

News and Comment

Federal Pay Reform: The Proposal Was Spurred by the Government's Shortage of First-Rate Scientists

The Administration, after some delay to adjust its proposals to several unpleasant political realities, finally sent its pay reform bill to Congress last week. The bill has been a matter of special concern to the scientific agencies in the government, since its principal purpose is to raise the salaries of the upper echelons of the federal service, which include scientists, engineers, and others with professional training, to levels where the government can come reasonably close to matching the salaries offered by private employers. What the Administration originally planned was an executive pay bill limited to these key employees, for whom the discrepancy in pay is so gross as to be a really serious obstacle to getting and keeping sufficiently competent people. The Space Agency, for example, has been finding that its recruitment campaign is turning up plenty of applicants, disappointingly few of whom are sufficiently competent to adequately staff the agency.

The bill that the Administration finally sent down included modest raises for the bottom of the government scale, most of whom are already earning as much as they would get in private industry. This was a concession to the surprisingly great political power of these workers, particularly those in the postal service. These groups had made it quite clear that they would work to kill the bill unless something were in it for them. The revised bill then lopped off the top of the original proposal, thus providing no raises for men at the presidential appointee level, since this would have made these men higher paid than congressmen unless Congress raised its own salaries, which it apparently does not want to do in an election year. This, in turn, forced down the recom-

mended raises at the top of the civil service scale from about 50 percent to 25 percent.

The bill, then, is not quite what the Administration wants, but it is as much as it thought could be usefully proposed. If it passes in any form that establishes the principle, at least, of aiming for reasonable comparability of salaries between government and private employment, it will be a major reform, and one which in the opinion of officials of both the Kennedy and Eisenhower administrations has been urgently needed.

The President's Science Advisory Committee, meanwhile, has been studying the problem of attracting competent people from a broader viewpoint—that is, trying to take account of the amenities other than salary that tend to make private employment preferable to government employment. But at heart there seems to be very wide agreement that this is a case where there is really no substitute for money—not that paying higher salaries will solve all the government's problems, but that without higher salaries as a starting point it is difficult to see how a really effective program of increasing the attractiveness of government service can be mounted. This is all the more true since the low level of government salaries is not only a material barrier but an important psychological one as well, contributing to the stereotype of the government employee as a drab, uninteresting fellow in comparison with his privately employed counterpart. A man holding administrative responsibilities in private employment is an executive. A civil servant with the same responsibilities is just a bureaucrat.

Erosion

One thing that has caused the problem to arise for the higher grade federal employees generally has been the

pattern of federal pay raises, dating back to the World War II period, which has eroded the position of these key employees. Between 1945 and 1951 there were five federal pay raises, all of which were either flat sums applied to all grades, or percentage increases with limitations so that they would not apply in full to the higher grades. As a result, the ratio between salary levels at the highest and the lowest levels declined from about 9 to 1 to about 6 to 1. Since 1951 the increases have been proportionate in all grades, so that the situation has not gotten worse, but it also has not gotten any better. Meanwhile the government's need for top-grade employees, particularly in science and engineering, has grown steadily and sharply in recent years as the federal investment in research has doubled and redoubled, creating a particularly urgent need within the government for competent people to supervise and evaluate a program that now runs to over \$12 billion a year and covers two-thirds of all the scientific research sponsored in this country.

The situation has not yet reached the proportions of a crisis, although it might well have done so if it were not for the establishment of more than 60 nonprofit corporations plainly, if not quite frankly, designed to get around the civil service restrictions on federal salaries. Nevertheless, this device carries its own problems, particularly that it puts the government scientists so much the more obviously in a second-class category—they are paid not only less than their counterparts in private industry, but less than their counterparts in government service who are working under the device of a nonprofit corporation.

Principle of Comparability

As a result, for several years support has been growing for establishing what is called "the principle of comparability" as the basis for government salaries: that is, of using private salaries as the basis for setting federal salary scales in the civil service.

This implies a necessity for raising the salary levels above the civil service as well, that is, of the presidential appointees. But the reason here is more that higher responsibilities should, as a matter of principle, carry higher salaries, than a need to pay higher salaries to attract competent people. At this level, for one thing, the prestige bal-

ance between government and private employment is reversed: no one thinks of the Cabinet and sub-Cabinet-level officials or the personal advisers to the President as bureaucrats. Equally important, these are not career positions: they rarely extend over more than one administration, and there is not the problem of paying salaries high enough to keep a man on the job for a lifetime. So raising the salaries at these levels is mainly, though not solely, aimed at making it easier to raise salaries at the top levels within the career service.

Postal Workers

By 1960, the Eisenhower Administration had become committed, in principle, to this principle of comparability, but it muffed an excellent opportunity to put it through Congress. There was heavy pressure for a pay raise for postal workers that year. There are half a million of these workers, scattered through every congressional district, and doing work which necessarily brings them into contact with huge numbers of voters. They wielded a great deal of political power, enough, in this case, to provide the two-thirds majority in each house to push through a postal pay raise later in the year over an Eisenhower veto.

Eisenhower chose to fight, without success as it turned out, the pressure for a postal pay raise, rather than attempt to use the sentiment for a postal raise as a help for pushing through a general pay reform. He specifically asked that no raises be given, but that a commission be set up to consider a comprehensive wage policy. Even this came only after pressure for a pay raise. The Budget Message itself asked only for a continuation of Department of Labor surveys of comparative rates of pay between government and private employers, with the vague promise that "in time the federal government should make full use of this information as a guide to fixing salaries for its own officers and employees." As the pressure for the pay raise grew more and more obvious, the Administration swung more and more behind the principle of comparability, but by this time the move tended to be regarded in Congress as nothing but an effort to divert Congress from the postal pay raise. By the time the Administration, through Senator Dirksen, the minority leader, asked the Senate to substitute a gen-

eral pay reform based on comparability for the postal pay raise, it was able to get only 11 votes to back the move, with 70 votes against.

It was in this context that Kennedy decided to submit the pay reform bill in a form that includes raises for all government workers, rather than as the executive pay bill originally planned, limited to the higher levels.

Civil Defense: The Congressional Debate Is on Quite Different Lines Than the Public Debate

The Administration is continuing to move ahead with its civil defense plans. Last week its spokesmen began appearing before congressional committees interested in the program, and the President issued a series of executive orders to his Cabinet departments outlining the phases of disaster planning for which each will be responsible (Commerce for transportation, Interior for power and fuel supplies, and so forth). Its main political problem in putting the program through is to convince Congress that it will be worth the money it will cost (something over \$1 billion of federal and local money per year through the 5-year program currently planned). But this was not the main problem in last week's hearing before Chet Holifield's subcommittee of the Government Operations Committee. In the past, Holifield (D-Calif.), who is also chairman of the Joint Committee on Atomic Energy, has been an advocate of a far more expensive blast-shelter program. The Administration's problem here, therefore, was to convince Holifield that there is good reason for the program's not being any bigger than it is. Some of the reasons given: that even a moderate amount of blast protection would cost a huge amount of money; that it would take a long time; that to be effective it would require tight discipline and training of the civilian population to prepare the public to get into the shelters in the brief warning time that would be available to people in the target areas—in short, that a bigger program would not be practical, and perhaps not desirable even if it were practical. Holifield was noncommittal. He is likely to issue a report suggesting that the program is a good start but that it does not go far enough.

The Administration will face criticism

from the other side later in the month, when it will have to go to Albert Thomas's Independent Offices subcommittee for an appropriation of the first year's money—about \$650 million. In the past Thomas (D-Tex.), an enthusiastic budget cutter on almost all appropriations, cut the Eisenhower civil defense appropriations down to a small fraction of the requests, on the grounds that the whole business was a waste of money.

For a while the Kennedy Administration hoped it would not have to deal with Thomas since the program had been transferred to the Defense Department, and therefore would logically come before the subcommittee handling the military budget. But it turned out that Clarence Cannon (D-Mo.), the chairman of the full Appropriations Committee, preferred to leave the program in Thomas's hands, and so there it stays. The chances are, though, that even Thomas will let most of the money go through, that more will be added in the Senate, and that the final appropriation will be within 10 percent or so of what the Administration requested.

Public Debate

So far there have been no hearings scheduled that will provide an adequate forum for the debate that is going on outside Congress, which is not particularly over whether the program is a waste of money, much less over whether it is too small, but over the question of whether the whole business might be ill-advised. At the moment it seems unlikely that this debate will receive much attention in Congress: public witnesses opposed to the program will have an opportunity to present their views before the committees considering the program, but none of the chairmen of committees or subcommittees that might examine the matter seem inclined to press the sort of points that disturb the most outspoken opponents of civil defense. This means there is no likelihood of the sort of extensive cross examination of the public or the government witnesses which, as with Senator Stennis's military muzzling hearings, produces a real clarification of just why things are being done as they are.

But the debate, even without the help of formal hearings, has become an especially interesting one; a report on the way it has been going will be given here next week.—H.M.