

Testimony of Congressman Patrick J. Kennedy
Hearing on Federal Pay policies and Administration
Subcommittee on Federal Workforce, Postal Service and the District of Columbia
July 31, 2007

Thank you Chairman for inviting me here today and for hosting a hearing on this critical issue. For those of us in the Narragansett Bay/ Rhode Island Wage Area, the issue of federal pay parity is a critical one. I appreciate the opportunity to testify along with my colleagues from Southern New England on this issue.

As federal elected officials from the Southern New England region who are very familiar with the economy, job opportunities and commuting patterns in the region, we believe there is no justification for the disparate treatment that is afforded to workers in our Congressional Districts. There is a very clear case for treating Rhode Island area prevailing rate workers (a group which includes workers in much of Southeastern Massachusetts) as being in the Boston area.

Rhode Island's federal agencies that are included in the Narragansett Bay Federal Wage Area (including Providence and Fall River) have consistently faced problems with employee recruitment and retention due to its proximity to the Boston wage area. Wage rates in the Boston area can be up to 33 percent higher. The average wage grade worker in Rhode Island earns \$18.01 per hour compared to the same worker in Boston who earns \$20.25 per hour. This same employee in Hartford, CT would also earn over \$20.00 per hour.

It is no secret that nearly 80 percent of all Federal Wage System workers in the United States work either in the Department of Defense or the Department of Veterans Affairs. In Rhode Island, this often means that the employees at Naval Station Newport (where most of the nearly 500 federal wage workers in the Narragansett Bay Wage Area work) are underpaid. They are paid under one of the lowest Federal Wage System (FWS) regional pay scales in the nation while residing in one of the highest cost-of-living areas.

As the Committee may be aware, Congressman Frank and I have introduced legislation calling for prevailing rate federal employees in the Narragansett Bay/ Rhode Island Wage Area to be treated as if they worked in the Boston, Massachusetts Wage Area. We also have been working with the House Appropriations Committee to address this matter and there is language in the report accompanying the Fiscal Year 2008 Financial Services and General Government appropriations bill on this issue. But the real solution lies with OPM and the decision to make the correction is in their hands for now. It is time to end the discrimination that blue collar federal workers in this area have endured for too long. I'm confident we are finally making progress on behalf of hourly workers who labor just as hard for less pay.

I look forward to hearing more on this issue and finding the common ground that is out there on this issue to support our federal wage workers.