



**FOR IMMEDIATE RELEASE**

November 29, 2010

**FOR INFORMATION:**

Dan Adcock 202 246 6273

### **NARFE Disappointed by President's Decision to Freeze Federal Worker Pay**

Joseph A. Beaudoin, president of the National Active and Retired Federal Employees Association (NARFE), reacted with disappointment to President Obama's announcement of a two-year pay freeze for civilian federal workers:

"We understand the purpose of shared sacrifice. But federal employees and their families once again are being singled out. This action comes at a time when the federal government can ill afford to put recruitment and retention at risk," said Beaudoin. "Indeed, freezing or cutting pay sends the wrong signal to the best and brightest workers federal agencies will need in these difficult times."

In fact, the Office of Personnel Management reported in October that private-sector workers earn more than 24 percent more than federal employees in 2010, two percentage points higher than in 2009. What is more, the Society for Human Resource Management estimated in September that salaries in the United States would increase by an average of 2.91 percent in 2011.

Based on responses from more than 1,100 mid-size and large employers across the United States, more than 98 percent of companies plan to award base pay increases in 2011, according to Mercer, a Human Resources consulting firm. Only 2 percent of companies are planning across-the-board salary freezes next year.

"In light of the growing number of critical challenges being shouldered by federal workers, the government cannot afford to make substantial reductions to the earned compensation of individuals who have dedicated their careers to public service. For that reason, we urge the president to reconsider this ill-conceived decision."

X X X

*NARFE, one of America's oldest and largest associations, was founded in 1921 with the mission of protecting the earned rights and benefits of America's active and retired federal workers. The largest federal employee/ retiree organization, NARFE represents the retirement interests of nearly 5 million current and future federal annuitants, spouses, and survivors.*