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P 29/9 AT SAVED RATES IN CERTAIN CASES

GOVERNMENT
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HEARING
BEFORE THE
COMMITTEE ON
OFFICE AND CIVIL SERVICE
USE OF REPRESENTATIVES
EIGHTY-SEVENTH CONGRESS

FIRST SESSION
ON
H.R. 8565 and H.R. 8648

BILLS TO PERMIT CERTAIN GOVERNMENT EMPLOYEES
TO ELECT TO RECEIVE COMPENSATION IN ACCORDANCE
WITH SECTION 401 OF THE FEDERAL EMPLOYEES PAY
ACT OF 1945 IN LIEU OF CERTAIN COMPENSATION AT A
SAVED RATE, AND FOR OTHER PURPOSES

SEPTEMBER 1, 1961

Printed for the use of the
Committee on Post Office and Civil Service



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AUTHORIZING PREMIUM PAY IN LIEU OF PAY AT SAVED RATES IN CERTAIN CASES

FRIDAY, SEPTEMBER 1, 1961

HOUSE OF REPRESENTATIVES,
SUBCOMMITTEE OF THE COMMITTEE ON
POST OFFICE AND CIVIL SERVICE,
Washington, D.C.

The committee met at 11 a.m., in room 215, House Office Building, Hon. Catherine D. Norrell (subcommittee chairman) presiding.

Mrs. NORRELL. The committee will come to order.

This subcommittee was appointed, and is meeting this morning, to consider H.R. 8565, introduced by Chairman Murray, and H.R. 8648, by Mr. Corbett, identical bills which would permit certain Government employees to elect to receive compensation in accordance with section 401 of the Federal Employees Pay Act in lieu of certain compensation at a saved rate.

The subcommittee members are Mr. Ichord, Mr. Daniels, Mr. Cunningham, Mr. Wallhauser, and I was designated chairman.

This legislation is the result of an official request of the Department of Defense and was originated because of a decision of the Comptroller General of the United States (B-138310) dated September 28, 1959. Its purpose is to permit firefighters to voluntarily elect to be paid at the annual premium rate of pay rather than the aggregate rate, otherwise known as saved pay. In addition, it would give legal authority for conversions from saved pay to premium pay which have already been made by voluntary election.

Section 208(a) of Public Law 763, 83d Congress, authorized the payment of premium compensation to firefighters in lieu of night differential, overtime, and holiday pay. However, when this section was enacted, some firefighters were receiving more pay than they would under the annual premium rate and, therefore, section 208(b) was added to protect these employees. This section saved this higher rate of pay until the employee left his position or until the annual premium rate exceeded the saved pay through within-grade increases.

While the apparent purpose of Public Law 763 was to convert all firefighters to the annual premium rate at the earliest possible time without reducing their pay, several obstacles have developed to thwart this intent, and, in addition, a number of inequities have arisen which were not foreseen when the law was enacted.

The proposed legislation is expected to hasten the conversion, remove the inequities, and ease the administrative burden of the Navy, which is the Department most affected and which will present testimony in support of the proposal this morning.

(H.R. 8565 follows:)

[H.R. 8565, 87th Cong., 1st sess.]

A BILL To permit certain Government employees to elect to receive compensation in accordance with section 401 of the Federal Employees Pay Act of 1945 in lieu of certain compensation at a saved rate, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 208 of the Federal Employees Pay Act Amendments of 1954 (title II of the Act of September 1, 1954; 68 Stat. 1111; Public Law 763, Eighty-third Congress) is amended by adding at the end thereof the following new subsection:

“(c)(1) Each employee who—

“(A) is on the rolls on the date of enactment of this subsection,

“(B) is within any class of employees described in subparagraph (1) or subparagraph (2) of section 401 of the Federal Employees Pay Act of 1945, as amended (5 U.S.C. 926), and

“(C) is receiving aggregate compensation at a saved rate by reason of subsection (b) of this section.

may elect in his discretion, by written request to the appropriate authority concerned, to receive basic compensation for his position in accordance with law and premium compensation under such subparagraph (1) or such subparagraph (2), as applicable, in lieu of aggregate compensation at a saved rate by reason of subsection (b) of this section.

“(2) All such elections made by employees prior to the date of enactment of this subsection, and payments of compensation pursuant to such elections, which would have been authorized under paragraph (1) of this subsection if such paragraph had been in effect at the times when such elections and payments were made are hereby authorized and validated to the same extent as if such paragraph had been in effect at such times.”.

Mrs. NORRELL. I am pleased to introduce as our first witness Mr. L. Neal Ellis, legal counsel to the Chief of Industrial Relations, Department of the Navy, who is accompanied by Mr. Emmet Tobin, consultant to the Office of Industrial Relations.

Mr. Ellis.

STATEMENT OF L. NEAL ELLIS, LEGAL COUNSEL TO THE CHIEF OF INDUSTRIAL RELATIONS, DEPARTMENT OF THE NAVY, ACCOMPANIED BY EMMET TOBIN, CONSULTANT TO THE OFFICE OF INDUSTRIAL RELATIONS

Mr. ELLIS. I am L. Neal Ellis, legal counsel to Chief of Industrial Relations, Department of the Navy. I have been designated to represent the Department of Defense at today's hearing on H.R. 8565. The Department appreciates the opportunity to present its views on this bill.

The purpose of the bill is to amend section 208(b) of Public Law 763, 83d Congress, to authorize firefighters now being paid at the existing aggregate rate of compensation, hereafter referred to as the saved rate of pay, to convert to the annual premium rate of pay upon their voluntary election.

Section 208(a) of Public Law 763 provides that the head of any department with the approval of the Civil Service Commission may compensate an employee who is required to remain at his duty station longer than ordinary periods of time, a substantial part of which consists of standby time rather than the performance of actual work, on an annual premium basis. This annual premium compensation not to exceed 25 percent of the basic rate of compensation is in lieu of any other premium compensation provided by the act such as overtime, night differential, and holiday premium pay.

At the time section 208(a) was enacted the overtime, holiday, and nightwork pay of some employees exceeded the 25 percent premium

pay provided by the section. Section 208(b) of the act was enacted to protect, or to save to these employees the existing aggregate rate of compensation they were receiving at the time. They continue to receive this saved rate so long as they occupy the positions or until the annual premium rate of pay, through within grade increases, exceeds their saved rate of compensation. In other words, the compensation of employees placed under section 208(b) was frozen as the saved rate received on November 6, 1954.

With respect to firefighter personnel on a 72-hour workweek, which consists of an average of 24 hours or more of actual work, the Civil Service Commission has established a rate of annual premium compensation of 20 percent. Thus, a firefighter on a 72-hour workweek whose basic rate of pay plus overtime, night, and holiday premium pay on November 6, 1954, exceeded his basic rate of pay plus 20 percent was frozen in his saved pay rate under section 208(b) of the act. This firefighter continues to receive his saved pay rate of compensation until such time as he leaves the position or until his saved pay is less than the annual premium compensation he would receive under section 208(a). The proposed amendment would give legal authority for the conversion of firefighters from the saved pay rate of compensation to the annual premium rate of compensation under section 208(a) for conversions already made upon their voluntary election and for such conversions in the future.

In applying the saved pay provisions to actual cases, it was observed that the saved pay rate operated to the disadvantage of some employees. This occurs because; (a) the difference between the saved pay rate and the annual premium rate is almost always less than \$100 annually, and, in many cases, it is less than \$25 annually, and (b) firefighters on the saved pay rate are paid at that rate only for overtime, night, and holiday duty performed.

For example, if the firefighter works less than 16 hours' overtime or less than 48 hours' nightwork in a pay period, his actual pay is less than that provided by the saved pay rate formula. If the employee fails to work on a holiday, he receives straight time pay for that day and not holiday premium pay. These factors tend to reduce the actual pay of the firefighter on the saved pay rate to a figure below the annual premium rate.

In addition, adjustments in the pay scales of the Classification Act of 1949, as amended, which have been enacted since Public Law 763, 83d Congress, was enacted, have tended to reduce the number of employees continued on the saved rate, and to reduce the dollar difference between that rate and the annual premium rate.

Accordingly, in January 1958, the Department of the Navy by regulation provided that a firefighter would be permitted to change from the saved rate of compensation under section 208(b) to the annual premium rate under section 208(a) upon his voluntary request in writing. It was considered that the purpose of section 208 (b) was to protect the firefighter or to save to him compensation under the section only so long as it was to his advantage. Therefore, this regulation was considered within the spirit and intent of the law. In Comptroller General decision, B-138310, of September 28, 1959, it was held that a firefighter being paid under section 208(b) could not elect to convert to the annual premium rate of compensation under section 208(a) if his saved rate of compensation under section 208(b)

was more than his annual premium rate. It was held that the firefighter could not elect to convert to the annual premium rate even though his actual pay under the saved-pay provision of the law was less than he would receive under the annual premium pay provision. Upon receipt of this decision the Navy stopped all voluntary conversions of firefighters from the saved rate to the annual premium rate.

In the decision, the Comptroller General advised that he would not, at that time, question elections for conversion to the annual premium rate under the regulations of the Navy provided that no future elections were permitted and provided further that action was taken by the Department of the Navy to request the Congress to amend section 208(b) to authorize an election by employees if such election is administratively deemed appropriate.

The Department of the Navy strongly supports H.R. 8565 in order to give legal authority for the conversions already made as a result of the elections of employees between January 1958 and October 1959. Adjustments in pay of the firefighters affected would present a difficult administrative problem and probably would result in greater administrative costs than the amount gained by the firefighters who were converted to the annual premium rate. While section 208(b) of Public Law 763 was intended to protect those firefighters who were receiving a higher rate of pay on November 6, 1954, than they would receive under the annual premium rate, in some cases, as explained above, the effect of the law has been the opposite.

Accordingly, it is requested that H.R. 8565 receive favorable consideration.

I will be happy to answer any questions if I may.

I have with me Mr. Tobin, the author of the pending regulations, so if you have any other questions, he likewise will be happy to answer.

Mrs. NORRELL. This does not do a thing in the world except equalize something that has been out of kilter.

Mr. ELLIS. I think that is a fair statement.

Mrs. NORRELL. It also puts on the statute books what the Navy has already made a decision to do.

Mr. ELLIS. That is correct.

Mrs. NORRELL. In other words, this is legalizing your action?

Mr. ELLIS. Yes, ma'am.

Mrs. NORRELL. Any questions?

Mr. ICHORD. Mr. Ellis, I would like to have some idea of what the overtime, night, and holiday premium pay is at the present time.

Mr. ELLIS. At the present time, the saved pay for a typical GS-4 firefighter would be \$5,810.96. That is calculated in the following fashion: The frozen base pay of the firefighter as of November 6, 1954, was \$3,575. Then the elements of night differential pay for 26 pay periods per a number came to a total of \$214.76. A third item would be 16 hours overtime per pay period, 26 pay periods per year, which comes to a total of \$848.64 per year. Holiday premium pay for 6 holidays yearly came to a total of \$82.56. You then add to that amount the pay increase that was provided by the act of 1955 for a total of \$285, the pay increase provided by the increase of 1958, \$430, the pay increase provided by the act of 1960, \$375, make up the total of \$5,810.96.

Mr. ICHORD. What is the overtime pay per hour?

Mr. ELLIS. Time and a half of the hourly rate.

Mr. ICHORD. Time and a half for overtime?

Mr. ELLIS. Yes.

Mr. ICHORD. What does he get for nighttime?

Mr. ELLIS. He gets a 10-percent night-shift differential for the hours worked at night added to his base pay.

Mr. ICHORD. Does he get time and a half for holidays?

Mr. ELLIS. Double time for holidays, sir.

If you would care for the figures, an employee under the premium rate at the present time, a typical employee as in the example I just gave you, would earn a total during the year of \$5,730. This is calculated on a current base pay of \$4,775, to which is added the 20 percent premium as provided by the Civil Service Commission of \$955 to arrive at this total.

Mr. ICHORD. What do you anticipate the cost of this bill will be?

Mr. ELLIS. That is a difficult question to answer.

It could be calculated in a variety of ways, I suppose. Actually, the take-home pay of the saved pay firefighter may, in some instances, be less because within-grade increases have been credited to him although he does not receive those during the period of time, and from those the deductions for various things that are deducted are taken, which means every time he receives a within-grade increase, a greater reduction for retirement is taken from his pay.

So the actual take-home would probably be less, and under some methods of calculation, it could be said the Government would save money as a result of this bill.

Mr. ICHORD. Is this going to affect the number of hours a firefighter works?

Mr. ELLIS. No, sir. It is not directed at that at all. It is merely in the method of calculating his pay.

Mr. ICHORD. Do you have a limit on the number of hours he works now?

Mr. ELLIS. We do have.

Mr. ICHORD. What is that?

Mr. ELLIS. The typical firefighter is on the station, three 24-hour periods per week.

I do not like to use the word "work" because actually a firefighter does not work the full 24-hour period he is aboard the station. That is normally divided up into 8 hours duty time, 8 hours standby time and 8 hours for sleeping and eating. He is paid a total of 16 hours for each of the 24 hours spent aboard the station.

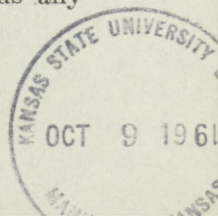
Mr. ICHORD. Do you say this may actually result in a savings to the Government, the passage of this bill?

Mr. ELLIS. It is possible.

I am informed by accounting people it is possible that enactment of this legislation could result in dollar savings, although if an employee is getting greater credit for retirement under the saved-pay rate, and later is paid a higher retirement rate over a long period of time, a slight cost to the Government could result.

Mr. ICHORD. What bearing does this have upon retirement?

Mr. ELLIS. None, other than the fact the saved-pay-rate employee at the present time has his retirement deductions taken on his base pay at the time of the enactment of the 1954 statutes, plus any within-grade promotions he may have had during that period.



Mrs. NORRELL. I would like to read the statement from Mr. John B. Conley to the Speaker. He said:

The costs or savings which would be attributable to the proposal is not known. No increased costs have been included in any estimate for appropriations. Since the Navy authorized such conversion from January 31, 1958, until October 29, 1959, it does not appear this proposal would present a budgetary problem for this Department. The best information available at this time indicates that the military departments have approximately 11,400 firefighters on the roll, of whom about 400 are being paid at saved-pay rates.

Mr. ICHORD. How many firefighters does the Navy have?

Mr. ELLIS. 5,281. That is the last information I have.

Mr. ICHORD. The other 6,000 are with the Air Force?

Mr. ELLIS. Some would be with the Army, and some with the Air Force.

Mrs. NORRELL. I know in Pine Bluff, Ark., we have an arsenal, and I know this would take care of any firefighters down there.

Mr. ICHORD. Thank you, Madam Chairman.

Mr. CUNNINGHAM. Do we have an administration report on this?

Mrs. NORRELL. Yes.

Mr. CUNNINGHAM. From the Bureau of the Budget?

Mrs. NORRELL. Yes.

If there are no further questions, I want to thank you so much.

We are very glad to have Mr. John McCart, director of legislation, American Federation of Government Employees.

STATEMENT OF JOHN McCART, DIRECTOR OF LEGISLATION, AMERICAN FEDERATION OF GOVERNMENT EMPLOYEES

Mr. McCART. Madam Chairman and members of the subcommittee we are highly gratified at the action of the subcommittee in arranging these hearings, and we want to express our appreciation also to Representatives Murray and Mr. Corbett for their sponsorship of H.R. 8565 and H.R. 8648.

We are particularly pleased that the subcommittee has arranged the subcommittee meeting this morning because this has been a matter of concern to us since 1955. From time to time we have conferred with various Members of the House and with the executive agencies involved. We have not been able to find a solution, and, in that connection, it could very well be that the decision of the Comptroller General is a boon because it helped to bring to the forefront the problem this legislation entails.

If I may, Madam Chairman, since our statement is tremendously short, I would like to read most of it into the record.

Mrs. NORRELL. You may proceed.

Mr. McCART. Prior to November 6, 1954, the rates of pay of Federal firefighters were fixed by Congress under the crafts, protective, and custodial schedule in the Classification Act. Because of the long periods of standby duty they were required to spend at their posts of duty, the firefighters were paid under the two-thirds rule. The Comptroller General agreed many years before that it was appropriate to consider two-thirds of all the hours spent at their stations in computing their biweekly pay. In addition, I might interpolate, they received compensation for holiday and nightwork.

In September 1954, Congress approved Public Law 763, commonly recognized as the Fringe Benefits Act. The statute affected the pay of firefighters in two ways.

First, it abolished the crafts, protective, and custodial schedule in the Classification Act. Firefighters were transferred to the general schedule in the classification law.

Second—and this is the feature with which we are concerned today—the Fringe Benefits Act changed the methods of computing firefighters' pay for overtime, nightwork, holidays and standby assignments. The earlier two-thirds rule was replaced by a percentage differential to compensate for all premium work.

Recognizing that immediate implementation of this change could cause loss of pay to some employees, Congress stated wisely that the new law would not serve to decrease the existing aggregate rate of compensation of any present employee. For practical purposes a firefighter's aggregate rate includes his base annual pay plus the additional compensation he received prior to 1954 for night, overtime and holiday work under the old law plus the general pay increases approved by Congress for all classified employees in 1955, 1958, and 1960.

Under the Federal pay system covering firefighters, employees are entitled to small periodic step-increases in their pay upon completion of fixed periods of satisfactory service. After meeting the necessary requirements they may receive three longevity steps also.

The Comptroller General decided in November 1954 that awarding of these step and longevity increases could not serve to increase an employee's aggregate rate, the pay which was saved under the 1954 law; that could not be changed. In effect, then, the law operates as a ceiling on pay as well as a savings clause. An individual's aggregate rate could remain fixed. While step and longevity increases were to be processed on paper, thus giving the individual a higher paper salary, an employee could very well suffer a slight loss in take-home pay. This has occurred because greater retirement and life insurance deductions are made from his higher salary of record, but his actual salary remains his aggregate rate.

This situation applies to the Army, Navy, and Air Force. To simplify our presentation, however, the AFGE will allude only to the experience in the Department of the Navy.

Regulations of the Navy Department in Naval Civilian Personnel Instruction 610 (p. 13) outline the procedure quite clearly—

(1) Except where specifically provided for by law, periodic step and other pay increases will not be applied to increase the amount of pay an employee received under the saved rate system. However, such increases will be processed for employees paid under the saved rate system, the same as for other employees. This results in firefighters paid under the saved rate system having two basic rates of pay: a "frozen" base rate (the basic rate in effect on November 6, 1954) and a "current" base rate (the current basic rate of his present step).

(2) Retirement and insurance benefits are based on the current base rate, and retirement and insurance deductions are made from the current base rate. When a periodic step or other pay increase is processed, the increased cost of the retirement deductions, and where appropriate, insurance deductions, is taken from the saved pay, with the result that the firefighter receives a small reduction in pay. This situation will continue to exist as long as the firefighter is paid under the saved rate system.

Exception: If the total of the saved basic pay items (the frozen basic rate plus the 1955, 1958 and 1960 increases) is greater than the current base rate, retirement and insurance deductions will be made from these saved basic pay items.

So that in effect, Madam Chairman, the regulations of the Navy did spell out quite clearly the problem we are attempting to deal with in this legislation.

The Navy attempted to correct this inequity by permitting employees to request transfer from the saved aggregate rate to the percentage differential for premium work where it would eliminate this loss in take-home pay. In 1959, however, the Comptroller General (B-138310, September 28) decided that an employee could not make such an election if his aggregate rate was more than his annual base salary plus differential.

He stated choices made previously by employees on this score would not be questioned provided the Navy Department sought a legislative remedy.

H.R. 8565 and H.R. 8648 supply this remedy by permitting the employees involved to select the annual premium differential method of payment to preserve their full pay status. We are confident that Congress in its justified desire to prevent a loss of pay to employees affected by the 1954 law did not intend to reduce their take-home pay because of the peculiar language of the statute. For that reason we wholeheartedly support enactment of this legislation.

That concludes our presentation, Madam Chairman. We shall be happy to answer any questions.

Mrs. NORRELL. Do you have any questions, Mr. Ichord?

Mr. ICHORD. No.

Mrs. NORRELL. Mr. Cunningham?

Mr. CUNNINGHAM. Mr. McCart, the Navy Department, in January 1958, provided by regulation that this change could be made. Did any other departments do this?

Mr. Mc CART. Not to my knowledge. I think the problem has arisen more so in the Navy and the Navy has been looked upon by the other military departments as the designated representative of the Defense Establishment.

Mr. CUNNINGHAM. That is all, Madam Chairman.

Mrs. NORRELL. We thank you so very much, Mr. McCart.

The next witness is Mr. Rudolph A. Oswald, research director, International Association of Fire Fighters. Mr. Oswald, we will be glad to hear from you at this time.

STATEMENT OF RUDOLPH A. OSWALD, RESEARCH DIRECTOR, INTERNATIONAL ASSOCIATION OF FIRE FIGHTERS

Mr. OSWALD. Thank you, Madam Chairman.

I am Rudolph A. Oswald, research director of the International Association of Fire Fighters, and in behalf of the International Association of Fire Fighters and its membership in Federal installations throughout the country, I would like to speak in favor of H.R. 8565. This bill would allow those firefighters who have been on a saved pay basis since 1954 to elect the changeover to the premium pay rates presently covering the majority of firefighters.

Originally the saved rate was a means to protect these men in the changeover from the old CPC system to the Classification Act. In its intention, the saved rate was desirable, but in practice it has resulted in some employees actually receiving less pay. In order to make the conversion to the Classification Act, the Defense Department has

established a formula for the determining of the saved rate that makes no deduction for night differential, overtime, or holiday premium pay during periods of leave. This formula is purely theoretical. It provides the highest saved rate a firefighter could receive not what he actually will receive during the year. Thus, a Federal employee under the present system, may not be changed to the annual premium rate system merely because his actual earnings under the saved rate system are less than the pay he would have received under the annual premium rate system.

The present system may actually penalize and discriminate against the long service employee. Two firefighters performing the same tasks may be paid differently because the theoretical saved pay is higher than the premium pay, even though the annual take-home pay is less.

Those firefighters under the saved pay plan are also denied other benefits that have been voted by Congress since 1954. Examples of such benefits are pay for callback overtime and the minimum 2 hours callin pay on holidays.

A firefighter on saved pay never sees his "in grade" pay increases. He just receives a notice from the personnel office that he was credited with such an increase, but his paycheck instead of increasing, decreases because larger amounts are deducted for retirement and insurance.

This bill would allow employees to elect a change in compensation from the saved rate to the premium rate. It places in the employee's hands a right which would help fulfill the basic concept of the saved pay—the protection of the earnings of the individual employee.

Furthermore, this bill is necessary to protect those firefighters who voluntarily converted to the premium pay, but whom the Comptroller General stated could not make such a voluntary conversion. This bill would safeguard their prior choice and prevent their losing the minor sums of money that they may have received over and above what they would have received under the saved-pay plan.

We urge you to give this legislation your prompt and favorable attention so that the intent of the saved-pay protection will be provided.

Mrs. NORRELL. The bill as we have it written would merely be an election?

Mr. OSWALD. Yes.

Mrs. NORRELL. They would not have to accept this election unless they themselves wanted to convert?

Mr. OSWALD. We would be against any compulsory changeover.

Mrs. NORRELL. Do you anticipate there will be some who would not elect to convert?

Mr. OSWALD. There would be some. The majority of comments we have received from our members have been that many would have liked to have changed in the past but did not have the opportunity, but there are apparently some whose saved pay would be higher than the premium pay and it would not be desirable for them to change over.

Mrs. NORRELL. Any questions?

Mr. ICHORD. No questions.

Mr. CUNNINGHAM. No questions.

Mrs. NORRELL. Thank you very much for your testimony, Mr. Oswald.

Mr. OSWALD. Thank you, Madam Chairman.

Mrs. NORRELL. I believe we have no other witnesses this morning, but I do have two statements for the record, one by Mr. James Langan, operations director, Government Employees' Council; and one by Mr. Vaux Owen, president of the National Federation of Federal Employees. The statements will be made a part of the record at this point.

(The statements follow:)

STATEMENT BY JAMES K. LANGAN, OPERATIONS DIRECTOR, GOVERNMENT EMPLOYEES' COUNCIL, AFL-CIO

Mr. Chairman and members of the subcommittee. My name is James K. Langan, operations director of the Government Employees' Council, AFL-CIO, which is a federation of 24 unions representing employees in Federal service in all categories. The Government Employees' Council wish to commend Chairman Murray of this committee and Mr. Corbett the ranking member for introducing this equitable legislation.

This bill corrects a situation created when Federal employees under the custodial pay classification were changed to the jurisdiction of the Classification Act at a saved rate and under the provisions of the Classification Act some favorable conditions existing under the original custodial pay class were lost. This bill will permit any employee who is on the rolls on the date of its enactment, to choose at the employees option the manner under which their salary would be administered.

The Government Employees' Council heartily endorses the principle in this bill and urge its adoption by the Congress.

We wish to thank the committee for its time and kindness in holding these hearings and we urge a favorable recommendation to the full committee.

STATEMENT OF VAUX OWEN, PRESIDENT, NATIONAL FEDERATION OF FEDERAL EMPLOYEES

Mr. Chairman and members of the subcommittee, my name is Vaux Owen. I am president of the National Federation of Federal Employees. Our headquarters office is located at 1729 G Street NW., Washington, DC.

The purpose of H.R. 8565 and H.R. 8648 is to give a small group of Federal employees, mostly firefighters, a right to elect to receive basic compensation plus the premium compensation provided under section 208(a) of Public Law 83-763 in lieu of the aggregate compensation provided in subsection (b) of section 208.

Since a very small number of Federal employees would be affected by this legislation the cost would be negligible. It is an equitable proposal calculated to improve the morale of the limited number involved because it will provide an opportunity for such employees to elect to receive small increases in pay due to pay increase acts which otherwise have not benefited them.

The National Federation of Federal Employees supports this proposed legislation and urges a favorable report by this subcommittee.

I thank the chairman and members of this subsection for the opportunity to present the views of the National Federation of Federal Employees and also express appreciation to the chairman of the House Post Office and Civil Service Committee and the ranking minority member of the committee for introducing this legislation.

Mrs. NORRELL. If there is no one else who wishes to speak on this subject we will conclude these hearings this morning.

Thank you very much, gentlemen, for giving us the benefit of your views on this legislation.

(Thereupon, Friday, September 1, 1961, the hearing was adjourned.)

My dear Mr. [Name],

I have just received your letter of the 2nd inst. and am glad to hear that you are well. I am also well and hope this letter finds you the same. I am sorry to hear that you are not well and hope that you will soon be able to return to your work.

I am, Sir, very respectfully,
Your obedient servant,
[Name]

[Address]

I have just received your letter of the 2nd inst. and am glad to hear that you are well. I am also well and hope this letter finds you the same. I am sorry to hear that you are not well and hope that you will soon be able to return to your work.

I am, Sir, very respectfully,
Your obedient servant,
[Name]

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