

AN ALTERNATIVE PLAN FOR PAY INCREASES FOR  
CIVILIAN FEDERAL EMPLOYEES COVERED BY THE  
GENERAL SCHEDULE

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COMMUNICATION

FROM

**THE PRESIDENT OF THE UNITED STATES**

TRANSMITTING

AN ALTERNATIVE PLAN FOR PAY INCREASES FOR CIVILIAN FEDERAL EMPLOYEES COVERED BY THE GENERAL SCHEDULE AND CERTAIN OTHER PAY SYSTEMS IN JANUARY 2018, PURSUANT TO 5 U.S.C. 5303(b)(1)(A); PUBLIC LAW 89-554, SEC. 5303(b)(1)(A) (AS AMENDED BY PUBLIC LAW 101-509, SEC. 529); (104 STAT 1430) AND 5 U.S.C. 5304a(a); PUBLIC LAW 101-509, TITLE I, SEC. 101(a)(1); (104 STAT. 1436)



SEPTEMBER 1, 2017.—Referred to the Committee on Oversight and  
Government Reform and ordered to be printed

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THE WHITE HOUSE,  
Washington, August 31, 2017.

Hon. PAUL D. RYAN,  
*Speaker of the House of Representatives,*  
*Washington, DC.*

DEAR MR. SPEAKER: I am transmitting an alternative plan for pay increases for civilian Federal employees covered by the General Schedule and certain other pay systems in January 2018.

Title 5, United States Code, authorizes me to implement alternative pay plans for pay increases for civilian Federal employees covered by the General Schedule and certain other pay systems if, because of “national emergency or serious economic conditions affecting the general welfare,” I view the adjustments that would otherwise take effect as inappropriate.

Pay adjustments for civilian Federal employees have been lower in recent years than increases that would have taken effect under the statutory formula for adjustments to the base General Schedule. However, we must maintain efforts to put our Nation on a sustainable fiscal course.

Under current law, in addition to a 1.9 percent across-the-board increase for the base General Schedule, locality pay increases averaging 26.16 percent and costing \$26 billion would go into effect in January 2018. A pay increase of this magnitude is not warranted, and Federal agency budgets could not accommodate such an increase while still maintaining support for key Federal priorities such as those that advance the safety and security of the American people. Accordingly, I have determined that it is appropriate to exercise my statutory alternative plan authority under 5 U.S.C. 5303(b) and 5304a to set alternative January 2018 across-the-board and locality pay adjustments. Specifically, I have determined that for 2018, across-the-board pay increases will be 1.4 percent and locality pay increases will average 0.5 percent, resulting in an overall average increase of 1.9 percent for civilian Federal employees. I will specify locality pay percentages for each locality pay area by Executive Order before the first pay period in January 2018. These decisions will not materially affect our ability to attract and retain a well-qualified Federal workforce.

The adjustments described above shall take effect on the first applicable pay period beginning on or after January 1, 2018.

Sincerely,

DONALD J. TRUMP.

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