

FEDERAL EMPLOYEE ISSUES

LIUNA represents hundreds of thousands of workers across the United States and Canada, including over 25,000 Federal employees in 30 states and Washington, D.C. LIUNA's Federal employees provide essential services for veterans and Native Americans, keep our skies safe and our parks clean, and protect us from threats both foreign and domestic. Federal employees have already contributed over \$182 billion toward deficit reduction through a three-year pay freeze and pension cuts in the past five years. LIUNA calls on Congress to end these attacks on Federal employees' job security, pay, and retirement security.

Federal Employee Pay

Over the past six years, federal employee wages increased 3.3 percent, while private-sector wages rose 11.3 percent, the cost of living increased 9.2 percent and premiums for the Federal Employees Health Benefits Program (FEHBP) rose 20 percent. In addition, approximately one million Federal employees were furloughed not once, but twice, in 2013—once without back pay under sequestration in Spring/Summer 2013, and then again during the government shutdown in Fall 2013. The furloughs, lagging pay, and health care increases have led to an increased pay gap between the private and public sectors, making it harder to recruit and retain qualified, expert Federal workers to perform the critical needs of our government. Currently, Federal employees face a 34% pay gap compared to their private sector counterparts. **LIUNA supports H.R. 757/S. 255, the FAIR Act to provide Federal workers with a reasonable 3.2% pay raise to carry out the important functions of the Federal government.**

The Facts

- **25,000** Federal employees are represented by LIUNA
- **90%** of them work outside the Beltway in 30 states as well as Washington, D.C.
- **\$182 billion**—the amount contributed by Federal employees to deficit reduction in the past 5 years
- **3.3%**—total cost of living increase received by Federal employees in the past 5 years
- **9.2%**—how much the national cost of living actually increased in that time
- **2**—the number of furloughs for Federal employees during sequestration and government shutdowns

Hiring Freeze

Approximately 2 million civilians work for the Federal government. Some claim that number is close to 10 million, but that includes over 7 million private sector workers hired by government contractors. The size of the Federal workforce is the smallest it has been on a per capita basis in decades. A hiring freeze for Federal workers will not decrease the necessary functions they carry out, such as supporting our military, caring for our veterans, and keeping our national parks clean and safe; instead, a hiring freeze will likely lead to the hiring of more private contractors to do the same work that trained, experienced, expert Federal employees do. LIUNA opposes the Executive Order on the hiring freeze, which will lead to a decrease in services to the American public.

Job Security for Federal Employees

Under Federal law, any adverse action against a Federal employee must advance the efficiency of the service. This means that the law generally requires notice to the worker, an opportunity to respond, and the right to representation by an attorney or their union. This requirement comes out of the U.S. Supreme Court, which has repeatedly held that when cause is required to remove a public employee, due process is necessary. This does not mean that Federal workers cannot be fired—only that they are first entitled to due process. Recent efforts in Congress to amend or end due process to correct real or perceived problems at some Federal agencies fail to get to the root of the problem—poor leadership at the agencies—and instead wrongly scapegoat many rank and file workers by attempting to make it easier to fire them instead of holding top leaders accountable. As the MSPB wrote in a 2015 report, “Due process is there for the whistleblower, the employee who belongs to the ‘wrong’ political party, the reservist whose periods of military service are inconvenient to the boss, the scapegoat, and the person who has been misjudged based on faulty information. Due process is a constitutional requirement and a small price to pay to ensure the American people receive a merit-based civil service rather than a corrupt spoils system.”

Retirement Security

Federal employees are promised certain benefits when they are hired. Cuts to or elimination of critical retirement programs, such as the Federal Employee Retirement System (FERS), will further contribute to the difficulty in recruiting and retaining quality Federal workers. Current law requires that Federal employees hired after 2012 contribute 3.1% to their pensions with no corresponding increase in benefits—essentially, a punitive pay cut for Federal workers since FERS was and is well-funded. Ending or further

cutting the defined benefit part of Federal employees’ retirement (FERS) and leaving them with only the defined contribution portion (TSP) will lead to more Federal workers retiring in poverty and further harm recruitment of experienced experts to serve our country.

Official Time

Under Federal law, Federal employees who serve as union representatives are permitted a reasonable amount of official time to enforce workers’ rights under collective bargaining agreements. Official time was granted to unions representing Federal sector unions in exchange for a lack of union security. Official time is typically used for: negotiating collective bargaining agreements between unions and their agencies; investigating and filing grievances on behalf of federal employees, including informal resolution of those cases; participating in labor-management forums; and representing federal employees in discrimination cases. Federal employee unions are required by law to represent both members and non-members under the duty of fair representation. Official time is necessary to follow through on that statutory obligation and to prevent inefficiency in Federal agencies to deal with workforce issues.

Dues Deductions

Unions representing Federal employees use automatic payroll deductions for those workers who voluntarily choose to join the union to pay their dues. Automatic payroll deductions are used for many other purposes—supplemental insurance, charitable contributions, and others. Ending dues deductions for unions but not those other entities would likely violate the Equal Protection Clause of the U.S. Constitution, which bans some groups from being treated differently than others under the law. Passing a ban on payroll deductions for union dues is nothing more than a thinly disguised attack on the unions that represent Federal workers.

LIUNA POSITIONS

- OPPOSE efforts to cut the Federal government workforce**
- OPPOSE attacks on Federal employees’ due process**
- OPPOSE further attacks on Federal employees’ retirement security**
- OPPOSE elimination of official time**
- OPPOSE elimination of dues deductions**
- SUPPORT H.R. 757/S. 255, the FAIR Act, to provide a 3.2% pay increase**