



NATIONAL FEDERATION OF FEDERAL EMPLOYEES,
IAMAW, AFL-CIO



NFFE-IAM Opposes Further Cuts to
Federal Employees' Retirement Security

Position: **In a shocking affront to working Americans, the White House budget proposal for FY 2019 requests devastating cuts to federal employee retirement, including cuts to the annuities of current retirees. Without any meaningful fiscal logic, the administration proposes the elimination of COLAs, a 6% increase in retirement contributions without an annuity increase, elimination of the social security supplement, lower annuities based on 'High 5' calculations, lowering the rate of return on the TSP G Fund, and increasing FEHBP employee contributions (on top of the current average annual premium increase of 6.5%). Together, these cuts will take \$200 to \$300 billion more from federal employees, retirees, and their families over the next ten years. NFFE-IAM strongly *opposes* these measures.**

No other single group has been asked to sacrifice more than the federal workforce. Federal workers have endured three years of pay freezes and minuscule cost of living adjustments all while being asked to contribute more for their health care coverage and pensions. Congress has used the federal workforce as a piggy bank for "deficit reduction," and this is creating unsustainable damage to the productivity and efficiency of the United States Government. In addition, state and local economies will continue to suffer under austere conditions if four million federal employees and annuitants have less money to spend in their communities.

There are numerous provisions contained in the budget request that would erode the basic financial security of middle-class federal workers, retirees, and their families who live and work in every community and congressional district. These proposals renege on the government's commitments to its current and former employees in exchange for their hard work over long careers. The proposals in the budget would undoubtedly make it harder to afford to retirement, requiring employees to consider working longer, reducing government savings and delaying the career progression of younger employees. In addition, these proposals would undermine our government's ability to recruit and retain an effective and well-qualified workforce to serve our nation's needs by slashing workers' take-home pay and undermining retirement security.

Federal employees have consistently been the target of political attacks from members of Congress seeking to cut government spending at the expense of those who allow the government to function properly. They have been an easy scapegoat for legislators, already having lost \$182 billion in earnings due to pay freezes, pension cuts, and other methods. They have been punished for economic problems they did not create, and singling them out for further pain and sacrifice is not only wrong but detrimental to the effectiveness and competitiveness of the federal workforce.

Vote to stop this 'race to the bottom' for working Americans. NFFE *strongly opposes* any further cuts to federal employees' retirement security.