

\$90 Million Here Payroll to Jump

By Jerry Klutz
Staff Reporter

Federal and District government payrolls here will jump by more than \$90 million annually as a result of enactment into law of the minimum 7 1/2 per cent Federal pay raise bill.

More than 200,000 Government employees in the Washington area will get an average annual increase of about \$450 from the legislation which was approved decisively by Congress over the President's veto.

The increase is effective at the beginning of the first full pay period this month which will be no later than July 12.

Worldwide, over 1.8 million employees will share more than \$800 million annually in higher salaries.

The new law, by Rep. James Morrison (D-La.), gave minimum increases of 7 1/2 per cent that will cost \$746 million annually to pay 1,580,000 classified, postal, Foreign Service, Legislative, Judicial, VA Medical and county Agricultural Conservation employees.

But the same 7 1/2 per cent will be extended to upwards of 50,000 Federal employees whose salaries are not controlled by the salary-fixing Classification Act. Agency heads have full authority to adjust the pay rates of their employees and they follow the general lines of the Classification Act.

Agencies involved are Atomic Energy, National Security, Central Intelligence, Selective Service, Tennessee Valley Authority, Government Printing Office and Federal Deposit Insurance among others.

In addition, Government Printing Office and the Bureau of Engraving & Printing are negotiating higher salaries for about 6000 of their hourly employees which will be made effective in a few weeks.

One important side effect of the general pay raise is the fact that it will boost by \$1000 the Federal-employee life insurance coverage of many thousands of workers.

The higher salary law also will have the effect of increasing future Civil Service retirement benefits.

On the other hand, the pay law will eventually boost the contingent liability of the CS Retirement Fund by a couple of billion dollars.

Numerous employees will get a double pay raise by the legislation. They have served the necessary 12 or 18 months and they are eligible for in-grade step-ups.

The 7 1/2 per cent Morrison law also carries these provisions, all effective immediately:

- Sets up in HEW the career post of Administrative Assistant Secretary which will be filled by Rufus E. Miles, now director of operations and one of the Government's out-

standing career civil servants.

- Increase by five the number of GS 16, 17 and 18 jobs that can be paid salaries up to \$18,500 in Interstate Commerce Commission.
- Fixes \$20,000 salaries for the general counsels, solicitors and chief legal advisers in all major departments and agencies.

Meantime, there were many afterthoughts yesterday on Capitol Hill on the pay law and how it happened to be approved by the large vote over the President's veto. Generally it was concluded that the vote was correctly timed to get the maximum number of votes for the bill. These were some of the factors which helped the bill:

The President's prestige has suffered in recent weeks. Since he isn't running for reelection, he can no longer get the support of Senate and House members of his own party. . . . The apparent election to the Senate of Rep. Quentin Burdick (D-N. D.), an outspoken supporter of higher Federal pay. . . . And the failure of the Eisenhower Administration to propose a satisfactory alternative pay plan.

But the fact remains that Federal employees and their leaders, particularly the aggressive postal unions spearheaded by the AFL-CIO's Letter Carriers and Clerks, had convinced large majorities in both the Senate and the House that a pay raise was fully justified and the veto and the President's argument against the bill failed to change their views.

Table of Pay Raises

The chart below shows the new classified pay rates and increases for each of the 18 GS grades as enacted into law by Congress in the minimum 7 1/2 per cent Federal pay bill passed over the President's veto. The higher rates are effective at the beginning of the first pay period this month, which will be no later than July 12. The scheduled rates are the entrance and in-grade steps. The longevity rates are given after long service in a grade.

Grade	SCHEDULED RATES						LONGEVITY RATES		
	New rate	Increase	3,500	3,605	3,710	3,815	3,920	4,025	4,130
1	\$3,185	225	3,290	3,395	3,500	3,605	3,710	3,815	3,920
2	3,500	245	3,605	3,710	3,815	3,920	4,025	4,130	4,235
3	3,760	265	3,845	3,970	4,095	4,220	4,345	4,470	4,595
4	4,040	285	4,145	4,250	4,355	4,460	4,565	4,670	4,775
5	4,345	305	4,510	4,675	4,840	5,005	5,170	5,335	5,500
6	4,830	340	4,995	5,160	5,325	5,490	5,655	5,820	5,985
7	5,355	375	5,320	5,685	5,850	6,015	6,180	6,345	6,510
8	5,885	415	6,050	6,215	6,380	6,545	6,710	6,875	7,040
9	6,435	450	6,600	6,765	6,930	7,095	7,260	7,425	7,590
10	6,995	490	7,160	7,325	7,490	7,655	7,820	7,985	8,150
11	7,560	530	7,820	8,080	8,340	8,600	8,860	9,120	9,380
12	8,155	625	9,215	9,475	9,735	9,995	10,255	10,515	10,775
13	10,635	745	10,895	11,155	11,415	11,675	11,935	12,195	12,455
14	12,210	855	12,470	12,730	12,990	13,250	13,510	13,770	14,030
15	13,730	960	14,055	14,380	14,705	15,030	15,355	15,680	16,005
16	15,255	1,065	16,315	16,575	16,835	17,095	17,355	17,615	17,875
17	16,530	1,100	16,790	17,050	17,310	17,570	17,830	18,090	18,350