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Salary Trends DOCUMENT COLLECTION

**FEDERAL CLASSIFIED
EMPLOYEES, 1939-64**

Bulletin No. 1444



UNITED STATES DEPARTMENT OF LABOR
W. Willard Wirtz, Secretary

BUREAU OF LABOR STATISTICS
Ewan Clague, Commissioner

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Salary Trends

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May 1965



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Preface

This report presents indexes tracing salary trends for Federal Classified Employees for the period 1939-64.

It includes materials previously published as Wage Movements, Series 3, No. 6, "Federal Classified Employees: Salary Trends, 1939-50" and seven supplementary reports from the Monthly Labor Review of May 1951, May 1952, September 1953, April 1955, February 1959, May 1961, and October 1964, and two additional supplements for 1957 and 1960-61, which brought the original study up to date through 1964. This revised report is intended merely to incorporate the information for the entire period into one document rather than to present any information not previously published.

The appendix to this report explains the coverage, methods, and source of data used for the studies. A description of the calculation of the indexes is also included.

The salary trends program is directed by Lily Mary David, Chief of the Division of Wage Economics, under the general direction of L. R. Linsenmayer, Assistant Commissioner for Wages and Industrial Relations. This report was prepared under the supervision of Albert A. Belman. The analysis for the period 1960 to 1964 was prepared by Jeanne Griest.

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Salary Trends:

Federal Classified Employees, 1939—50

BASIC SALARY SCALES of Federal classified employees increased 55 percent, on the average, between August 1939 and July 1950. The merit increases in pay within the same grade (occupational classification) added to the rise in basic scales raised average salary rates 60 percent for this period. Average salaries showed an 83-percent increase; this third measure of salary changes takes into account the growth in the proportion of workers at higher salary rates as well as basic scale and merit increases. The rise in basic scales and salary rates, August 1939 to July 1950, lagged behind the increase in the Consumers' Price Index; average salaries rose slightly more than the index.

Salaries discussed here are those of about 800,000 per annum employees subject to the Federal classification acts; these workers perform mainly clerical, administrative, and professional functions.¹ The present study is the third in a series presenting indexes of wage and salary rates of various groups of workers in nonmanufacturing employment.² For Federal classified workers, the salary rate indexes reflect changes in basic salary scales and merit increases within the same occupational classification. However, shifts in occupational composition resulting from changes and expansion in governmental activity during the period covered by this report have affected average salaries as distinguished from salary rates. Consequently, indexes of average salaries, reflecting the combined effect of all these factors, are also presented.

Since the effect of either merit increases or changes in grade composition on Federal workers' pay will vary from period to period, depending on rates of hiring and promotion, there is interest in a measure of salaries unaffected by either of these factors. Accordingly, a Civil Service Commission measure of basic salary changes alone is incorporated in table 1.

Basic Scales and Salary Rates

Practically all of the 55-percent rise in basic pay scales and of the 60-percent increase in average

salary rates occurred after June 1945. Congressional action increased basic pay scales in July 1945, in July 1946, and in July 1948; in addition, a revision of the classification system in October 1949 included some changes in these basic scales. Up to June 1945, both basic pay scales and average salary rates had risen only about 1 percent as a result of increased scales for certain of the lower grades.³

Most of the rise in average salary rates which is attributable to merit increases also occurred after the war, although legislation in 1941 provided uniform standards for merit increases in pay for those remaining in the same position more than a specified amount of time.⁴ During World War II, force expansion and rapid turn-over, which required hiring large numbers of workers at minimum grade rates, caused a decline of average pay in some grades.⁵ After the war, reduced Federal employment under a policy of seniority retention augmented the effect of merit increases; consequently, average salaries in each grade advanced somewhat more than basic pay scales.

¹ In addition the data include smaller groups in so-called subprofessional categories and in craft, protective, and custodial jobs. The other groups of Federal civilian employees, excluded from the present report, are the per diem workers, postal employees, and the so-called "blue collar" workers whose earnings are fixed by wage-board action.

² Previous studies relate to policemen and firemen in large cities (Monthly Labor Review, June 1950, p. 633), and urban public school teachers (Monthly Labor Review, March 1951, p. 296).

³ Grades CPC (crafts, protective, custodial) 1-8 and P 2 (subprofessional) 1 and 2.

⁴ Prior to 1941, increases in pay to workers within the same grade were determined by administrative action subject to certain limitations on their effect on individual agency payroll costs. In 1941, they were made automatic, providing a certain efficiency rating was obtained. For a description of legislation and regulations affecting salaries and working conditions of workers covered by the Classification Acts see Monthly Labor Review, March 1951 (p. 296).

⁵ The contrast between the two periods illustrates the variation in the net effect of these merit increases that occur from time to time depending on whether Federal employment is expanded or contracted and on whether there are opportunities for promotion. New workers or workers promoted to new jobs are generally paid at the minimum scales for the grade and hence the average salaries for a given grade will be reduced in periods of expansion. In periods of contraction workers with greater seniority, who have received more merit increases in pay than new workers, are retained; hence, average salary rates will increase even in the absence of changes in basic pay scales.

TABLE 1.—Indexes of basic pay scales, average salary rates, and average salaries of workers covered by Federal Classification Acts, 1939–50

Period	Basic pay scales ¹			Average salary rates ¹			Average salaries ²		
	All workers	General schedule	Crafts, protective, custodial	All workers	General schedule	Crafts, protective, custodial	All workers	General schedule	Crafts, protective, custodial
Aug. 1939 (base).....	100.0	100.0	100.0	100	100	100	100	100	100
June 30, 1945.....	101.1	100.2	110.1	³ 101	⁴ 100	³ 110	(⁴)	(⁴)	(⁴)
July 1, 1946.....	133.8	131.9	146.9	133	131	149	143	136	154
July 1, 1947.....	133.8	131.9	146.9	135	133	152	150	144	154
July 15, 1948.....	148.5	145.7	168.3	151	149	176	168	160	178
July 1, 1949.....	148.5	145.7	168.3	152	150	177	170	163	180
July 1, 1950.....	154.6	151.5	176.0	160	158	189	183	175	192

¹ Merit increases in pay within the same grade, which affect the average-salary-rate indexes, compiled by the Bureau of Labor Statistics, have been excluded from the basic-pay-scale indexes, compiled by the Civil Service Commission. Both these index series exclude the effects of changes in the distribution of workers among grades.

² In addition to showing the effect of increases in basic salary scales and of merit increases in pay within the same grade, these indexes are influenced by shifts in the proportion of workers among grades.

³ Estimated by assuming the same distribution of employees among grades and steps within grades in 1939 as in 1945—i. e., by assuming that the change in basic pay scales and in average salary rates was the same during this period. It is known that during this period there was little or no increase in average rates because of merit increases.

⁴ Not available.

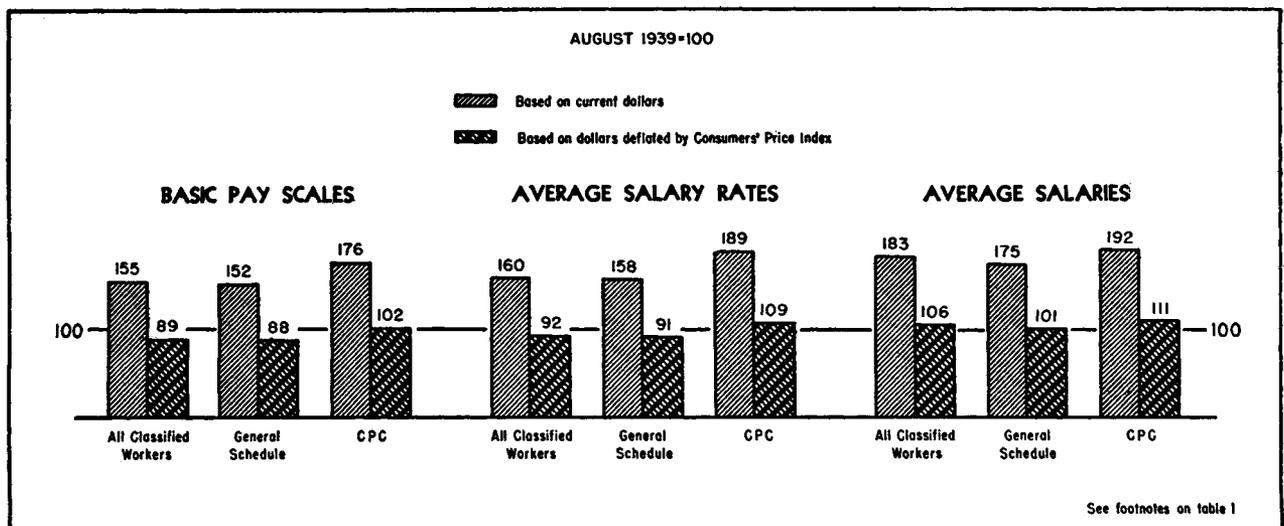
The effect of merit raises on average salary rates in the postwar period was overshadowed by increases in basic pay scales, except between mid-1946 and mid-1947 and again between mid-1948 and mid-1949, when pay scales were not changed. Between June 1945 and July 1946, salary rates increased by nearly 32 percent almost entirely because of 2 pay raises—effective July 1, 1945, and July 1, 1946, respectively. The rise in the 1948 indexes was dominated by the uniform \$330 increase in scales put into effect in the first half of July 1948. By July 1, 1950, salaries had risen approximately 5 percent more (8 index points), primarily because of the Classification Act of October 1949.

Although the principal objective of the classification act was a realignment of salary scales, it

did provide increases in minimum base rates ranging, in most cases, from \$100 to \$175. It also added 3 grades to the top of the salary scale. Over the entire 1945–50 period covered, all but about a twelfth of the 58 percent rise in average salary rates resulted from increased basic pay scales.

Salaries have increased proportionately more in the lower than in the higher grades. Most of the legislation either specifically provided higher percentage increases in pay for the lower than the higher grades of classified employees or uniform dollar increase in salaries regardless of grade; the latter, of course, resulted in a higher percentage increase for the lower salary levels. Thus, the indexes for the crafts, protective, and custodial group, whose salaries are at the lower end of

Indexes of Salaries of Classified Federal Workers, July 1950



the scale (CPC), are higher than those for the general schedule (GS). (See table 1.) Basic pay scales for the "CPC" group rose 76 percent and for the "GS" group (formerly clerical, administrative, fiscal, and professional workers) 52 percent, between 1939 and 1950. Salary rate increases for these groups averaged, respectively, 89 percent and 58 percent.

Within each of the two broad groups, increases for the lower salary grades were also greater, percentage-wise, than for the higher levels. This is illustrated for the clerical, administrative, fiscal, and professional group by table 2, which shows salary trends for 3 grades within the General Schedule (GS-3, GS-9, GS-13). Between 1939 and 1950, average pay rose 70 percent for grade GS-3, compared with less than 40 percent for GS-13. Table 2 also shows that for CPC-2 (the lowest grade in which a substantial number of workers are currently employed), pay nearly doubled. Changes between 1939 and 1950 for all GS and CPC grades are shown in table 3.

TABLE 2.—Changes in minimum and average salaries¹ for selected grades under Federal Classification Acts, 1939-50

Service and grade	August 1939	June 1945	July 1, 1946	July 1, 1947	July 15, 1948	July 1, 1949	July 1, 1950
	Indexes (August 1939=100)						
CPC-2:							
Minimum salary rate.....	100	111	156	156	187	187	196
Average salary ¹	100	(²)	151	153	183	183	198
GS-3:							
Minimum salary rate.....	100	100	134	134	154	154	164
Average salary ¹	100	(²)	133	136	157	158	170
GS-9:							
Minimum salary rate.....	100	100	130	130	140	140	144
Average salary ¹	100	(²)	130	131	143	144	149
GS-13:							
Minimum salary rate.....	100	100	127	127	133	133	136
Average salary ¹	100	(²)	126	127	133	134	137
Dollars							
CPC-2:							
Minimum salary rate.....	1,080	1,200	1,690	1,690	2,020	2,020	2,120
Average salary ¹	1,166	(²)	1,756	1,783	2,129	2,139	2,307
GS-3:							
Minimum salary rate.....	1,620	1,620	2,168	2,168	2,498	2,498	2,650
Average salary ¹	1,683	(²)	2,238	2,287	2,638	2,659	2,866
GS-9:							
Minimum salary rate.....	3,200	3,200	4,150	4,150	4,480	4,480	4,600
Average salary ¹	3,298	(²)	4,279	4,334	4,723	4,754	4,923
GS-13:							
Minimum salary rate.....	5,600	5,600	7,102	7,102	7,432	7,432	7,600
Average salary ¹	5,793	(²)	7,300	7,345	7,727	7,752	7,931

¹ Average salaries were obtained by weighting each salary step within the grade by the number of employees at that step. In other words, they reflect the effect of increases in basic salary scales and of merit increases in pay within the grade for each period.

² Average salary data for individual grades not available.

Average Salaries and Gross Earnings

Changes in the proportion of workers at various grades within the classification system resulted in a greater rise in the index of average salaries than

was shown in the indexes of salary rates or basic salary scales just described. As previously indicated, the combined influence of rate increases and changes in occupational or grade composition advanced average salaries by 83 percent between 1939 and 1950. For each period for which data are available, the rise in average salaries for the entire group of workers covered by this report, was greater than the change in salary rates alone.

During World War II, "gross" earnings of Federal workers (that is, earnings including overtime pay) also showed substantially different trends from salary rates. During the period when salary scales were stable, overtime pay became a major source of additional earnings. The workweek for employees covered by the Classification Act was increased to 48 hours from December 1942 to June 1945, with extra pay being provided for most employees.⁶ A 44-hour week was widely substituted in July 1945⁷ and the 40-hour week was generally introduced in September 1945.⁸ It is estimated that in June 1945, when the 48-hour week was still in effect, overtime pay augmented earnings of employees under the Classification Act by roughly 20 percent.

From September 1945 through mid-1950, overtime was paid only to a limited number of workers in emergencies; thus, the recent trend in straight-time and gross earnings can be assumed to be practically the same. Since hostilities started in Korea, however, the amount of regularly scheduled overtime work in some of the defense agencies has increased.

Changes in "Real" Salaries

Average salaries of classified employees rose slightly more than the Bureau of Labor Statistics' Consumers' Price Index over the period August 1939 to July 1950, but salary scales and rates (pay for the same type of work) lagged behind living costs. Salary scales and rates of classified employees deflated by the CPI, were only about nine-tenths as high in July 1950 (the date of the latest annual salary survey for Federal workers) as they had been in 1939. Since that time, the gap between the CPI and salary scales and rates has been widened further by rising prices.

⁶ The workweek had been increased from 39 to 44 hours early in 1942 without any increase in earnings. Those receiving basic salaries of over \$5,000 were not paid overtime; others received time and a half on that part of their salaries up to \$2,000.

⁷ At that time there was an increase in overtime rates.

⁸ The increases in salary scales made in 1945 and 1946 were intended at least in part to compensate for the reduction in earnings by elimination of overtime compensation.

TABLE 3.—Changes in minimum and average salaries¹ under the Classification Acts, by grade, 1939 and 1945-50

Service and grade	August 1939	June 1945	July 1, 1946	July 1, 1947	July 15, 1948	July 1, 1949	July 1, 1950
	Indexes (August 1939=100)						
General Schedule:							
GS-1:							
Minimum salary rate ² -----	100	107	149	149	177	177	190
Average salary ¹ -----	100	(³)	151	152	179	180	193
GS-2:							
Minimum salary rate -----	100	100	136	136	159	159	170
Average salary ¹ -----	100	(³)	135	138	162	163	177
GS-3:							
Minimum salary rate -----	100	100	134	134	154	154	164
Average salary ¹ -----	100	(³)	133	136	157	158	170
GS-4:							
Minimum salary rate -----	100	100	133	133	151	151	160
Average salary ¹ -----	100	(³)	133	135	154	155	166
GS-5:							
Minimum salary rate -----	100	100	132	132	149	149	155
Average salary ¹ -----	100	(³)	132	136	154	154	162
GS-6:							
Minimum salary rate -----	100	100	131	131	146	146	150
Average salary ¹ -----	100	(³)	131	135	150	150	157
GS-7:							
Minimum salary rate -----	100	100	131	131	143	143	147
Average salary ¹ -----	100	(³)	130	134	148	149	154
GS-8:							
Minimum salary rate -----	100	100	130	130	142	141	145
Average salary ¹ -----	100	(³)	129	133	146	147	151
GS-9:							
Minimum salary rate -----	100	100	130	130	140	140	144
Average salary ¹ -----	100	(³)	130	131	143	144	149
GS-10:							
Minimum salary rate -----	100	100	129	129	139	139	143
Average salary ¹ -----	100	(³)	129	131	141	142	146
GS-11:							
Minimum salary rate -----	100	100	129	129	138	138	142
Average salary ¹ -----	100	(³)	128	130	140	140	144
GS-12:							
Minimum salary rate -----	100	100	128	128	136	136	139
Average salary ¹ -----	100	(³)	127	128	136	137	141
GS-13:							
Minimum salary rate -----	100	100	127	127	133	133	136
Average salary ¹ -----	100	(³)	126	127	133	134	137
GS-14:							
Minimum salary rate -----	100	100	126	126	131	131	135
Average salary ¹ -----	100	(³)	123	124	130	130	134
GS-15:							
Minimum salary rate -----	100	100	125	125	129	129	131
Average salary ¹ -----	100	(³)	118	118	122	122	125
Crafts, Protective, and Custodial:							
CPC-1:							
Minimum salary rate -----	100	120	180	180	235	235	252
Average salary -----	100	(³)	168	168	218	223	239
CPC-2:							
Minimum salary rate -----	100	111	156	156	187	187	196
Average salary -----	100	(³)	151	153	183	183	198
CPC-3:							
Minimum salary rate -----	100	110	152	152	179	179	188
Average salary -----	100	(³)	148	150	177	179	192
CPC-4:							
Minimum salary rate -----	100	114	153	153	178	178	186
Average salary -----	100	(³)	154	157	181	182	194
CPC-5:							
Minimum salary rate -----	100	112	150	150	172	172	178
Average salary -----	100	(³)	149	153	176	177	186
CPC-6:							
Minimum salary rate -----	100	111	147	147	167	167	173
Average salary -----	100	(³)	149	151	172	174	184
CPC-7:							
Minimum salary rate -----	100	110	145	145	163	163	168
Average salary -----	100	(³)	147	149	168	170	180
CPC-8:							
Minimum salary rate -----	100	110	145	145	161	161	170
Average salary -----	100	(³)	147	150	167	169	180
CPC-9:							
Minimum salary rate -----	100	100	142	142	157	157	164
Average salary -----	100	(³)	144	146	160	162	170
CPC-10:							
Minimum salary rate -----	100	100	140	140	153	153	160
Average salary -----	100	(³)	142	143	156	158	167

See footnotes at end of table.

TABLE 3.—Changes in minimum and average salaries¹ under the Classification Acts, by grade, 1939 and 1945-50—Continued

Service and grade	August 1939	June 1945	July 1, 1946	July 1, 1947	July 15, 1948	July 1, 1949	July 1, 1950
	Dollars						
General Schedule:							
GS-1:							
Minimum salary rate -----	\$1,180	\$1,260	\$1,756	\$1,756	\$2,086	\$2,086	\$2,240
Average salary ¹ -----	1,223	(³)	1,843	1,858	2,189	2,205	2,356
GS-2:							
Minimum salary rate -----	1,440	1,440	1,954	1,954	2,284	2,284	2,450
Average salary ¹ -----	1,489	(³)	2,016	2,053	2,407	2,420	2,639
GS-3:							
Minimum salary rate -----	1,620	1,620	2,168	2,168	2,498	2,498	2,650
Average salary ¹ -----	1,683	(³)	2,238	2,287	2,636	2,659	2,866
GS-4:							
Minimum salary rate -----	1,800	1,800	2,394	2,394	2,724	2,724	2,875
Average salary ¹ -----	1,867	(³)	2,475	2,526	2,880	2,897	3,103
GS-5:							
Minimum salary rate -----	2,000	2,000	2,645	2,645	2,975	2,975	3,100
Average salary ¹ -----	2,099	(³)	2,772	2,853	3,227	3,238	3,405
GS-6:							
Minimum salary rate -----	2,300	2,300	3,021	3,021	3,351	3,351	3,450
Average salary ¹ -----	2,414	(³)	3,158	3,255	3,626	3,625	3,780
GS-7:							
Minimum salary rate -----	2,600	2,600	3,397	3,397	3,727	3,727	3,825
Average salary ¹ -----	2,704	(³)	3,527	3,618	4,011	4,022	4,154
GS-8:							
Minimum salary rate -----	2,900	2,900	3,773	3,773	4,103	4,103	4,200
Average salary ¹ -----	3,020	(³)	3,903	4,021	4,417	4,431	4,553
GS-9:							
Minimum salary rate -----	3,200	3,200	4,150	4,150	4,480	4,480	4,600
Average salary ¹ -----	3,298	(³)	4,279	4,334	4,723	4,754	4,923
GS-10:							
Minimum salary rate -----	3,500	3,500	4,526	4,526	4,856	4,856	5,000
Average salary ¹ -----	3,620	(³)	4,672	4,728	5,100	5,141	5,279
GS-11:							
Minimum salary rate -----	3,800	3,800	4,902	4,902	5,232	5,232	5,400
Average salary ¹ -----	3,974	(³)	5,091	5,154	5,546	5,566	5,734
GS-12:							
Minimum salary rate -----	4,600	4,600	5,905	5,905	6,235	6,235	6,400
Average salary ¹ -----	4,797	(³)	6,107	6,107	6,539	6,584	6,759
GS-13:							
Minimum salary rate -----	5,600	5,600	7,102	7,102	7,432	7,432	7,600
Average salary ¹ -----	5,793	(³)	7,300	7,345	7,727	7,752	7,931
GS-14:							
Minimum salary rate -----	6,500	6,500	8,180	8,180	8,510	8,510	8,800
Average salary ¹ -----	6,850	(³)	8,417	8,473	8,875	8,917	9,150
GS-15:							
Minimum salary rate -----	8,000	8,000	9,975	9,975	10,305	10,305	10,500
Average salary ¹ -----	8,465	(³)	9,985	9,987	10,321	10,321	10,577
Crafts, Protective, and Custodial:							
CPC-1:							
Minimum salary rate -----	600	720	1,080	1,080	1,410	1,410	1,510
Average salary ¹ -----	690	(³)	1,160	1,156	1,502	1,540	1,648
CPC-2:							
Minimum salary rate -----	1,080	1,200	1,690	1,690	2,020	2,020	2,120
Average salary ¹ -----	1,166	(³)	1,756	1,783	2,129	2,139	2,307
CPC-3:							
Minimum salary rate -----	1,200	1,320	1,822	1,822	2,152	2,152	2,252
Average salary ¹ -----	1,290	(³)	1,904	1,929	2,282	2,303	2,477
CPC-4:							
Minimum salary rate -----	1,320	1,500	2,020	2,020	2,350	2,350	2,450
Average salary ¹ -----	1,400	(³)	2,159	2,159	2,540	2,549	2,710
CPC-5:							
Minimum salary rate -----	1,500	1,680	2,244	2,244	2,574	2,574	2,674
Average salary ¹ -----	1,580	(³)	2,354	2,415	2,778	2,793	2,943
CPC-6:							
Minimum salary rate -----	1,680	1,860	2,469	2,469	2,799	2,799	2,900
Average salary ¹ -----	1,721	(³)	2,560	2,607	2,964	2,997	3,163
CPC-7:							
Minimum salary rate -----	1,860	2,040	2,695	2,695	3,025	3,025	3,125
Average salary ¹ -----	1,918	(³)	2,812	2,867	3,219	3,269	3,460
CPC-8:							
Minimum salary rate -----	2,000	2,200	2,896	2,896	3,226	3,226	3,400
Average salary ¹ -----	2,118	(³)	3,114	3,184	3,527	3,575	3,812
CPC-9:							
Minimum salary rate -----	2,300	2,300	3,272	3,272	3,602	3,602	3,775
Average salary ¹ -----	2,442	(³)	3,507	3,567	3,911	3,960	4,161
CPC-10:							
Minimum salary rate -----	2,600	2,600	3,648	3,648	3,978	3,978	4,150
Average salary ¹ -----	2,709	(³)	3,850	3,886	4,222	4,291	4,523

¹ Average salaries were obtained by weighting each salary step within the grade by the number of employees at that step. In other words, they reflect the effect of increases in basic salary scales and of merit increases in pay within the grade for each period.

² The minimum was computed by weighting equally the base pay for each of the three grades (SP-1 and 2, CAF-1) which were combined under the General Schedule.

Average salary data for individual grades not available.

Federal Classified Employees' Salary Changes, 1950—51

GENERAL SALARY INCREASES legislated by the Eighty-second Congress raised the basic salary scales for Federal classified workers by 10 percent between July 1950 and July 1951. Because of an expansion in Federal employment during the period, two other measures of salary change for these employees—average salary rates and average salaries—showed smaller increases, 8.8 and 7.8 percent, respectively. (The indexes reflecting these percentage changes are shown in table 1.) The effect of the rise in basic pay scales on average salary rates was offset in part by a reduction in the proportion of workers receiving more than the minimum scale for their jobs. Average salaries were affected by these two factors and by an increase in the proportion of workers at some of the lower grades or occupations within the classified service.

The pay raise voted by Congress on October 24, 1951, was retroactive to the first pay period in the 1952 fiscal year—in the majority of cases, to July 8, 1951. Under the act the salary for each pay step within a grade was raised by 10 percent of the minimum for the grade. A flat \$300 increase was given in grades for which the minimum was below \$3,000; where the minimum was above \$8,000, the increase was \$800.

If this pay scale increase had not been effective during the year ending in July 1951, both average salary rates and average salaries would have decreased because of the expansion in the number of classified employees. Between July 1950, the termination date of the previous report on salary trends for Federal workers, and July 1951, the number of full-time workers subject to the Classification Acts increased by about 200,000 to a total of more than a million. Nearly 185,000 of the new employees were hired for positions covered by the "general schedule," which includes clerical, administrative, and professional work. More than three-fifths of these (about 114,000) were placed in three of the lowest pay grades (GS-2, 3, and 4). The consequence was an expansion in the proportion of workers employed at these job levels from 43.7 percent to 46.2 percent of all classified workers. The greater number of workers in these pay grades near the bottom of the

Federal scale, therefore, tended to reduce average salaries for all classified workers considered as a group. Moreover, new employees in the Federal service and those who are promoted to more responsible positions are, as a rule, started at the minimum pay rate of the grade in which they are placed. Consequently, during periods of expansion, the percentage of employees at the lower steps within a pay grade grows and the average salary for the grade is likely to decrease.

A 20-percent expansion (20,000 employees) occurred in the "crafts, protective, and custodial schedule" during the year ending in July 1951. Not only was the proportionate employment expansion somewhat smaller for these employees than for clerical, administrative, and professional workers, but the change in the distribution of these

TABLE 1.—Indexes of basic pay scales, average salary rates, and average salaries of employees covered by Federal Classification Acts, 1939-51

Period	Basic pay scales ¹			Average salary rates ¹			Average salaries ²		
	All employees	GS	CPC	All employees	GS	CPC	All employees	GS	CPC
August 1939=100									
August 1939.....	100.0	100.0	100.0	100	100	100	100	100	100
June 30, 1945.....	101.1	100.2	110.1	* 101	* 100	* 110	(³)	(³)	(³)
July 1, 1946.....	133.8	131.9	146.9	133	131	149	143	136	164
July 1, 1947.....	133.8	131.9	146.9	135	133	162	150	144	154
July 15, 1948.....	148.5	145.7	168.3	151	149	176	168	160	178
July 1, 1949.....	148.5	145.7	168.3	152	150	177	170	163	180
July 1, 1950.....	164.6	151.6	176.0	160	158	189	183	175	192
July 8, 1951.....	170.1	166.5	195.0	174	172	209	198	188	214
Average 1947-49=100									
August 1939.....	69.6	70.9	62.0	68	69	60	61	64	58
June 30, 1945.....	70.4	71.0	63.3	* 69	* 69	* 65	(³)	(³)	(³)
July 1, 1946.....	93.2	93.5	91.1	91	91	89	88	87	90
July 1, 1947.....	93.2	93.5	91.1	92	92	90	92	92	90
July 15, 1948.....	103.4	103.3	104.4	103	103	105	103	103	104
July 1, 1949.....	103.4	103.3	104.4	104	104	105	104	104	105
July 1, 1950.....	107.7	107.4	109.2	110	110	113	112	112	112
July 8, 1951.....	118.5	118.0	121.0	119	119	124	121	121	125

¹ Merit increases in pay within the same grade, which affect the average salary rate indexes, compiled by the Bureau of Labor Statistics, have been excluded from the basic pay scale indexes compiled by the Civil Service Commission. Both these index series exclude the effects of changes in the distribution of employees among grades.

² In addition to showing the effect of increases in basic salary scales and of merit increases in pay within the same grade, these indexes are influenced by shifts in the proportion of employees among grades.

³ Estimated by assuming the same distribution of employees among grades and steps within grades in 1939 as in 1945, i. e., by assuming that the change in basic pay scales and in average salary rates was the same during this period. It is known that except for grades 1 through 8 in the CPC schedule and the first grade of the present general schedule there was little or no increase in average rates between 1939 and 1945.

⁴ Not available.

TABLE 2.—Percentage increase in basic pay scales and in average salary rates for Federal classified employees, by schedule and grade, 1950-51

Schedule and grade	Percentage increase		Schedule and grade	Percentage increase	
	Basic pay scales ¹	Average salary rates ²		Basic pay scales ¹	Average salary rates ²
<i>General schedule</i>			<i>Crafts, protective, custodial</i>		
All grades.....	9.9	8.7	All grades.....	10.8	10.3
1.....	13.1	10.2	1.....	19.1	13.5
2.....	11.7	8.4	2.....	12.9	13.5
3.....	10.6	8.8	3.....	12.1	12.3
4.....	9.7	9.5	4.....	11.1	11.0
5.....	9.2	8.1	5.....	10.5	7.2
6.....	9.2	8.8	6.....	9.6	8.4
7.....	9.2	8.2	7.....	8.9	9.1
8.....	9.3	8.5	8.....	8.9	8.7
9.....	9.4	8.6	9.....	9.0	9.6
10.....	9.5	8.8	10.....	9.1	10.1
11.....	9.5	8.7			
12.....	9.5	8.9			
13.....	9.6	9.1			
14.....	8.8	8.0			
15.....	7.7	6.3			
16.....	7.1	7.2			
17.....	6.5	6.2			
18.....	5.7	5.7			

¹ Basic pay scales are unaffected by merit increases or employment changes.

² For individual grades, the average salary rates and average salaries are the same. The two concepts differ only when applied to averages for all classified employees or for all grades within one schedule (GS or CPC) since they differ only in the weight assigned to the various grades in computing these group averages. Both measures are affected by changes in pay scales and merit increases in pay.

workers among steps within pay grades also differed: the proportion of employees at higher pay steps rose in half of the 10 "CPC" grades; in the other half the proportion at lower steps increased during the year. The greatest employment gain was recorded in the CPC-5 grade which increased by almost three-fifths.

The salary trend for all classified workers closely parallels that for the general schedule, which includes almost nine-tenths of all Federal classified workers. Basic salary scales for this general schedule rose 9.9 percent; average salary rates, 8.7 percent; and average salaries, 7.3 percent over the year. In each except two of the highest pay grades (GS-16 and GS-18), an increase in the number of new workers with a relatively short period of service (resulting in a decline in the average length of service in the grade) caused average salary rates to rise less than basic pay scales. Because average length of service increased in grade GS-16, the rise in salary rates was slightly higher than the increase in basic pay scales. Since grade GS-18 has only one rate, there can be no difference in the two measures. In the case of grade GS-2 average salary rates rose 3.3 percentage points, or about a fourth, less than basic pay scales (table 2).

Average salaries for crafts, protective, and custodial workers were 11.1 percent higher in July

1951 than in July 1950. Their basic salary scales and average salary rates increased 10.8 and 10.3 percent, respectively.

The minimum and maximum dollar limits to the increase in pay scales provided in the 1951 legislation resulted in proportionately greater and smaller pay increases for workers at the bottom and the top of the salary scale, respectively, than for the bulk of the classified workers. Moreover, since the increase in pay for most grades was 10 percent of the minimum pay for the grade, the percentage increase in basic pay scales for most grades was somewhat less—between 9 and 10 percent; the precise increase varied from grade to grade, primarily because of differing proportions of workers at various pay steps within the grade.

TABLE 3.—Changes in minimum and average salary rates¹ for selected grades under Federal Classification Acts, 1939-51

Service, grade, and type of salary rate	August 1939	June 1945	July 1, 1946	July 1, 1947	July 15, 1948	July 1, 1949	July 1, 1950	July 8, 1951
Indexes (August 1939=100)								
CPC-2:								
Minimum.....	100	111	156	156	187	187	196	224
Average....	100	(²)	151	153	183	183	198	225
GS-3:								
Minimum.....	100	100	134	134	154	154	164	182
Average....	100	(²)	133	136	157	158	170	185
GS-9:								
Minimum.....	100	100	130	130	140	140	144	158
Average....	100	(²)	130	131	143	144	149	162
GS-13:								
Minimum.....	100	100	127	127	133	133	136	149
Average....	100	(²)	126	127	133	134	137	149
Indexes (average 1947-49=100)								
CPC-2:								
Minimum.....	56	63	88	88	106	106	111	127
Average....	58	(²)	87	88	106	106	114	130
GS-3:								
Minimum.....	68	68	91	91	105	105	112	124
Average....	67	(²)	89	91	105	105	113	123
GS-9:								
Minimum.....	73	73	95	95	102	102	105	115
Average....	72	(²)	94	94	103	104	107	117
GS-13:								
Minimum.....	76	76	97	97	102	102	104	114
Average....	76	(²)	96	97	102	102	105	114
Dollars								
CPC-2:								
Minimum.....	1,080	1,200	1,690	1,690	2,020	2,020	2,120	2,420
Average....	1,166	(²)	1,756	1,783	2,129	2,139	2,307	2,618
GS-3:								
Minimum.....	1,620	1,620	2,168	2,168	2,498	2,498	2,650	2,950
Average....	1,683	(²)	2,238	2,287	2,638	2,659	2,866	3,119
GS-9:								
Minimum.....	3,200	3,200	4,150	4,150	4,480	4,480	4,600	5,060
Average....	3,298	(²)	4,279	4,334	4,723	4,754	4,923	5,346
GS-13:								
Minimum.....	5,600	5,600	7,102	7,102	7,432	7,432	7,600	8,360
Average....	5,793	(²)	7,300	7,345	7,727	7,752	7,931	8,652

¹ Average salary rates were obtained by weighting each salary step within the grade by the number of employees at that step. In other words, they reflect the effect of increases in basic salary scales and of merit increases in pay within the grade for each period. As indicated in footnote 2, table 2, average salaries and average salary rates are identical.

² Average salary rate data for individual grades not available.

The greater rise in basic salary scales than in other measures of salaries during 1950-51 contrasted sharply with the trend reported during previous years.¹ Over the entire period from 1939 to July 1951, basic salary scales rose 70 percent while average salary rates (table 3) advanced 74 percent and over-all salaries increased 98 percent (table 1).

Average salaries of classified employees and the Consumers' Price Index for moderate-income families in large cities increased by the same ratio between July 1950 and July 1951. Basic pay scales and average salary rates showed a slight gain over prices during the same period. For the entire span from 1939 to July 1951, however, average salaries rose slightly more than living costs but average salary rates and basic pay scales did not keep pace as shown in the following indexes. From July to December 1951, prices showed a further rise of nearly 2 percent or about 3.5 index points.

	Indexes (August 1939=100)		
	All Federal classified employees	General schedule	CPC schedule
<i>Basic pay scales</i> ¹			
Actual.....	170.1	166.5	195.0
Deflated by CPI, ² July 1951..	91.2	89.2	104.5
<i>Average salary rates</i> ³			
Actual.....	174	172	209
Deflated by CPI, ² July 1951..	93	92	112
<i>Average salaries</i> ⁴			
Actual ¹	198	188	214
Deflated by CPI, ² July 1951..	106	101	115

¹ Indexes show the effect of changes in pay scales only. The effects of merit increases in pay within the same grade and of changes in the distribution of employees among grades were eliminated by applying identical weights to each pay step within a grade in successive periods.

² The Consumers' Price Index was 186.6 in July 1951. Average 1939 was used as the base.

³ Indexes are affected by changes in salary scales and merit increases. The effect of changes in the proportion of employees at various grades was nullified by applying the same employment weights to average salaries in a grade in successive years.

⁴ In addition to showing the effect of increases in pay scales and of merit increases in pay within the same grade, indexes are influenced by shifts in the proportions of employees among grades.

No changes in method were introduced in this supplement to the basic study of salary trends for Federal classified employees. Two series of indexes are presented, however, for each of the salary measures. One is computed on a 1939 base for comparison with the indexes previously published, and the other uses an average 1947-49 base in accordance with the current Governmental policy of changing indexes to this new base wherever possible.

¹ It is possible that there was a similar development during the early World War II period when Federal employment expanded sharply; at that time average salary rates may have actually declined, but detailed salary information is not available for those years.

Federal Classified Employees' Salary Changes, 1951-52

BASIC SALARY SCALES of Federal employees covered by the Classification Acts were not changed during the year July 1951 to July 1952. But merit or in-grade salary increases over the same period did raise average pay slightly. This rise in average pay, however, was only two-tenths of 1 percent, because of the turnover in a number of pay classifications; the lower amounts paid for merit increases in some grades largely offset the higher amounts paid in others. Shifts in the proportion of employees performing various types of work, together with the merit increases, raised salaries of Federal classified workers by an average of 2.1 percent.

This average rise of 2.1 percent resulted, in part, from the addition of 31,000 professional and clerical employees (paid under the general schedule) and a reduction of approximately 3,000 employees in the crafts, protective, and custodial group (the CPC schedule). Workers in the second group are at the lower end of the Federal pay scale. Moreover, within each of the groups the number of higher-paid workers expanded proportionately more than that of lower-paid workers, with a resultant rise in average salaries. Among the general schedule workers, employment declined in grades 1 and 2, but increased in grades 3 to 15; and among the CPC workers, employment dropped in grades 2 to 5, but expanded in the higher grades. This situation contrasts with the previous year when most of the 200,000 workers added to the Federal classified service were hired at the lower grades.

The rise in the proportion of workers in every general schedule grade from 3 to 15 caused a 2-percent advance in average salaries of all clerical and professional workers grouped together. About 56,000 were added to these grades, compared with a reduction of 25,000 in grades 1 and 2.

Although there was essentially no change in merit or length-of-service pay increases when all general schedule grades were averaged together (as measured by average salary rates in table 1), length-of-service adjustments had significant effects on salaries in individual grades. (See table 2.) In the first 10 pay grades within the general

schedule, merit increases in pay raised average salary rates; the change amounted to \$3 in grades 4 and 9 and to as much as \$28 in grade 10.¹ In

TABLE 1.—Indexes of basic pay scales, average salary rates and average salaries of employees covered by Federal Classification Acts, 1939-52

[Average 1947-49=100]

Period	Basic pay scales ¹			Average salary rates ¹			Average salaries ²		
	All employees	General schedule	Crafts, protective, custodial	All employees	General schedule	Crafts, protective, custodial	All employees	General schedule	Crafts, protective, custodial
August 1939	69.6	70.9	62.0	68	69	60	61	64	58
June 30, 1945	70.4	71.0	68.3	69	69	65	(*)	(*)	(*)
July 1, 1946	83.2	83.5	91.1	81	91	89	88	87	90
July 1, 1947	83.2	83.5	91.1	82	92	90	92	92	90
July 15, 1948	103.4	103.3	104.4	103	103	105	103	103	104
July 1, 1949	103.4	103.3	104.4	104	104	105	104	104	105
July 1, 1950	107.7	107.4	109.2	110	110	113	112	112	112
July 8, 1951	118.5	118.0	121.0	119	119	124	121	121	125
July 1, 1952	118.5	118.0	121.0	119	119	125	124	123	127

¹ Merit increases in pay within the same grade, which affect the average salary rate indexes, compiled by the Bureau of Labor Statistics, have been excluded from the basic pay scale indexes compiled by the Civil Service Commission. Both the basic pay scale indexes and average salary rate indexes exclude the effects of changes in the distribution of workers among grades.

² In addition to showing the effect of increases in basic salary scales and of merit increases in pay within the same grade, these indexes are influenced by shifts in the proportions of workers among grades.

³ Estimated by assuming the same distribution of employees among grades and steps within grades in 1945 as in 1939. Since it is known that, during this period, there was little or no increase in average rates because of merit increases, it was reasonable to assume that the change in basic pay scales and average salary rates was virtually the same.

⁴ Not available.

contrast, average salaries decreased in grades GS-11 to GS-15, which include about 1 out of 10 workers in this schedule. These decreases in average salaries in the upper grades were progressively greater with each higher grade.²

¹ Actually the greatest increase in length of service occurred in grade 2, although the \$25 average increase in this grade was not the largest recorded. Merit or length-of-service increases for the first four grades are \$80 compared with \$125 for GS-5 to GS-10, and \$200 for most of the upper grades. The qualifying period for a merit or length-of-service increase is 12 months for all CPC grades and for grades GS-1 to GS-10; for higher grades it is 18 months.

² Because grades 16, 17, and 18 are subject to limitations not applicable to the other grades within the schedule, they are excluded from the general discussion.

TABLE 2.—Changes in average salary rates¹ of employees under the Federal Classification Acts, by grade, 1951–52

Schedule and grade	Average annual salary rate		Changes in average salary rate, 1951 to 1952	
	1951	1952	Percent	Dollars
General Schedule:				
Grade 1.....	\$2,596	\$2,600	+0.2	+4
Grade 2.....	2,861	2,886	+ .9	+25
Grade 3.....	3,119	3,126	+ .2	+7
Grade 4.....	3,398	3,401	+ .1	+3
Grade 5.....	3,681	3,703	+ .6	+22
Grade 6.....	4,111	4,123	+ .3	+12
Grade 7.....	4,495	4,503	+ .2	+8
Grade 8.....	4,942	4,949	+ .1	+7
Grade 9.....	5,316	5,349	+ .1	+3
Grade 10.....	5,741	5,769	+ .5	+28
Grade 11.....	6,230	6,220	-.2	-10
Grade 12.....	7,360	7,344	-.2	-16
Grade 13.....	8,652	8,634	-.2	-18
Grade 14.....	9,880	9,855	-.3	-25
Grade 15.....	11,245	11,180	-.6	-65
Crafts, protective, and custodial:				
Grade 1.....	1,870	1,955	+4.5	+85
Grade 2.....	2,618	2,637	+ .7	+19
Grade 3.....	2,782	2,805	+ .8	+23
Grade 4.....	3,008	3,037	+1.0	+29
Grade 5.....	3,154	3,193	+1.2	+39
Grade 6.....	3,428	3,435	+ .2	+7
Grade 7.....	3,776	3,794	+ .5	+18
Grade 8.....	4,145	4,175	+ .7	+30
Grade 9.....	4,559	4,582	+ .5	+23
Grade 10.....	4,978	5,017	+ .8	+39

¹ Average salary rates were obtained by weighting each salary step within the grade by the number of employees at that step. In other words, the change in average salary rates reflects the effect of any legislative increases in basic salary scales and of in-grade merit increases in pay.

Average salaries of crafts, protective, and custodial workers rose 1.5 percent. About half of this increase was due to the relatively greater number of workers in the higher classifications (grade 6 and above) in 1952 than in 1951—6,000 fewer workers in grades 2 to 5 and about 3,000 more in the upper grades. The rest of the increase was due to merit or length-of-service increases.

For the entire crafts, protective, and custodial service, merit pay raises advanced average salaries by 0.7 percent. Salaries in each grade were higher in July 1952 than in July 1951, since workers had longer service in each of these grades than they had in the earlier year. Employees in CPC-5 and CPC-10 showed the largest pay

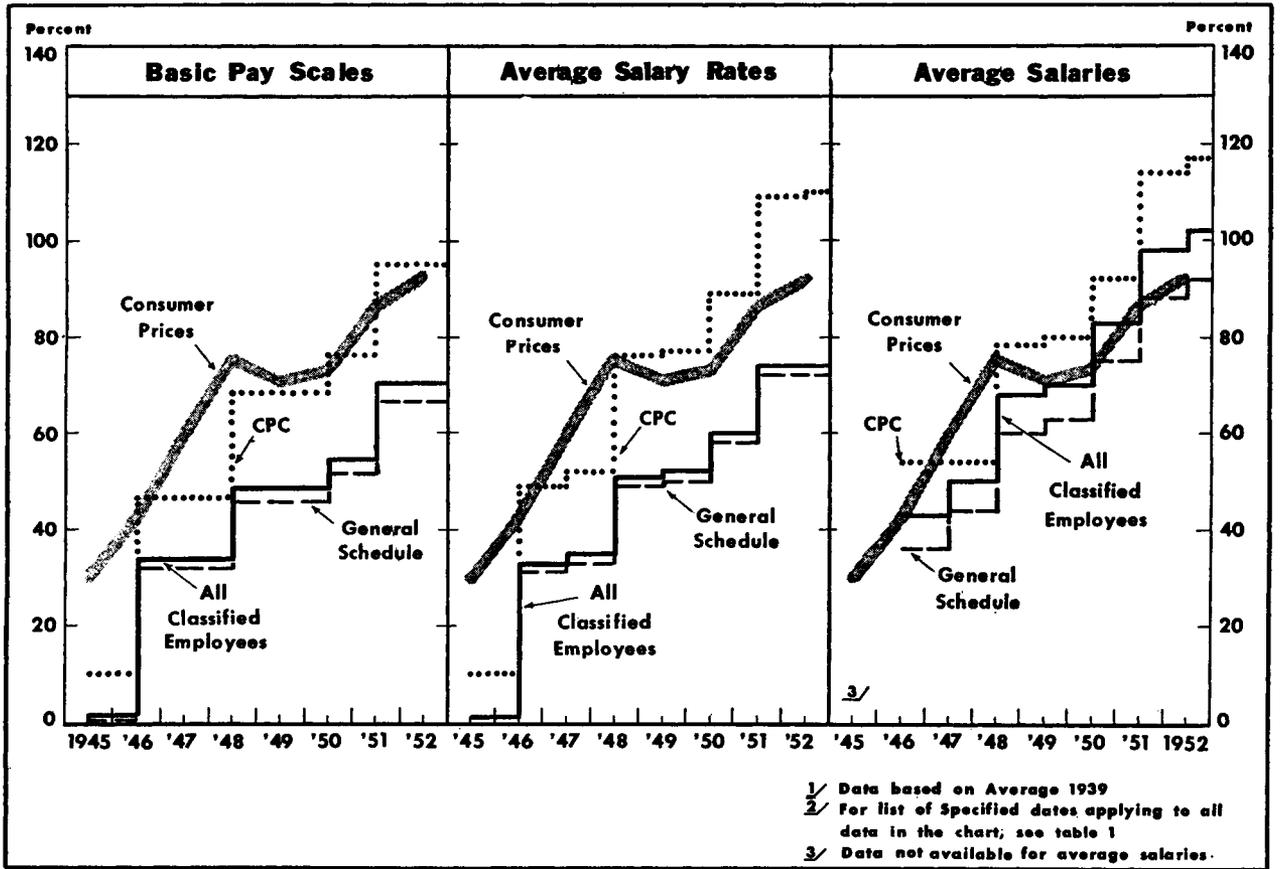
advance (\$39) of any group in which substantial numbers were employed (CPC-2 to 10). As a result of the addition of 1,800 new employees to CPC-6, the \$7 annual increase was below that for any other CPC grade.

Changes Since 1939

Between 1939 and July 1952, legislative increases in the basic pay scales of Federal classified workers amounted to 70.1 percent. Length-of-service or merit pay raises resulted in a further increase of about 4 percent in average salary rates over the same period. Changes in occupational structure also had a considerable effect on average salaries. The proportion of clerical, administrative, and professional employees (whose salaries are higher on the average than those of crafts, custodial, and protective workers) rose during the 13-year period from three-fourths to almost nine-tenths of all classified workers; moreover, within the GS schedule, the proportion of employees in higher-pay grades also rose. Adding the effects of these changes in occupational structure to those of the legislative (basic-salary) and length-of-service pay increases, average salaries of Federal workers rose by 102 percent between 1939 and 1952. (See chart.)

Over the same period the Consumer Price Index rose 92 percent. Thus, only the average salary index kept pace with rising prices over the 13-year period, having risen 5 percentage points more than the CPI. In "real" terms (the dollar increase reduced by the change in the Consumer Price Index), basic pay scales and average salary rates of Federal classified workers declined 11.4 and 9.4 percent, respectively, between 1939 and mid-1952.

Percent Changes in Salaries of Federal Classified Employees and in Consumer Prices,¹ August 1939 to Specified Dates²



Federal Classified Employees' Salary Changes, 1951—54

ON January 11, 1955, the President of the United States sent messages to Congress proposing salary adjustments for major groups of Federal civilian employees. The increases proposed for Classification Act employees would average about 5 percent, with relatively greater gains for higher salaried workers designed to offset in part the previous narrowing of pay differentials. For postal employees, raises would average about 6.5 percent including an immediate 5-percent increase in basic salary rates and a new salary plan designed to offer "incentives for advancement" and "higher pay for more difficult and responsible work."

These proposals would affect more than 900,000 workers paid under the Classification Act and over 400,000 workers in the postal field service. The proposed legislation also included employees covered by the Foreign Service Act and employees of the Veterans Administration Department of Medicine and Surgery.

This article summarizes recent trends in salaries for Federal workers paid under the Classification Act,¹ including clerical, administrative, and professional employees and some custodial, protective, and maintenance workers. The Classification Act does not cover other groups of Federal employees such as those working in navy yards or at certain Army and Air Force installations whose rates of pay are determined by wage boards.¹

Salary Trends

The Bureau of Labor Statistics publishes three separate measures of earnings of Federal Classification Act workers. (See table 1.) These are designed to isolate the effects of the three principal factors that affect their average pay, namely, statutory changes in basic pay scales, average length of service within a given grade, and the proportion of workers performing various jobs and hence classified in each of the several pay grades.

July 1951 to July 1954. Basic pay scales have remained unaltered since July 8, 1951, the effective date of the most recent increase in salary scales enacted by the Congress for classified and postal employees.

Average salary rates, which measure the combined effect of any increases in basic salary scales resulting from legislation and of merit or length of service changes in pay within the same occupation or grade, increased 2 percent between July 1951 and July 1954. At least in part this rise resulted from the reduction of 61,500 in the number of Federal Classification Act employees which occurred over this period.² Since the separated workers are customarily those with the least service or tenure, their dismissal in substantial numbers tends to raise the average length of service of workers remaining within a job or grade and hence the proportion who have received periodic within-grade pay increases.

Average salaries are affected not only by legislation and merit increases but by changes in the proportion of workers among the various pay grades. They rose 6.6 percent in the 3-year period. This change resulted from increases in the proportion of workers in most grades who had received in-grade pay increases and of the decline in the proportion of workers in the lower pay grades (GS-1 to GS-3; see table 2).

Merit increases between 1951 and 1954 raised average salaries from 1 to 3 percent in the general schedule grades up through GS-10 except in grades GS-5 and GS-2, for which the increases were 3.6 and 3.3 percent, respectively. In grades

¹ See The Government's Industrial Employees: I. Extent of Employment, Status, Organization; and, II. Consultation, Bargaining and Wage Determination, Monthly Labor Review, January 1954 (p. 1) and March 1954 (p. 249).

² The number increased 28,000 from July 1951 to July 1952 then declined 89,000 during the next 2 years.

TABLE 1.—Indexes of basic pay scales, average salary rates, and average salaries¹ of employees covered by Federal Classification Acts, 1939-54

[Average 1947-49=100]

Period	Basic pay scales			Average salary rates			Average salaries		
	All employees	General schedule	Crafts, protective, custodial	All employees	General schedule	Crafts, protective, custodial	All employees	General schedule	Crafts, protective, custodial
August 1939.....	69.6	70.9	62.0	68.2	69.3	59.5	61.4	64.2	58.7
June 30, 1945.....	70.4	71.0	68.3	² 69.0	² 69.4	² 65.5	(¹)	(¹)	(¹)
July 1, 1946.....	93.2	93.5	91.1	90.6	90.8	88.8	87.7	87.5	90.2
July 1, 1947.....	93.2	93.5	91.1	92.3	92.5	90.3	92.3	92.6	90.2
July 15, 1948.....	103.4	103.3	104.4	103.5	103.5	104.4	103.1	103.0	104.3
July 1, 1949.....	103.4	103.3	104.4	104.2	104.0	105.3	104.6	104.5	105.4
July 1, 1950.....	107.7	107.4	109.2	109.6	109.4	112.2	112.6	112.3	112.8
July 8, 1951.....	118.5	118.0	121.0	119.3	118.8	123.8	121.4	120.6	125.3
July 1, 1952.....	118.5	118.0	121.0	119.6	119.0	124.7	124.0	123.0	127.2
July 1, 1953.....	118.5	118.0	121.0	120.7	120.0	126.1	127.1	126.3	129.1
July 1, 1954.....	118.5	118.0	121.0	121.8	121.1	127.3	129.4	128.8	129.3

¹ Basic pay scales reflect only statutory changes in salaries, while average salary rates show in addition the effect of merit or in-grade salary increases. Average salaries measure the effect not only of statutory changes in basic pay scales and in-grade salary increases but the effect of changes in the proportion of workers employed in the various pay grades.

² Estimated by assuming the same distribution of employees among grades and steps within grades in 1945 as in 1939. Since there was little or no increase in average rates because of merit increases during this period, it was assumed that the change in basic pay scales and average salary rates was virtually the same.

³ Not available.

GS-11 to GS-14, merit increases amounted to less than 1 percent; in grade GS-15, an 0.4 percent decline in average salaries occurred. In most of the CPC grades the increase in average salary rates between 1951 and 1954 ranged between 2 and 3 percent (table 3).

These changes in salaries of Federal classified employees compare with the rise of 3 to 4 percent in the Consumer Price Index of the Bureau of Labor Statistics.³ Among large groups of workers in private employment, weekly and hourly pay of factory production workers rose by about 15 percent from July 1951 to late 1954. Similarly, the increase in average weekly salaries of women office clerical workers in 6 large cities studied by the BLS varied from approximately 13 to 19 percent from early 1951 to early 1954.⁴

August 1939 to July 1954. Statutory changes in pay increased basic salary scales for Federal Classification Act employees by 70 percent from August 1939 to July 1954. These increases in basic scales, combined with merit or in-grade changes in pay, brought average salary rates 78.5 percent above 1939. Because of a decline in the proportion of workers in the lower pay grades (notably, in grades GS-1 and GS-2 and CPC-1, CPC-2, and CPC-3), average salaries for all classified workers rose by 111 percent from 1939 to mid-1954; for professional, clerical, and administrative employees covered by the general schedule, average salaries rose by about 100

³ The increase was 3.9 percent from July 1951 to July 1954 and 3.1 percent from July 1951 to January 1955.

⁴ See Salaries of Women in Office Work, 1949 to 1954, Monthly Labor Review, September 1954 (p. 972).

TABLE 2.—Percent distribution of employment of general schedule employees by grade, selected periods, 1939-54

Item	August 1939	July 1, 1946	July 1, 1950	July 8, 1951	July 1, 1952	July 1, 1953	July 1, 1954
Total, general schedule:							
Number.....	234,067	893,653	701,824	885,925	917,173	862,556	836,530
Percent.....	100.0	100.0	100.0	100.0	100.0	100.0	100.0
GS-1.....	13.1	2.5	1.8	1.4	0.9	0.8	0.7
GS-2.....	18.1	19.3	14.5	16.6	13.7	12.1	11.4
GS-3.....	14.7	22.8	20.6	21.8	22.1	21.5	21.0
GS-4.....	11.5	13.6	14.8	13.9	14.7	15.1	15.1
GS-5 and GS-6.....	17.2	13.9	14.8	14.5	14.8	14.6	14.8
GS-7 and GS-8.....	10.4	11.6	12.3	11.7	12.6	12.8	12.4
GS-9 and GS-10.....	6.8	7.6	9.2	8.7	9.0	9.8	10.5
GS-11.....	3.8	4.0	5.1	4.8	5.0	5.6	6.0
GS-12 to GS-15.....	4.4	4.7	6.9	6.6	7.1	7.6	8.1
GS-16 to GS-18.....			(¹)	(¹)	.1	.1	(¹)

¹ Less than 0.1 percent.

TABLE 3.—Minimum and average salaries ¹ under the Classification Acts, by grade, 1939, 1951, and 1954

Schedule and grade	August 1939	July 8, 1951 ²	July 1, 1954	Percent increase to July 1, 1954, from—		Schedule and grade	August 1939	July 8, 1951 ²	July 1, 1954	Percent increase to July 1, 1954, from—	
				August 1939	July 8, 1951					August 1939	July 8, 1951
General schedule						General schedule—Con.					
GS-1: Minimum salary rate	\$1,180	\$2,500	\$2,500	111.9	0	GS-15: Minimum salary rate	\$8,000	\$10,800	\$10,800	35.0	0
Average salary	1,223	2,596	2,632	115.2	1.4	Average salary	8,465	11,245	11,197	32.3	-4
GS-2: Minimum salary rate	1,440	2,750	2,750	91.0	0	Crafts, protective, and custodial					
Average salary	1,489	2,861	2,955	88.5	3.3	CPC-1: Minimum salary rate	600	1,810	1,810	201.7	0
GS-3: Minimum salary rate	1,620	2,950	2,950	82.1	0	Average salary	690	1,870	1,999	189.7	6.9
Average salary	1,683	3,119	3,197	90.0	2.5	CPC-2: Minimum salary rate	1,080	2,420	2,420	124.1	0
GS-4: Minimum salary rate	1,800	3,175	3,175	76.4	0	Average salary	1,166	2,618	2,680	129.8	2.4
Average salary	1,867	3,398	3,463	85.5	1.9	CPC-3: Minimum salary rate	1,200	2,552	2,552	112.7	0
GS-5: Minimum salary rate	2,000	3,410	3,410	70.5	0	Average salary	1,290	2,782	2,870	122.5	3.2
Average salary	2,099	3,681	3,814	81.7	3.6	CPC-4: Minimum salary rate	1,320	2,750	2,750	108.3	0
GS-6: Minimum salary rate	2,300	3,795	3,795	65.0	0	Average salary	1,400	3,008	3,100	121.4	3.1
Average salary	2,414	4,111	4,228	75.1	2.8	CPC-5: Minimum salary rate	1,500	2,974	2,974	98.3	0
GS-7: Minimum salary rate	2,600	4,205	4,205	61.7	0	Average salary	1,580	3,154	3,282	107.7	4.1
Average salary	2,704	4,495	4,574	69.2	1.8	CPC-6: Minimum salary rate	1,680	3,200	3,200	90.5	0
GS-8: Minimum salary rate	2,900	4,620	4,620	59.3	0	Average salary	1,721	3,428	3,511	104.0	2.4
Average salary	3,020	4,942	5,042	67.0	2.0	CPC-7: Minimum salary rate	1,860	3,435	3,435	84.7	0
GS-9: Minimum salary rate	3,200	5,060	5,060	58.1	0	Average salary	1,918	3,776	3,868	101.7	2.4
Average salary	3,298	5,346	5,400	63.7	1.0	CPC-8: Minimum salary rate	2,000	3,740	3,740	87.0	0
GS-10: Minimum salary rate	3,500	5,600	5,500	57.1	0	Average salary	2,118	4,145	4,257	101.0	2.7
Average salary	3,620	5,741	5,879	62.4	2.4	CPC-9: Minimum salary rate	2,300	4,150	4,150	80.4	0
GS-11: Minimum salary rate	3,800	5,940	5,940	56.3	0	Average salary	2,442	4,559	4,653	90.5	2.1
Average salary	3,974	6,230	6,289	58.3	0.9	CPC-10: Minimum salary rate	2,600	4,565	4,565	75.6	0
GS-12: Minimum salary rate	4,600	7,040	7,040	53.0	0	Average salary	2,709	4,978	5,114	88.8	2.7
Average salary	4,797	7,360	7,415	54.6	0.7						
GS-13: Minimum salary rate	5,600	8,360	8,360	49.3	0						
Average salary	5,793	8,652	8,710	50.4	0.7						
GS-14: Minimum salary rate	6,500	9,600	9,600	47.7	0						
Average salary	6,850	9,880	9,940	45.1	0.6						

¹ Average salaries were obtained by weighting each salary step within the grade by the number of employees at that step. In other words, they reflect the effect of increases in basic salary scales and of merit increases in pay within the grade for each period.

² Effective date of most recent pay scale revision.

³ The minimum was computed by weighting equally the base pay for each of the 3 grades (SP-1, SP-2, and CAR-1) which were combined under the general schedule.

⁴ Percent decrease

percent. These increases compare with a rise of about 92 percent in the CPI from the year 1939 to late 1954. For factory production workers, weekly pay more than tripled, partly because of increased hours of work;⁵ average hourly earnings, excluding premium pay for overtime, were 2½ to 3 times their 1939 level. Among other groups, average salaries of urban teachers rose 96 percent from 1939 to 1953 while salary

scales for urban firemen and policemen increased about 80 percent.⁶

Salary changes since 1939 have been proportionately greater for employees at the lower end of the Federal pay scale than for those in the higher grades.⁷ Within the general schedule, a GS-15's minimum pay in 1939 amounted to 5½ times that of a GS-2, the lowest grade in which a substantial number of workers are employed; the corresponding ratio in 1954 was less than 4.

Minimum salary rates for workers in grades CPC-1 to CPC-4 and GS-1 more than doubled and the salary scale for CPC-5 also rose slightly more than the CPI.⁸ For each higher grade the percentage gain was progressively less, with the GS-15 salary rising about a third and its purchasing power declining about a third during this 15-year period.

⁵ Hours of Federal workers were 40 in 1954 compared with 39 in 1939.

⁶ Data for 1954 are not available for teachers nor policemen and firemen.

⁷ The following pay scale increases were granted during the period: *August 1, 1948*—SP-1 and 2 (now part of GS-1) and CPC-1 through 8 increased from \$60 to \$200; *July 1, 1945*—20 percent on first \$1,200; 10 percent on next \$3,400; 5 percent on remainder, subject to a \$10,000 ceiling; *July 1, 1946*—14 percent or \$250 a year, whichever was greater, but not more than 25 percent; *July 1948*—\$330 increase in all rates; *October 1949*—An average of \$140 a year resulting from the revision of classification structure; *July 8, 1951*—10 percent, with a minimum of \$300 and a maximum of \$800.

⁸ Average salary rates, including the effect of merit increases in pay, in grades CPC-6, CPC-7, CPC-8, and GS-2 also rose more than the CPI.

Federal Classified Employees' Salary Changes, 1954-56

BASIC PAY SCALES of Federal white-collar employees increased 7.6 percent between mid-1954 and mid-1956 as a result of pay-raise legislation enacted by Congress in 1955. This increase, combined with the effect of in-grade merit or length-of-service adjustments and changes in the employment pattern, raised average salaries by 10.1 percent.

The Federal Employees Salary Increase Act of 1955,¹ signed by the President on June 28, 1955, raised salary scales of about 900,000 workers under the Classification Act, retroactive to the first complete pay period in March of that year. These workers comprise the vast majority of the Federal Government white-collar employees except those in the field service of the Post Office Department. Government industrial employees—so-called “blue collar” workers—are not covered

by the Classification Act and their rates of pay are determined on an area or locality basis by various wage boards or committees established by the Federal agencies employing them.

The 1955 act also raised the pay of employees in the legislative and judicial branches of the Government, in the Department of Medicine and Surgery of the Veterans Administration and the Foreign Service of the Department of State as well as certain employees of the District of Columbia Government. Also, in 1955, Congress enacted the Postal Field Service Compensation Act granting employees under it a 6-percent increase in addition to an approximate average

¹ The act (Public Law 94, 84th Cong., 1st sess.) provided for an across-the-board increase of 7.5 percent but contained a stipulation that all new rates which were not in multiples of \$5 be rounded to the next higher \$5 per annum. Because of the rounding, the average increase amounted to 7.6 rather than 7.5 percent.

TABLE 1.—Indexes of basic pay scales, average salary rates, and average salaries¹ of Federal classified employees, 1939-56

[Average 1947-49=100]

Period	Basic pay scales			Average salary rates			Average salaries		
	All Classification Act employees	General schedule	Crafts, protective, custodial	All Classification Act employees	General schedule	Crafts, protective, custodial	All Classification Act employees	General schedule	Crafts, protective, custodial
August 1939.....	69.6	70.9	62.0	68.2	69.3	59.5	61.4	64.2	58.7
June 30, 1945.....	70.4	71.0	68.3	² 69.0	² 69.4	² 65.5	(⁴)	(⁴)	(⁴)
July 1, 1946.....	93.2	93.5	91.1	90.6	90.8	88.8	87.7	87.5	90.2
July 1, 1947.....	93.2	93.5	91.1	92.3	92.5	90.3	92.3	92.6	90.2
July 15, 1948.....	103.4	103.3	104.4	103.5	103.5	104.4	103.1	103.0	104.3
July 1, 1949.....	103.4	103.3	104.4	104.2	104.0	105.3	104.6	104.5	105.4
July 1, 1950.....	107.7	107.4	109.2	109.6	109.4	112.2	112.6	112.3	112.8
July 8, 1951.....	118.5	118.0	121.0	119.3	118.8	123.8	121.4	120.6	125.3
July 1, 1952.....	118.5	118.0	121.0	119.6	119.0	124.7	124.0	123.0	127.2
July 1, 1953.....	118.5	118.0	121.0	120.7	120.0	126.1	127.1	126.3	129.1
July 1, 1954.....	118.5	118.0	121.0	121.8	121.1	127.3	129.4	128.8	129.3
July 1, 1955.....	(⁴)	³ 127.0	(⁴)	(⁴)	³ 130.6	(⁴)	(⁴)	⁴ 140.2	(⁴)
July 1, 1956.....	(⁴)	127.0	(⁴)	(⁴)	130.5	(⁴)	(⁴)	141.8	(⁴)

¹ Basic pay scales reflect only statutory changes in salaries, while average salary rates show in addition the effect of merit or in-grade salary increases. Average salaries measure the effect not only of statutory changes in basic pay scales and in-grade salary increases but the effect of changes in the proportion of workers employed in the various pay grades.

² Estimated by assuming the same distribution of employees among grades and steps within grades in 1945 as in 1939. Since there was little or no increase in average rates because of in-grade increases during this period, it was

assumed that the change in basic pay scales was virtually the same as in average salary rates.

³ Not available.

⁴ Index discontinued, as the general schedule now covers all Classification Act employees.

⁵ Data have been adjusted to include some employees formerly under the CPC schedule who are now covered by the general schedule; about two-thirds of the employees were transferred to wage-board classifications and the remaining one-third to the general schedule.

TABLE 2.—Percentage distribution of general schedule employees by grade, selected periods, 1939-56

Item	Percent of workers in—						
	August 1939	July 1, 1946	July 1, 1950	July 8, 1951	July 1, 1954	July 1, 1955	July 1, 1956
GS-1	13.1	2.5	1.8	1.4	1.1	1.1	0.7
GS-2	18.1	19.3	14.5	16.6	11.5	10.9	8.9
GS-3	14.7	22.8	20.6	21.8	21.0	20.9	21.4
GS-4	11.5	13.6	14.8	12.9	15.7	15.8	16.4
GS-5 and GS-6	17.2	13.9	14.8	14.5	14.9	14.8	15.2
GS-7 and GS-8	10.4	11.6	12.3	11.7	12.1	11.8	11.9
GS-9 and GS-10	6.8	7.6	9.2	8.7	10.1	10.1	10.2
GS-11	3.8	4.0	5.1	4.8	5.8	6.1	6.3
GS-12 to GS-15	4.4	4.7	6.9	6.6	7.8	8.4	8.9
GS-16 to GS-18			(¹)	(¹)	.1	.1	.1
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Number of employees	234,067	893,653	701,824	885,925	863,462	886,512	908,535

¹ Less than 0.05 percent.

NOTE: Because of rounding, totals do not necessarily equal 100.

2-percent rise resulting from job reclassifications. These two laws enacted within 3 weeks of each other constituted the first pay legislation affecting white-collar employees of the Federal Government since July 8, 1951.²

This article presents data on the salaries of Federal employees under the Classification Act in the form of three types of indexes which reflect the changes in basic pay scales, average salary rates, and average salaries between July 1954 and July 1956. In extending the indexes for the period studied, only salary trends of employees under the general schedule were used since the crafts, protective, and custodial schedule was abolished effective July 1, 1955, in accordance with Public Law 763 (83d Cong., 2d sess.). Of the approximately 100,000 employees formerly under the CPC schedule, almost two-thirds (employed largely in craft jobs) were transferred to wage-board classifications, with their rates of pay established on the basis of rates prevailing in private industry in the labor market in which they were employed. The remainder (mostly messengers, guards, and firefighters) were placed in general schedule grades 1 through 8. At the

same time—on July 1, 1955—approximately 2,500 workers formerly under the general schedule were transferred to wage-board classifications.

The effect of inclusion in the general schedule of the 35,000 former CPC workers on the measures of change in salary scales and on changes in average salary rates has been minimized by the fact that the year-to-year changes in these indexes do not reflect shifts in the proportion of workers in various grades and hence do not reflect the increase in the number of workers in the lower general schedule grades resulting from the transfer. The index of average salaries, however, does reflect the transfer of CPC employees but the effect was small since the transferred workers amounted to only about 4 percent of the total number under the general schedule.

The basic increases authorized by the Congress in 1955 amounted to 7.6 percent, as indicated earlier. Only slight gains—amounting to 0.2 percent—resulted from merit or length-of-service increases in pay between July 1954 and July 1956. Hence, average salary rates, affected by length-of-service increases as well as by legislative changes in basic salary scales, rose 7.8 percent.

Shifts in the number of employees in the different pay grades, notably proportionately larger numbers in the higher grades, accounted

TABLE 3.—Percent increases in Federal classified employees' salaries, in average earnings of factory production workers and railway office employees, and in the CPI, 1939-56 and 1954-56

Item	August 1939 to July 1956	July 1954 to July 1956
Federal classified employees:		
Basic pay scales (affected by legislation only)	79.1	7.6
Average salary rates (affected by legislation and in-grade increases)	88.3	7.8
Average salaries (affected by legislation, in-grade increases, and changes in occupational or grade composition of classified employees)	111	10.1
Factory production workers:		
Average weekly earnings	230	11.4
Average hourly earnings (excluding overtime)	200	8.0
Railway office employees (straight-time monthly earnings ¹):		
All employees	127	7.7
Division officers, assistants, and staff assistants	102	14.8
Chief clerks and other supervisors ²	104	9.3
Other clerical employees ³	134	6.0
Consumer Price Index	97	1.6

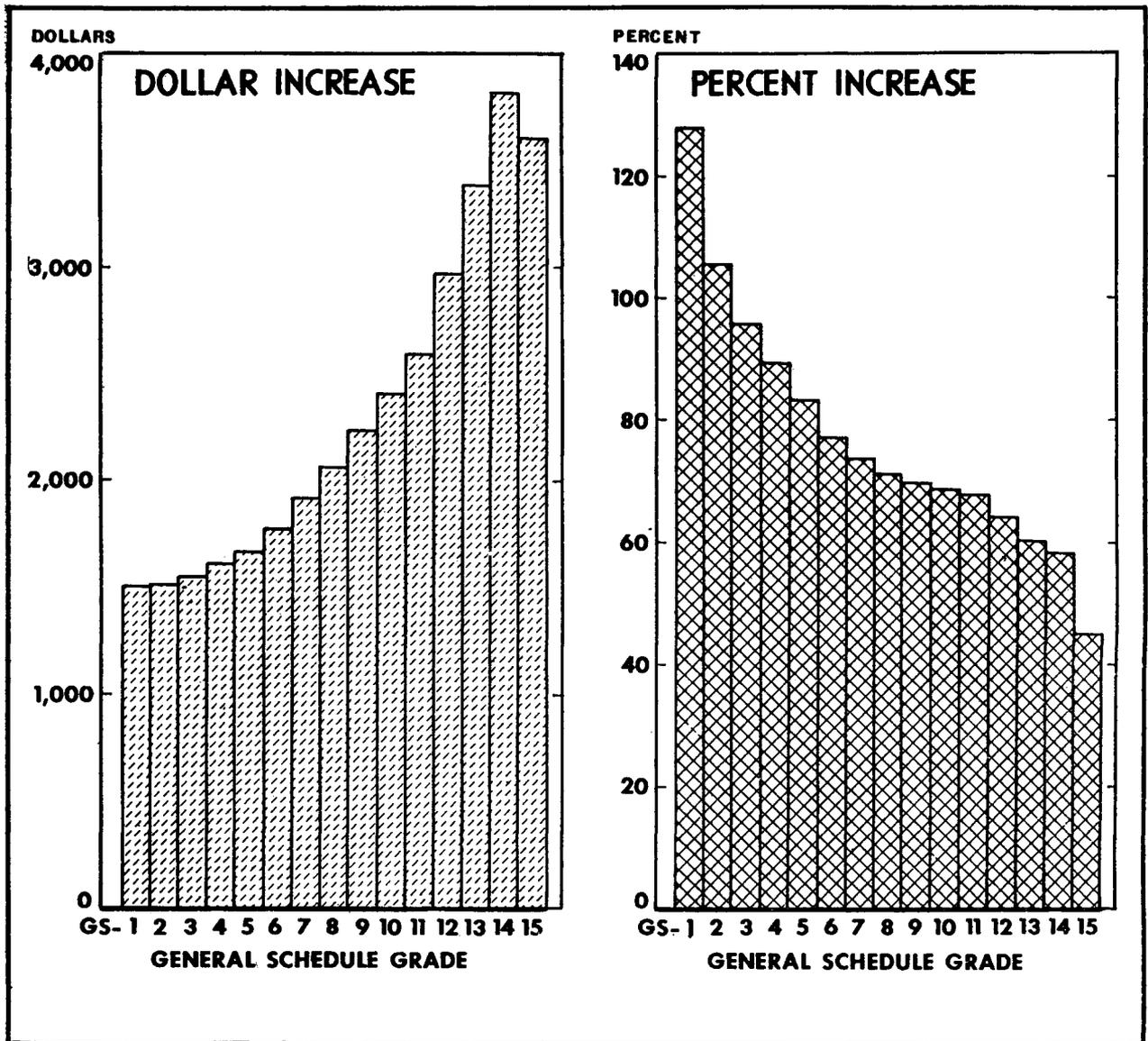
¹ Computed by Bureau of Labor Statistics from Interstate Commerce Commission M-300 reports. The average was computed by dividing total compensation for straight time actually worked by the number of employees who received pay during the month.

² Professional and subprofessional assistants, supervisory or chief clerks (major departments), chief clerks (minor departments), assistant chief clerks, and supervising cashiers.

³ Clerks and clerical specialists, clerks, mechanical device operators (office), stenographers and secretaries, stenographers and typists, traveling auditors or accountants, and messengers and officeboys.

² In 1954 and 1956, there were also some gains in supplementary benefits for Federal employees. Legislation passed in August 1954 provided Federal workers with life insurance, including accidental death and dismemberment benefits, with the Government and the employees sharing the premiums. This legislation also set up 3 additional in-grade (longevity) steps for employees in grades GS-11 through GS-15. In addition, retirement benefits were liberalized by legislation, enacted in July 1956 and effective in October of that year, which increased employee contributions.

Increase in Minimum Salary Rates of General Schedule Employees, by Grade, 1939-56



for a further 2.3-percent rise in average salaries between mid-1954 and mid-1956, bringing the total increase in average salaries to 10.1 percent (table 1). The most pronounced change in the employment pattern was a decline in the number of workers in grades 1 and 2. While about 10,000 new workers, in addition to the 35,000 transferred CPC workers, were added to the general schedule, the total number employed in these grades fell by almost 12,000 (from 12.6 to 9.6 percent of the total). During the same

2-year period, the number of workers classified in the two immediately higher grades (GS-3 and GS-4) increased by about 26,000 (from 36.7 to 37.8 percent), with the gain being shared equally by the two grades. The proportion of workers in grades GS-11 through GS-15 also rose (table 2).

Salary adjustments for Federal classified employees from mid-1954 to mid-1956 were substantially greater than the increase in the Consumer Price Index, but they were somewhat

TABLE 4.—Minimum and average salaries¹ of Federal classified employees, by grade, 1939, 1950, 1951, and 1954-56

Schedule and grade	August 1939	July 1, 1950	July 8, 1951	July 1, 1954 ²	July 1, 1955	July 1, 1956	Percent change ³ to July 1, 1956, from—					
							August 1939	July 1, 1950	July 8, 1951	July 1, 1954	July 1, 1955	
General schedule:												
GS-1: Minimum salary rate	\$1,180	\$2,200	\$2,500	\$2,500	\$2,690	\$2,690	128.0	22.3	7.6	7.6	0	0
Average salary	1,222	2,356	2,596	2,624	2,913	2,942	140.6	24.9	13.3	12.1	0	1.0
GS-2: Minimum salary rate	1,440	2,450	2,750	2,750	2,960	2,960	105.6	20.8	7.6	7.6	0	0
Average salary	1,489	2,639	2,861	2,954	3,186	3,157	112.0	19.6	10.3	6.9	0	-.9
GS-3: Minimum salary rate	1,620	2,650	2,950	2,950	3,175	3,175	96.0	19.8	7.6	7.6	0	0
Average salary	1,683	2,866	3,119	3,198	3,446	3,434	104.0	19.8	10.1	7.4	0	-.3
GS-4: Minimum salary rate	1,800	2,875	3,175	3,175	3,415	3,415	89.7	18.8	7.6	7.6	0	0
Average salary	1,867	3,103	3,398	3,463	3,738	3,737	100.2	20.4	10.0	7.9	(⁴)	0
GS-5: Minimum salary rate	2,000	3,100	3,410	3,410	3,670	3,670	83.5	18.4	7.6	7.6	0	0
Average salary	2,099	3,405	3,681	3,813	4,129	4,128	96.7	21.2	12.1	8.3	(⁴)	0
GS-6: Minimum salary rate	2,300	3,450	3,795	3,795	4,080	4,080	77.4	18.3	7.5	7.5	0	0
Average salary	2,414	3,780	4,111	4,228	4,566	4,561	88.9	20.7	10.9	7.9	0	-.1
GS-7: Minimum salary rate	2,600	3,825	4,205	4,205	4,525	4,525	74.0	18.3	7.6	7.6	0	0
Average salary	2,704	4,154	4,495	4,574	4,960	4,967	83.7	19.6	10.5	8.6	0	.1
GS-8: Minimum salary rate	2,900	4,200	4,620	4,620	4,970	4,970	71.4	18.3	7.6	7.6	0	0
Average salary	3,020	4,553	4,942	5,043	5,449	5,477	81.4	20.3	10.8	8.6	0	.5
GS-9: Minimum salary rate	3,200	4,600	5,060	5,060	5,440	5,440	70.0	18.3	7.5	7.5	0	0
Average salary	3,298	4,923	5,346	5,460	5,825	5,831	76.8	18.4	9.1	8.0	0	.1
GS-10: Minimum salary rate	3,500	5,000	5,500	5,500	5,915	5,915	69.0	18.3	7.5	7.5	0	0
Average salary	3,620	5,279	5,741	5,879	6,344	6,361	75.7	20.5	10.8	8.2	0	.3
GS-11: Minimum salary rate	3,800	5,400	5,940	5,940	6,390	6,390	68.2	18.3	7.6	7.6	0	0
Average salary	3,974	5,734	6,230	6,289	6,768	6,773	70.4	18.1	8.7	7.7	0	.1
GS-12: Minimum salary rate	4,600	6,400	7,040	7,040	7,570	7,570	64.6	18.3	7.5	7.5	0	0
Average salary	4,797	6,759	7,360	7,415	7,975	7,968	66.1	17.9	8.2	7.4	0	-.1
GS-13: Minimum salary rate	5,600	7,600	8,360	8,360	8,990	8,990	60.5	18.3	7.5	7.5	0	0
Average salary	5,793	7,931	8,552	8,552	9,281	9,385	62.0	18.3	8.5	7.7	(⁴)	0
GS-14: Minimum salary rate	6,500	8,800	9,600	9,600	10,320	10,320	58.8	17.3	7.5	7.5	0	0
Average salary	6,850	9,150	9,880	9,941	10,682	10,682	55.9	16.7	8.1	7.5	0	0
GS-15: Minimum salary rate	8,000	10,500	10,800	10,800	11,610	11,610	45.1	10.6	7.5	7.5	0	0
Average salary	8,460	10,577	11,245	11,198	12,034	12,052	42.4	13.9	7.2	7.6	0	.1
GS-16: Minimum salary rate	(⁵)	11,200	12,000	12,900	12,900	12,900	(⁶)	15.2	7.5	7.6	0	0
Average salary	(⁵)	11,232	12,044	12,225	13,125	13,135	(⁶)	16.9	9.1	7.4	0	.1
GS-17: Minimum salary rate	(⁵)	12,200	13,000	13,000	13,975	13,975	(⁶)	14.5	7.5	7.5	0	0
Average salary	(⁵)	12,288	13,045	13,139	14,122	14,134	(⁶)	15.0	8.3	7.6	0	.1
GS-18: Minimum salary rate	(⁵)	14,000	14,800	14,800	14,800	14,800	(⁶)	5.7	0	0	0	0
Average salary	(⁵)	14,000	14,800	14,800	14,800	14,800	(⁶)	5.7	0	0	0	0

¹ Average salaries were obtained by weighting each salary step within the grade by the number of employees at that step. In other words, they reflect the effect of increases in basic salary scales and of merit increases in pay within the grade for each period.

² Increase unless preceded by a minus sign.

³ Data include former CPC employees transferred into the schedule and exclude employees transferred from the general schedule into wage-board classifications. Only in grade 1 (where the average was lowered from \$2,632 to \$2,624) did these transfers change the averages by more than \$1.

⁴ The minimum was computed by weighting equally the base pay for each of the 3 grades (SP-1, SP-2, and CAF-1) which were combined under the general schedule.

⁵ Less than 0.05 percent.

⁶ Grades 16, 17, and 18 were created under the Classification Act of 1949 (Oct. 28, 1949).

⁷ Legislation passed in July 1956 raised the rate for grade 18 to \$16,000.

less than the rise in earnings of women office clerical workers in five major metropolitan areas.³ Comparisons with other groups of workers are presented in table 3, but no attempt has been made to show the increases in either salary scales in private industry or in prices that have occurred since July 1956.

For the entire period since 1939, salary increases of employees under the Federal Classification

³ Straight-time weekly pay of women office clerical workers rose as follows:

	Per- cent		Per- cent
Atlanta	8.5	Los Angeles-Long Beach	8.5
Chicago	8.0	New York City	9.6
Cleveland	10.6		

The office worker indexes, based on data from the Bureau's occupational wage surveys, measure changes in earnings within the same occupation and hence are most comparable to the index of average salary rates for Federal employees. Information for these cities was collected in the following periods: Atlanta—March 1954 and April 1956; Chicago—March 1954 and April 1956; Cleveland—October 1954 and October 1956; Los Angeles-Long Beach—March 1954 and March 1956; New York City—February 1954 and April 1956. For data covering the period 1954-57, see footnote 3, page 21.

Act have not kept pace with average salaries of railway office employees. Likewise, over the same period (1939-56), salaries of employees subject to the Classification Act have not increased as much as the Consumer Price Index except when measured by the index of average salaries, which takes into account shifts in the proportions of employees within the classified grades. The increase, as reflected by this index, amounted to 111 percent as against a 97-percent rise in the Consumer Price Index.

An analysis of the movement of salary rates of individual general schedule grades since 1939 indicates that only in grades 1 and 2 have basic salary rates and accompanying within-grade increases been greater than the rise in the Consumer Price Index. The rise in average salaries from 1939 to 1956 amounted to about 140 percent in grade 1 and 112 percent in grade 2. It was

progressively less for the higher grades, with the increase in grade 15 amounting to 42 percent (table 4 and chart).

These marked differences in salary trends among grades resulted from the provision in pay legislation of (a) increases that were identical in dollars irrespective of grade or (b) uniform percentage increases in some grades combined with a minimum and maximum dollar ceiling that resulted in higher percentage increases in the lowest grades and lower proportionate increases in the higher grades. Only the 1955 legislation provided uniform percentage adjustments for all grades (except GS-18, where there was no increase until 1956).⁴ As a result of this trend, the highest salary in the general schedule in 1954 was about 6

times the lowest, whereas in 1939 the ratio was almost 9. The adjustments put into effect in 1955, combined with the 1956 advance in the maximum salary for grade 18, did not further widen the range of rates for white-collar workers: The new maximum rate for grade 18—\$16,000—was still only 6 times the minimum rate for grade 1.⁵

⁴ Public Law 854 (84th Cong., 2d sess.), approved July 31, 1956, increased basic pay rates for certain Federal officials, including those in grade GS-18.

⁵ The top grade in 1939 was comparable to GS-15 and was GS-18 in 1956; the bottom grade in 1939 was SP-1. The ratio between the top GS-15 salary (excluding longevities) and the minimum GS-1 rate in 1956 was about $4\frac{3}{4}$ to 1. If the measurement of the spread in grades in 1939 included the CPO grades, the narrowing would be even more pronounced.

Federal Classified Employees' Salary Changes, 1957

The following tables and revised footnote 3 bring up to date through July 1957 the

data contained in the article "Federal Classified Employees' Salary Changes, 1954-56."

TABLE 1. Indexes of basic pay scales, average salary rates, and average salaries¹ of Federal classified employees, 1939-57

(Average 1947-49 = 100)

Period	Basic pay scales			Average salary rates			Average salaries		
	All Classification Act employees	General schedule	Crafts, protective, custodial	All Classification Act employees	General schedule	Crafts, protective, custodial	All Classification Act employees	General schedule	Crafts, protective, custodial
August 1939 -----	69.6	70.9	62.0	68.2	69.3	59.5	61.4	64.2	58.7
June 30, 1945 -----	70.4	71.0	68.3	² 69.0	² 69.4	² 65.5	(³)	(³)	(³)
July 1, 1946 -----	93.2	93.5	91.1	90.6	90.8	88.8	87.7	87.5	90.2
July 1, 1947 -----	93.2	93.5	91.1	92.3	92.5	90.3	92.3	92.6	90.2
July 15, 1948 -----	103.4	103.3	104.4	103.5	103.5	104.4	103.1	103.0	104.3
July 1, 1949 -----	103.4	103.3	104.4	104.2	104.0	105.3	104.6	104.5	105.4
July 1, 1950 -----	107.7	107.4	109.2	109.6	109.4	112.2	112.6	112.3	112.8
July 8, 1951 -----	118.5	118.0	121.0	119.5	118.8	123.8	121.4	120.6	125.3
July 1, 1952 -----	118.5	118.0	121.0	119.6	119.0	124.7	124.0	123.0	127.2
July 1, 1953 -----	118.5	118.0	121.0	120.7	120.0	126.1	127.1	126.3	129.1
July 1, 1954 -----	118.5	118.0	121.0	121.8	121.1	127.3	129.4	128.8	129.3
July 1, 1955 -----	(⁴)	⁵ 127.0	(⁴)	(⁴)	⁵ 130.6	(⁴)	(⁴)	⁵ 140.2	(⁴)
July 1, 1956 -----	(⁴)	127.0	(⁴)	(⁴)	130.5	(⁴)	(⁴)	141.8	(⁴)
July 1, 1957 -----	(⁴)	127.0	(⁴)	(⁴)	130.6	(⁴)	(⁴)	144.8	(⁴)

¹ Basic pay scales reflect only statutory changes in salaries, while average salary rates show in addition the effect of merit or in-grade salary increases. Average salaries measure the effect not only of statutory changes in basic pay scales and in-grade salary increases but the effect of changes in the proportion of workers employed in the various pay grades.

² Estimated by assuming the same distribution of employees among grades and steps within grades in 1945 as in 1939. Since there was little or no increase in average rates because of in-grade increases during this period, it was assumed that the change in basic pay scales was virtually the same as in average salary rates.

³ Not available.

⁴ Index discontinued, as the general schedule now covers all Classification Act employees.

⁵ Data have been adjusted to include some employees formerly under the CPC schedule who are now covered by the general schedule; about two-thirds of the employees were transferred to wage-board classifications and the remaining one-third to the general schedule.

TABLE 2. Percentage distribution of general schedule employees by grade, selected periods, 1939-57

Item	Percent of workers in--							
	August 1939	July 1, 1946	July 1, 1950	July 8, 1951	July 1, 1954	July 1, 1955	July 1, 1956	July 1, 1957
GS-1 -----	13.1	2.5	1.8	1.4	1.1	1.1	0.7	0.5
GS-2 -----	18.1	19.3	14.5	16.6	11.5	10.9	8.9	7.2
GS-3 -----	14.7	22.8	20.6	21.8	21.0	20.9	21.4	20.8
GS-4 -----	11.5	13.6	14.8	13.9	15.7	15.8	16.4	16.8
GS-5 and GS-6 -----	17.2	13.9	14.8	14.5	14.9	14.8	15.2	15.7
GS-7 and GS-8 -----	10.4	11.6	12.3	11.7	12.1	11.8	11.9	11.5
GS-9 and GS-10 -----	6.8	7.6	9.2	8.7	10.1	10.1	10.2	10.6
GS-11 -----	3.8	4.0	5.1	4.8	5.8	6.1	6.3	6.9
GS-12 to GS-15 -----	4.4	4.7	6.9	6.6	7.8	8.4	8.9	9.9
GS-16 to GS-18 -----	-	-	(¹)	(1)	.1	.1	.1	.1
Total -----	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Number of employees -----	234,067	893,653	701,824	885,925	863,462	886,512	908,535	927,822

¹ Less than 0.05 percent.

NOTE: Because of rounding, totals do not necessarily equal 100.

TABLE 3. Percent increases in Federal classified employees' salaries, in average earnings of factory production workers and railway office employees, and in the CPI, 1939 to 1957 and 1954 to 1957

Item	Percentage increases	
	August 1939 to July 1957	July 1954 to July 1957
Federal classified employees:		
Basic pay scales (affected by legislation only) -----	79.1	7.6
Average salary rates (affected by legislation and in-grade increases) -----	88.5	7.9
Average salaries (affected by legislation, in-grade increases, and changes in occupational or grade composition of classified employees) -----	126	12.4
Factory production workers:		
Average weekly earnings -----	244	15.9
Average hourly earnings (excluding overtime) -----	218	14.2
Railway office employees (straight-time monthly earnings: ¹)		
All employees -----	150	18.3
Division officers, assistants, and staff assistants -----	117	23.3
Chief clerks and other supervisors ² -----	120	18.0
Other clerical employees ³ -----	158	16.7
Consumer Price Index -----	103	4.9

¹ Computed by Bureau of Labor Statistics from Interstate Commerce Commission M-300 reports. The average was computed by dividing total compensation for straight time actually worked by the number of employees who received pay during the month.

² Professional and subprofessional assistants, supervisory or chief clerks (major departments), chief clerks (minor departments), assistant chief clerks, and supervising cashiers.

³ Clerks and clerical specialists, clerks, mechanical device operators (office), stenographers and secretaries, stenographers and typists, traveling auditors or accountants, and messengers and office boys.

³ The data on weekly pay of women clerical workers, presented in footnote 3 on page 22, have been revised. Straight-time weekly pay of women office clerical workers rose between 1954 and 1957 as follows:

Percent	Percent
Atlanta ----- 12.2	Los Angeles-Long Beach ----- 15.2
Chicago ----- 13.9	New York City ----- 15.3
Cleveland ----- N.A.	

The office worker indexes, based on data from the Bureau's occupational wage surveys, measure changes in earnings within the same occupation and hence are most comparable to the index of average salary rates for Federal employees. Information for these cities was collected in the following periods: Atlanta - March 1954 and April 1957; Chicago - March 1954 and April 1957; Cleveland - not surveyed in 1957; Los Angeles-Long Beach - March 1954 and March 1957; New York City - February 1954 and April 1957.

Federal Classified Employees' Salary Changes, 1955-58

BASIC PAY SCALES of Federal employees whose salaries were determined by the Classification Act were raised by an average of 10.1 percent,¹ by legislation enacted by the 85th Congress in June 1958. This general pay raise, retroactive to the first pay period of January 1958, was the first change in salary scales under the Classification Act since 1955, except for an increase in the maximum salaries for grades 17 and 18 in 1956. (See table 1.) During the period intervening between these general pay increases, average salary rates rose about 1 percent as a result of in-grade or automatic length-of-service adjustments, while changes in the proportion of workers in various pay grades added about 6 percent to average salaries. Hence, the total rise in average salary rates from July 1955 to July 1958, reflecting both the effect of legislation and in-grade pay increases, amounted to 11 percent, and the total rise in average salaries, affected by those factors plus changes in the proportion of workers in various pay grades, was 17.4 percent. The increase in average salary rates resulting from in-grade adjustments was concentrated in the year ending July 1958 and was traceable mainly to a new

policy of hiring workers in certain fields at rates above the minimum for their grade. The increase in average salaries attributable to changes in the grade composition of the Federal labor force was spread over the 3-year period.

Over the period from mid-1955 to mid-1958, all three measures of Federal Classified employees' salaries rose more than the 8-percent advance in the Bureau of Labor Statistics' Consumer Price Index. However, two measures of Federal pay—basic pay scales and average salary rates—rose less than the earnings of women office employees in private industry (whose increases in certain major labor markets ranged from 13.7 to 16.4 percent) and less than the average hourly earnings of factory production workers (13.7 percent).² The third measure of Federal pay—average salaries—increased less than the earnings of railway office employees (28.2 percent), but more than the earnings of women office workers in industry generally. The average salary figure for Federal workers is appreciably affected by

¹ Each scale was raised 10 percent, rounded to multiples of \$5.
² The smaller increase in weekly earnings of factory production workers was due to the temporary reduction in their hours of work during late 1957 and early 1958.

Table 1. Indexes of basic pay scales, average salary rates, and average salaries¹ of Federal classified employees, 1939-58

[Average 1947-49=100]

Period	Basic pay scales			Average salary rates			Average salaries		
	All Classification Act employees	General schedule	Crafts, protective, custodial	All Classification Act employees	General schedule	Crafts, protective, custodial	All Classification Act employees	General schedule	Crafts, protective, custodial
August 1939.....	69.6	70.9	62.0	68.2	69.3	59.5	61.4	64.2	58.7
June 30, 1945.....	70.4	71.0	68.3	² 69.0	² 69.4	² 65.5	(¹)	(¹)	(¹)
July 1, 1946.....	93.2	93.5	91.1	90.6	90.8	88.8	87.7	87.5	90.2
July 1, 1947.....	93.2	93.5	91.1	92.3	92.5	90.3	92.3	92.6	90.2
July 15, 1948.....	103.4	103.3	104.4	103.5	103.5	104.4	103.1	103.0	104.3
July 1, 1949.....	103.4	103.3	104.4	104.2	104.0	105.3	104.6	104.5	105.4
July 1, 1950.....	107.7	107.4	109.2	109.6	109.4	112.2	112.6	112.3	112.3
July 8, 1951.....	118.5	118.0	121.0	119.3	118.8	123.8	121.4	120.6	125.3
July 1, 1952.....	118.5	118.0	121.0	119.6	119.0	124.7	124.0	123.0	127.2
July 1, 1953.....	118.5	118.0	121.0	120.7	120.0	126.1	127.1	126.3	129.1
July 1, 1954.....	118.5	118.0	121.0	121.8	121.1	127.3	129.4	128.8	129.3
July 1, 1955.....	(¹)	³ 127.0	(¹)	(¹)	³ 130.6	(¹)	(¹)	⁴ 140.2	(¹)
July 1, 1956.....	(¹)	127.0	(¹)	(¹)	130.5	(¹)	(¹)	141.8	(¹)
July 1, 1957.....	(¹)	127.0	(¹)	(¹)	130.6	(¹)	(¹)	144.8	(¹)
July 1, 1958.....	(¹)	139.8	(¹)	(¹)	145.0	(¹)	(¹)	164.6	(¹)

¹ Basic pay scales reflect only statutory changes in salaries, while average salary rates show in addition the effect of merit or in-grade salary increases. Average salaries measure the effect not only of statutory changes in basic pay scales and in-grade salary increases but the effect of changes in the proportion of workers employed in the various pay grades.

² Estimated by assuming the same distribution of employees among grades and steps within grades in 1945 as in 1939. Since there was little or no increase in average rates because of in-grade increases during this period, it

was assumed that the change in basic pay scales was virtually the same as in average salary rates.

³ Not available.

⁴ Index discontinued, as the general schedule now covers all Classification Act employees.

⁵ Data have been adjusted to include those employees formerly under the CFC schedule who are now covered by the general schedule; about two-thirds of the employees were transferred to wage-board classifications and the remaining one-third to the general schedule.

Table 2. Percent distribution of general schedule employees by grade, selected periods, 1939-58

General schedule grade	August 1939	July 1, 1946	July 1, 1950	July 8, 1951	July 1, 1954	July 1, 1955	July 1, 1956	July 1, 1957	July 1, 1958
1.....	13.1	2.5	1.8	1.4	1.1	1.1	0.7	0.5	0.4
2.....	18.1	19.3	14.5	16.6	11.5	10.9	8.9	7.2	5.8
3.....	14.7	22.8	20.6	21.8	21.0	20.9	21.4	20.8	19.5
4.....	11.5	13.6	14.8	13.9	15.8	15.8	16.4	16.8	16.9
5 and 6.....	17.2	13.9	14.8	14.5	14.9	14.8	15.2	15.7	15.7
7 and 8.....	10.4	11.6	12.3	11.7	12.1	11.8	11.9	11.5	11.6
9 and 10.....	6.8	7.6	9.2	8.7	10.1	10.1	10.2	10.6	11.3
11.....	3.8	4.0	5.1	4.8	5.8	6.1	6.3	6.9	7.6
12 through 15.....	4.4	4.7	6.9	6.6	7.8	8.4	8.9	9.9	11.1
16 through 18.....			(?)	(?)	.1	.1	.1	.1	.1
Total.....	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Number of employees.....	234, 067	893, 653	701, 824	885, 925	1 864, 126	886, 512	908, 535	927, 822	921, 153

¹ Revised.² Less than 0.05 percent.

NOTE: Because of rounding, totals may not equal 100.

changes in grade composition, whereas the change in pay of office workers in industry excluded the effects of shifts in employment among positions.

Table 3. Percent increases in Federal classified employees' salaries, in average earnings of factory production workers and office employees, and in the CPI, 1939-58 and 1955-58

Item	August 1939 ¹ to July 1958	July 1955 to July 1958
Federal classified employees:		
Basic pay scales (affected by legislation only).....	97.2	10.1
Average salary rates (affected by legislation and in-grade increases).....	109.2	11.0
Average salaries (affected by legislation, in-grade increases, and changes in occupational or grade composition of classified employees).....	156	17.4
Factory production workers:		
Average weekly earnings.....	262	9.4
Average hourly earnings (excluding overtime).....	232	13.7
Office employees:		
All railway office employees (straight-time monthly earnings) ²	168	28.2
Division officers, assistants, and staff assistants.....	129	21.9
Chief clerks and other supervisors ³	135	23.9
Other clerical employees ⁴	177	28.5
Women office clerical employees, selected cities (straight-time weekly salaries): ⁵		
Boston.....	(⁶)	14.3
New York City.....	(⁶)	15.3
Philadelphia.....	(⁶)	16.4
Atlanta.....	(⁶)	16.1
Dallas.....	(⁶)	14.8
Memphis.....	(⁶)	13.7
Chicago.....	(⁶)	15.2
Cleveland.....	(⁶)	19.6
Minneapolis-St. Paul.....	(⁶)	13.7
Los Angeles-Long Beach.....	(⁶)	14.8
Portland, Oreg.....	(⁶)	14.5
San Francisco-Oakland.....	(⁶)	14.6
Consumer Price Index.....	110	8.0

¹ Data for factory production workers and for railway office employees was computed from July 1939.² Computed by Bureau of Labor Statistics from Interstate Commerce Commission M-300 reports. The average was computed by dividing total compensation for straight time actually worked by the number of employees who received pay during the month.³ Includes professional and subprofessional assistants, supervisory or chief clerks (major departments), chief clerks (minor departments), assistant chief clerks, and supervising cashiers.⁴ Includes clerks and clerical specialists, clerks, mechanical device operators (office), stenographers and secretaries, stenographers and typists, traveling auditors or accountants, and messengers and office boys.⁵ Survey periods were as follows: Boston, April 1955 and September 1957; New York City, March 1955 and April 1958; Philadelphia, November 1954 and October 1957; Atlanta, March 1955 and May 1958; Dallas, September 1954 and October 1957; Memphis, February 1955 and January 1958; Chicago, April 1955 and April 1958; Cleveland, October 1954 and June 1958; Minneapolis-St. Paul, November 1954 and January 1958; Los Angeles-Long Beach, March 1955 and March 1958; Portland, Oreg., April 1955 and April 1958; San Francisco-Oakland, January 1955 and January 1958.⁶ Data not available.

1958 Legislative and In-Grade Increases

The Federal Employees Salary Increase Act of 1958³ was signed by the President on June 20, 1958. Like the 1955 act, it provided for retroactive payment of the increased scales; the new rates were made effective from the first pay period in January 1958. This act and other legislation passed in May 1958 also raised the pay of certain other Federal workers whose rates are determined directly by congressional action.⁴

The rise in classified employees' average salary rates from mid-1957 to mid-1958 resulting from an increase in the proportion of workers at the higher pay steps within a grade was concentrated in the higher pay grades. It occurred despite an increase in the number of workers employed in these grades; the entrance rates at which new workers usually start ordinarily would reduce average salaries within a grade. In December 1957, the Civil Service Commission increased rates within certain scientific and engineering occupations for all employees, even those newly hired, to the top step of their respective grades; it was this action that was responsible for most of the rise in average salary rates traceable to in-grade pay increases.⁵

³ Public Law 462, 85th Cong., 2d sess.⁴ These workers included legislative and judicial employees, employees of the Department of Medicine and Surgery of the Veterans Administration, the Foreign Service, the Postal Field Service, and the Armed Forces. Most of the changes affecting the Postal Field Service were made in a bill signed in May which provided increases averaging 7½ percent, plus an additional 2½ percent "temporary" cost-of-living increase for workers in the 6 lowest grades; however, Public Law 462 extended the cost-of-living increase to the remaining grades of the Postal Field Service. Compensation of members of the armed services was increased by from 6 to 47 percent, depending on length of service and rank, by another bill also signed in May. The pay of "blue-collar" employees of the Federal Government was not affected by these bills since Congress has delegated authority to set their pay to wage boards.⁵ For a description of the Civil Service regulations raising pay to the top of the grade, see Wage Chronology No. 13, Federal Classification Act Employees, Supplement No. 2, 1952-58 (in Monthly Labor Review, December 1958, pp. 1382-1389).

Changes in Employment Among Grades

As indicated earlier, a substantial part of the increase in average salaries between mid-1955 and mid-1958 was traceable to an increase in the proportion of workers in the higher salaried grades (table 2). The most notable changes were a reduction in the proportion of workers classified in grade GS-2, from 11 to 6 percent of all classified workers, and an advance in the proportion in grades 12 through 15 from 8 to 11 percent.

A statement by the chairman of the U.S. Civil Service Commission, Harris Ellsworth, before the Subcommittee on Manpower Utilization of the House Committee on Post Office and Civil Service in December 1958 mentioned a number of technological and functional factors that have contributed to changes in grade composition of the Civil Service during the period since the early 1940's. He stated that "The adoption of improved operating methods and techniques and the mechanization of work processes have influenced grade

patterns in the Federal service over a period of years. Routine tasks best lend themselves to mechanization, and thousands of lower grade positions have disappeared because of photocopy equipment, letter-writing machines, microfilm, addressing machines, and data-processing equipment. . . . As the Government has been forced to hire additional scientists in such advanced fields as physics, electronics, and aeronautics, the average grade level has been influenced accordingly." He also pointed out that with development of a tight labor market, there has been a shift in classification of positions in borderline cases. Finally, Mr. Ellsworth indicated that during the depression of the 1930's, Government employees' positions were classified very conservatively to maintain some balance between Government and private salaries but that, subsequently, as industrial salaries increased more rapidly than the salaries of employees in the Government service, a more liberal approach to classification had been adopted.

Table 4. Minimum and average salaries¹ of Federal classified employees, by grade, selected periods, 1939-58

General schedule grade	August 1939	July 1, 1950	July 8, 1951	July 1, 1955	July 1, 1957	July 1, 1958	Percent change to July 1, 1958, from—				
							August 1939	July 1, 1950	July 8, 1951	July 1, 1955	July 1, 1957
1: Minimum salary rate	\$1,180	\$2,200	\$2,500	\$2,690	\$2,690	\$2,960	150.8	34.5	18.4	10.0	10.0
Average salary	1,223	2,356	2,596	2,913	2,951	3,260	166.6	38.4	25.6	11.9	10.5
2: Minimum salary rate	1,440	2,450	2,750	2,960	2,960	3,255	126.0	32.9	18.4	10.0	10.0
Average salary	1,489	2,639	2,861	3,186	3,155	3,498	134.9	32.6	22.3	9.8	10.9
3: Minimum salary rate	1,620	2,650	2,950	3,175	3,175	3,495	115.7	31.9	18.5	10.1	10.1
Average salary	1,683	2,866	3,119	3,446	3,433	3,804	126.0	32.7	22.0	10.4	10.8
4: Minimum salary rate	1,800	2,875	3,175	3,415	3,415	3,755	108.6	30.6	18.3	10.0	10.0
Average salary	1,867	3,103	3,398	3,738	3,737	4,126	121.0	33.0	21.4	10.4	10.4
5: Minimum salary rate	2,000	3,100	3,410	3,670	3,670	4,040	102.0	30.3	18.5	10.1	10.1
Average salary	2,099	3,405	3,681	4,129	4,128	4,570	117.7	34.2	24.2	10.7	10.7
6: Minimum salary rate	2,300	3,450	3,795	4,080	4,080	4,490	95.2	30.1	18.3	10.0	10.0
Average salary	2,414	3,780	4,111	4,566	4,541	5,031	108.4	33.1	22.4	10.2	10.8
7: Minimum salary rate	2,600	3,825	4,205	4,525	4,525	4,980	91.5	30.2	18.4	10.1	10.1
Average salary	2,704	4,154	4,495	4,960	4,967	5,471	102.3	31.7	21.7	10.3	10.1
8: Minimum salary rate	2,900	4,200	4,620	4,970	4,970	5,470	88.6	30.2	18.4	10.1	10.1
Average salary	3,020	4,553	4,942	5,499	5,437	5,945	96.9	30.6	20.3	8.1	9.3
9: Minimum salary rate	3,200	4,600	5,060	5,440	5,440	5,985	87.0	30.1	18.3	10.0	10.0
Average salary	3,298	4,923	5,346	5,825	5,861	6,460	95.9	31.2	20.8	10.9	10.2
10: Minimum salary rate	3,500	5,000	5,500	5,915	5,915	6,505	85.9	30.1	18.3	10.0	10.0
Average salary	3,620	5,279	5,741	6,344	6,348	6,959	92.2	31.8	21.2	9.7	9.6
11: Minimum salary rate	3,800	5,400	5,940	6,390	6,390	7,030	85.0	30.2	18.4	10.0	10.0
Average salary	3,974	5,734	6,230	6,768	6,862	7,620	91.7	32.9	22.3	12.6	11.0
12: Minimum salary rate	4,600	6,400	7,040	7,570	7,570	8,330	81.1	30.2	18.3	10.0	10.0
Average salary	4,797	6,759	7,360	7,975	7,952	8,999	87.6	33.1	22.3	12.8	13.2
13: Minimum salary rate	5,600	7,600	8,360	8,990	8,990	9,890	76.6	30.1	18.3	10.0	10.0
Average salary	5,793	7,931	8,652	9,381	9,388	10,593	82.9	33.6	22.4	12.9	12.8
14: Minimum salary rate	6,500	8,800	9,600	10,320	10,320	11,355	74.7	29.0	18.3	10.0	10.0
Average salary	6,850	9,150	9,980	10,682	10,710	12,042	75.8	31.6	21.9	12.7	12.4
15: Minimum salary rate	8,000	10,000	10,800	11,610	11,610	12,770	59.6	27.7	18.2	10.0	10.0
Average salary	8,460	10,577	11,245	12,034	12,093	13,513	59.7	27.8	20.2	12.3	11.7
16: Minimum salary rate	(²)	11,200	12,000	12,900	12,900	14,190	(²)	26.7	18.3	10.0	10.0
Average salary	(²)	11,252	12,044	13,125	13,189	14,657	(²)	30.5	21.7	11.7	11.1
17: Minimum salary rate	(²)	12,200	13,000	13,975	13,975	15,375	(²)	26.0	18.3	10.0	10.0
Average salary	(²)	12,288	13,045	14,122	14,208	15,768	(²)	28.3	20.9	11.7	11.0
18: Minimum salary rate	(²)	14,000	14,800	14,800	16,000	17,500	(²)	25.0	18.2	18.2	9.4
Average salary	(²)	14,000	14,800	14,800	16,000	17,500	(²)	25.0	18.2	18.2	9.4

¹ Average salaries were obtained by weighting each salary step within the grade by the number of employees at that step. In other words, they reflect the effect of increases in basic salary scales and of merit increases in pay within the grade for each period.

² The minimum was computed by weighting equally the base pay for each of the 3 grades (SP-1, SP-2, and CAF-1) which were combined under the general schedule.

³ Grades 16, 17, and 18 were created under the Classification Act of 1949 (Oct. 28, 1949).

Salary Changes Since 1939

The 1958 legislation brought the total increase in basic scales for Federal Classification Act employees to 97 percent since 1939 (table 3). Over the same period, in-grade pay increases also raised the level of compensation; together with legislative changes, these in-grade changes advanced average salary rates about 109 percent. Average salaries, reflecting not only these two factors but shifts in the proportion of workers in various pay grades, increased 156 percent. These measures of change can be compared with an increase of 110 percent in the Consumer Price Index, 168 percent in the monthly pay of railroad office employees, and 232 and 262 percent, respectively, in the hourly and

weekly pay of factory production workers. From the 1938-39 to the 1956-57 school year, urban teachers' salaries rose 132 percent.⁶

Salary increases since 1939 have varied widely among the various grades of the general schedule with the smallest proportionate increases taking place in the top grades and the largest in the lowest grades (table 4). Even if comparisons are limited to those grades in which significant numbers of workers are employed, increases in basic scales varied from about 75 percent in grades 13 and 14, to 126 percent in grade 2 and 116 percent in grade 3. Only the basic scales for the lowest 3 grades and average salaries for the lowest 5 grades kept pace with living costs.

⁶ See Salaries of City Public School Teachers, 1955-57 (in *Monthly Labor Review*, April 1958, pp. 384-387).

Federal Classified Employees' Salary Changes, 1958-60

LEGISLATION enacted by the 86th Congress in July 1960 increased basic salary scales of Federal employees covered by the Classification Act¹ an average of 7.7 percent.² Average salary rates rose somewhat less—7.3 percent—because the effect of the legislated salary increase was offset in part by a reduction in the proportion of workers receiving more than the minimum scale for their jobs. The general salary increase, combined with an increase in the proportion of workers in the higher grades between 1958 and 1960, advanced average salaries by 11.5 percent over that period. Between 1958 and 1959, the index of basic scales remained unchanged, while average salary rates declined 0.3 percent and average salaries rose 1.8 percent. (See table 1.)

Federal Classification Act employees stationed in Alaska and Hawaii are included for the first time in the 1960 indexes and other data used for this report. With this addition, the total number of Federal employees included in this report was increased by 15,676 (1.7 percent) and the

total wage bill by \$90,908,180³ (1.6 percent). The effect on salary levels of including the Nation's two newest States was minimal; only average salary rates were changed, increasing by 0.1 percent. Their inclusion produced minor variations in the distribution of employment at the various grades, however, because Alaska and Hawaii had a higher proportion of Federal employees in the five lowest grades and a much lower proportion in grades 12 through 15 than did the rest of the United States.

¹ Salaries were increased by the Federal Employees' Salary Increase Act of 1960 (P.L. 568). In 1960, there were also gains in the supplementary benefits provided Federal employees. Legislation enacted by the 86th Congress in September 1959 provided a voluntary health benefits program for Federal employees, to be partly paid for by the Government. Effective July 1, 1960, the Government would contribute up to half the cost of employee membership in a choice of several health plans, some of which continued protection after retirement and provided "catastrophic" benefits to help finance costs of chronic or long-term illness or serious accident.

² Each basic scale was raised 7.5 percent (rounded to the nearest \$5) except the highest grade, which was raised \$1,000, or 5.7 percent; in addition, in-grade increments were increased by amounts from \$10 to \$25, accounting for a further 0.2-percent increase.

³ Excluding cost-of-living allowances of 25 percent in Alaska and 17.5 percent in Hawaii provided these employees under Executive Order No. 10000.

TABLE 1. INDEXES OF BASIC SALARY SCALES, AVERAGE SALARY RATES, AND AVERAGE SALARIES¹ OF FEDERAL CLASSIFIED EMPLOYEES, 1939 AND 1945-60

[1947-49=100]

Period	Basic salary scales			Average salary rates			Average salaries		
	All Classification Act employees	General schedule	Crafts, protective, custodial	All Classification Act employees	General schedule	Crafts, protective, custodial	All Classification Act employees	General schedule	Crafts, protective, custodial
August 1939.....	69.6	70.9	62.0	68.2	69.3	59.5	61.4	64.2	58.7
June 30, 1945.....	70.4	71.0	68.3	69.0	69.4	65.5	(*)	(*)	(*)
July 1, 1945.....	93.2	93.5	91.1	90.6	90.8	88.8	87.7	87.5	90.2
July 1, 1947.....	93.2	93.5	91.1	92.3	92.5	90.3	92.3	92.6	90.2
July 15, 1948.....	103.4	103.3	104.4	103.5	103.5	104.4	103.1	103.0	104.3
July 1, 1949.....	103.4	103.3	104.4	104.2	104.0	105.3	104.6	104.5	105.4
July 1, 1950.....	107.7	107.4	109.2	109.6	109.4	112.2	112.6	112.3	112.8
July 8, 1951.....	118.5	118.0	121.0	119.3	118.8	123.8	121.4	120.6	125.3
July 1, 1952.....	118.5	118.0	121.0	119.6	119.0	124.7	124.0	123.0	127.2
July 1, 1953.....	118.5	118.0	121.0	120.7	120.0	126.1	127.1	126.3	129.1
July 1, 1954.....	118.5	118.0	121.0	121.8	121.1	127.3	129.4	128.8	129.3
July 1, 1955.....	(*)	127.0	(*)	(*)	130.6	(*)	(*)	140.2	(*)
July 1, 1956.....	(*)	127.0	(*)	(*)	130.5	(*)	(*)	141.8	(*)
July 1, 1957.....	(*)	127.0	(*)	(*)	130.6	(*)	(*)	144.8	(*)
July 1, 1958.....	(*)	139.8	(*)	(*)	145.0	(*)	(*)	164.6	(*)
July 1, 1959.....	(*)	139.8	(*)	(*)	144.6	(*)	(*)	167.6	(*)
July 10, 1960 ⁴	(*)	180.5	(*)	(*)	155.6	(*)	(*)	183.5	(*)

¹ Basic salary scales reflect only statutory changes in salaries, while average salary rates show, in addition, the effect of merit or in-grade salary increases. Average salaries measure the effect not only of statutory changes in basic pay scales and in-grade salary increases but also the effect of changes in the proportion of workers employed in the various pay grades.

² Estimated by assuming the same distribution of employees among grades and steps within grades in 1945 as in 1939. Since there was little or no increase in average rates because of in-grade increases during this period, it was assumed that the change in basic salary scales was virtually the same as in average salary rates.

³ Not available.

⁴ Index discontinued because the general schedule now covers all Classification Act employees.

⁵ Data have been adjusted to include those employees formerly under the CPC schedule who are now covered by the general schedule; about two-thirds of the employees were transferred to wage-board classifications and one-third to the general schedule.

⁶ Based on data including 15,676 employees in Alaska and Hawaii; cost-of-living allowances provided these employees were excluded. The addition of these employees changed only the index of average salary rates, which would have been 0.1 point lower without their inclusion.

TABLE 2. PERCENT DISTRIBUTION OF GENERAL SCHEDULE EMPLOYEES BY GRADE, SELECTED PERIODS, 1939-60

General schedule grade	August 1939	July 1, 1946	July 1, 1950	July 8, 1951	July 1, 1954	July 1, 1955	July 1, 1956	July 1, 1957	July 1, 1958	July 1, 1959	June 30, 1960	
											Without Alaska and Hawaii	With Alaska and Hawaii ¹
1	13.1	2.5	1.8	1.4	1.1	1.1	0.7	0.5	0.4	0.4	0.2	0.3
2	18.1	19.3	14.5	16.6	11.5	10.9	8.9	7.2	5.8	4.7	4.1	4.1
3	14.7	22.8	20.6	21.8	21.0	20.9	21.4	20.8	19.5	18.1	16.7	16.7
4	11.5	13.6	14.8	13.9	15.8	15.8	16.4	16.8	16.9	16.8	16.8	16.8
5 and 6	17.2	13.9	14.8	14.5	14.9	14.8	15.2	15.7	15.7	16.2	16.8	16.7
7 and 8	10.4	11.6	12.3	11.7	12.1	11.8	11.9	11.5	11.6	11.6	11.4	11.5
9 and 10	6.8	7.6	9.2	8.7	10.1	10.1	10.2	10.6	11.3	11.7	11.7	11.7
11	3.8	4.0	5.1	4.8	5.8	6.1	6.3	6.9	7.6	8.2	8.7	8.7
12 through 15	4.4	4.7	6.9	6.6	7.8	8.4	8.9	9.9	11.1	12.2	13.4	13.2
16 through 18			(²)	(²)	.1	.1	.1	.1	.1	.1	.2	.2
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Number of employees	234,067	893,653	701,824	885,925	864,126	886,512	908,535	927,822	921,153	931,105	938,319	953,995

¹ Includes 15,676 employees in Alaska and Hawaii.

NOTE: Because of rounding, totals may not equal 100.

² Less than 0.05 percent.TABLE 3. MINIMUM AND AVERAGE SALARIES¹ OF FEDERAL CLASSIFIED EMPLOYEES, BY GRADE, AND CONSUMER PRICE INDEX, SELECTED PERIODS, 1939-60

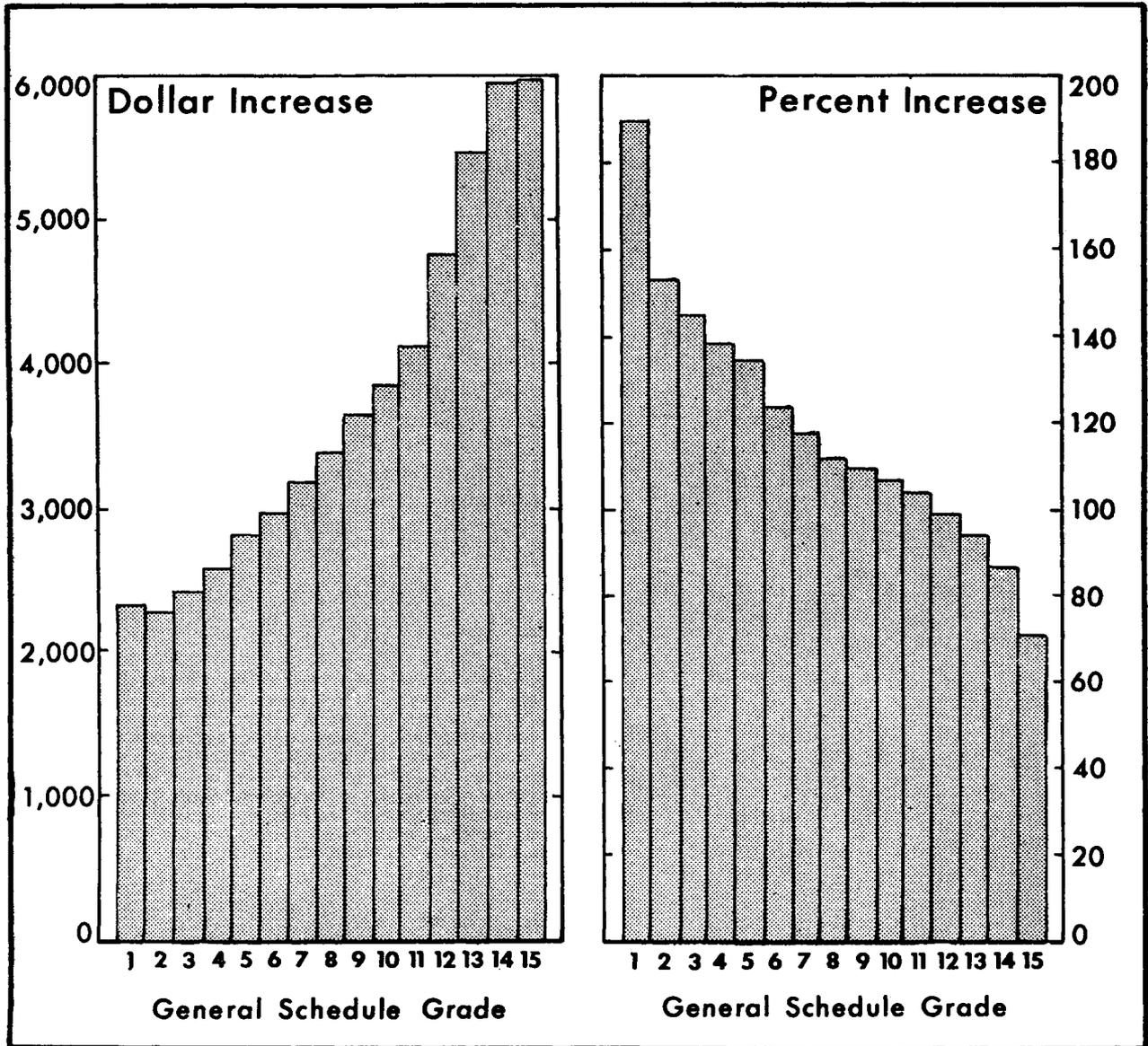
General schedule grade and Consumer Price Index	August 1939	July 1, 1950	July 1, 1955	July 1, 1958	July 1, 1959		July 10, 1960		Percent increase to July 10, 1960, from— ¹				July 1, 1959	
					Without Alaska and Hawaii	With Alaska and Hawaii ²	Without Alaska and Hawaii	With Alaska and Hawaii ²	August 1939	July 1, 1950	July 1, 1955	July 1, 1958	Without Alaska and Hawaii	With Alaska and Hawaii
GENERAL SCHEDULE GRADE														
1: Minimum salary rate	\$1,180	\$2,200	\$2,690	\$2,960	\$2,960	\$2,960	\$3,185	\$3,185	169.9	44.8	18.4	7.6	7.6	7.6
Average salary	1,223	2,356	2,913	3,260	3,271	3,265	3,548	3,540	190.1	50.6	21.8	8.8	8.5	8.4
2: Minimum salary rate	1,440	2,450	2,960	3,255	3,255	3,255	3,500	3,500	143.1	42.9	18.2	7.5	7.5	7.5
Average salary	1,489	2,639	3,186	3,498	3,507	3,507	3,762	3,762	152.7	42.6	18.1	7.5	7.3	7.3
3: Minimum salary rate	1,620	2,650	3,175	3,495	3,495	3,495	3,760	3,760	132.1	41.9	18.4	7.6	7.6	7.6
Average salary	1,683	2,866	3,446	3,804	3,814	3,814	4,111	4,111	144.3	43.4	19.3	8.1	7.8	7.8
4: Minimum salary rate	1,800	2,875	3,415	3,755	3,755	3,755	4,040	4,040	124.4	40.5	18.3	7.6	7.6	7.6
Average salary	1,867	3,103	3,738	4,128	4,133	4,133	4,455	4,455	138.6	43.6	19.2	8.0	7.8	7.8
5: Minimum salary rate	2,000	3,100	3,670	4,040	4,040	4,040	4,345	4,345	117.3	40.2	18.4	7.5	7.5	7.5
Average salary	2,099	3,405	4,129	4,570	4,561	4,561	4,921	4,921	134.4	44.5	19.2	7.7	7.9	7.9
6: Minimum salary rate	2,300	3,450	4,080	4,490	4,490	4,490	4,830	4,830	110.0	40.0	18.4	7.6	7.6	7.6
Average salary	2,414	3,780	4,566	5,031	4,996	4,994	5,402	5,401	123.8	42.9	18.3	7.4	8.1	8.1
7: Minimum salary rate	2,600	3,825	4,525	4,980	4,980	4,980	5,355	5,355	106.0	40.0	18.3	7.5	7.5	7.5
Average salary	2,704	4,154	4,960	5,471	5,448	5,448	5,893	5,893	117.9	41.9	18.8	7.7	8.2	8.2
8: Minimum salary rate	2,900	4,200	4,970	5,470	5,470	5,470	5,885	5,885	102.9	40.1	18.4	7.6	7.6	7.6
Average salary	3,020	4,553	5,499	5,945	5,961	5,960	6,411	6,411	112.3	40.8	18.6	7.8	7.5	7.6
9: Minimum salary rate	3,200	4,600	5,440	5,985	5,985	5,985	6,435	6,435	101.1	39.9	18.3	7.5	7.5	7.5
Average salary	3,298	4,923	5,825	6,460	6,438	6,437	6,931	6,931	110.2	40.8	19.0	7.3	7.7	7.7
10: Minimum salary rate	3,500	5,000	5,915	6,505	6,505	6,505	6,995	6,995	99.9	39.9	18.3	7.5	7.5	7.5
Average salary	3,620	5,279	6,344	6,959	6,938	6,936	7,476	7,476	106.5	41.6	18.7	7.4	7.8	7.8
11: Minimum salary rate	3,800	5,400	6,390	7,030	7,030	7,030	7,560	7,560	98.9	40.0	18.3	7.5	7.5	7.5
Average salary	3,974	5,734	6,768	7,620	7,567	7,567	8,107	8,107	104.0	41.4	19.8	6.4	7.1	7.1
12: Minimum salary rate	4,600	6,400	7,570	8,330	8,330	8,330	8,955	8,955	94.7	39.9	18.3	7.5	7.5	7.5
Average salary	4,797	6,759	7,975	8,999	8,924	8,925	9,554	9,555	99.2	41.4	19.8	6.2	7.1	7.1
13: Minimum salary rate	5,600	7,600	8,990	9,890	9,890	9,890	10,635	10,635	89.9	39.9	18.3	7.5	7.5	7.5
Average salary	5,793	7,931	9,381	10,593	10,524	10,523	11,263	11,262	94.4	42.0	20.1	6.3	7.0	7.0
14: Minimum salary rate	6,500	8,800	10,320	11,355	11,355	11,355	12,210	12,210	87.8	38.5	18.3	7.5	7.5	7.5
Average salary	6,850	9,150	10,682	12,042	11,968	11,968	12,818	12,818	87.1	40.1	20.0	6.4	7.1	7.1
15: Minimum salary rate	8,000	10,000	11,610	12,770	12,770	12,770	13,730	13,730	71.6	37.3	18.3	7.5	7.5	7.5
Average salary	8,460	10,577	12,034	13,513	13,465	13,464	14,443	14,443	70.7	36.6	20.0	6.9	7.3	7.3
16: Minimum salary rate	(³)	11,200	12,900	14,190	14,190	14,190	15,255	15,255	(³)	36.2	18.3	7.5	7.5	7.5
Average salary	(³)	11,232	13,125	14,657	14,551	14,551	15,648	15,648	(³)	39.3	19.2	6.8	7.5	7.5
17: Minimum salary rate	(³)	12,200	13,975	15,375	15,375	15,375	16,530	16,530	(³)	35.5	18.3	7.5	7.5	7.5
Average salary	(³)	12,288	14,122	15,768	15,670	15,670	16,863	16,863	(³)	37.2	19.4	6.9	7.6	7.6
18: Minimum salary rate	(³)	14,000	14,800	17,500	17,500	17,500	18,500	18,500	(³)	32.1	25.0	5.7	5.7	5.7
Average salary	(³)	14,000	14,800	17,500	17,500	17,500	18,500	18,500	(³)	32.1	25.0	5.7	5.7	5.7
Consumer Price Index (1947-49=100)	59.0	102.9	114.7	123.9	124.9	126.6	114.6	23.0	10.4	2.2	1.4			

¹ Minimum salaries are the salaries paid at the first step in each grade. Average salaries were obtained by weighting each salary step within the grade by the number of employees at that step. Therefore, they reflect the effect of increases in basic salary scales and of merit increases in pay within the grade.² Excludes cost-of-living allowances provided employees in Alaska and Hawaii.³ 1960 data without Alaska and Hawaii were used to compute all changes except from "July 1, 1959, with Alaska and Hawaii."⁴ The minimum was computed by weighting equally the base pay for each of the 3 grades (subprofessional grades 1 and 2 and clerical, administrative, and fiscal grade 1) that were combined into this general schedule grade.⁵ Grades 16, 17, and 18 were created by the Classification Act of 1949.

The increased proportions of Federal employees in the higher grades continued a trend that has been evident for at least the past decade. Since 1939, the proportion in grades 9 through 15 has risen from 15 to 34 percent. This situation is directly related to the increasing complexity and diversification of governmental activities. To

perform its functions effectively, the Government, like American industry, has needed larger numbers of highly trained and specialized personnel. To a more limited extent, competition for the services of workers trained in certain professional fields has also tended to inflate the number of employees in the higher grades.

Increase in Average Salary Rates¹ of Federal Classified Employees, by Grade,² August 1939 to July 1960



¹ Average salaries were obtained by weighting each salary step within the grade by the number of employees at that step. Therefore, they reflect the effect of statutory changes in basic pay scales and in-grade salary increases.

Data exclude 15,876 employees in Alaska and Hawaii.

² Grades 16, 17, and 18, which were created by the Classification Act of 1949, are omitted.

At the other end of the scale, the introduction of mechanization and improved techniques had reduced the number of employees in some of the less skilled positions,⁴ even as governmental activities were expanding. Between 1958 and 1960, the proportion of employees in grade 2 was reduced almost 2 percentage points, and in grade 3 almost 3 percentage points (table 2). The number of employees in these two grades, which comprise 21 percent of all classified employees, declined from 233,052 to 195,170, or 16 percent.

From 1958 to 1960, increased proportions of employees in the lower steps of the various grades (mostly new workers or workers promoted into the lower steps of higher grades) caused average salary rates, affected by statutory changes and in-grade increases, to rise less than basic pay scales—7.3 percent as compared with 7.7 percent. Near the top of the scale, in grades 11 through 14, for example, the increase in average salary rates was more than 1 percentage point under the increase in basic pay scales. (See table 3.)

Since the period from July 1958 to July 1960 was one of relative price stability, average salaries (affected by statutory changes and in-grade increases combined with the number of workers in various pay grades) of employees under the Federal Classification Act system rose more than did the Consumer Price Index, 11.5 percent as compared with 2.2 percent.

Long-Term Trends

Between 1939 and 1960, basic pay scales of Federal employees were slightly more than doubled by legislative action; the increase in these scales averaged 112 percent. Average salary rates rose 125 percent in this period, while the index of average salaries rose 186 percent.

The increase in salaries has varied widely among Federal pay grades, as indicated by the accom-

panying chart. While average salaries in the lowest general schedule grade advanced 190 percent, the corresponding increase for grade 15 (the highest grade in effect during the whole period) was about 70 percent. Only in the seven lowest pay grades did average salaries keep pace with the Consumer Price Index, which advanced 115 percent from 1939 to July 1960. Dollar increases also varied widely among pay grades, ranging from \$2,325 for the lowest general schedule grade to almost \$6,000 for grade 15.

These marked differences in salary trends among grades have resulted from legislation that provided identical dollar increases for all grades, or a percentage increase combined with minimum and maximum dollar ceilings that brought about higher percent increases in the lower grades, or a scale of decreasing percent increases for the higher paid employees. This situation was particularly prevalent between 1939 and 1951. Since 1955, the existing relationship between the grades has been maintained to a much greater extent than in the earlier years by across-the-board percent increases. In 1939, the basic salary of the highest grade, equivalent to GS-15, was about four times as great as that of the equivalent of the GS-4, the grade with the highest concentration of employees in 1960. By 1960, the basic salary of the GS-15 was only about three times that of the GS-4.

⁴ In some agencies, automation has had such an "unfavorable outcome for employees" that more than one-third of them have been laid off, according to testimony before a congressional committee in 1959 and 1960. These hearings were conducted by the Subcommittee on Census and Government Statistics of the House of Representatives Committee on Post Office and Civil Service to determine the extent of office automation in the Federal Government and to explore the implications of these technological changes for Federal clerical workers. Material presented in these hearings concerning the impact of office automation on employees (primarily clerical) was summarized in Office Automation in the Federal Government (in *Monthly Labor Review*, September 1960, pp. 933-938).

Federal Classified Employees' Salary Changes, 1960—61

About 1 million workers are now employed under the Classification Act of 1949—about 43 percent of the 2.3 million Federal civilian employees. Of these, slightly more than a fifth are employed in professional occupations. Most of the remainder are in clerical or administrative work; a few are doing custodial work.

The attached tables and charts bring up to date information on the pay of workers covered by the Classification Act. Three measures of change in pay are presented: (1) Basic pay scales, reflecting only legislative changes in pay; (2) the change in average salary rates, influenced both by legislative changes and by changes in the proportion of workers receiving pay above the minimum of the grade as a result of in-grade increases; and (3) changes in average salaries, influenced not only by these factors but by changes in the proportion of workers in the various pay grades.

During the period from July 10, 1960, to July 1, 1961, basic pay scales were not revised. With an expansion of approximately 3 percent in the total number of workers employed under the Classification Act, plus promotion of some workers to higher grades and a consequent increase in the proportion of workers at entrance rates within their grade, the average number of step or in-grade increases remained unchanged. Consequently, average salary rates were the same at the end as at the beginning of the period. However, an increase in the proportion of workers employed in grades 5 and 6 and grades 11 through 15 raised average salaries approximately 1.2 percent (table 1).

Since the beginning of World War II, the three measures of pay trends have diverged substantially. In 1939, relatively few workers were paid more than the minimum rate for their grade; until

1941 there was no legislative requirement that all workers with satisfactory ratings receive automatic increases in pay. As a consequence of legislation approved August 1, 1941, the proportion of workers paid above the minimum of the grade is substantially greater today than it was in 1939, and average salary rates have risen more than have basic salary scales—124.4 compared with 112.4 percent. Marked changes in grade structure in the Federal Service, summarized in table 2, increased average salaries much more than salary rates. Over the 22-year period, the index of average salaries rose 189 percent. The change in grade structure reflects both a substantial increase in the proportion of professional workers, growing out of the increased need for highly trained specialists,¹ and a concurrent mechanization of routine clerical and bookkeeping tasks which has reduced the need for workers in the lower pay grades, as well as a liberalization of classification reflecting a tightening of the labor market.

Increases in average salaries since 1939 have been proportionately greater in the lower pay grades than in the higher ones (table 3). Some of the legislative increases in salaries were proportionately smaller for the higher pay than for the lower pay grades, while others that established a uniform percentage increase in pay for the middle pay grades included a dollar minimum and maximum that resulted in lower percentage increases for the highest pay than for the lowest pay grades. From 1939 to 1961, average salaries rose 188.6 percent in grade 1, and 138.6 percent in grade 4, but 70.4 percent in grade 15. As a consequence of the greater increase in pay for lower

¹ Professional workers now make up more than 22 percent of the classified employees, compared with fewer than 13 percent in 1949.

grades, the maximum pay in the classified service now for grade 18 is 5.8 times the minimum entrance salary (grade 1), whereas in 1939 the maximum salary paid in the top grade that existed at that time (grade 15) was 7.1 times the minimum pay for grade 1.²

From 1939 to 1961, all three measures of change in salaries of Federal classified workers lagged behind the increase in factory workers' average weekly and hourly earnings; basic pay scales and average salary rates also rose less than did average monthly pay of railroad office employees, and, as shown by other Bureau reports, city public school teachers, or firefighters and police patrolmen; basic salary scales did not keep up with the rise in the Consumer

Price Index (tables 4 and 5). During the past decade, however, all three measures of Federal pay rose more than the Consumer Price Index; average salaries of Federal workers, reflecting changes in grade structure, rose somewhat more than did factory workers' or railroad office employees' pay or weekly earnings of women office clerical workers in 12 major metropolitan areas from 1951 or 1952 to 1961. Basic pay scales and average salary rates, however, continued to lag behind pay of these three groups and all three measures of Federal pay failed to keep pace with pay of city public school teachers or firefighters and police patrolmen.

² Maximum pay in grade 15 at present is 4.7 times the minimum for grade 1.

Table 1. Indexes of basic salary scales, average salary rates, and average salaries¹ of Federal classified employees covered by the general schedule,² 1939 and 1945-61

Period	(1957-59 = 100)			(1947-49 = 100)		
	Basic salary scales	Average salary rates	Average salaries	Basic salary scales	Average salary rates	Average salaries
August 1939 -----	52.3	49.5	40.4	70.9	69.3	64.2
June 30, 1945 -----	52.4	³ 49.5	(⁴)	71.0	³ 69.4	(⁴)
July 1, 1946 -----	69.0	64.8	55.0	93.5	90.8	87.5
July 1, 1947 -----	69.0	66.0	58.2	93.5	92.5	92.6
July 15, 1948 -----	76.2	73.9	64.8	103.3	103.5	103.0
July 1, 1949 -----	76.2	74.2	65.7	103.3	104.0	104.5
July 1, 1950 -----	79.3	78.1	70.6	107.4	109.4	112.3
July 8, 1951 -----	87.1	84.8	75.8	118.0	118.8	120.6
July 1, 1952 -----	87.1	84.9	77.4	118.0	119.0	123.0
July 1, 1953 -----	87.1	85.7	79.4	118.0	120.0	126.3
July 1, 1954 -----	87.1	86.4	81.0	118.0	121.1	128.8
July 1, 1955 ² -----	93.7	93.2	88.2	127.0	130.6	140.2
July 1, 1956 -----	93.7	93.1	89.2	127.0	130.5	141.8
July 1, 1957 -----	93.7	93.2	91.1	127.0	130.6	144.8
July 1, 1958 -----	103.2	103.5	103.5	139.8	145.0	164.6
July 1, 1959 -----	103.2	103.2	105.4	139.8	144.6	167.6
July 10, 1960 ⁵ -----	111.1	111.1	115.4	150.5	155.6	183.5
July 1, 1961 ⁵ -----	111.1	111.1	116.8	150.5	155.6	185.7

¹ Basic salary scales reflect only statutory changes in salaries.

Average salary rates show, in addition, the effect of merit or in-grade salary increases.

Average salaries measure the effect not only of statutory changes in basic pay scales and in-grade salary increases, but also the effect of changes in the proportion of workers employed in the various pay grades.

² Data for Classification Act and Crafts, Protective, and Custodial employees have been incorporated into the General Schedule indexes. Since July 1, 1955, the General Schedule has covered all Classification Act employees. At that time about one-third of the approximately 100,000 employees formerly covered by the Crafts, Protective, and Custodial schedule were transferred to the General Schedule; the remaining two-thirds were transferred to wage-board classifications along with approximately 2,500 workers formerly under the General Schedule. There were only minor differences among the indexes in the years prior to 1955.

³ Estimated by assuming the same distribution of employees among grades and steps within grades in 1945 as in 1939. Since there was little or no increase in average rates because of in-grade increases during this period, it was assumed that the change in basic salary scales was virtually the same as in average salary rates.

⁴ Not available.

⁵ Based on data including 15,676 employees in Alaska and Hawaii in 1960, 15,784 employees in 1961. Cost-of-living allowances provided these employees, were excluded. The inclusion of these employees did not affect basic salary scales.

In 1960 it changed only the index of average salary rates which would have been 0.1 point lower without their inclusion. In 1961 average salary rates and average salaries would have been 0.3 and 0.2 points lower, respectively, without inclusion of employees in Alaska and Hawaii.

Table 2. Percent distribution of general schedule employees by grade, selected periods, 1939-61

General schedule grade	August 1939	July 1, 1946	July 1, 1950	July 8, 1951	July 1, 1954
1 -----	13.1	2.5	1.8	1.4	1.1
2 -----	18.1	19.3	14.5	16.6	11.5
3 -----	14.7	22.8	20.6	21.8	21.0
4 -----	11.5	13.6	14.8	13.9	15.8
5 and 6 -----	17.2	13.9	14.8	14.5	14.9
7 and 8 -----	10.4	11.6	12.3	11.7	12.1
9 and 10 -----	6.8	7.6	9.2	8.7	10.1
11 -----	3.8	4.0	5.1	4.8	5.8
12 through 15 -----	4.4	4.7	6.9	6.6	7.8
16 through 18 -----	-	-	(1)	(1)	.1
Total -----	100.0	100.0	100.0	100.0	100.0
Number of employees -----	234,067	893,653	701,824	885,925	864,126
	July 1, 1956	July 1, 1958	July 1, 1959	July 10, 1960 ²	July 1, 1961 ²
1 -----	0.7	0.4	0.4	0.3	0.2
2 -----	8.9	5.8	4.7	4.1	3.5
3 -----	21.4	19.5	18.1	16.7	15.7
4 -----	16.4	16.9	16.8	16.8	16.8
5 and 6 -----	15.2	15.7	16.2	16.7	17.1
7 and 8 -----	11.9	11.6	11.6	11.5	11.5
9 and 10 -----	10.2	11.3	11.7	11.7	11.7
11 -----	6.3	7.6	8.2	8.7	9.2
12 through 15 -----	8.9	11.1	12.2	13.2	14.0
16 through 18 -----	.1	.1	.1	.2	.2
Total -----	100.0	100.0	100.0	100.0	100.0
Number of employees -----	908,535	921,153	931,105	953,995	988,241

¹ Less than 0.05 percent.

² Beginning in 1960, data include employees in Alaska and Hawaii. In 1960 these employees numbered 15,676; in 1961 they totaled 15,784.

NOTE: Because of rounding, totals may not equal 100.

Table 3. Minimum and average salaries¹ of Federal classified employees, by grade, and Consumer Price Index, selected periods, 1939-61

General schedule grade and Consumer Price Index	August 1939	July 1, 1950	July 1, 1955	July 1, 1958	July 10, 1960 ²	July 1, 1961 ²
<u>General schedule grade</u>						
1: Minimum salary rate ³ -----	\$1,180	\$2,200	\$2,690	\$2,960	\$3,185	\$3,185
Average salary -----	1,223	2,365	2,913	3,260	3,540	3,524
2: Minimum salary rate-----	1,440	2,450	2,960	3,255	3,500	3,500
Average salary -----	1,489	2,639	3,186	3,498	3,762	3,754
3: Minimum salary rate-----	1,620	2,650	3,175	3,495	3,760	3,760
Average salary -----	1,683	2,866	3,446	3,804	4,111	4,102
4: Minimum salary rate-----	1,800	2,875	3,415	3,755	4,040	4,040
Average salary -----	1,867	3,103	3,738	4,126	4,455	4,456
5: Minimum salary rate-----	2,000	3,100	3,670	4,040	4,345	4,345
Average salary -----	2,099	3,405	4,129	4,570	4,921	4,931
6: Minimum salary rate-----	2,300	3,450	4,080	4,490	4,830	4,830
Average salary -----	2,414	3,780	4,566	5,031	5,401	5,456
7: Minimum salary rate-----	2,600	3,825	4,525	4,980	5,355	5,355
Average salary -----	2,704	4,154	4,960	5,471	5,893	5,890
8: Minimum salary rate-----	2,900	4,200	4,970	5,470	5,885	5,885
Average salary -----	3,020	4,553	5,499	5,945	6,411	6,444
9: Minimum salary rate-----	3,200	4,600	5,440	5,985	6,435	6,435
Average salary -----	3,298	4,923	5,825	6,460	6,931	6,929
10: Minimum salary rate-----	3,500	5,000	5,915	6,505	6,995	6,995
Average salary -----	3,620	5,279	6,344	6,959	7,476	7,487
11: Minimum salary rate-----	3,800	5,400	6,390	7,030	7,560	7,560
Average salary -----	3,974	5,734	6,768	7,620	8,107	8,071
12: Minimum salary rate-----	4,600	6,400	7,570	8,330	8,955	8,955
Average salary -----	4,797	6,759	7,975	8,999	9,555	9,505
13: Minimum salary rate-----	5,600	7,600	8,990	9,890	10,635	10,635
Average salary -----	5,793	7,931	9,381	10,593	11,262	11,194
14: Minimum salary rate-----	6,500	8,800	10,320	11,355	12,210	12,210
Average salary -----	6,850	9,150	10,682	12,042	12,818	12,742
15: Minimum salary rate-----	8,000	10,000	11,610	12,770	13,730	13,730
Average salary -----	8,460	10,577	12,034	13,513	14,443	14,407
16: Minimum salary rate-----	(4)	11,200	12,900	14,190	15,255	15,255
Average salary -----	(4)	11,232	13,125	14,657	15,648	15,656
17: Minimum salary rate-----	(4)	12,200	13,975	15,375	16,530	16,530
Average salary -----	(4)	12,288	14,122	15,768	16,863	16,852
18: Minimum salary rate-----	(4)	14,000	14,800	17,500	18,500	18,500
Average salary -----	(4)	14,000	14,800	17,500	18,500	18,500
Consumer Price Index (1947-49=100) -----	59.0	102.9	114.7	123.9	126.6	128.1

¹ Minimum salaries are the salaries paid at the first step in each grade. Average salaries were obtained by weighting each salary step within the grade by the number of employees at that step. Therefore, they reflect the effect of increases in basic salary scales and of merit increases in pay within the grade.

² Excludes cost-of-living allowances provided employees in Alaska and Hawaii.

³ The minimum was computed by weighting equally the base pay for each of the 3 grades (subprofessional grades 1 and 2 and clerical, administrative, and fiscal grade 1) that were combined into this general schedule grade.

⁴ Grades 16, 17, and 18 were created by the Classification Act of 1949.

Table 4. Percent change in minimum and average salaries¹ of Federal classified employees by grade, and Consumer Price Index, selected periods, 1939-61

General schedule grade and Consumer Price Index	Percent increase to July 1, 1961, from ² —				
	August 1939	July 1, 1950	July 1, 1955	July 1, 1958	July 10, 1960
1: Minimum salary rate ³ -----	169.9	44.8	18.4	7.6	0
Average salary -----	188.6	49.8	21.2	8.3	-.5
2: Minimum salary rate -----	143.1	42.9	18.2	7.5	0
Average salary -----	152.1	42.3	17.8	7.3	-.2
3: Minimum salary rate -----	132.1	41.9	18.4	7.6	0
Average salary -----	143.7	43.1	19.0	7.8	-.2
4: Minimum salary rate -----	124.4	40.5	18.3	7.6	0
Average salary -----	138.6	43.6	19.2	8.0	(4)
5: Minimum salary rate -----	117.3	40.2	18.4	7.5	0
Average salary -----	134.9	44.8	19.4	7.9	.2
6: Minimum salary rate -----	110.0	40.0	18.4	7.6	0
Average salary -----	126.1	44.4	19.5	8.5	1.0
7: Minimum salary rate -----	106.0	40.0	18.3	7.5	0
Average salary -----	117.8	41.8	18.8	7.7	-.1
8: Minimum salary rate -----	102.9	40.1	18.4	7.6	0
Average salary -----	113.4	41.5	17.2	8.4	.5
9: Minimum salary rate -----	101.1	39.9	18.3	7.5	0
Average salary -----	110.1	40.8	19.0	7.3	(4)
10: Minimum salary rate -----	99.9	39.9	18.3	7.5	0
Average salary -----	106.9	41.8	18.0	7.6	.1
11: Minimum salary rate -----	98.9	40.0	18.3	7.5	0
Average salary -----	103.1	40.7	19.2	5.9	-.5
12: Minimum salary rate -----	94.7	39.9	18.3	7.5	0
Average salary -----	98.1	40.6	19.2	5.6	-.5
13: Minimum salary rate -----	89.9	39.9	18.3	7.5	0
Average salary -----	93.2	41.1	19.3	5.7	-.6
14: Minimum salary rate -----	87.8	38.8	18.3	7.5	0
Average salary -----	86.0	39.3	19.3	5.8	-.6
15: Minimum salary rate -----	71.6	37.3	18.3	7.5	0
Average salary -----	70.4	36.3	19.8	6.7	-.3
16: Minimum salary rate -----	(5)	36.2	18.3	7.5	0
Average salary -----	(5)	39.4	19.3	6.8	.1
17: Minimum salary rate -----	(5)	35.5	18.3	7.5	0
Average salary -----	(5)	37.1	19.3	6.9	-.1
18: Minimum salary rate -----	(5)	32.1	25.0	5.7	0
Average salary -----	(5)	32.1	25.0	5.7	0
Consumer Price Index (1947-49=100) -----	117.1	24.5	11.7	3.4	1.2

¹ Minimum salaries are the salaries paid at the first step in each grade. Average salaries were obtained by weighting each salary step within the grade by the number of employees at that step. Therefore, they reflect the effect of increases in basic salary scales and of merit increases in pay within the grade.

² 1961 data for the continental United States only were used for comparisons except between 1960 and 1961.

³ The minimum was computed by weighting equally the base pay for each of the 3 grades (subprofessional grades 1 and 2 and clerical, administrative, and fiscal grade 1) that were combined into this general schedule grade.

⁴ Less than 0.05 percent.

⁵ Grades 16, 17, and 18 were created by the Classification Act of 1949.

Table 5. Percent increases in Federal classified employees' salaries, in average earnings of factory production workers and office employees, and in the Consumer Price Index, 1939-61 and 1951-61

Item	August 1939 ¹ to July 1961	July 1951 to July 1961
Federal classified employees:		
Basic pay scales (affected by legislation only)-----	112.4	27.6
Average salary rates (affected by legislation and in-grade increases)-----	124.4	31.0
Average salaries (affected by legislation, in-grade increases, and changes in occupational or grade composition)-----	189.1	54.1
Factory production workers:		
Average weekly earnings-----	295.5	47.1
Average hourly earnings (excluding overtime)-----	265.4	48.1
Railway office employees (straight-time monthly earnings): ²		
All railway office employees-----	184.4	44.4
Division officers, assistants, and staff assistants-----	150.1	50.7
Chief clerks and other supervisors ³ -----	152.1	43.6
Other clerical employees ⁴ -----	187.2	38.7
City public school teachers ⁵ -----	173.5	59.0
Firefighters and police patrolmen ⁶ -----	151.1	56.9
Consumer Price Index-----	117.1	15.5
Percent change in weekly earnings of women office clerical workers, selected cities, 1952-61: ⁷		
Atlanta-----	(8)	44.1
Boston-----	(8)	45.8
Chicago-----	(8)	44.8
Cleveland-----	(8)	51.3
Denver-----	(8)	51.9
Los Angeles-Long Beach-----	(8)	51.2
Memphis-----	(8)	38.8
Milwaukee-----	(8)	46.3
Minneapolis-St. Paul-----	(8)	47.0
New York City-----	(8)	45.5
Philadelphia-----	(8)	49.6
San Francisco-Oakland-----	(8)	45.6

¹ Data for factory production workers and for railway office employees were computed from July 1939.

² Computed by the Bureau of Labor Statistics from Interstate Commerce Commission M-300 reports. The average was computed by dividing total compensation for straight-time actually worked by the number of employees who received pay during the month.

³ Includes professional and subprofessional assistants, supervisory or chief clerks (major departments), chief clerks (minor departments), assistant chief clerks, and supervising cashiers.

⁴ Includes clerks and clerical specialists, clerks, mechanical device operators (office), stenographers and secretaries, stenographers and typists, traveling auditors or accountants, and messengers and office boys.

⁵ Public school teachers in cities of 50,000 inhabitants or more. Data refer to school year ending in June.

⁶ Maximum salary scales in cities of 100,000 or more.

⁷ 1952 data taken from surveys made during the second 6 months of 1951 and first 6 months of 1952.

⁸ Data not available.

Federal Classified Employees' Salary Changes, 1962—64

THE PRINCIPLE of comparability of pay with private industry for employees covered by the Federal Classification Act was established by the Federal Salary Reform Act of 1962, and the principle of periodic review of salaries to maintain this relationship was implemented in the Government Employees Salary Reform Act of 1964.¹ In addition, the 1964 legislation substantially raised the limits on salary rates in the top grades of the Classification Act by increasing salaries of Congressmen and appointed administrative and judicial officials.

The two acts together increased basic salary scales of the 1.1 million employees under the Classification Act an average of about 14.5 percent, with smaller increases in the lowest pay grades and advances up to about one-third in grade 18 (table 1). Salaries for the highest grades had lagged substantially behind those for comparable work in private industry.

Establishment of Comparability

The most basic revision since 1923 in the salary structure under the Classification Act was passed by Congress on October 5, 1962, and signed by President John F. Kennedy on October 11. The law included, in addition to salary increases, changes in salary structures, and administrative flexibilities under the four major pay systems.² The act provided that determination of Federal salary schedules should be based on the principles

¹ For a discussion of the major features of the 1962 and 1964 legislation, see *Monthly Labor Review*, October 1964, pp. 1155-1164.

² Statutory pay systems are the Classification Act, Postal Field Service, Foreign Service, and Department of Medicine and Surgery in the Veterans Administration.

³ This figure does not include the effect of changes in the distribution of workers among steps within each grade that resulted from provisions that lengthened the time required to reach the middle and top steps of the lower grades and reduced the time required to advance among the lower steps in the higher salary grades. The effect of changes in the distribution of workers among steps within each grade from 1962 to 1963 resulting from these provisions cannot be distinguished from the normal operation of provisions for merit increases.

⁴ Estimated on the basis of 1963 employment. At the time the bill was drafted, it was estimated that the increases would average 5.5 percent in 1962 and 4.1 percent in January 1964.

⁵ This provision superseded a similar but more limited authority in 1954 amendments to the Classification Act. See *Wage Chronology: Federal Classification Act Employees, 1924-60* (BLS Report No. 199), p. 19.

of equal pay for substantially equal work and of comparability of Federal salary rates with those in private industry for the same levels of work. The system of classification of jobs previously in effect had followed the principle of equal pay for equal work within a pay system but there had been no method of equating pay for equal work among the various systems. The new legislation set up specific procedures for relating Federal salaries to pay in industry and provided for inter-relating salary levels among the various pay systems.

Two new salary schedules were provided. The first, effective October 14 or 21, 1962, depending on the pay period dates in each agency, raised annual salaries of Classification Act employees an average of 5.6 percent.³ The second, effective the first pay period after January 1, 1964, raised salaries for grades 1 through 15 an average of 4.1 percent.⁴ Salaries for grades 16, 17, and 18—limited by those established for members of Congress—were not increased in January 1964. An additional step increase was given each employee on the payroll in the three lowest grades, thus providing these workers with greater increases than the Administration had proposed without permanently changing the salary schedule. This change raised average salary rates of all Classified Act employees three-tenths of 1 percent. In contrast with previous postwar increases, however, the legislation provided for proportionately higher total increases for the higher grades, ranging from about 5 percent for employees in grade 3 (including the previously mentioned step increase) to about 17 percent for those in grade 15.

Another step towards establishing levels of pay that would be competitive with private industry authorized the President to raise rates of compensation for any occupation or in any area where higher rates in private enterprise significantly handicap the Government's recruitment or retention of well-qualified workers.⁵ However, the minimum salary rate established under this provision may not exceed the seventh salary rate prescribed by the legislation for the grade. Previously, the maximum pay for the occupation could

not exceed the maximum regular step (step 7 in most grades) for the grade. The Civil Service Commission acted quickly under this authority to set up a special pay scale for about 38,000 engineers and scientists in grades 5 through 11 and for certain grades in other occupations, principally for pharmacologists and medical officers.

The governmentwide quota of positions that could be allocated to the top three grades (16 through 18) was increased from a total of about 2,000 to 2,400 "in addition to any professional engineering positions primarily concerned with research and development and professional positions in the physical and natural sciences and medicine which may be placed in such grades."

The 1962 legislation also revised the amount and timing of salary increases within a grade. Greater uniformity among grades was introduced in the percent increases by providing greater dollar increments in successively higher grades. Longevity increases were abolished, but the number of within-grade rates in each grade was revised to equal the former total of regular plus longevity rates. Within-grade pay increases were not to be automatic; advancement was to depend upon whether an employee's work was "of an acceptable level of competence as determined by the head of the department."

Uniform waiting periods were established in all grades. The former schedule had provided annual step increases for workers in grades 1 through 10, 18-month increases in grades 11 through 17, and longevity increases at 3-year intervals in grades 1 through 15. (No longevity increases were provided in grades 16 through 18.)

The law also authorized additional within-grade increases (if department funds were available) in recognition of high quality work, with a limit of one such merit increase a year.

Other changes included authorization to pay a supervisor of wage board employees at a salary rate in his Classification Act grade that exceeded the rate paid those he supervised, up to the maximum of his grade. Salary retention benefits, under which employees whose jobs were downgraded through no fault of their own retained their old salaries for 2 years, and previously available only to employees in grades under 16, were made available to the three top grades as well. An employee brought with his position

under the Classification Act from another Federal system was to retain his salary even though his position was put into a lower salaried grade. The increase in salary for an employee promoted to a higher Classification Act grade was to equal at least two (formerly one) within-grade steps in the grade from which he was promoted.

The Administration's proposal for an annual report to Congress by the President on the relationship of Federal salaries to those in private industry was enacted. The President was required to direct an appropriate agency or agencies to submit to him annual comparisons of Federal employees' salary schedules with private enterprise rates for the same level of work,⁶ as determined by the Bureau of Labor Statistics annual surveys of professional, administrative, and clerical pay, and, after getting comments from such Government employee organizations as he considered appropriate, to prepare for Congress an annual report incorporating the comparisons and any recommendations he might have for revision of salary schedules or compensation policy.

1964 Salary Legislation

An omnibus bill was passed by the House of Representatives on June 11, 1964, providing salary increases for the Vice President, members of Congress, Federal judges, Cabinet members, and other appointed officials, as well as for Classification Act, Postal, and other groups of employees in the executive, legislative, and judicial branches of Government. Like an earlier House bill (defeated by a rollcall vote in March), this bill was an attempt to implement the comparability principle of the 1962 legislation. By increasing salaries of members of Congress (by \$7,500 to \$30,000) and of appointed administrative and judicial officials, the bill raised the limits on pay for employees in the top grades of the Classification Act. On July 2, the Senate approved a bill that differed in provisions for Classification Act employees in several respects. The Senate bill provided slightly larger increases for grades GS-9 through 12, "In order to bring this middle-management group closer to comparability . . ." It provided an effective date of July 1 for all salary increases, in

⁶ Executive Order 11073 delegated this responsibility to the Director of the Bureau of the Budget and the Chairman of the Civil Service Commission.

place of House provisions making most increases effective after passage but deferring the effective date of raising salaries above \$22,000 to January 1965, when Congressmen's salaries were to advance above \$22,500.

The Senate limited to 249 the number of hearing examiner positions to be exempt from the 2,400 positions authorized for grades GS-16, 17, and 18. Both bills allowed appointments above the minimum salary rate at grade GS-13 or higher for applicants with exceptional qualifications, but the Senate required Civil Service approval in each instance, whereas the House would have allowed such appointments under general Civil Service authorization.

The compromise bill signed by the President on August 14 incorporated all the Senate changes for Classification Act workers and provided salary increases for these workers ranging from about 2.8 percent to 22.5 percent and averaging \$287 or 4.2 percent.⁷

Salary Changes

Average salary rates increased 6.1 percent from July 1962 to July 1963; this included the effects of the extra step increase to all incumbents in grades 1, 2, and 3, which raised average salary rates approximately three-tenths of a percent, as well as some changes in the distribution of workers among steps within various grades resulting from revisions in the time required to progress from one step to another and changes in average length of service within each grade. Information on changes in average salary rates since July 1963 is not yet available.⁸

From July 1961 to July 1963, average salaries increased about 3.7 percent as a result of changes in the proportion of employees in the various pay grades. Information is not yet available on the effect of further changes in the proportion of workers in various pay steps and grades from mid-1963 to mid-1964.

TABLE 1. INDEXES OF BASIC SALARY SCALES, AVERAGE SALARY RATES, AND AVERAGE SALARIES¹ OF FEDERAL CLASSIFIED EMPLOYEES COVERED BY THE GENERAL SCHEDULE,² 1939 AND 1945-64³

[1957-59=100]

Date	Basic salary scales ¹	Average salary rates ¹	Average salaries ¹
August 1939	52.3	49.5	40.4
June 30, 1945	52.4	49.5	(*)
July 1, 1946	69.0	64.8	55.0
July 1, 1947	69.0	66.0	58.2
July 15, 1948	76.2	73.9	64.8
July 1, 1949	76.2	74.2	65.7
July 1, 1950	79.3	78.1	70.6
July 8, 1951	87.1	84.8	75.8
July 1, 1952	87.1	84.9	77.4
July 1, 1953	87.1	85.7	79.4
July 1, 1954	87.1	86.4	81.0
July 1, 1955 ⁴	93.7	93.2	88.2
July 1, 1956	93.7	93.1	89.2
July 1, 1957	93.7	93.2	91.1
July 1, 1958	103.2	103.5	103.5
July 1, 1959	103.2	103.2	105.4
July 10, 1960 ⁵	111.1	111.1	115.4
July 1, 1961	111.1	111.1	116.8
July 1, 1962	111.1	111.0	118.1
July 1, 1963	117.3	117.8	128.1
Jan. 5, 1964	* 122.1	* 122.6	133.4
July 5, 1964	* 127.2	* 127.7	* 142.7

¹ Basic salary scales reflect only statutory changes in salaries. Average salary rates show statutory changes and the effect of merit or in-grade salary increases. Average salaries measure the effect not only of statutory changes in basic pay scales and in-grade salary increases, but also changes in the proportion of workers in the various grades.

² Data for the General Schedule and Crafts, Protective, and Custodial Schedule employees have been incorporated into a single index. Since July 1, 1955, the General Schedule has covered all Classification Act employees. At that time, about one-third of the approximately 100,000 employees formerly covered by the Crafts, Protective, and Custodial Schedule were transferred to the General Schedule; the remaining two-thirds were transferred to wage-board classifications, along with approximately 2,500 workers formerly under the General Schedule. There were only minor differences among the indexes in the years prior to 1955.

³ Beginning with 1960, data include employees in Alaska and Hawaii. Inclusion of these employees did not affect basic salary scales; average salary rates and average salaries were affected by negligible amounts.

⁴ Estimated by assuming the same distribution of employees among grades and steps within grades in 1945 as in 1939. Since there was little or no increase in average salary rates because of in-grade increases during this period, it was assumed that the change in basic salary scales was virtually the same as in average salary rates.

⁵ Not available.

⁶ Estimated by assuming the same distribution of employees among grades and steps within grades in 1964 as in 1963.

⁷ Estimated by assuming the same distribution of employees by grade and step in 1964 as in 1963. The effect of increases in pay for workers in grades 11 through 16 resulting from addition of pay steps to these grades has been omitted from the estimates; information on the number of workers affected by these increases is not available. Since the proportion of workers in the existing top steps of these grades is relatively small, the effect on the overall indexes would be minor.

⁸ Indexes of average salary rates for 1964 were estimated on the assumption that they changed by the same percentage as basic salary scales.

TABLE 2. PERCENT INCREASES IN SALARIES OF FEDERAL CLASSIFIED EMPLOYEES AND OTHER SELECTED OCCUPATIONAL GROUPS AND IN THE CONSUMER PRICE INDEX, 1939-64, 1954-64, AND 1962-64

Item	August 1939 to July 1964	July 1954 to July 1964	July 1962 to July 1964	Item	August 1939 to July 1964	July 1954 to July 1964	July 1962 to July 1964
Federal classified employees: ¹				Office clerical workers, selected cities (straight-time weekly earnings): ⁸			
Basic salary scales ²	143.2	46.0	14.5	Atlanta.....	(9)	47.3	7.1
Average salary rates ^{2, 3}	158.0	47.8	15.0	Boston.....	(9)	47.0	5.4
Average salaries ^{2, 3}	253.2	76.2	20.8	Chicago.....	(9)	39.8	4.8
Factory production workers: ⁴				Cleveland.....	(9)	¹⁰ 39.0	5.2
Average weekly earnings.....	338.3	48.4	7.4	Denver.....	(9)	48.8	7.7
Average hourly earnings (excluding overtime).....	296.7	41.0	6.1	Los Angeles-Long Beach.....	(9)	48.0	6.0
Railway office employees (straight-time monthly earnings): ⁵				Memphis.....	(9)	42.9	5.3
All railway office employees.....	205.4	44.7	2.3	Milwaukee.....	(9)	43.0	6.2
Division officers, assistants, and staff assistants.....	157.3	46.0	1.0	Minneapolis-St. Paul.....	(9)	41.2	5.4
Chief clerks and other supervisors ⁶	163.1	41.3	1.2	New York City.....	(9)	46.2	6.6
Other clerical employees ⁷	209.4	40.2	2.0	Philadelphia.....	(9)	46.1	5.8
				San Francisco-Oakland.....	(9)	45.2	6.4
				City public school teachers ¹¹	195.1	49.4	7.1
				Firefighters and police patrolmen ¹²	184.4	50.6	8.5
				Consumer Price Index ¹³	124.9	15.2	2.6

¹ Changes in the earnings of Federal employees are based on the salary schedule effective July 5, 1964.

² See footnote 1, table 1.

³ Estimated by assuming the same distribution of employees among grades and steps within grades in 1964 as in 1963.

⁴ Changes in the earnings of factory production workers were computed to June 1964.

⁵ Changes in the earnings of railway office employees were computed to December 1963 by the Bureau of Labor Statistics from Interstate Commerce Commission M-300 reports. Averages were computed by dividing total compensation for straight-time actually worked by the number of employees who received pay during the month.

⁶ Includes professional and subprofessional assistants, supervisory or chief clerks (major departments), chief clerks (minor departments), assistant chief clerks, and supervising cashiers.

From 1939 to July 1964, legislation raised basic salary scales of Classification Act employees by about 143 percent. Average salary rates increased 158 percent, while estimated average salaries rose 253 percent.

Both the 1962 and 1964 acts were designed to provide comparability of pay for Government employees with private industry and, hence, provided for substantial "catchups" in pay for workers in the higher Classification Act grades. Consequently, from 1962 to 1964, all three measures of increases in Federal pay rose faster than the Consumer Price Index (CPI) or the earnings of other groups of workers shown in table 2. From 1954 to 1964, basic salary scales and average salary rates rose by about the same relative amounts as earnings of other groups and more than the CPI,

⁹ The information on railway employees is included since it is the only series showing trends in earnings of a substantial group of office workers prior to 1952.

¹⁰ This was the increase in salaries of employees on the rolls at the time the legislation became effective; it included the effects of both the change in pay scales and an additional increase equivalent to one step within the pay grade to those on the rolls at that time in grades 1, 2, and 3. The change in average salaries in each grade also included the effect of changes in the distribution of workers among pay steps resulting from actual changes in average length of service in the grade and changes made by the 1962 legislation in the length of time required to progress among grade steps. Increases in average rates that would become effective for employees not on the rolls at the time the 1962 legislation went into effect were 3 to 3.5 percent in the three lowest grades.

⁷ Includes clerks and clerical specialists, clerks, mechanical-device operators (office), stenographers and secretaries, stenographers and typists, traveling auditors or accountants, and messengers and officeboys.

⁸ Data for 1964 refer to women and were taken from surveys made during the second half of 1953 and the first half of 1954; data for 1964 refer to both men and women and were taken from surveys made during the second half of 1963 and the first half of 1964.

⁹ Not available.

¹⁰ Increase from 1955 to 1964.

¹¹ Data refer to public school teachers in cities of 100,000 inhabitants or more in 1963 and 50,000 inhabitants or more in earlier years, and to school years ending in June of 1939, 1953, and 1963.

¹² Maximum salary scales in cities of 100,000 inhabitants or more.

¹³ Changes in the consumer price index were computed to June 1964.

while average salaries rose more than earnings of other workers.

Despite the larger increases in recent years, both basic salary scales and average salary rates have risen less since 1939 than pay of other workers. Average salaries have risen more than the straight-time monthly earnings of all railway office employees, ⁹ but less than the average hourly or weekly earnings of factory production workers, both of which are also affected by changes in composition of the labor force.

Increase Variation Among Grades

In contrast to previous postwar increases, the 1962 and 1964 legislation provided for proportionately larger salary increases for the higher grades. Increases ranged from about 5.2 percent in the average scales in grade 3 to about 17 percent in grade 15 ¹⁰ in the 1962 legislation and from 2.8 percent in grade 2 to 22.5 percent in grade 18 in 1964 (tables 3 and 6). Combining the effect of the two acts, increases in average salaries ranged from about 7.6 percent in grade 2 to 33.8 percent in grade 17.

Early in 1962, the Civil Service Commission and the Bureau of the Budget found that rates

in the lowest levels of the Classified Service were equal to or higher than those for comparable work in private industry, as reflected in a Bureau of Labor Statistics survey for 1961.¹¹ In higher grades, the differential in favor of private industry ranged from 14 percent in grade 7 to 32 percent in grade 15.

The larger increases provided the higher grades also were designed to give greater recognition to differences in responsibility and greater incentive to prepare for higher responsibilities; previous postwar increases had either been uniform in percentage terms to all grades or, frequently, greater proportionately in the lower grades, thus narrowing the spread between grades. The ratio of the minimum salary in the highest and lowest grade had narrowed from 8.8 to 1 in 1939¹² to 5.8 to 1 prior to passage of the 1962 legislation.

The October 1962 schedule raised the ratio to 6.2 to 1, but it dropped slightly to 6.1 to 1 when the January 1964 schedule did not change salaries of grades 16, 17, or 18. When the 1964 legislation became effective, the ratio rose to 7.2 to 1.

Although the 1962 and 1964 legislation increased basic salary rates of Classified workers in all grades

¹¹ See *Summary Analysis of President's Proposal for Reform of Federal Statutory Salary Systems* (U.S. House of Representatives, Committee on Post Office and Civil Service, 87th Cong., 2d sess., 1962, Committee Print), pp. 9-10.

¹² In 1939, the equivalent of GS-15 was the top grade. Grades 16, 17, and 18 were created by the Classification Act of 1949. The salary for Grade 18 has been used in comparisons for years other than 1939.

The 1939 ratio is based on the minimum salary in the subprofessional schedule which was combined with the professional and the clerical, administrative, and fiscal schedules into one general schedule in 1949. The ratio based on what was then the equivalent of the present minimum rate (GS-1) in the general schedule was 7.1 to 1.

Maximum pay in grade 15 was five times the minimum for grade 1 in both 1958 and 1960. The ratio rose to 5.5 to 1 in October 1962, 5.8 to 1 in January 1964, and 6.4 to 1 under the schedule that became effective in July 1964.

TABLE 3. MINIMUM AND AVERAGE SALARIES¹ OF FEDERAL CLASSIFIED EMPLOYEES, BY GRADE, AND CONSUMER PRICE INDEX, SELECTED DATES, 1939-64

General schedule grade and Consumer Price Index	August 1939	July 1, 1950	July 1, 1958	July 10, 1960	July 1, 1961	July 1, 1962	July 1, 1963	Jan. 5, 1964 ²	July 5, 1964 ³
General schedule grade:									
1: Minimum salary rate	\$1,180	\$2,200	\$2,960	\$3,185	\$3,185	\$3,185	\$3,245	\$3,305	\$3,385
Average salary	1,223	2,356	3,260	3,540	3,524	3,474	3,643	3,652	3,765
2: Minimum salary rate	1,440	2,450	3,255	3,500	3,500	3,500	3,560	3,620	3,680
Average salary	1,489	2,639	3,498	3,762	3,754	3,712	3,846	3,884	3,994
3: Minimum salary rate	1,620	2,650	3,495	3,760	3,760	3,760	3,820	3,880	3,905
Average salary	1,683	2,866	3,804	4,111	4,102	4,079	4,241	4,291	4,513
4: Minimum salary rate	1,800	2,875	3,755	4,040	4,040	4,040	4,110	4,215	4,480
Average salary	1,867	3,103	4,126	4,455	4,456	4,444	4,675	4,779	5,084
5: Minimum salary rate	2,000	3,100	4,040	4,345	4,345	4,345	4,565	4,690	5,000
Average salary	2,099	3,405	4,570	4,921	4,931	4,932	5,158	5,269	5,598
6: Minimum salary rate	2,300	3,450	4,490	4,830	4,830	4,830	5,035	5,235	5,505
Average salary	2,414	3,780	5,031	5,401	5,456	5,490	5,732	5,950	6,261
7: Minimum salary rate	2,600	3,825	4,980	5,355	5,355	5,355	5,540	5,795	6,050
Average salary	2,704	4,154	5,471	5,893	5,890	5,884	6,153	6,357	6,828
8: Minimum salary rate	2,900	4,200	5,470	5,885	5,885	5,885	6,090	6,390	6,630
Average salary	3,020	4,563	5,945	6,411	6,444	6,430	6,797	7,112	7,386
9: Minimum salary rate	3,200	4,600	5,985	6,435	6,435	6,435	6,775	7,030	7,220
Average salary	3,298	4,923	6,460	6,931	6,929	6,945	7,370	7,702	7,935
10: Minimum salary rate	3,600	5,000	6,505	6,995	6,995	6,995	7,290	7,690	7,900
Average salary	3,620	5,279	6,959	7,476	7,487	7,492	8,089	8,518	8,776
11: Minimum salary rate	3,800	5,400	7,030	7,560	7,560	7,560	8,045	8,410	8,650
Average salary	3,974	5,734	7,620	8,107	8,071	8,133	8,712	9,017	9,289
12: Minimum salary rate	4,600	6,400	8,330	8,955	8,955	8,955	9,475	9,980	10,250
Average salary	4,797	6,759	8,990	9,555	9,505	9,451	10,155	10,680	11,003
13: Minimum salary rate	5,600	7,600	9,890	10,635	10,635	10,635	11,150	11,725	12,075
Average salary	5,793	7,931	10,593	11,262	11,194	11,132	11,935	12,541	12,965
14: Minimum salary rate	6,800	8,800	11,355	12,210	12,210	12,210	12,845	13,615	14,170
Average salary	6,850	9,150	12,042	12,818	12,742	12,679	13,740	14,545	15,182
15: Minimum salary rate	8,000	10,000	12,770	13,730	13,730	13,730	14,565	15,665	16,460
Average salary	8,460	10,577	13,513	14,443	14,407	14,356	15,679	16,835	17,756
16: Minimum salary rate	(⁴)	11,200	14,190	15,255	15,255	15,255	16,000	16,000	18,935
Average salary	(⁴)	11,232	14,657	15,648	16,656	16,662	17,103	17,093	20,367
17: Minimum salary rate	(⁴)	12,200	15,375	16,530	16,530	16,530	18,000	18,000	21,445
Average salary	(⁴)	12,288	15,768	16,863	16,852	16,846	18,732	18,729	22,539
18: Minimum salary rate	(⁴)	14,000	17,500	18,500	18,500	18,500	20,000	20,000	24,500
Average salary	(⁴)	14,000	17,500	18,500	18,500	18,500	20,000	20,000	24,500
Consumer Price Index (1957-59=100)	48.1	83.9	101.0	103.2	104.4	105.5	107.1	107.6	108.2

¹ Minimum salaries are the salaries paid at the first step in each grade. Average salaries were obtained by weighting each salary step within the grade by the number of employees at that step. Therefore, they reflect the effect of increases in basic salary scales and of merit increases in pay within the grade. Average salaries for 1964 were estimated on the basis of 1963 employment data, and hence do not reflect any changes that occurred from 1963 to 1964 in the distribution of employees among and within grades.

² The minimum was computed by weighting equally the base pay for each of the three grades (subprofessional grades 1 and 2 and clerical, administrative, and fiscal grade 1) that were combined into this General Schedule grade.

³ Average salaries for July 1964 do not reflect the fact that employees paid above the maximum rate (above step 10) of grades 1, 2, and 3 as a result of the extra step increases received in October 1962 received smaller increases in

July 1964 than other employees in these grades since they reverted to the rates for step 10 of these grades under the July 1964 schedule. Increases of affected employees were thus \$105 (\$125 in grade 3) lower than they would have been if a salary rate for the equivalent of step 11 had been maintained. This change affected about 6 percent of the employees in grades 2 and 3 and about 12 percent of those in grade 1, but only about 1 percent of all General Schedule employees.

⁴ Estimates of July 1964 average salaries do not reflect the effects of the pay steps that were added to the salary schedule for grades 11 through 16 by the 1964 legislation. Average salaries for these grades may be revised substantially when later data are available.

⁵ Grades 16, 17, and 18 were created by the Classification Act of 1949.

⁶ Index for June 1964.

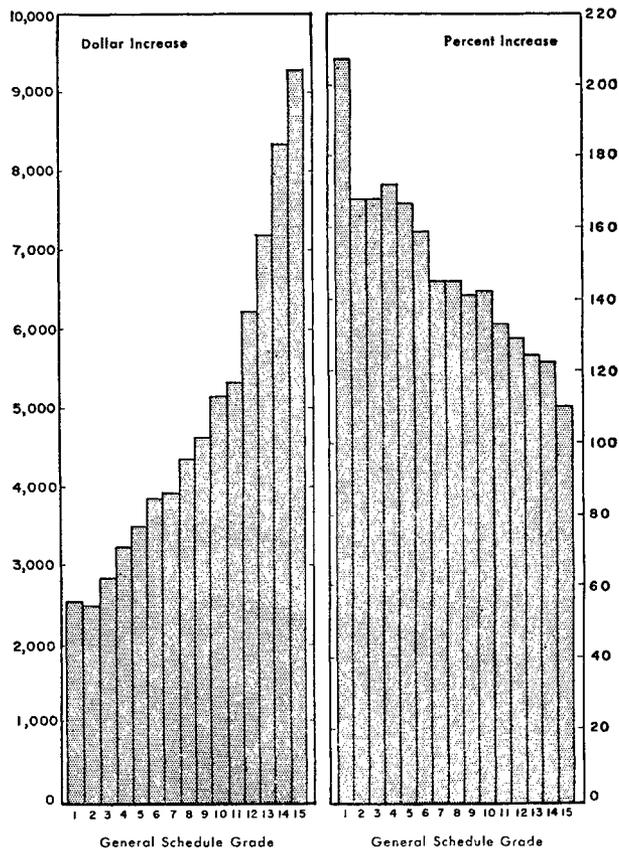
relatively more than the CPI rose, increases in entrance salaries in grades above GS-11 since 1939 and in average salaries above GS-12 still lagged behind the overall increase in the CPI. Since 1939, increases in entrance rates amounted to 187 percent in grade 1 and 106 percent in grade 15. Average salaries in grade 1 rose 208 percent from 1939 to July 1964, compared with 110 percent in grade 15. (See chart.)

Other features of the legislation were intended to provide uniform ranges in percentage terms between minimum and maximum salaries among grades. The size of the step increases within the higher grades was widened, and in 1964 pay steps were added in grades 11 through 16, bringing the number of steps to 10 in grades 1 through 15 and to 9 in grade 16 (table 4). In July 1960, the pay range within a grade as a percent of the minimum salary varied from 6.3 percent in GS-17 to 22.8 percent in GS-5. The spread changed to 11.1 percent in GS-17 and 30.7 percent in GS-5 by January 1964. As a result of the most recent legislation, the range varied from 14.0 percent in grade 17 to 31.3 percent in grade 13. Except for grade 17 (and grade 18 for which there is a single rate), the 1964 legislation resulted in practically uniform percentage ranges in all grades—from 29.7 percent in grade 5 to 31.3 percent in grade 13.

Employment Shifts

Since 1939, part of the increase in average salaries has resulted from changes in the distribution of Federal employment among grades. As indicated in table 5, page 44, there has been a substantial decrease in the proportion employed in the lower grades and a growth in the higher grades. In 1939, 31 percent of all Classification Act employees were in grades 1 and 2; 57 percent were in the first four grades. By July 1963, only 3 percent were in grades 1 and 2 and 33 percent in grades 1 through 4. Over the same period, the proportion of employees in grade 12 or above rose from about 4 to 17 percent. The median grade rose from GS-4 in 1939, GS-5 in 1954, and GS-6 in 1961, to GS-7 in 1963.

Increase in Average Salary Rates ¹ of Federal Classified Employees, by Grade, ² August 1939 to July 1964



¹ Average salaries were obtained by weighting each salary step within the grade by the number of employees at that step (1964 average salary rates were estimated on the basis of 1963 employment data). Therefore, they reflect the effect of statutory changes in basic pay scales and in-grade salary increases.

² Grades 16, 17, and 18, which were created by the Classification Act of 1949, are omitted.

These pronounced changes in the employment pattern reflect a number of factors, including the effect of mechanization of many accounting and office processes and the increases and changes in demands for Government services which have attended the growth in population and complexity of the economy. The growth in demands for Government services and the resulting new legislation have not only increased the number of

Table 4. Number of Within-Grade Increases and Salary Ranges as Percent of Minimum Salaries, Selected Periods, 1949-64

General schedule grade	Number of increases ¹			Range as percent of minimum salary ²					
	Oct. 1949, July 1951	1955 to Jan. 1964	July 1964	Oct. 1949		July 1951		Mar. 1955	
				Longevity					
				Exclud- ing	Includ- ing	Exclud- ing	Includ- ing	Exclud- ing	Includ- ing
1 -----	9	9	9	21.8	32.7	19.2	28.8	19.0	28.4
2 -----	9	9	9	19.6	29.4	17.5	26.2	17.2	25.8
3 -----	9	9	9	18.1	27.2	16.3	24.4	16.1	24.1
4 -----	9	9	9	16.7	25.0	15.1	22.7	14.9	22.4
5 -----	9	9	9	24.2	36.3	22.0	33.0	22.1	33.1
6 -----	9	9	9	21.7	32.6	19.8	29.6	19.9	29.8
7 -----	9	9	9	19.6	29.4	17.8	26.8	17.9	26.9
8 -----	9	9	9	17.9	26.8	16.2	24.4	16.3	24.4
9 -----	9	9	9	16.3	24.5	14.8	22.2	14.9	22.3
10 -----	9	9	9	15.0	22.5	13.6	20.5	13.7	20.5
11 -----	5	8	9	18.5	-	16.8	-	16.8	26.9
12 -----	5	8	9	15.6	-	14.2	-	14.2	22.7
13 -----	5	8	9	13.2	-	12.0	-	12.0	19.1
14 -----	5	8	9	11.4	-	10.4	-	10.4	16.7
15 -----	4	7	9	10.0	-	9.3	-	9.3	14.9
16 -----	4	4	8	7.1	-	6.7	-	6.7	-
17 -----	4	³ 4	4	6.6	-	6.2	-	³ 6.2	-
18 -----	-	-	-	-	-	-	-	-	-

	Range as percent of minimum salary ²						
	Jan. 1958		July 1960		Oct. 1962	Jan. 1964	July 1964
	Longevity						
	Exclud- ing	Includ- ing	Exclud- ing	Includ- ing			
1 -----	19.3	28.9	19.8	29.7	29.1	28.6	30.6
2 -----	17.5	26.3	18.0	27.0	26.5	26.1	30.6
3 -----	16.3	24.5	16.8	25.1	26.4	26.3	30.3
4 -----	15.2	22.8	15.6	23.4	30.7	29.9	30.1
5 -----	22.3	33.4	22.8	34.2	31.5	30.7	29.7
6 -----	20.0	30.1	20.5	30.7	30.4	30.1	30.2
7 -----	18.1	27.1	18.5	27.7	30.1	30.3	29.8
8 -----	16.5	24.7	16.8	25.2	30.3	29.6	29.9
9 -----	15.0	22.6	15.4	23.1	30.3	29.4	30.5
10 -----	13.8	20.8	14.2	21.2	30.2	29.8	30.8
11 -----	17.1	27.3	17.2	27.5	26.4	26.6	30.7
12 -----	14.4	23.0	14.5	23.2	26.6	26.5	31.2
13 -----	12.1	19.4	12.2	19.6	26.2	26.3	31.3
14 -----	10.6	16.9	10.6	17.0	26.5	26.4	31.1
15 -----	9.4	15.0	9.5	15.1	23.1	23.0	31.2
16 -----	6.8	-	6.8	-	12.5	12.5	27.7
17 -----	6.2	-	6.3	-	11.1	11.1	14.0
18 -----	-	-	-	-	-	-	-

¹ Including longevity increases.

² Longevity steps were provided for employees in grades 1-10 until September 1954 when they were extended to employees in grades 11-15. Longevity steps, as such, no longer exist; they were incorporated into the regular pay schedule in October 1962.

³ In March 1955, 3 within-grade increases above the minimum salary were provided for grade 17, making the range 4.6 percent of the minimum salary. The 6.2 percent range became effective in July 1956 when 1 step was added to grade 17.

Table 5. Percent Distribution of General Schedule Employees by Grade, Selected Periods, 1939-63¹

General schedule grade	Aug. 1939	July 1, 1946	July 1, 1950	July 8, 1951	July 1, 1954
1 -----	13.1	2.5	1.8	1.4	1.1
2 -----	18.1	19.3	14.5	16.6	11.5
3 -----	14.7	22.8	20.6	21.8	21.0
4 -----	11.5	13.6	14.8	13.9	15.8
5 and 6 -----	17.2	13.9	14.8	14.5	14.9
7 and 8 -----	10.4	11.6	12.3	11.7	12.1
9 and 10 -----	6.8	7.6	9.2	8.7	10.1
11 -----	3.8	4.0	5.1	4.8	5.8
12 and 13 -----	3.9	4.0	5.8	5.4	6.3
14 and 15 -----	.5	.7	1.1	1.2	1.5
16 through 18 -----	-	-	(2)	(²)	.1
Total -----	100.0	100.0	100.0	100.0	100.0
Number of employees -----	234,067	893,653	701,824	885,925	864,126
	July 1, 1958	July 10, 1960 ¹	July 1, 1961	July 1, 1962	July 1, 1963
1 -----	0.4	0.3	0.2	0.2	0.1
2 -----	5.8	4.1	3.5	3.4	2.7
3 -----	19.5	16.7	15.7	15.1	13.7
4 -----	16.9	16.8	16.8	16.6	16.3
5 and 6 -----	15.7	16.7	17.1	17.0	17.1
7 and 8 -----	11.6	11.5	11.5	11.1	11.1
9 and 10 -----	11.3	11.7	11.7	12.1	12.5
11 -----	7.6	8.7	9.2	9.1	9.8
12 and 13 -----	8.9	10.6	11.1	11.8	12.7
14 and 15 -----	2.2	2.8	2.9	3.3	3.8
16 through 18 -----	.1	.2	.2	.2	.3
Total -----	100.0	100.0	100.0	100.0	100.0
Number of employees -----	921,153	953,995	988,241	1,039,224	1,083,633

¹ Beginning in 1960, data include employees in Alaska and Hawaii.

² Less than 0.05 percent.

NOTE: Because of rounding, totals may not equal 100.

TABLE 6. PERCENT INCREASE IN MINIMUM AND AVERAGE SALARIES¹ OF FEDERAL CLASSIFIED EMPLOYEES, BY GRADE, AND IN THE CONSUMER PRICE INDEX, SELECTED DATES TO JULY 5, 1964

General schedule grade and Consumer Price Index	Percent increase to July 5, 1964 from—							
	Aug. 1, 1939	July 1, 1950	July 1, 1958	July 10, 1960	July 1, 1961	July 1, 1962	July 1, 1963	Jan. 5, 1964 ¹
General schedule grade:								
1: Minimum salary rate.....	186.9	53.9	14.4	6.3	6.3	6.3	4.3	2.4
Average salary.....	² 207.8	² 59.8	² 15.5	² 6.4	² 6.8	² 8.4	² 3.3	² 3.1
2: Minimum salary rate.....	155.6	50.2	13.1	5.1	5.1	5.1	3.4	1.7
Average salary.....	² 168.2	² 61.3	² 14.2	² 6.2	² 6.4	² 7.6	² 3.8	² 2.8
3: Minimum salary rate.....	147.2	51.1	14.6	6.5	6.5	6.5	4.8	3.2
Average salary.....	² 168.2	² 67.5	² 18.6	² 9.8	² 10.0	² 10.6	² 6.4	² 5.2
4: Minimum salary rate.....	148.9	55.8	19.3	10.9	10.9	10.9	9.0	6.3
Average salary.....	172.3	63.8	23.2	14.1	14.1	14.4	8.7	6.4
5: Minimum salary rate.....	150.0	61.3	23.8	15.1	15.1	15.1	9.5	6.4
Average salary.....	166.7	64.4	22.5	13.8	13.5	13.5	8.5	6.6
6: Minimum salary rate.....	139.3	59.6	22.6	14.0	14.0	14.0	9.3	5.2
Average salary.....	159.4	65.6	24.4	15.9	14.8	14.0	9.2	5.2
7: Minimum salary rate.....	132.7	58.2	21.5	13.0	13.0	13.0	9.2	4.4
Average salary.....	145.0	59.5	21.1	12.4	12.5	12.6	7.7	4.2
8: Minimum salary rate.....	128.6	57.9	21.2	12.7	12.7	12.7	8.9	3.8
Average salary.....	144.6	62.2	24.2	15.2	14.6	14.0	8.7	3.9
9: Minimum salary rate.....	125.6	57.0	20.6	12.2	12.2	12.2	8.2	2.7
Average salary.....	140.6	61.2	22.8	14.5	14.5	14.3	7.7	3.0
10: Minimum salary rate.....	125.7	58.0	21.4	12.9	12.9	12.9	8.4	2.7
Average salary.....	142.4	66.2	26.1	17.4	17.2	17.1	8.5	3.0
11: Minimum salary rate.....	127.6	60.2	23.0	14.4	14.4	14.4	7.5	2.9
Average salary.....	³ 133.7	³ 62.0	³ 21.9	³ 14.6	³ 15.1	³ 14.2	³ 6.6	³ 3.0
12: Minimum salary rate.....	122.8	60.2	23.0	14.5	14.5	14.5	8.2	2.7
Average salary.....	³ 129.4	³ 62.8	³ 22.3	³ 15.2	³ 15.8	³ 16.4	³ 8.4	³ 3.0
13: Minimum salary rate.....	115.6	58.9	22.1	13.5	13.5	13.5	8.3	3.0
Average salary.....	³ 123.8	³ 63.5	³ 22.4	³ 15.1	³ 15.8	³ 16.5	³ 8.6	³ 3.4
14: Minimum salary rate.....	118.0	61.0	24.8	16.1	16.1	16.1	10.3	4.1
Average salary.....	³ 121.6	³ 65.9	³ 26.1	³ 18.4	³ 19.1	³ 19.7	³ 10.5	³ 4.4
15: Minimum salary rate.....	105.8	64.6	28.9	19.9	19.9	19.9	13.0	5.1
Average salary.....	³ 109.9	³ 67.9	³ 31.4	³ 22.9	³ 23.2	³ 23.7	³ 13.2	³ 5.5
16: Minimum salary rate.....	(⁴)	69.1	33.4	24.1	24.1	24.1	18.3	18.3
Average salary.....	(⁴)	³ 81.3	³ 39.0	³ 30.2	³ 30.1	³ 30.0	³ 19.1	³ 19.2
17: Minimum salary rate.....	(⁴)	75.8	39.5	29.7	29.7	29.7	19.1	19.1
Average salary.....	(⁴)	83.4	42.9	33.7	33.7	33.8	20.3	20.3
18: Minimum salary rate.....	(⁴)	75.0	40.0	32.4	32.4	32.4	22.5	22.5
Average salary.....	(⁴)	75.0	40.0	32.4	32.4	32.4	22.5	22.5
Consumer Price Index (1957-59=100).....	124.9	29.0	7.1	4.8	3.6	2.6	1.0	1.6

¹ See footnote 1, table 3.

² See footnote 3, table 3.

³ See footnote 4, table 3.

⁴ Grades 16, 17, and 18 were created by the Classification Act of 1949.

⁵ Increase to June 1964.

Government employees,¹³ but have created a demand for new types of workers.¹⁴

From 1951 to 1961, the Federal Government experienced a 32-percent decline in subprofessional mathematical and statistical employees, a 100-percent increase in mathematicians, and a 13-percent increase in statisticians. The growth of scientific activities of the Government has resulted in greatly increased needs for scientists and engineers and related professional people.¹⁵ For example, the number of scientists and engineers working on NASA programs grew from 8,400 (or less than 1 percent of the estimated 1.2 million in the country) in 1960 to 43,000 (or about 3 percent of the total) by 1963.

New legislation (e.g., regulating collective bargaining) increased the employment of hearing examiners, lawyers, etc. New laws and a growing population have also created a need for more social security claims examiners, food and drug inspectors, etc. This has been reflected in an increase in employment in legal and kindred

occupations. Increases occurred also in the number of highway engineers, specialists in business and industry, and professionals in the field of education. The number of medical officers rose as Congress provided for increased medical research and public health services and as war veterans sought an increasing amount of Government medical assistance.

Government has shared with private industry the trend toward increasing employment of white-collar workers and a decrease in the relative importance of blue-collar employees. Clerical, administrative, and professional employees represented 26 percent of Federal civilian employment in 1939, 42 percent in 1958, and 46 percent in 1963.

¹³ From 1939 to 1963, Federal civilian employment, excluding employees of the Central Intelligence and National Security Agencies for which data are not available, increased to 4 from 3 percent of total nonagricultural employment.

¹⁴ See "Government and Manpower Requirements," *Monthly Labor Review*, April 1964, pp. 407-413.

¹⁵ For an analysis of white-collar occupational groups, see *Occupations of Federal White-Collar Workers, October 30, 1960* (U.S. Civil Service Commission, 1963, Pamphlet 56-4).

Appendix. Scope and Method of Survey

This group of indexes is designed to measure trends in salaries of an important group of workers in nonmanufacturing employment. The indexes consist of three measures of the movement of Federal classified employees' salaries; one index reflects the movement caused by statutory changes in basic salaries, the second, these statutory changes in combination with merit or in-grade salary increases, and the third index measures the effect of statutory changes, in-grade increases, and changes in the distribution of employees among the various pay grades.

Coverage. The Federal employees covered by the indexes presented here are the per-annum workers whose salaries are established by the Federal Classification Acts of 1923 and 1949. The workers under study are engaged mainly in clerical, administrative, and professional functions, but smaller groups in subprofessional categories and in craft, protective, and custodial jobs are also included. Excluded from the study are (1) members of the Armed Forces, (2) blue-collar workers whose wages are fixed by wage board action, (3) postal employees, and (4) per diem employees subject to the Classification Act and the clerical-mechanical hourly employees of the Bureau of Engraving and Printing. (The last were covered by the Classification Act of 1923 but are not subject to the current act.)

Two broad pay schedules were established by the Classification Act of 1949 for the workers covered by this report—the General Schedule, covering workers performing clerical, administrative, fiscal, subprofessional, or professional functions,¹ and the CPC Schedule, covering craft, protective, and custodial workers.

Each schedule consisted of a series of salary grades into which workers were classified in accordance with their duties. Each salary grade had a minimum rate and a series of additional pay steps which workers who had met certain standards received after specified periods of time.²

Beginning in 1955, only salary trends of employees under the general schedule were used, as the crafts, protective, and custodial schedule was abolished effective July 1, 1955. About two-thirds of these employees were transferred to wage-board classifications and the remaining one-third to the general schedule. Inclusion in the general schedule of about 35,000 former CPC workers affected the three measures of salary change only slightly. The indexes for 1955 were adjusted to include these former CPC employees.

Federal Classification Act employees stationed in Alaska and Hawaii were included for the first time in the 1960 indexes and other data used for that report. Average salary rates were increased 0.1 percent by the inclusion of 15,676 workers in the country's two newest States. Only minor variations in the distribution of employment at the various grades resulted from the additions, mainly because of the relatively small number of workers involved.

Source of Data. Data on salaries of Classified Federal workers have been collected from the employing agencies at varying time intervals by the U. S. Civil Service Commission. The earliest complete study was made in January 1937 and the next in August 1939. In the interim between August 1939 and July 1946, two studies were made (in 1942 and 1944) which could not be used for index purposes because data were not complete with regard to distribution of employees among various within-grade steps. For each year since 1946, however, data have been collected and tabulated in a manner which makes possible their use in the construction of a series of indexes.

¹ Prior to the Act of 1949 these workers were divided into three services—clerical, administrative, and fiscal, professional, and subprofessional. The indexes for these earlier periods give proper weight to the services that were combined into the general schedule.

² For the entire CPC services and GS-1-10, six additional pay steps were provided at 52-week intervals followed by three further (longevity) steps at 3-year intervals. For grades GS-11-17, additional pay steps were provided at 78-week intervals: Five steps for grades GS-11-14, four steps for grades GS-15-17, until September 1954, when three longevity steps at 3-year intervals were added to grades GS-11-15. Beginning in October 1962, employees in grades GS-1-17 maintaining acceptable levels of performance progressed to the next higher step after 1 year in steps 1, 2, or 3, after 2 years in steps 4, 5, or 6, and after 3 years in steps 7, 8, or 9. Longevity steps, as such, no longer exist; they were incorporated into the regular pay schedule in October 1962. There are no additional pay steps for grade GS-18.

January 1937 was originally considered for use as the base period for the Federal classified worker indexes, since this was the earliest date for which complete information was available. However, in view of the economic significance of 1939, indexes of wages and earnings for various groups of workers typically make use of this latter year as the base period where possible. To facilitate comparisons with these other groups, 1939 has been used as the base year for indexes for Federal workers. Actually the use of the 1939 base does not substantially alter the indexes. The basic pay scales in effect were identical for 1937 and 1939 and the distribution of employees within grades and among grades was virtually the same in the two periods.

Data for 1939, 1946, and 1947 include both full- and part-time employees; however, data for part-time workers are converted to full-time rates. Moreover, the number of part-time workers is relatively small (only one-tenth of 1 percent of the total in 1948 and 1949, the only periods for which a breakdown for the two categories is available). Hence, their inclusion or exclusion could not appreciably affect the distribution of workers among pay grades and steps. Consequently, in none of the indexes was any adjustment attempted for this variation in coverage.

Index Construction. In constructing the average salary rate indexes, the effect of changes in occupational or grade structure has been eliminated by the "chain" method of index construction. First, averages for each grade were computed for each period by multiplying (weighting) each pay step within the grade by the number of people employed at that step in the grade. Next, an average for all grades combined was computed for each year; the individual grade averages for each pair of successive years were multiplied by the number of people in the grade in the latter year. (In the first instance, 1939 and 1946 were paired because of the absence of data for the intervening years.³)

Finally, the percentage relationship between the overall average for each pair of years was computed and linked to the index for the preceding period. For example, the 1946 index was obtained by multiplying 133 percent (the percentage relationship of 1946 to 1939) by the 1939 index, which, as the base year, was 100. Similarly, the 1947 index of 135 was computed by multiplying the percentage relationship between 1946 and 1947 (101.86) by 133. The same method of linking was used for each successive pair of years—1947-48, 1948-49, 1949-50. The use of this method shows the effect of ingrade raises and any changes in basic pay structure which may have occurred but eliminates the effect of shifts among grades.

The indexes of average salaries differ from the salary rate indexes in one important respect. They reflect the effect of employment shifts among grades, which were eliminated in the rate indexes. In computing the average salary indexes, each salary rate (including all within-grade steps) was multiplied by the number of people at that rate in each period to produce an overall average for the period. This average was then simply divided by the overall average for the base period.

For individual grades, the salary rate and the average salary indexes are identical in that the same method was used for computing grade averages. (Each within-grade step was weighted by the employment at that step.) Differences in the salary rate indexes and the average salary indexes occur only when the individual grade averages are combined into broader groups.

The basic pay scale index (constructed by the U.S. Civil Service Commission through 1952) differs from the average salary rate index only in the computation of the grade averages. The same distribution of workers at pay steps within a grade is assumed for each pair of years. This index thus remains unaffected by shifts in pay steps within a grade. Like the salary rate indexes, it also excludes the effect of shifts in occupational or grade structure from one period to another. In short, the basic pay scale indexes reflect only changes in salary scales voted by Congress.

³ Although there were no complete salary surveys between 1939 and 1946, it seemed desirable to present an estimated index of average salary rates for a period late in the war but prior to the increases in pay scales made in July 1945 and July 1946. Consequently the estimate for June 1945 was prepared. For this estimate, the same distribution of employees among grades and among steps within grades was assumed for 1945 as for 1939, as it is known that little or no change due to merit increases occurred over the period. Virtually the entire change reflected in the 1945 estimated index was caused by the pay raise given the workers in the CPC grades and in SP-1 and 2 in August 1942.

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