

President Obama increases pay raise for federal employees

by Jess Levenson, USACE, New England District

By executive order issued on Dec. 8, President Barack Obama increased the average pay raise for most civilian federal employees by 2.1 percent. The raise becomes effective on Jan. 8, 2017.

Citing “national emergency or serious economic conditions affecting the general welfare,” President Obama implemented the alternative pay increase for civilian federal employees under Title 5, United States Code, superseding the original 1.6 percent plan issued on Nov. 29.

In his notification to Congress, President Obama explained his decision in response to the 2017 National Defense Authorization Act, “In light of the decision of Congress to provide a 2.1 percent pay increase for military personnel in 2017, I have concluded it would be appropriate to revise my original alternative plan.”

The civilian workforce’s pay will increase by the same percentage as the military’s, continuing a parity that has generally been observed for decades.

By law, increases in military pay are intended to match private-sector wage growth. Citing “budget constraints” and other “serious economic conditions,” President Obama capped military pay at levels below private sector growth in recent years. According to OPM, updated GS schedules and charts with Locality Pay will be issued shortly.