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U.S. GENERAL ACCOUNTING OFFICE  
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STATEMENT OF  
CLIFFORD I. GOULD, DIRECTOR  
FEDERAL PERSONNEL AND COMPENSATION DIVISION

BEFORE THE  
HOUSE COMMITTEE ON POST OFFICE AND CIVIL SERVICE

ON

H.R. 5038

To amend title 5 of the United States Code to  
foster the timely revitalization of the United States  
air traffic control system, and for other purposes.

Mr. Chairman and Members of the Committee:

I am pleased to be here today to provide our views on  
H.R. 5038. According to the Federal Aviation Administration (FAA),  
this bill was proposed to assist in the efforts to rebuild the air  
traffic control system. Parts of the bill are also intended to  
fulfill a commitment the Administration says it made to working  
controllers who have kept the air traffic control system operating.  
The bill, if enacted, would establish special pay differentials and  
incentives for certain FAA employees and exempt them from certain  
limitations on premium pay. The bill also establishes special re-  
cruitment incentives to attract retired military and civil service  
retirees and permits FAA to pay for training in excess of 40 hours  
a week.

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In the past, we have not supported special pay and retirement legislation for air traffic controllers because it was not properly justified under Federal compensation standards and provided preferential treatment that other Federal employees do not receive. This bill singles out air traffic controllers and associated FAA personnel for special treatment and could be considered to be inequitable by other Federal employee groups who are not receiving similar treatment.

We have concerns over many of the bill's provisions but also recognize that FAA may need some special measures to rebuild the air traffic control system. Therefore, we believe that the overall merits of this bill are a policy matter for the Congress and the Administration to decide. I will now briefly discuss our observations and concerns on the provisions of the bill.

Operational, Currency, and  
Training Pay Differentials

The proposed bill offers three distinct pay differentials. Virtually all operations and maintenance staff of the air traffic control system (approximately 25,500 employees) would receive an "operational responsibility differential" equal to 5 percent of their base pay. About 2,500 employees who were previously controllers but are now performing various administrative functions, could receive an additional 1.6-percent differential if they obtain and maintain current certification to control air traffic. The third differential of 10 percent would be paid to those controllers who provide on-the-job training in live air traffic control situations. This 10 percent would be paid only for those

hours when actual training is provided. According to FAA, these differentials combined will result in an average 6.6-percent pay increase for all air traffic controllers.

FAA's rationale behind this arrangement was that it had tentatively agreed with the former air traffic controller organization to recommend legislation for a 6.6-percent pay increase, and FAA wanted to reward those controllers who remained on the job. However, it should be pointed out that FAA had no authority to negotiate and agree to a wage increase with the air traffic controllers organization. Over 50 percent of the Federal work force is now covered by similar collective bargaining agreements. Providing a pay increase based on FAA's negotiated agreement could establish a precedent which could be used by other Federal employee groups.

The 5-percent operational responsibility differential would be granted to approximately 11,500 air traffic controllers and 14,000 other FAA employees, who are not directly associated with control and separation of live air traffic. FAA believed the differential should be extended to the non-controller personnel for fairness and consistency. Again, the bill is addressing an unusual situation, but payment of the differential will result in these employees receiving more on a permanent basis than other Federal employees at similar grades and levels of responsibility.

The 1.6-percent differential for operational currency pay would apply to controllers and controller supervisors, whose current positions do not require them to maintain their operational

and medical certification to control air traffic. According to FAA, these employees occupy positions such as training officers and airspace procedures specialists at air traffic facilities. If this differential is approved, we would suggest that a provision be made for its termination once the system again becomes fully operational. Otherwise, these employees would continue to make more than personnel who are actively engaged in air traffic control.

Premium pay of 10 percent is to be provided to air traffic controllers who are called upon to provide on-the-job training of other controllers who are separating and controlling live air traffic. We recognize that rebuilding the air traffic control system may require considerably more on-the-job training. According to FAA officials, this premium pay would only be paid to controllers designated as trainers and would only be paid for those hours when they actually conduct such training. Even if a premium pay is needed in order to gain cooperation of potential trainers, we have some concern over the fact that this is also included in the bill as a permanent provision.

Relief from Limitation  
on Premium Pay

Under the bill, the three differentials and all other premium pays would not be subject to the \$50,112.50 pay limitation applicable to other employees under the General Schedule.

There has been much discussion recently over the effects of the Government's salary ceiling. There are now 46,000 Federal executives at the \$50,112.50 pay ceiling at eight different

responsibility levels. In our opinion, this is one of the most critical issues facing Government today. FAA officials told us that between 1,300 and 1,400 air traffic controllers will make more than \$50,112.50 this year because they are exempt from this limitation under the Fair Labor Standards Act. Providing further relief from the pay limitation would increase the number of FAA employees exceeding the pay cap this year to about 3,500. We are concerned over the equity of providing relief for FAA employees when our top Federal executives are all constrained by this ceiling.

Premium Pay for Loss  
of Meal Period

The bill would compensate air traffic controllers at a rate of one and one-half times their basic rate of pay for a one-half hour meal break, provided that their supervisor cannot release them from duty during the fourth through sixth hour of their duty period. Controllers now work an 8-hour shift and are provided a one-half hour lunch period with pay. As the bill is now written, it could be difficult to control and would require close scrutiny by supervisors. Also, there could be times when it would be more appropriate and convenient for an employee to take his lunch break in the first through third hour period or in the seventh or eighth hour period. For example, we could see no difficulty in requiring an employee whose shift begins at 4 p.m. to take a meal break at 6 or 7 o'clock.

Employment of Civil Service Annuitants  
and Retired Military Personnel

The bill would grant FAA the authority through December 31, 1984, to temporarily employ retired civil servants and military personnel in air traffic control work and related training functions. The reemployed retirees would receive both full salary and full retirement benefits.

Under the current law, reemployed retirees are limited to \$50,112.50 in combined salary and retirement payments. Also, for other than retired enlisted personnel, they must forego all or a portion of their retirement benefits.

FAA is seeking this authority to provide an incentive for these employees to seek short-term employment and provide a ready source of qualified people while FAA restaffs the air traffic control system. We understand that FAA has already been able to hire about 180 retired controllers under the current reemployment provisions and that FAA does not know how many more retirees the bill's provision would attract.

Pay for Training in Excess  
of 40 Hours in a Week

The final provisions of the bill would permit FAA to schedule and pay air traffic controller trainees for training in excess of 40 hours. Trainees are now precluded from receiving pay for more than 40 hours. Under the current situation, these provisions appear reasonable.

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This concludes my prepared statement Mr. Chairman. I will be happy to answer any questions you might have.