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Federal Pay: FY1998 Salary Adjustments

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Summary

Federal white-collar employees are to receive an annual pay adjustment and a locality-based comparability payment under Section 529 of P.L. 101-509, the Federal Employees Pay Comparability Act (FEPCA). They received a 2.3% annual pay adjustment and a locality-based comparability payment, costing about 0.5% of the General Schedule (GS) payroll, in January 1998 under an alternative plan issued by President Clinton on August 29, 1997. The cost of both pay adjustments is about \$2.2 billion dollars. The net annual and locality pay increases range from 2.44% in the Indianapolis pay area to 6.52% in the Hartford pay area. In the Washington, D.C. pay area, the net increase is 2.45%. The alternative plan was implemented by Executive Order 13071, signed by President Clinton on December 29, 1997. The FY1998 Treasury, Postal Service, and General Government appropriations bill, P.L. 105-61, was silent on the General Schedule pay adjustment.

Although the federal pay adjustments are sometimes referred to as cost-of-living adjustments, neither the annual adjustment nor the locality payment has anything to do with living costs. The annual adjustment is based on the Employment Cost Index (ECI), which measures the change in private sector wages and salaries. Absent the alternative plan, the ECI would have required a 2.8% adjustment in January 1998. The size of the locality payment is determined by the President and is based on a comparison of non-federal and General Schedule salaries in 32 pay areas nationwide. If the alternative plan had not been issued, actual locality payments would have ranged from 6.33% in the "Rest of the United States" (RUS) pay area to 14.13% in the San Francisco pay area in January 1998. The actual locality pay increase for the Washington, D.C., pay area would have been 7.84%. The locality payments would have cost about 7.2% of the GS payroll.

The data on which the locality payments are based is 22 months old by the effective date of the adjustment. March 1996 data was used to determine the January 1998 locality payments. As of March 1996, the Federal Salary Council reported an overall gap between non-federal average salaries and General Schedule average salaries of 30.03%. The average amount needed to reduce this disparity to 5%, as mandated by law, was 23.84%. President Clinton proposed a 2.8% pay adjustment for federal employees in his FY1998 budget and said that the question of how it would be allocated between the annual and locality adjustments would be determined after consultation with employee organizations and others.

Legislation (H.R. 1240) has been introduced in the 105th Congress to provide administrative law judges (ALJ) an annual pay adjustment at the same time and of the same amount as the General Schedule annual pay adjustment. ALJ annual pay adjustments are linked to Executive Schedule pay adjustments. ALJs received a base pay adjustment in January 1998 (the first adjustment to base pay since January 1993), and they have received locality payments each year since January 1994.

P.L. 105-61 also provided for a simplified and consolidated pay system for the United States Secret Service Uniformed Division.

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Federal Pay: FY1998 Salary Adjustments

Introduction

Federal white-collar employees are to receive an annual pay adjustment and a locality-based comparability payment under Section 529 of P.L. 101-509, the Federal Employees Pay Comparability Act (FEPCA).¹ They received a 2.3% annual pay adjustment and a locality-based comparability payment, averaging about 0.5% of the General Schedule (GS) payroll, in January 1998 under an alternative plan issued by President Clinton on August 29, 1997. The cost of both pay adjustments is about \$2.2 billion dollars. The net annual and locality pay increases range from 2.44% in the Indianapolis pay area to 6.52% in the Hartford pay area. In the Washington, D.C. pay area, the net increase is 2.45%. The alternative plan was implemented by Executive Order 13071, signed by President Clinton on December 29, 1997. The FY1998 Treasury, Postal Service, and General Government appropriations bill, P.L. 105-61, was silent on the General Schedule pay adjustment.

Although the federal pay adjustments are sometimes referred to as cost-of-living adjustments, neither the annual adjustment nor the locality payment has anything to do with living costs. The annual adjustment is based on the Employment Cost Index (ECI), which measures the change in private sector wages and salaries. Absent the alternative plan, the ECI would have required a 2.8% adjustment in January 1998. The size of the locality payments is determined by the President and is based on a comparison of non-federal and General Schedule salaries in 32 pay areas nationwide. If the alternative plan had not been issued, the locality payments would have ranged from 6.33% in the "Rest of the United States" (RUS) pay area to 14.13% in the San Francisco pay area in January 1998. The actual locality pay increase for the Washington, D.C., pay area would have been 7.84%. The locality payments would have cost about 7.2% of the GS payroll.

This report does not cover salary adjustments for federal officials and judges.² It also does not cover pay adjustments for Members of Congress.³

¹ 104 Stat. 1427.

² See: U.S. Library of Congress, Congressional Research Service, *Salary Adjustment Cost Estimates: Federal Officials, 1998*, CRS Report 97-880 GOV; *Salaries of Federal Officials*, CRS Report 97-164 GOV; and *Salary of the President Compared With That of Other Federal Officials*, CRS Report 97-761 GOV, all by Sharon S. Gressle (Washington: Sept. 24, 1997; Dec. 4, 1997; and Aug. 7, 1997), 6p.; 2p.; and 6p.

³ See: U.S. Library of Congress, Congressional Research Service, *Salaries of Members* (continued...)

In January 1997, federal white-collar employees received combined annual and locality pay adjustments ranging from 2.24% in the Dayton pay area to 4.66% in the Minneapolis pay area. In the Washington, D.C. pay area, the combined adjustment was 3.33%. The cost of both pay adjustments was about \$2.3 billion dollars.⁴

FEPCA has never been implemented as originally enacted. In 1994, the annual ECI-based pay adjustment was not provided and, in 1995, 1996, and 1998 reduced amounts of the annual adjustment were provided. For the years 1995 through 1998, reduced amounts of the locality payments were provided.

1998 Pay Increases

Federal white-collar employees are to receive an annual pay adjustment and a locality-based comparability payment under the Federal Employees Pay Comparability Act (FEPCA).⁵ They received a 2.3% annual pay adjustment and a locality-based comparability payment, averaging about 0.5% of the General Schedule payroll, in January 1998 under an alternative plan issued by President Clinton on August 29, 1997.⁶ The cost of both pay adjustments is about \$2.2 billion dollars. The alternative plan was implemented by Executive Order 13071, signed by President Clinton on December 29, 1997.⁷

The pay adjustment is calculated as follows. First, the basic General Schedule (GS) is increased by the annual adjustment percentage, resulting in a new GS schedule. These new basic GS rates are then increased by the locality payment. The resulting pay rates (annual + locality) are compared with the 1997 pay rates (annual + locality) to derive the net increase in pay for 1998. For example, in the Washington, D.C. pay area, for an employee at GS-9, step 1, the 1997 basic GS rate of \$29,577 is multiplied by 2.3% to determine the 1998 basic GS rate of \$30,257. This 1998 basic GS rate of \$30,257 is then multiplied by the 1998 locality rate for Washington, D.C., 7.27%, to determine a GS salary with locality pay applied of

³(...continued)

of Congress: payable rates and effective dates, 1789-1998, CRS Report 97-1011; *Salaries and Allowances: The Congress*, CRS Report 97-659 GOV; *Salaries of Members of Congress: Congressional Votes, 1990-1997*, CRS Report 97-615 GOV; and *Salaries of Members of Congress: An Overview*, CRS Report 95-898 GOV all by Paul E. Dwyer (Washington: Nov. 18, 1997; June 27, 1997; Nov. 5, 1997; and Oct. 8, 1997), 5p., 13p., 9p., and 22p.

⁴ For the 1997 salary adjustments see: U.S. Library of Congress, Congressional Research Service, *Federal Pay: FY1997 Salary Adjustments*, by Barbara L. Schwemle, CRS Report 96-705 GOV (Washington: Dec. 31, 1996), 6 p.

⁵ 104 Stat. 1427.

⁶ U.S. President (1993-), Clinton, Letter to Congressional Leaders Transmitting an Alternative Plan for Federal Civilian Employee Pay Adjustments, August 29, 1997, *Weekly Compilation of Presidential Documents*, v. 33, Sept. 1, 1997, pp. 1269-1270.

⁷ U.S. President, 1993- (Clinton), Executive Order 13071, Adjustments of Certain Rates of Pay, *Federal Register*, vol. 62, Dec. 31, 1997, pp. 68521-68530.

\$32,457. To determine the net annual and locality pay adjustment, the percentage change between the 1998 GS salary with locality pay applied, \$32,457, and the 1997 GS salary with locality pay applied, \$31,680, is calculated. The percentage change between the two salaries is 2.45% for January 1998.

Annual Pay Adjustment

Federal employees under the General Schedule (GS), Foreign Service Schedule, and Veterans Health Administration Schedule receive the annual pay adjustment. The President extended the annual adjustment to the Senior Executive Service and the Senior Foreign Service. Individuals in senior-level and scientific and professional positions may receive the annual adjustment at the discretion of agency heads. Administrative law judges and contract appeals board members will receive an annual adjustment because Executive Schedule pay is being adjusted as well.

Although the federal pay adjustments are sometimes referred to as cost-of-living adjustments, neither the annual adjustment nor the locality payment has anything to do with living costs. The annual pay adjustment is based on the Employment Cost Index (ECI), which measures the change in private sector wages and salaries. Basic pay rates are to be increased by an amount that is 0.5% less than the percent by which the ECI, for the quarter ending September 30 of the year before the preceding calendar year, exceeds the ECI for that same quarter of the second year (if at all). The ECI required a 2.8% annual pay adjustment in January 1998. This reflected the September 1995 to September 1996 change in private sector wages and salaries of 3.3% minus .5%, which equals 2.8%.⁸ The annual pay adjustment is effective as of the first day of the first applicable pay period beginning on or after January 1 of each calendar year.

The Federal Employees Pay Comparability Act (FEPCA) authorizes the President to issue an alternative plan calling for a different percentage than the ECI requires for reasons of national emergency or serious economic conditions affecting the general welfare. The alternative plan must be submitted to Congress before September 1 preceding the scheduled effective date of the adjustment.⁹ For January 1998, President Clinton issued an alternative plan covering both the annual and locality pay adjustments on August 29, 1997. Under that plan, a reduced annual adjustment of 2.3% is being provided.

Locality-Based Comparability Payments

GS employees receive the locality-based comparability payments. The Pay Agent¹⁰ extended those payments to the Foreign Service, including the Senior

⁸ U.S. Dept. of Labor, Bureau of Labor Statistics, *Employment Cost Index) September 1996*, (Washington: Oct. 29, 1996), p. 11.

⁹ 104 Stat. 1429-1431; 5 U.S.C. 5301-5303.

¹⁰ The Pay Agent is comprised of the Secretary of Labor (Alexis Herman), Director of the Office of Management and Budget (Franklin Raines) and Director of the Office of (continued...)

Foreign Service, Senior Executive Service, and employees in senior-level, scientific and professional, administrative law judge, and contract appeals board member positions on December 4, 1997.¹¹ The locality-based comparability payments procedure was established by FEPCA. The payments are to be paid within each locality determined to have a pay disparity greater than 5%. When uniformly applied to General Schedule employees within a locality, the adjustment is to make their pay rates substantially equal, in the aggregate, to the rates paid to non-federal workers for the same levels of work in the same locality.

Under the law, the Bureau of Labor Statistics conducts surveys that document non-federal rates of pay in each of the pay areas. The survey results are submitted to OPM which serves as the Pay Agent's staff. OPM documents federal rates of pay in each of the pay areas and compares the non-federal and General Schedule salaries by grade for each pay area. The average salaries at each grade, both federal and non-federal, are then aggregated and compared to determine an overall average percentage pay gap for each area. By law, the disparity between non-federal and federal salaries is to be reduced to 5%. Therefore, the overall average percentage pay gaps for each pay area are adjusted to this level.

Under FEPCA as well, a certain percentage of the adjusted gap between General Schedule average salaries and non-federal average salaries in each pay area is to be closed each year. In January 1998, 60% of the gap was to be closed. This percentage was applied to the adjusted percentage gaps in each pay area to determine the locality rates recommended to the President by the Pay Agent, after receiving advice from the Federal Salary Council.¹²

The data on which the locality payments are based is 22 months old by the effective date of the adjustment. March 1996 data was used to determine the January 1998 locality payments. As of March 1996, the Federal Salary Council reported an overall gap between General Schedule average salaries and non-federal average salaries of 30.03%. The amount needed to reduce this disparity to 5%, as mandated by law, averaged 23.84% for 1998.¹³ The Council and the Pay Agent recommended

¹⁰(...continued)

Personnel Management (Janice Lachance, Acting).

¹¹ The President, by Executive Order, delegated to the Pay Agent the authority to extend locality-based comparability payments to certain categories of positions not otherwise covered. U.S. President (Clinton), "Delegating a Federal Pay Administration Authority," Executive Order 12883, *Federal Register*, vol. 58, Dec. 1, 1993, p. 63281.

¹² The Council is comprised of nine members. Three members generally recognized for their impartiality, knowledge, and experience in labor relations and pay policy, are William J. Sheffield, Chair; Anthony F. Ingrassia, Vice-Chair; and Margaret A. Coil. The other six members represent the Public Employee Department, AFL-CIO (John F. Leyden); American Federation of Government Employees (Bobby L. Harnage); National Treasury Employees Union (Robert M. Tobias); National Federation of Federal Employees (Sheila K. Velazco); American Federation of Government Employees, AFL-CIO (Peter A. Tchirkow); and the American Nurses Association (Geri Marullo).

¹³ Memorandum for the President's Pay Agent from the Federal Salary Council, *Level* (continued...)

1998 locality payments ranging from 11.14% in the “Rest of the United States” (RUS) pay area to 24.79% in the San Francisco pay area. The recommended locality payment for the Washington, D.C. pay area was 14.95%. The locality payments actually granted, however, are derived by comparing the 1997 locality payments with those recommended for 1998. This comparison would have resulted in actual locality increases, from 1997 to 1998, of 6.33% in RUS, 14.13% in San Francisco, and 7.84% in Washington, D.C..

FEPCA provides the President with the authority to fix an alternative level of locality-based comparability payments if, because of national emergency or serious economic conditions affecting the general welfare, he considers the level that would otherwise be payable to be inappropriate. At least one month before those comparability payments would be payable, he must prepare and transmit to Congress a report describing the alternative level of payments he intends to provide, including the reasons why that alternative level is necessary.¹⁴ President Clinton issued an alternative plan for both the January 1998 annual and locality pay adjustments on August 29, 1997. Under that plan, a locality payment costing about 0.5% of the GS payroll is being provided. Instead of the required phase-in rate of 60% to close the pay gap, the 1998 phase-in rate is 29.2%.

The President said that, absent his alternative plan, the locality-based comparability payment would have cost about 7.2% of payroll in 1998. When combined with the ECI-mandated annual pay adjustment of 2.8%, the total federal pay increase would have been about 10%. He said that granting the 10% pay increase required by statute would have cost \$7.9 billion in 1998 and would have been inconsistent with the agreement to balance the budget by 2002. The President also said that he granted the bulk of the increase as an annual adjustment because many federal employees do not receive locality pay. The FY1998 Treasury, Postal Service, and General Government appropriations bill, P.L. 105-61, was silent on the General Schedule pay adjustment.

President Clinton had proposed a 2.8% pay adjustment for federal employees in his FY1998 budget. The cost of the adjustment was estimated at \$2.2 billion. The budget document noted that, “the Administration will consult employee organizations and others before recommending how to allocate the civilian pay raise between locality pay and a national schedule adjustment.”¹⁵

Combined Annual and Locality Adjustments

¹³(...continued)

of Comparability Payments for January 1998, (Washington: Oct. 16, 1996), 7 p. and *Report on Locality-Based Comparability Payments for the General Schedule, Annual Report of the President’s Pay Agent* (Washington: 1996), 25 p.

¹⁴ 104 Stat. 1429-1436, as amended by 106 Stat. 1355-1356 and 1360; 5 U.S.C. 5301-5302 and 5304-5304a.

¹⁵ U.S. Executive Office of the President, Office of Management and Budget, *Budget of the United States Government Fiscal Year 1998*, (Washington: GPO, 1997), p. 39.

The net annual and locality pay increases for January 1998 range from 2.44% in the Indianapolis pay area to 6.52% in the Hartford pay area. In the Washington, D.C. pay area, the net increase is 2.45%. There are two new discrete pay localities in 1998: Hartford, CT, and Orlando, FL. New London, CT is included in the Hartford pay area. As in previous years, Santa Barbara County and a portion of Edwards Air Force Base are included in the Los Angeles pay area, and St. Mary's County is included in the Washington, D.C. pay area. Areas with pay gaps below the pay gap in RUS will receive the same pay adjustment as RUS. Therefore, Orlando is included with RUS in 1998.

Looking at just the locality payments authorized, sixteen pay areas) Boston, Chicago, Cincinnati, Denver, Detroit, Hartford, Houston, Los Angeles, Miami, Minneapolis, New York, Philadelphia, Sacramento, San Diego, San Francisco, and Seattle) received larger locality pay rates than Washington, D.C., in January 1998. Receiving lesser locality pay rates than Washington, D.C., were 15 pay areas) Atlanta, Cleveland, Columbus, OH, Dallas, Dayton, Huntsville, Indianapolis, Kansas City, Milwaukee, Orlando, Pittsburgh, Portland, OR, Richmond, St. Louis, and the "Rest of the United States."

Looking at the combined annual and locality adjustments, 30 pay areas received larger combined increases than Washington, D.C.. Only Indianapolis received a lower combined increase than Washington, D.C. According to OPM, this occurred because the targets to reduce the pay gaps to 5%, as mandated by FEPCA, increased in each of the pay areas except for Washington, D.C., and Indianapolis where the targets declined. Specifically, the target gap in Washington, D.C., declined from 25.12% for the 1997 adjustment to 24.91% for the 1998 adjustment.

Blue-collar workers under the Federal Wage System (FWS) receive a prevailing rate adjustment that is tied to the federal white-collar pay adjustment. Pay for these workers will be adjusted by up to 2.88% on the effective dates of the 1998 FWS pay schedules. Special rate employees, including those receiving law enforcement officer special rates, receive either the special rate or the locality payment, whichever is higher. Federal employees in Alaska, Hawaii, and outside the continental United States receive a cost of living allowance rather than locality pay.¹⁶

Despite concerns expressed by the Clinton Administration in 1993 that the methodology for locality pay was flawed, no proposals have been made to change the

¹⁶ 5 U.S.C. 5941 note, as amended by sec. 515 of P.L. 105-61 (111 Stat. 1306), provides that the allowance cannot be reduced through December 31, 2000, and mandates that OPM propose adjustments to the methodology to Congress by March 1, 2000. OPM is to study the issue and submit a report to Congress proposing appropriate changes in the method of fixing compensation for affected employees, including any necessary legislative changes. The study will include an examination of the pay practices of other employers in the affected areas; a consideration of alternative approaches to dealing with the unusual and unique circumstances of the affected areas, including modifications to the current methodology for calculating allowances to take into account all cost of living in the geographic areas of the affected employee; and an evaluation of the likely impact of the different approaches on the government's ability to recruit and retain a well-qualified workforce.

federal pay law. A 1993 draft memorandum from the Pay Agent to the Federal Salary Council concluded that “the current methodology is flawed because the completeness of the data varies greatly among survey areas, because the gaps are not credible in light of other labor market indicators, and because the single percentage adjustment for all jobs in a locality is a poor reflection of market realities.”¹⁷

105th Congress Legislation

H.R. 1240 has been introduced in the House to provide administrative law judges (ALJs) an annual pay adjustment at the same time and of the same amount as the General Schedule annual pay adjustment. The bill was introduced by Representative George Gekas on April 8, 1997. ALJ annual pay adjustments are linked to Executive Schedule (EX) pay and, under FEPCA, ALJ pay rates were established as a percentage of EX pay levels.¹⁸ Those base pay rates range from 65% of EX level IV to 100% of EX level IV and as of January 1998 pay from \$76,960 to \$118,400. Prior to the January 1998 adjustment, the base pay schedules for ALJs had been in effect since January 1993. Upon introducing the bill, Representative Gekas said that, “Through no fault of their own, ALJ salaries were included as a percentage of the Executive Schedule, which includes Members of Congress and Cabinet Secretaries.... Many of the younger administrative law judges have fallen behind the rates of pay of their former Government colleagues. Senior Government attorneys paid under the General Schedule and the Senior Executive Service have received pay adjustments during the same period which has caused their rates of pay to exceed that of administrative law judges.” According to Mr. Gekas, the cost of the bill is estimated at \$4 million.¹⁹

Although ALJs are not automatically entitled to a locality-based comparability payment, the Pay Agent has extended it to ALJs since January 1994, the first year for the payments. ALJ pay, with the locality adjustment included, ranges from \$82,555 to \$125,900 for the Washington, D.C. pay area and from \$81,131 to \$124,817 for the RUS pay area as of January 1998. By law, total pay for ALJs is capped at EX level III, currently \$125,900.

Section 118 of P.L. 105-61, Treasury, Postal Service, and General Government appropriations bill for FY1998, simplified and consolidated the pay system for the United States Secret Service Uniformed Division.²⁰ Originally introduced as S. 998 by Senator John Warner on July 9, 1997, the bill established a new pay schedule. Base pay will be adjusted annually at the same time and by the same amount as the General Schedule annual pay adjustment. Locality-based comparability payments are authorized, but base and locality pay cannot exceed EX level IV, currently \$118,400. Pay, disregarding any comparability payment, cannot exceed EX level V, currently \$110,700.

¹⁷ Draft memorandum from the President’s Pay Agent to Anthony F. Ingrassia, Acting Chairman, Federal Salary Council, [March 1993].

¹⁸ 104 Stat. 1427 at 1445-1447.

¹⁹ *Congressional Record*, daily edition, vol. 143, April 8, 1997, pp. E595-E596.

²⁰ 111 Stat. 1285-1289.

OPM has preliminarily calculated the impact of the provision. The Assistant Chief would receive a promotion resulting in a pay increase of 12% to 19%. The Chief would receive a promotion amounting to a pay increase of 9% to 16%. The Secret Service calculated the total cost of the change at \$150,000²¹

Congressional Budget Office Study

The Congressional Budget Office (CBO) compared federal salaries with those in the private sector in a July 1997 memorandum.²² The analysis was limited to federal pay—that is, cash wages—and used the human-capital method, which compares employees on the basis of education, skill, and work experience. The CBO analysis added the characteristics of worker aptitude and job tenure. CBO wanted to examine the apparent contradiction between Bureau of Labor Statistics (BLS) studies which, on the one hand, “show federal salaries lagging well behind those outside of government” and studies by labor-market analysts which, on the other hand, “have maintained that federal employees are substantially overpaid.” The BLS studies focus on pay for similar jobs while the labor-market studies focus on human-capital.

CBO provides two explanations for the differing viewpoints on federal pay. First, the gap between federal and private-sector salaries may have been overstated in previous comparisons of human-capital. CBO’s “more fully developed” comparisons “show no significant difference in federal and private-sector salaries for employees who have similar characteristics.” Second, the federal government and the private-sector employ workers differently. According to CBO, “the federal government in many cases appears to place employees with given levels of education, experience, and other human-capital characteristics in higher-ranking positions than the private sector.” This may occur CBO says because “uncompetitive salaries will not allow [federal managers to] attract the same kind of experience, education, and other qualities that private firms get.” Additionally, “Federal managers may also promote employees to positions for which a private firm would not consider them in order to raise pay and make salaries more competitive.”

According to CBO, its analysis shows that the government neither over nor underpays. “The government gets less human capital for some jobs because it pays less for those jobs, but that for what it does get, it pays about the right amount.”²³

²¹ Letter from Edward S. Knight, General Counsel, U.S. Department of the Treasury to Speaker of the House of Representatives Newt Gingrich, April 17, 1997, 4p.

²² U.S. Congressional Budget Office, *CBO Memorandum, Comparing Federal Salaries With Those in the Private Sector* (Washington: July 1997), 31p.

²³ *Ibid.*, p. v, 16-17.

Table 1. January 1998 Pay Increases Ranked From Highest to Lowest

Pay Areas	Locality Payments	Net Locality Increase	Net Combined (Annual [2.3%]/ Locality) Increase
Hartford	9.13%	4.32%	6.52%
Denver	8.46%	1.40%	3.64%
San Francisco	12.06%	1.40%	3.59%
Detroit	9.36%	1.22%	3.45%
Pittsburgh	6.21%	1.14%	3.41%
Miami	7.86%	1.12%	3.37%
Sacramento	7.64%	1.08%	3.34%
Chicago	9.21%	1.08%	3.32%
Portland, OR	7.17%	1.04%	3.30%
Kansas City	6.06%	0.96%	3.23%
Cincinnati	7.71%	0.96%	3.22%
San Diego	7.94%	0.87%	3.13%
Richmond	6.12%	0.85%	3.13%
Cleveland	6.35%	0.84%	3.11%
Los Angeles	10.31%	0.85%	3.09%
Minneapolis	7.32%	0.79%	3.06%
Seattle	7.34%	0.72%	2.99%
Huntsville	5.84%	0.66%	2.94%
Boston	8.61%	0.64%	2.91%
Orlando	5.42%	0.61%	2.90%
Rest of the U. S.	5.42%	0.61%	2.90%
Milwaukee	6.19%	0.61%	2.89%
New York	9.76%	0.61%	2.87%
St. Louis	5.71%	0.53%	2.82%
Dayton	6.19%	0.53%	2.81%
Atlanta	6.18%	0.53%	2.81%
Dallas	6.90%	0.50%	2.78%
Houston	11.96%	0.44%	2.70%
Philadelphia	7.67%	0.39%	2.67%
Columbus, OH	6.90%	0.28%	2.57%
Washington, D.C.	7.27%	0.16%	2.45%
Indianapolis	5.63%	0.14%	2.44%
Average	6.94%	--	2.84% (Local Rate)

Note: General Schedule salary tables for 1998 are available on the Internet at <http://www.opm.gov>. The average local rate is offset by employees who do not receive locality pay.