

FOR IMMEDIATE RELEASE:

June 25, 2009

Contact: Michael Victorian

(202) 639-6405

AFGE NATIONAL PRESIDENT TESTIFIES BEFORE DOD TASK GROUP

Union Reiterates Call to End Personnel Scheme

(WASHINGTON) – John Gage, AFGE national president, testified today before the Defense Business Board Task Group, which has been asked by the Department of Defense to review the controversial National Security Personnel System, (NSPS). AFGE called on the Task Force to immediately terminate NSPS and move the employees back to the General Schedule.

In addition to the testimony by Gage, defense civilian employees from around the country gathered outside of the Hyatt in Arlington, Va., where the panel was held, in a show of solidarity against the much maligned personnel system.

“Wherever we have talked to federal employees, they have been unanimous in their rejection of NSPS. No matter how the question is framed and no matter which version of pay-for-performance is involved, the message is the same,” said Gage. “Federal employees are not in favor of replacing their current annual pay

adjustment, passed by Congress, for a pay adjustment that is subject to favoritism and discrimination and other unrevealed elements outside of market data and performance.”

“If the design principles were to suppress future wages, lower future retirement income, eliminate due process, destroy employees’ collective bargaining rights, create years of controversy, undercut morale, mislead the Congress and the employees with half truths, allow total flexibility to undermine merit principles and make the pay process incredibly complex and impossible to understand, eliminate merit promotions, take money from some employees and give it to higher salaried employees in the name of national security and without sunshine or transparency to the employees themselves,” said Gage. “Then we can unequivocally confirm that those design principles have been incorporated into NSPS and those program objectives have been fully met!”

Gage also blasted the transfer of money from those making less than \$60,000 to those making more than \$100,000 as shown in the NSPS Internal Evaluation Review. “One of the most immoral aspects of NSPS is the intended design to take salary money from the pockets of lower paid employees and give it to the higher salaried employees in the top management ranks,” said Gage. “In the Evaluation Report of NSPS released June 22, 2009 makes it crystal clear on the chart (figure 2.8) on page 2-15 of the report. It is called a net draw. In other words how much do you get back versus how much of your money went into the pool. Those making below \$60,000 had a negative net draw or “lost money”, 60-80K group had a positive net draw. Those at \$80,000-100,000 gained more. Those making over 100K received the most money back with the largest positive net draw.”

AFGE has highlighted the potential for such a transfer of wealth from the beginning. The Defense Business Board echoed this concern, in 2005, and recommended that firewalls be built into the system to prevent this from

happening. “Clearly, DoD ignored these recommendations because they wanted more money for those at the top,” said Gage.

As a signal that Congress continues to recognize the inherent intractable flaws of the policy, the House Armed Services Committee included an amendment to the FY2010 Defense Authorization bill that would restore the full nationwide pay adjustment to 100 percent, prohibit new hires from being placed under NSPS, prohibit any reclassification of positions to NSPS, and require the Secretary of Defense to convert all NSPS employees back to the General Schedule within one year.

###

The American Federation of Government Employees (AFGE) is the largest federal employee union, representing 600,000 workers in the federal government and the government of the District of Columbia.