

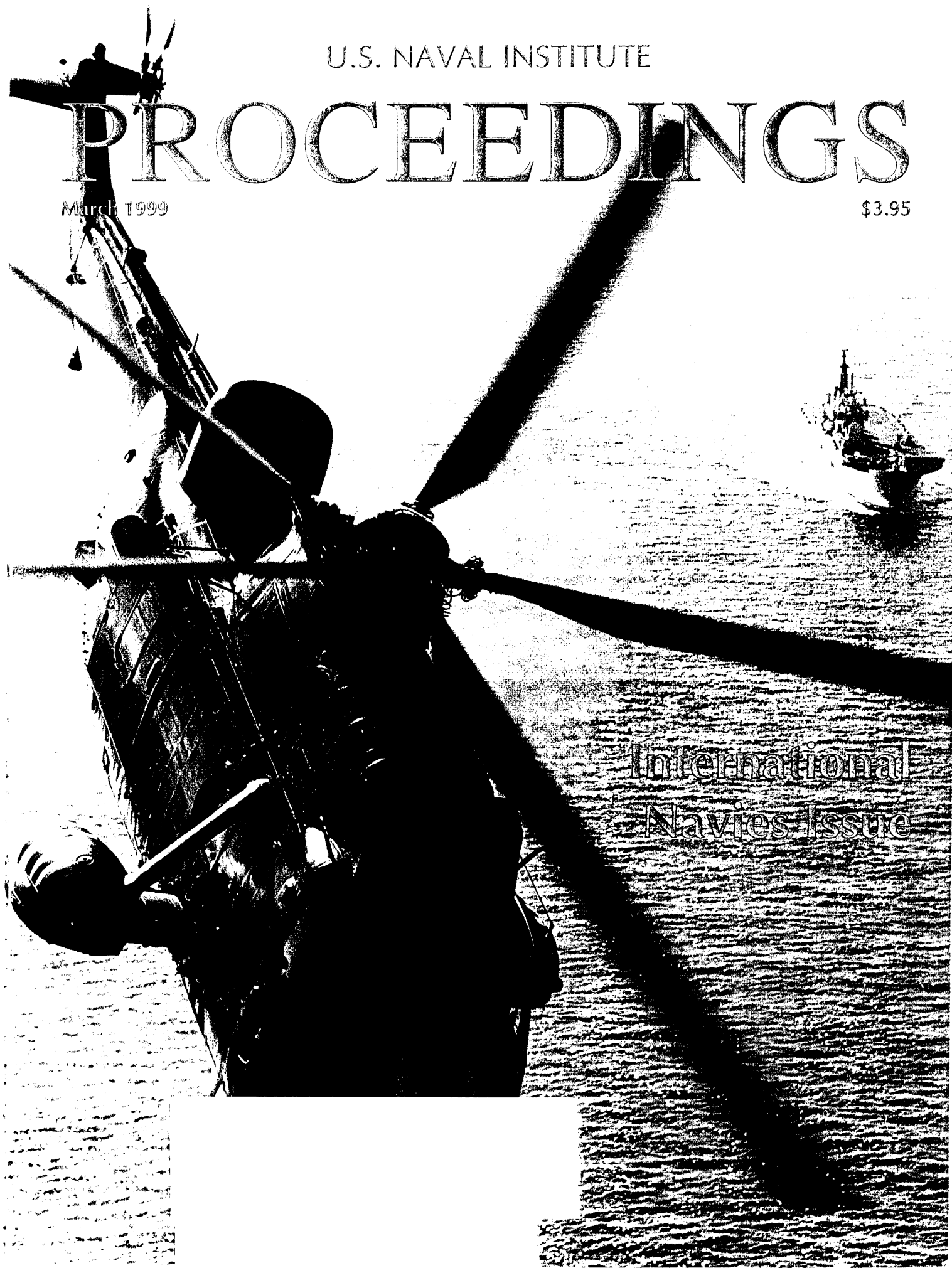
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# PROCEEDINGS

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# NOBODY ASKED ME, BUT . . .

## Real Pay Table Reform

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It is time to take a new approach to the enlisted base pay system. The current pay table has been incrementally changed so many times that it has developed numerous inequities. It rewards time in service (TIS) over time in rate (TIR)—especially for those who promote later than their peers. Those promoting later than their peers have to jump proportionately higher with each selection to catch up with those who have promoted years ahead, and who have been serving in positions of greater responsibility for years longer. Consider two sailors who entered active service the same day. One was selected for master chief with 27 years of time in service; another who has been serving as command master chief was advanced at the 17-year point, ten years before. Each will make the same base pay, despite the fact that the latter is ten years senior to the former.

The present pay table has 65 pay increase steps, with 28 points at which a junior person receives higher pay than a senior one. There are seven such points where a junior chief makes more than his or her senior chief supervisor. The current system has longevity raises as little as \$.30 for an additional two years of service—and there are countless inequities within each paygrade, where a junior sailor (with less TIR but more TIS) is paid more than one who is senior (with more TIR but less TIS).

Secretary of Defense William Cohen announced on 21 December 1998 a new military pay package as part of the fiscal year 2000 budget. The first element is an across-the-board raise for all members beginning 1 January 2000. Base pay will increase 4.4% the first year and 3.9% annually in fiscal years 2001 through 2005. Second, targeted raises are scheduled for performance incentives. The maximum targeted pay increases, effective 1 July 2000, will range from .5% to 5.5%, and will come

on top of the 4.4% that everybody will get beginning 1 January 2000. Together, the new pay raises are: E-3 to E-5 with 2 to 4 years TIS (6.5% to 9%); E-4 to E-6 with 6 to 12 years of TIS (6.5% to 7%); and E-7 to E-9 with 18 to 22 years of TIS (6.5% to 8%). One month after the President's plan was announced, the Senate Armed Services Committee voted to raise military pay by 4.8%. As each party seeks to gain the moral high ground in restoring military pay to private sector parity, we need to do more than just reevaluate the numbers.

I propose the following "TIR Pay Table" to simplify the system and better reward performance, not longevity.

Proposed Time in Rate Pay Table						
RATE	INITIAL	AFTER 1-5 YEARS TIR, BASE PAY RAISES TO:				
	BASE PAY	1 YEAR	2 YEAR	3 YEAR	4 YEAR	5 YEAR
E-9	\$3,405	\$3,504	\$3,604	\$3,703	\$3,802	\$3,901
E-8	\$2,910	\$3,009	\$3,108	\$3,207	\$3,306	
E-7	\$2,414	\$2,513	\$2,612	\$2,711	\$2,811	
E-6	\$2,017	\$2,117	\$2,216	\$2,315		
E-5	\$1,621	\$1,720	\$1,819	\$1,918		
E-4	\$1,324	\$1,423	\$1,522			
E-3	\$1,125	\$1,224				
E-2	\$1,026					
E-1	\$927					

The upper and lower limits are set to the minimum and maximum values on the proposed 1 July 2000 values. There are 30 equally spaced increments in pay. Each year, any cost-of-living allowance would be determined and applied to the upper and lower limits, and the intermediate pay steps automatically would be calculated.

Each newly advanced sailor would be compensated at the "initial base pay" rate regardless of the number of years of TIS that he or she has completed. Then, each year, for the number of years shown, the base pay would increase until the person had served more years in grade than shown on the table. As an example, a person promoted to E-6 would receive \$2,017 and would receive longevity raises for the next three years, until he or she received

\$2,315. At this point, the sailor would only get cost-of-living allowance raises and would need advancement to reach the next pay scale. Those who advance in rate before receiving the next yearly increase would skip to the initial base pay of the next pay grade, jumping a year ahead.

Another evaluation of the new TIR system would be to determine the "break-even" advancement points for pay raises. Using nominal TIR/TIS flow points for three typical sailors, a newly advanced second class petty officer with four years of TIS would be compensated at \$1,634 under the President's system, and \$1,621 under mine. Similarly, a first class petty officer with

12 years of TIS and one year of TIR would go from \$2,111 to \$2,117, and a senior chief petty officer with 20 years of service and one year in rate would receive \$3,014 under the administration's proposal and \$3,009 with my plan.

My proposal offers several reforms. First, it rewards TIR, not TIS, consistent with seniority. Second, there are only 30 equally graduated steps versus 65 different levels of pay, making it easier to administer. Third, there are limited increases for those who remain in pay grade for longer periods of time. Fourth, in no case would a junior sailor be compensated at a higher rate than his or her boss.

The object of pay table reform is to reward performance, skill, and experience. I believe that career performance and progression are positively correlated—that the Navy advances sailors with superior evaluations at vastly faster rates than those whose performance is only average. The TIR pay system better compensates those who better serve our Navy.

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