

10. FEDERAL EMPLOYMENT AND COMPENSATION

This section provides information on civilian and military employment, and personnel compensation and benefits in the Executive, Legislative, and Judicial branches. A comparison of Federal employment levels, State and local government employment, and the United States population appears in the Historical Tables. Additional tables on civilian employment reductions appear in the Budget volume.

Government Reform Initiative

The first priority of the President's Government reform initiatives is to make Government citizen-centered. This means ensuring that there is as little distance as possible between the citizens and decision-makers. To shrink the distance between citizens and Cabinet members, the Administration will flatten the Federal hierarchy, reduce the number of layers in the upper echelons of Government, and use workforce planning to help agencies and redistribute higher-level positions to front-line, service-delivery positions that interact with citizens. The Administration will also seek legislation to provide new and expanded workforce restructuring tools.

Federal Civilian Employment in the Executive Branch

Civilian employment in the Executive Branch is measured on the basis of full-time equivalents (FTEs). One FTE is equal to one work year or 2,080 non-overtime hours. Put simply, one full-time employee counts as one FTE, and two half-time employees also count as one FTE.

Table 10-1 provides agency-wide totals from the 1998 base through 2002.

Allocations of FTE resources by agency are made based upon Presidential priorities and other factors. While many of the agencies in Table 10-1 show FTE reductions between 1998 and 2002, several agencies, such as the Department of Justice, show an increase in FTEs. In addition, the sharp 2000 increase in the Department of Commerce was due to the additional staffing needs associated with conducting the 2000 Census.

Recent Trends in Civilian Employment Estimates in the Executive Branch

Each year the Budget reports actual FTEs in the prior year column, and estimates of FTEs in the current

and budget years. Current year FTE estimates for nearly all agencies in the Budget have been over-stated when compared to the actual published in the following year's Budget. The table below shows this trend:

Year	Estimate	Actual	Over-Statement
1998	1,837.4	1,790.2	+47,200 (+2.6%)
1999	1,801.6	1,778.4	+23,200 (+1.3%)
2000	1,856.9	1,814.3	+42,600 (+2.3%)

Total Federal Employment Levels

The tables that follow show total Federal employment in all branches of Government, as well as the U.S. Postal Service, Postal Rate Commission, and active duty uniformed military personnel. Table 10-2 displays total Federal employment as measured by actual positions filled, i.e., the total number of employees, whether full-time, part-time or intermittent, at the end of the fiscal year. Table 10-3 shows total Federal employment as measured on an FTE basis.

Personnel Compensation and Benefits

Table 10-4 displays personnel compensation and benefits for all branches of Government, as well as for military personnel.

Direct compensation of the Federal work force includes base pay and premium pay, such as overtime. In addition, it includes other cash components, such as geographic pay differentials (i.e., locality pay, and special pay adjustments for law enforcement officers), recruitment and relocation bonuses, retention allowances, performance awards, and cost-of-living and overseas allowances.

In the case of military personnel, compensation includes basic pay, special and incentive pays (including enlistment and reenlistment bonuses), and allowances for clothing, housing, and subsistence.

Related compensation in the form of personnel benefits for current employees consists of the cost to Government agencies (as an employer) primarily for health insurance, life insurance, Social Security (old age, survivors, disability, and health insurance) and contributions to the retirement funds to finance future retirement benefits. Compensation for former personnel includes outlays for retirement pay benefits, and the Government's share of the cost of health and life insurance.

Table 10-1. FEDERAL EMPLOYMENT IN THE EXECUTIVE BRANCH
(Civilian employment as measured by Full-Time Equivalents, in thousands)

Agency	Actual			Estimate		Change: 1998 to 2002	
	1998	1999	2000	2001	2002	FTE's	Percent
Cabinet agencies:							
Agriculture	96.4	95.5	95.1	97.9	97.8	1.4	1.4%
Commerce	35.7	47.3	113.3	39.7	37.0	1.3	3.6%
Defense-military functions	707.2	681.0	660.3	641.1	641.1	-66.2	-9.4%
Education	4.5	4.5	4.6	4.7	4.7	0.2	5.2%
Energy	16.3	15.9	15.6	16.4	16.3	0.1	0.3%
Health and Human Services	57.9	58.9	60.5	63.5	64.9	7.0	12.1%
Housing and Urban Development	9.8	10.0	10.1	10.3	10.3	0.5	4.9%
Interior	66.5	67.0	67.3	69.9	69.4	2.9	4.3%
Justice	117.3	121.3	122.8	129.1	134.9	17.6	15.0%
Labor	16.3	16.3	16.3	17.7	17.5	1.2	7.6%
State	26.4	26.9	27.3	27.7	27.8	1.4	5.2%
Transportation	63.4	63.7	63.0	65.0	65.9	2.6	4.1%
Treasury	142.1	143.7	143.7	148.4	150.9	8.8	6.2%
Veterans Affairs	207.1	205.5	202.6	205.9	204.7	-2.4	-1.2%
Other agencies—excluding Postal Service:							
Agency for International Development	2.7	2.5	2.4	2.4	2.5	-0.2	-7.7%
Broadcasting Board of Governors	2.4	2.4	2.4	2.5	2.5	0.1	4.2%
Corps of Engineers	24.8	24.7	24.8	24.8	24.8	0.2%
Environmental Protection Agency	17.7	18.1	17.7	18.0	17.5	-0.2	-1.3%
EEOC	2.5	2.6	2.9	3.1	3.1	0.5	20.1%
FEMA	4.6	5.2	4.6	4.9	5.0	0.4	8.0%
FDIC/RTC	7.9	7.4	7.1	6.7	6.5	-1.4	-17.3%
General Services Administration	14.1	14.1	14.0	14.2	14.2	0.1	0.7%
NASA	19.1	18.5	18.4	19.0	19.0	-0.1	-0.5%
National Archives and Records Admin.	2.4	2.4	2.5	2.7	2.7	0.3	13.1%
National Labor Relations Board	1.9	1.8	1.9	2.0	2.0	0.1	6.5%
National Science Foundation	1.2	1.2	1.2	1.2	1.2	1.9%
Nuclear Regulatory Commission	3.0	2.8	2.8	2.8	2.8	-0.2	-5.5%
Office of Personnel Management	2.8	2.8	2.8	3.0	3.0	0.2	7.6%
Panama Canal Commission	9.6	9.2	2.4	0.0	0.0	-9.6	-100.0%
Peace Corps	1.1	1.1	1.0	1.2	1.2	0.1	10.8%
Railroad Retirement Board	1.3	1.3	1.2	1.2	1.2	-0.1	-10.0%
Securities and Exchange Commission	2.8	2.8	2.8	3.0	3.0	0.2	8.0%
Small Business Administration	4.4	4.7	4.3	4.2	4.1	-0.2	-5.5%
Smithsonian Institution	5.0	5.1	5.0	5.2	5.2	0.1	2.8%
Social Security Administration	64.0	63.0	62.4	63.2	63.5	-0.5	-0.9%
Tennessee Valley Authority	14.4	13.5	13.2	13.2	13.1	-1.3	-9.1%
All other small agencies	13.6	13.9	14.0	15.8	15.9	2.3	16.8%
Total, Executive Branch civilian employment	1,790.2	1,778.4	1,814.3	1,751.4	1,757.1	-33.2	-1.9%
Subtotal, Defense	707.2	681.0	660.3	641.1	641.1	-66.2	-9.4%
Subtotal, Non-Defense	1,083.0	1,097.4	1,154.0	1,110.3	1,116.0	33.0	3.0%

Table 10-2. TOTAL FEDERAL EMPLOYMENT
(As measured by total positions filled)

Description	Actual as of September 30			Change: 1998 to 2000	
	1998	1999	2000	Positions	Percent
Executive branch civilian employment:					
All agencies except Postal Service and Postal Rate Commission:					
Full-time permanent	1,624,152	1,603,944	1,584,338	-39,814	-2.5%
Other than full-time permanent ¹	231,644	216,353	199,643	-32,001	-13.8%
Subtotal	1,855,796	1,820,297	1,783,981	-71,815	-3.9%
Postal Service: ²					
Full-time permanent	660,987	670,272	666,528	5,541	0.8%
Other than full-time permanent	210,533	196,121	194,249	-16,284	-7.7%
Subtotal	871,520	866,393	860,777	-10,743	-1.2%
Subtotal, Executive branch civilian employment	2,727,316	2,686,690	2,644,758	-82,558	-3.0%
Military personnel on active duty: ³					
Department of Defense	1,406,830	1,385,703	1,384,338	-22,492	-1.6%
Department of Transportation (Coast Guard)	35,459	35,740	36,157	698	2.0%
Subtotal, military personnel	1,442,289	1,421,443	1,420,495	-21,794	-1.5%
Subtotal, Executive Branch	4,169,605	4,108,133	4,065,253	-104,352	-2.5%
Legislative Branch:					
Full-time permanent	12,399	12,183	11,970	-429	-3.5%
Other than full-time permanent	18,075	18,170	19,187	1,112	6.2%
Subtotal, Legislative Branch	30,474	30,353	31,157	683	2.2%
Judicial Branch:					
Full-time permanent	28,487	28,875	28,938	451	1.6%
Other than full-time permanent	3,255	3,321	3,248	-7	-0.2%
Subtotal, Judicial Branch	31,742	32,196	32,186	444	1.4%
Grand Total	4,231,821	4,170,682	4,128,596	-103,225	-2.4%
ADDENDUM					
Executive branch civilian personnel (excluding Postal Service):					
DOD-Military functions ⁴	692,552	665,679	651,247	-41,305	-6.0%
All other executive branch	1,163,244	1,154,618	1,132,734	-30,510	-2.6%
Total ⁵	1,855,796	1,820,297	1,783,981	-71,815	-3.9%

¹ Includes Summer Aides, Stay-in-school, Junior Fellowship, Worker-Trainee Opportunity Program.

² Includes Postal Rate Commission.

³ Excludes reserve components.

⁴ Excludes Defense Intelligence Agency.

⁵ Includes disadvantaged youth programs.

Table 10-3. TOTAL FEDERAL EMPLOYMENT
(As measured by Full-Time Equivalents)

Description	2000 actual	Estimate		Change: 2000 to 2002	
		2001	2002	FTE's	Percent
Executive branch civilian personnel:					
All agencies except Postal Service and Defense	1,153,968	1,110,329	1,116,000	-37,968	-3.3%
Defense-Military functions (civilians)	660,285	641,055	641,055	-19,230	-2.9%
Subtotal, excluding Postal Service	1,814,253	1,751,384	1,757,055	-57,198	3.2%
Postal Service ¹	848,353	841,002	828,052	-20,301	-2.4%
Subtotal, Executive Branch civilian personnel	2,662,606	2,592,386	2,585,107	-77,499	-2.9%
Executive branch uniformed personnel: ²					
Department of Defense	1,380,947	1,378,692	1,378,692	-2,255	-0.2%
Department of Transportation (Coast Guard)	35,716	35,934	35,132	-584	1.6%
Subtotal, uniformed military personnel	1,416,663	1,414,626	1,413,824	-2,839	-0.2%
Subtotal, Executive Branch	4,079,269	4,007,012	3,998,931	-80,338	-2.0%
Legislative Branch: ³ Total FTE ³	31,192	31,513	33,333	2,141	6.9%
Judicial branch: Total FTE	31,230	33,302	34,277	3,047	9.8%
Grand Total	4,141,691	4,071,827	4,066,541	-75,150	-1.8%

¹ Includes Postal Rate Commission.

² Military personnel on active duty. Excludes reserve components. Data shown for Department of Defense are average strengths, not FTEs.

³ Actual 2000 FTE data not available for legislative branch.

TABLE 10-4. PERSONNEL COMPENSATION AND BENEFITS
(In millions of dollars)

Description	2000 actual	Estimate		Change: 2000 to 2002	
		2001	2002	Dollars	Percent
Civilian personnel costs:					
Executive Branch (excluding Postal Service):					
Direct compensation:					
DOD—military functions	32,301	32,825	33,281	980	3.0%
All other executive branch	63,024	65,138	68,406	5,382	8.5%
Subtotal, direct compensation	95,325	97,963	101,687	6,362	6.7%
Personnel benefits:					
DOD—military functions	7,472	7,541	7,720	248	3.3%
All other executive branch ¹	24,801	26,103	27,004	2,203	8.9%
Subtotal, personnel benefits	32,273	33,644	34,724	2,451	7.6%
Subtotal, executive branch	127,598	131,607	136,411	8,813	6.9%
Postal Service:					
Direct compensation	36,981	38,274	39,032	2,051	5.5%
Personnel benefits	11,116	11,963	12,447	1,331	12.0%
Subtotal	48,097	50,237	51,479	3,382	7.0%
Legislative Branch: ²					
Direct compensation	1,375	1,454	1,554	179	13.0%
Personnel benefits	315	341	376	61	19.4%
Subtotal	1,690	1,795	1,930	240	14.2%
Judicial Branch:					
Direct compensation	1,907	2,191	2,368	461	24.2%
Personnel benefits	493	535	598	105	21.3%
Subtotal	2,400	2,726	2,966	566	23.6%
Total, civilian personnel costs	179,785	186,365	192,786	13,001	7.2%
Military personnel costs:					
DOD—Military Functions:					
Direct compensation	51,489	53,141	56,690	5,201	10.1%
Personnel benefits	18,886	19,093	20,127	1,241	6.6%
Subtotal	70,375	72,234	76,817	6,442	9.2%
All other executive branch, uniformed personnel:					
Direct compensation	1,321	1,394	1,505	184	13.9%
Personnel benefits	150	149	159	9	6.0%
Subtotal	1,471	1,543	1,664	193	13.1%
Total, military personnel costs ³	71,846	73,777	78,481	6,635	9.2%
Grand total, personnel costs	251,631	260,142	271,267	19,636	7.8%
ADDENDUM					
Former Civilian Personnel:					
Retired pay for former personnel	46,144	48,464	50,705	4,561	9.9%
Government payment for Annuitants:					
Employee health benefits	5,049	5,572	6,102	1,053	20.9%
Employee life insurance	27	32	33	6	22.2%
Total Former Civilian Personnel	51,220	54,068	56,840	5,620	11.0%
Former Military personnel:					
Retired pay for former personnel	33,556	35,025	36,128	2,572	7.7%

¹ Includes transfers from general revenues in addition to employing agency's contributions for the cost of employee benefits. The transfers amounted to \$9118 million in 2000 and are estimated to be \$9,162 million in 2001 and \$9,229 million in 2002.

² Excludes members and officers of the Senate.

³ Excludes reserve components.