submitted to the Congress as provided in subsection (c)(5) or subsection (g) of this section become effective at the beginning of the first pay period that begins on or after the first day of the year in which the rates of pay are submitted; but only to the extent that, within 30 days after the rates of pay are submitted to the Congress--

(A) there has not been enacted into a law a statute establishing rates of pay other than those proposed by all or part of such recommendations,

(B) neither House of Congress has passed a resolution specifically disapproving all or part of the recommendations, or

(C) both.

(2) Any part of the recommendations, in accordance with express provisions of the recommendations, may be made operative on a date earlier than the date on which the recommendations otherwise are to take effect.

(3) (A) The rates of pay of United States attorneys and assistant United States attorneys whose annual salaries are fixed pursuant to section 548 of title 28 shall be increased, effective on the first day of the first pay period which begins on or after the first day of the year in which increase becomes effective pursuant to this section, by amounts equal, as nearly as may be practicable, to the increases provided pursuant to this section for corresponding rates of pay.

(B) Notwithstanding section 665 of title 31, the rates of pay of employees of an Executive agency and of the government of the District of Columbia whose rates of pay are fixed by administrative action pursuant

to law and are not otherwise increased pursuant to this section are hereby authorized to be increased, effective on the first day of the first pay period which begins on or after the first day of the year in which increases become effective pursuant to this section, by amounts not to exceed the increases provided pursuant to this section for corresponding rates of pay in the appropriate schedule or scale of pay.

(C) This section does not authorize any increase in the rates of pay of employees whose rates of pay are fixed and adjusted from time to time as nearly as is consistent with the public interest in accordance with prevailing rates or practices.

(D) This section shall impair any authority pursuant to which rates of pay may be fixed by administrative action.

(4) Retroactive pay shall be paid by reason of this section only in the case of an individual in the service of the United States (including service in the armed forces) or the government of the District of Columbia on the day immediately following the close of the 30-day period specified in subsection (h)(1) of this section, except that such retroactive pay shall be paid—

(A) to an employee who retired, during the period beginning on the first day of the first pay period which began on or after January 1, and ending on the day immediately following the close of the 30-day period specified in subsection (h)(1) of this section, for services rendered during that period, and

(B) in accordance with subchapter VIII of chapter 55 of this title, relating to settlement of accounts, for services rendered, during the period beginning on the first day of the first pay period which began on or after January 1, and ending on the day immediately following the close of the 30-day period specified in subsection (h)(1) of this section, by an employee who died during that period.

Such retroactive pay shall not be considered as basic pay for the purposes of subchapter III of chapter 83 of this title, relating to civil service retirement, or any other retirement law or retirement system, in the case of any such retired or deceased employee.

(5) For the purposes of paragraph (4) of this section, service in the armed forces, in the case of an individual relieved from training and service in the armed forces or discharged from hospitalization following such training and service, includes the period provided by law for the mandatory restoration of the individual to a position in or under the Government of the United States or the government of the District of Columbia.

(i) Each member and each associate member of the Commission and each member of the Board is entitled to travel expenses, including a per diem allowance in accordance with section 5703(b) of this title. Each such member or associate member who is not a Member of Congress or an employee is entitled to pay at a rate equal to the per diem equivalent of the maximum rate of basic pay of the General Schedule for each day he is engaged in the performance of services for the Commission or the Board, as the case may be, except that the member from the American Arbitration Association may be paid the usual fees prescribed by that Association.

(j)(1) Without regard to the provisions of this title governing appointments in the competitive service and of chapter 51 of this title and subchapter III of this chapter, relating to classification and General Schedule pay rates—

(A) the Commission and the Board each may appoint an Executive Director and fix his basic pay at the rate provided for level V of the Executive Schedule by section 5316 of this title; and

(B) with the approval of the Commission or the Board, as appropriate, the Executive Director may appoint and fix the basic pay (at respective rates not in excess of the maximum rate of the General Schedule) of such additional personnel as may be necessary to carry out the functions of the Commission or of the Board, as applicable, and may obtain services of experts or consultants in accordance with section 3109 of this title, but at rates for individuals not to exceed that of GS-18.

(2) Upon the request of the Commission or of the Board, the head of any department, agency, or establishment of any branch of the Government of the United States may detail, on a reimbursable basis, any of the personnel of such department, agency, or establishment to assist the Commission or the Board, as appropriate, in carrying out its functions.

(k) The Commission and the Board may use the United States mails in the same manner and upon the same conditions as other departments and agencies of the United States.

(l) The Administrator of the General Services shall provide administrative support services for the Commission and the Board on a reimbursable basis.

(m) The rates of pay that take effect under this section shall modify, supersede, or render inapplicable, as the case may be, to the extent inconsistent therewith—

(1) all provisions of law enacted prior to the effective date or dates of all or part (as the case may be) of such rates (other than any provision of law enacted in the 30-day period specified in paragraph (1) of subsection (h) of this section with respect to such rates); and

(2) any prior recommendations or adjustments which took effect under this section or prior provisions of law.

(n) The rates of pay that take effect under this section shall be printed in—

(1) The statutes at large in the same volume as public laws;

(2) the Federal Register; and

(3) the Code of Federal Regulations.

(o) Any increase in rates of pay that takes effect under this section is not an equivalent increase in pay within the meaning of section 5335 of this title or section 3552 of title 39.

(p) Any rate of pay that takes effect under this section shall be initially adjusted, effective on the effective date of such rate of pay, under conversion rules prescribed by the President or by such agency as the President may designate.

(q) The rates of pay of personnel subject to sections 210 and 213 (except subsections (d) and (e)) of the Federal Salary Act of 1967 (81 Stat. 633, 635; Public Law 90-206), and any minimum or maximum rate, limitation, or allowance applicable to any such personnel, shall be adjusted, effective on the first day of the first pay period which begins on or after the first day of the year in which increases become effective pursuant to this section, by amounts which are equal, insofar as practicable and with such exceptions as may be necessary to provide for appropriate relationships between positions, to the amounts of the adjustments made pursuant to this section, by the following authorities—

(1) the Director of the Administrative Office of the United States Courts, with respect to the judicial branch of the Government; and

(2) the Secretary of Agriculture, with respect to individuals employed by the county committees established under section 590h(b) of title 16.

Such adjustments shall be made in such manner as the appropriate authority concerned deems advisable and shall have the force and effect of statute.

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Chapter 55.—PAY ADMINISTRATION

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SUBCHAPTER V.—PREMIUM PAY

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§ 5545. Night, Sunday, standby, irregular, and hazardous duty differential.

* * * * *

(c) The head of an agency, with the approval of the Civil Service Commission, may provide that—

(1) an employee in a position requiring him regularly to remain at, or within the confines of, his station during longer than ordinary periods of duty, a substantial part of which consists of remaining in a standby status rather than performing work, shall receive premium pay for this duty on an annual basis instead of premium pay provided by other provisions of this subchapter, except for irregular, unscheduled overtime duty in excess of his regularly scheduled weekly tour. Premium pay under this paragraph is determined as an appropriate percentage, not in excess of 25 percent, of such part of the rate of basic pay for the position as does not exceed the minimum rate of basic pay for GS-10 (or, for a position described in section 5542(a)(3) of this title, of the basic pay of the position), by taking into consideration the number of hours of actual work required in the position, the number of hours required in a standby status at or within the confines of the station, the extent to which the duties of the position are made more onerous by night, Sunday, or holiday work, or by being extended over periods of more than 40 hours a week, and other relevant factors; or

[(2) an employee in a position in which the hours of duty cannot be controlled administratively, and which requires substantial amounts of irregular, unscheduled, overtime duty and duty at night, on Sundays, and on holidays with the employee generally being responsible for recognizing, without supervision, circumstances which require him to remain on duty, shall receive premium pay for this duty on an annual basis instead of premium pay provided by other provisions of this subchapter, except for regularly scheduled overtime duty. Premium pay under this paragraph is determined as an appropriate percentage, not less than 10 percent nor more than 25 percent, of such part of the rate of basic pay for the position as does not exceed the minimum rate of basic pay for GS-10, by taking into consideration the frequency and duration of night, holiday, Sunday, and unscheduled overtime duty required in the position.]

(2) *an employee in a position in which the hours of duty cannot be controlled administratively, and which requires substantial amounts of irregular, unscheduled, overtime duty with the employee generally being responsible for recognizing, without supervision, circumstances which require him to remain on duty, shall receive premium pay for this duty on an annual basis instead of premium pay provided by other provisions of this subchapter, except for regularly scheduled overtime, night, and Sunday duty, and for holiday duty. Premium pay under this paragraph is determined as an appropriate percentage, not less than 10 per centum nor more than 25 per centum, of such part of the rate of basic pay for the position as does not exceed the minimum rate of basic pay for GS-10, by taking into consideration the frequency and duration of irregular unscheduled overtime duty required in the position.*

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Chapter 59.—ALLOWANCES

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SUBCHAPTER IV.—MISCELLANEOUS ALLOWANCES

5941. Allowances based on living costs and conditions of environment; employees stationed outside continental United States or in Alaska.
- [5942. Allowance based on duty on California offshore islands or at Nevada Test Site.]
5942. *Allowance based on duty at remote worksites.*
5943. Foreign currency appreciation allowances.
5944. Illness and burial expenses; native employees in foreign countries.
5945. Notary public commission expenses.
5946. Membership fees; expenses of attendance at meetings; limitations.
5947. Quarters, subsistence, and allowances for employees of the Corps of Engineers, Department of the Army, engaged in floating plant operations.
- * * * * *

[§ 5942. Allowance based on duty on California offshore islands or at Nevada Test Site.]

[Notwithstanding section 5536 of this title, an employee who is assigned to duty, except temporary duty, on one of the California offshore islands or at the United States Atomic Energy Commission Nevada Test Site, including the Nuclear Rocket Development Station, is entitled, in addition to pay otherwise due him, to an allowance of not to exceed \$10 a day. However, the allowance shall be paid under regulations prescribed by the President establishing the rates at which the allowance will be paid and defining the areas and groups of positions to which the rates apply.]

§ 5942. Allowance based on duty at remote worksites

Notwithstanding section 5536 of this title, an employee of an Executive department or independent establishment who is assigned to duty, except temporary duty, at a site so remote from the nearest established communities or suitable places of residence as to require an appreciable amount of expense, hardship, and inconvenience on the part of the employee in commuting to and from his residence and such worksite is entitled, in addition to pay otherwise due him, to an allowance of not to exceed \$10 a day. The allowance shall be paid under regulations prescribed by the President establishing the rates at which the allowance will be paid and defining and designating those sites, areas, and groups of positions to which the rates apply.

* * * * *

§ 5947. Quarters, subsistence, and allowances for employees of the Corps of Engineers, Department of the Army, engaged in floating plant operations

(a) *An employee of the Corps of Engineers, Department of the Army, engaged in floating plant operations may be furnished quarters or subsistence, or both, on vessels, without charge, when the furnishing of the quarters or subsistence, or both, is determined to be equitable to the employee concerned, and necessary in the public interest, in connection with such operations.*

(b) *Notwithstanding section 5536 of this title, an employee entitled to the benefits of subsection (a) of this section while on a vessel, may be paid, in place of these benefits, an allowance for quarters or subsistence, or both, when—*

(1) *adverse weather conditions or similar circumstances beyond the control of the employee or the Corps of Engineers prevent transportation of the employee from shore to the vessel or*

(2) *quarters or subsistence, or both, are not available on the vessel while it is undergoing repairs.*

(c) *The quarters or subsistence, or both, or allowance in place thereof, may be furnished or paid only under regulations prescribed by the Secretary of the Army.*

SECTION 3552(a) OF TITLE 39, UNITED STATES CODE

§ 3552. Automatic advancement by step increases.

[(a)(1) Each employee subject to the Postal Field Service Schedule, each employee subject to the Rural Carrier Schedule, and each employee subject to the Fourth Class Office Schedule who has not reached the highest step for his position shall be advanced successively to the next higher step as follows:

[(A) to steps 2, 3, 4, 5, 6, and 7—at the beginning of the first pay period following the completion of fifty-two calendar weeks of satisfactory service; and

[(B) to step 8 and above—at the beginning of the first pay period following the completion of one hundred and fifty-six calendar weeks of satisfactory service.

[(2) The receipt of an equivalent increase during any of the waiting periods specified in this subsection shall cause a new full waiting period to commence for further step increases.]]

(a)(1) *Each employee subject to the Postal Field Service Schedule and each employee subject to the Rural Carrier Schedule who has not reached the highest step for his position shall be advanced successively to the next higher step as follows:*

(A) *to steps 2, 3, 4, 5, 6, and 7—at the beginning of the first pay period following the completion of 26 calendar weeks of satisfactory service; and*

(B) *to steps 8 and above—at the beginning of the first pay period following the completion of 52 calendar weeks of satisfactory service.*

(2) *The receipt of an equivalent increase during any of the waiting periods specified in this subsection shall cause a new full waiting period to commence for further step increases.*

(3) *An employee subject to the Postal Field Service Schedule who returns to a position he formerly occupied at a lower level may, at his request, have his waiting periods adjusted, at the time of his return to the lower level, as if his service had been continuous in the lower level.*

ACT OF MAY 13, 1955

(69 Stat. 48; Public Law 35, 84th Cong.)

AN ACT

【To authorize the furnishing of subsistence and quarters without charge to employees of the Corps of Engineers engaged on floating plant operations

【*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That notwithstanding the provisions of section 3 of the Act of March 5, 1928, employees of the Corps of Engineers, Department of the Army, engaged on floating plant operations may be furnished subsistence and/or quarters on vessels without charge whenever messing and/or quartering are determined to be equitable to the employees and to be necessary in the public interest in connection with such operations. Any such subsistence and quarters shall be furnished in accordance with standards prescribed by the Secretary of the Army.*】

SEPARATE VIEWS OF CONGRESSMAN WILLIAM L.
SCOTT ON H.R. 13000

The concept of a permanently established Federal Employee Salary Commission appears sound and this is one of the reasons I voted in favor of bringing H.R. 13000 before the House for consideration.

However, it seems to me that the Salary Commission should be an advisory agent for the President and the Congress, which should gather and study facts concerning comparability between Federal employees and their counterparts in private industry, and that its recommendations should not become effective until legislation is passed by the Congress. In the event the bill is amended to provide that the Commission be advisory, there would be no need for an arbitration board, which would only delay or obscure whatever action is needed to be taken by the Chief Executive and the Congress.

The bill, as written, bypasses the President, who I believe should retain his responsibility and authority to recommend salary adjustments for Federal employees, which affect the overall budgetary requirements of the Government. Moreover, the Congress with its obligation to appropriate funds and act upon the overall budget, should not abandon, for all practical purposes, its control over the salaries for Federal employees, which have considerable effect on the budget.

While this measure relates only to civilian employees, there will also be an effect on military salaries as the civilian salaries are adjusted.

In addition, I cannot see how the Congress can recommend pay increases, as provided in the bill, for postal employees without giving the same treatment to the classified employees. While I would not deny that postal employees should receive fair pay and benefits, I do feel that it should not be at the expense of other Federal employees, who serve with equal dedication.

WILLIAM L. SCOTT,
Member of Congress.

MINORITY VIEWS ON H.R. 13000

By any objective standard, H.R. 13000 defies fiscal integrity and administrative commonsense. Certainly, it does not do justice to the high caliber of legislative production of our distinguished committee.

Our recommendation that the bill be rejected is made in behalf of the classified and postal employees against whom it discriminates and the American taxpayer.

We oppose the enactment of this bill for the following reasons:

(1) It destroys the authority and responsibility of the President in Federal employees' pay determinations. Under this bill, the Chief Executive would be powerless to deal with this vital executive function.

(2) It places the Congress in a subordinate and almost meaningless role in governing the tremendous expenditures required for Federal salary adjustments.

(3) *The provisions of the bill relating to congressional disapproval of salary increases are a sad rehash of the same scheme under which the salaries of Members of Congress can be increased without any opportunity for a congressional vote.* The bill provides for the submission of proposed salary adjustments to the Congress on February 1 of each year, and then gives either House 30 days in which to adopt a resolution or disapproval. In the opening days of a new Congress, the House committee having jurisdiction of such a resolution would probably not be organized within this time period and, therefore, could not even consider a resolution—as we all learned when the recommendations of the Commission on Executive, Legislative, and Judicial Salaries were submitted to the 91st Congress. And presuming that the committees are disposed to consider a resolution of disapproval, a handful of 14 Members of the House or seven Members of the Senate may prevent their respective bodies from voting for or against the recommendations of the Salary Commission.

(4) It is discriminatory against classified employees, Foreign Service employees, and physicians, dentists, and nurses in the Department of Medicine and Surgery of the Veterans' Administration. The bill excludes these employees from the October two-step pay increase granted employees in the first 11 levels of the postal field service. It also excludes them from accelerated advancement provisions which apply only to postal workers.

(5) The function of the Federal Employees Salary Commission provided in the bill is negated by the creation of a Board of Arbitration which may overrule the action of the Commission by appeals to it from *any* member of the Salary Commission. There is little question that the language of the bill encourages the procedure of automatically appealing every recommendation simply for the purpose of forcing further negotiations.

(6) The bill discriminates against postal supervisors who occupy positions above level 11 of the postal field service and, by inducing compression in the postal pay schedule, creates a chain of inequities for all employees. What, for example, will happen to postal employees whose new rates will exceed the maximum step (step 12)—and there are 35,000 such employees in PFS-5 alone? Will not the indefinite presence of employees in excess rates build up demand for equal treatment by employees advancing at an accelerated rate to step 12? Does this mean we will, in the end, have 14 steps in the PFS schedule?

(7) Proponents of the bill fail to recognize the tremendous inflationary effect this legislation will have on our economy.

The only identifiable costs are those attached to the accelerated step increase and the two-step October increase for postal employees, as shown in the following table:

ESTIMATE OF COST EFFECT ON H.R. 13000

[In millions]

	PFY 1970	PFY 1971	Cost per annum when fully implemented
Accelerated step increase:			
PFS (all).....		\$194.8	\$400.9
Rural carriers.....		10.7	21.3
Postmasters, 4th class.....		1.5	2.9
Total.....		207.0	425.1
2-step increase:			
PFS (1-11).....	\$240.0	329.6	339.2
Rural carriers.....	12.7	16.9	16.9
Postmasters, 4th class.....	1.5	2.0	2.0
Total.....	254.2	348.5	358.1
PFS-12 and above-credit not to exceed 1 step.....		4.2	4.3
Recap:			
PFS (all).....	240.0	528.6	744.4
Rural carriers.....	12.7	27.6	38.2
Postmasters, 4th class.....	1.5	3.5	4.9
Total.....	254.2	559.7	787.5

None of the fiscal year 1970 costs are budgeted. In addition to these costs, the bill calls for untold amounts in the form of January 1970 pay increases for some 2 million Federal employees in the four statutory pay systems. Added to this, under the terms of Public Law 90-207, the adjustments would apply also to military personnel. A salary increase of 1 percent now costs \$433 million annually. Therefore, even a 5-percent increase in January 1970 would cost over \$2 billion. The legislation makes no attempt to provide the revenues for these expenditures. If the majority members were consistent, they would have included the recommendations of the Johnson administration for postal rate increases to cover the costs attributable to the new benefits for postal employees. The total effect is inflationary, and the proponents of this measure would better serve the interests of Federal employees by stemming inflation rather than feeding it.

(8) The irregular committee procedure under which this legislation comes to the floor of the House has prevented full consideration

of the measure. The bill was propelled through the committee in less than 1 hour after having failed to receive adequate consideration by either the Subcommittee on Compensation or the full Committee on Post Office and Civil Service. In fact, the full committee earlier had returned the bill to the subcommittee for the purpose of gathering additional information, however, these instructions were ignored.

(9) The bill authorizes windfall pay increases retroactive to the 1st of January of each year beginning in 1970 regardless of when such increases are finally approved. This will require annual supplemental appropriations of several hundred million dollars which will adversely affect the budget of any President.

The simple fact is that H.R. 13000 denies the President his constitutional right to administer the affairs of the executive branch by removing from his jurisdiction any control over setting the pay of Federal employees. The final recommendations of the Federal Employee Commission or the Board of Arbitration become effective without the President's recommendation and without regard to the scale of national priorities established through his annual budget.

We do not subscribe at all to the proposition, advanced by the chairman of the Subcommittee on Compensation, that pay increases for Federal employees should be as "automatic as the payment of interest on the national debt." To suggest this analogy shows an unfortunate disregard for the role of the President, who is the head of the Federal Establishment and is responsible for managing the national debt and curbing inflation.

The membership of the Federal Employee Salary Commission under H.R. 13000, and the rights of its members bely its avowed purpose for existence. Where are its public members? Who brings impartiality to its deliberations? The Chairman of the Civil Service Commission, as Chairman of the Salary Commission, would, in normal circumstances be expected to play an impartial role and, if necessary, to cast the deciding vote in tie situations. However, he is not given the opportunity to play this role because there is nothing definitive about the actions of the Commission. Any member can challenge the decisions of the Commission, by alleging nonconformity with pay-setting policy. How does this freedom of action square with the role of the Commission as a factfinding body? In truth, it will not be allowed to find any facts that an employee organization member concludes are not agreeable to his membership. If he believes, and there is good reason to assume so, that he would get a better break from the Federal Employee Salary Board of Arbitration, there would be every inducement to appeal to the Board.

During the recent hearings on proposals to reform the Postal Establishment, members of our committee suggested that setting pay by congressional action subjects them to severe pressures and counterpressures not conducive to development of a rational pay structure. Since the four congressional members will dominate the Federal Employee Salary Board of Arbitration, these pressures will be concentrated on them. History has shown that their decisions will be made on the basis of political pressures and not on the basis of factual findings. Insofar as Federal pay is concerned, does this guarantee impartiality? We think not.

We are unable to see what purpose is to be served by selection of a member of the American Arbitration Association as Chairman, except to give an unwarranted appearance of impartiality to the Board, which in fact will be dominated by the congressional members. It is rather curious to see the American Arbitration Association embraced in this instance by several members who criticized its employment under the Postmaster General's new advisory system for selecting postmasters. And finally, the sad thing about the decision of this Board is that it is binding on the Commission, binding on the President, and, in fact, binding on the Congress and the American taxpayers.

Enactment of this bill will make it possible for postal employees to reach "top pay" in 8 years. The argument for this kind of acceleration is that it takes too long—21 years—for employees in PFS-6 and below to reach the maximum step in their level. The salary ranges for postal employees have varied between short and long spans over the years. Prior to 1945, there were five annual steps for clerks and carriers who thus reached "top pay" in 4 years. The Congress expanded the range to 11 annual steps, and gave three additional steps for "faithful and meritorious" service, later converted to longevity steps after 13, 18, and 25 years of postal service. Then it was argued that it took too long to reach "top pay" and the range was cut successively to nine annual steps, and then to seven annual steps, with three longevity increases.

In 1962, we heard the argument again that there were few promotional opportunities for clerks and carriers and that it was unfair for them to exhaust the opportunity to earn additional steps after 6 years in grade. The Congress agreed and extended the pay range to 12 steps over a 21-year span, thus embracing the longevity steps, increasing their value, and, in effect, adding two more.

Now the proponents of H.R. 13000 say that it takes too long to reach "top pay," so it is proposed to reduce the time to reach "top pay" to 8 years. In spite of the position the proponents of the bill take on this issue, there is no comparable treatment in the legislation for classified employees. Surely reason demands that, in legislation as broad as this, the interest of *all* Federal employees be fairly considered.

By far the worst provision of the bill relates to congressional action on recommendations of the Federal Employee Salary Commission. This section provides that failure of the Congress to act within 30 days will secure approval of Federal employee pay increases automatically each year beginning in 1970. We cannot emphasize too strongly that our colleagues examine the mechanics of this system. It does no more than pay lipservice to any substantive congressional action. Our experience with the Commission on Executive, Legislative, and Judicial Salaries tells us that the voice of the Congress in Federal employee pay adjustments will be reduced to a peep.

We believe that if Congress proposed to enact permanent law on this subject, we should remove any doubt as to whether the legislative branch can vote affirmatively with respect to pay increases for Federal employees. To do otherwise, as provided under language of H.R. 13000, merely leaves us in a position of having to take the blame for any action of the Salary Commission without an opportunity to vote affirmatively with respect to its recommendations.

The action of the majority in approving H.R. 13000 is an attempt to place a mantle of respectability around a strictly political effort. If there were a Democrat administration the majority would never try to ram this bill through Congress. This is an act of fiscal irresponsibility and an attempt to embarrass the present administration.

H.R. 13000 is so defective and so poorly conceived that any attempt to correct its provisions by rewriting the bill on the floor of the House would be useless. Therefore, we recommend simply that the measure be defeated.

H. R. GROSS,
Member of Congress.
EDWARD J. DERWINSKI,
Member of Congress.

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