

## Unions' letter to President Obama

(Editor's Note: Recently, a number of Unions – including AFGE – signed a letter to President Obama urging him to reject several recommendations made by the National Commission on Fiscal Responsibility and Reform. Among those suggestions: cutting federal civilian retirement and health benefits, freezing federal pay and reducing the federal workforce by ten per cent. Below is a copy of that letter, edited for space considerations.)

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“There is no public policy basis to accept the proposed reductions to federal civilian retirement since the Civil Service Retirement and Disability Fund (CSRDF) is fully funded and financially sound...We are (also) deeply troubled by the commission co-chairs' proposal to calculate federal civilian retirement annuities on the highest five years of salary instead of the highest three years. According to the Congressional Budget Office, this plan would reduce a Civil Service Retirement System (CSRS) annuity by an average of \$1,424 in 2010 and by an average of \$7,148 over five years. A Federal Employees Retirement System (FERS) annuity would be cut by an average of \$462 in 2010 and would be reduced by an average of \$2,322 over five years.

Plans to require FERS workers to contribute a higher percentage of their salaries towards their defined benefit annuities would have the effect of a significant pay cut....Similarly, the plan to require federal annuitants to pay a higher share of the Federal Employees Health Benefits Program (FEHBP) premium would impose an unfair burden on retirees and survivors whose medical costs are significantly higher than younger enrollees...

Freezing or cutting pay sends the wrong signal to the best and brightest workers federal agencies will need to

recruit and retain to make government operate more efficiently, prevent the next terrorist attacks, fight two wars, cure diseases, provide assistance to unemployed and disabled Americans and treat wounded military personnel and veterans...

Cutting the federal workforce by 10 percent is more about politics than good human resource management. In fact, 60 percent of all federal workers will be eligible to retire in the next five years. We can ill afford to lose our most talented and experienced employees at a time when we are facing unprecedented crises.

In light of the growing number of critical challenges being tasked to federal workers, the government cannot afford to make substantial reductions to the earned compensation of individuals who have dedicated their careers to public service. For that reason, we urge not to include these ill-conceived proposals in your FY 2012 budget recommendations to Congress. Instead, we ask that you defend the integrity of a system that provides wages, health and retirement benefits compensation to 4.6 million federal workers and annuitants.”

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AFGE will hold it's annual Legislative Conference the week of February 7, 2011. More than 1000 AFGE activists and members are expected to join National President Gage in visiting members of Congress to address the devastating impact that such proposals will have on Federal employees and their families, as well as the services the American public relies upon at Agency such as Social Security.